

CALIFORNIA COASTAL COMMISSION

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Staff: AM-LB
Staff Report: 1/22/01
Hearing Date: Feb. 13-16, 2000
Commission Action:

Tu 15-b**STAFF REPORT: REGULAR CALENDAR****APPLICATION NUMBER:** 5-00-281**APPLICANT:** Street Retail West 4, L.P.**AGENT:** RTK Architects, Stephen Bacchetti**PROJECT LOCATION:** 1227-1236 Hermosa Avenue, City of Hermosa Beach, Los Angeles County.**PROJECT DESCRIPTION:** Change of use from 10,820 square foot theater to 10,820 square foot retail on the first floor of an existing historic building. The remaining 14,570 square feet will remain unchanged.**LOCAL APPROVAL:** City of Hermosa Beach, Approval in Concept, 7/13/2000.

Lot Area	14,032 square feet
Parking Spaces	0 onsite
Zoning	C-2
Plan Designation	General Commercial
Ht above final grade	44 feet

SUBSTANTIVE FILE DOCUMENTS:

1. Hermosa Beach Land Use Plan
2. Coastal Development Permit # 5-97-011; A1-2
3. City of Hermosa Beach Downtown Circulation and Parking Initial Study
4. The Hermosa Inn and Parking Structure Project, Draft EIR, September 1996

SUMMARY OF STAFF RECOMMENDATION

Staff is recommending that the Commission grant a coastal development permit for the proposed development with a Special Condition relating to future changes in the use of the subject property. The applicant agrees with the staff recommendation.

STAFF RECOMMENDATION OF APPROVAL:

Motion:

I move that the Commission approve CDP No. 5-00-281 pursuant to the staff recommendation.

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.

I. RESOLUTION TO APPROVE THE PERMIT:

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

II. Standard Conditions

1. **Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration.** If development has not commenced, the permit will expire two years from the date 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. Future Change in Use

Any future change in use of the subject property, including, but not limited to theater or food service use, shall require a new coastal development permit to determine whether such projects are consistent with the Commission's parking requirements.

IV. Findings and Declarations

The Commission hereby finds and declares:

A. Project Description and History

The applicant proposes to convert a theater located in a historic structure (The Bijou Theater) from theater use to retail use. Historically, a theater occupied the first floor of the two-story structure and retail and office uses occupied the second floor. The building was constructed near the turn of the century and was served by street railway and street parking so there is no parking associated with it. The building has been vacant since 1994 (except for an interval in 1998) because the City determined that the structure required rehabilitation and ordered the building closed until repairs were made. However, once the repairs are made, under the City Code, there is a right of re-occupancy: the theater can reopen as a theater. In April 1999 the City designated the structure as a historic structure under section 17.53.070 of the city's Historic Preservation Ordinance. (Sol Blumenfeld, Planning Director, personal communication) The applicant proposes to change the 10,820 square foot first-floor former theater into 10,820 square feet of retail use. The remaining 14,570 square feet will re-open as 3,240 square feet of retail space and 11,330 square feet of office space—the previous use. The applicant received a Coastal Exemption (5-00-074-X) to carry out structural and cosmetic repairs. The exemption allowed the applicant to restore the exterior façade, renovate the interior shell, remove the marquee and replace with a smaller marquee, add an entrance on 13th Street, and construct HVAC units on the roof and legal fire exits. However, the proposed change use from theater to retail use requires a Coastal Development Permit. A change in the density of use of an existing structure is defined as development in the Coastal Act. Section 30610(b) exempts many improvements to existing structures from coastal development permits, but does not exempt improvements involving a change in use.

Section 13253 (b) of the CA Code of Regulations states:

Pursuant to Public Resources Code Section 30610(b), the following classes of development require a coastal development permit because they involve a risk of adverse environmental effect, adversely affect public access, or involve a change in use contrary to the policy of Division 20 of the Public Resources Code:

(7) Any improvements to a structure which changes the intensity of use of the structure;

The proposed project is located at 1227-1236 Hermosa Avenue, approximately 300 feet from The Strand and Hermosa Beach (Exhibit #1). Across 13th Street from the subject property is a 3½-level parking structure with 300 public parking spaces (CDP 5-97-011) (Exhibit #3). The project site is also located one-half block north of Pier Avenue and the Hermosa Beach Pier, a highly popular recreational area. The pier area of Hermosa Beach consists of visitor serving facilities (restaurants, retail stores, and hotels) as well as access points to the beach. Visitors use this area to walk, bike ride, fish, and shop.

B. Public Access/Parking

Section 30211 of the Coastal Act states:

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

Section 30212.5 of the Coastal Act states:

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

Section 30252 of the Coastal Act states, in part:

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

Additionally, the Hermosa Beach Land Use Plan, which was certified by the Commission on April 21, 1982, states the following:

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

As described above, The Strand, lower Pier Avenue, and the downtown beach/pier area are popular visitor-serving destinations (Exhibit #2). The walkways provide an urban recreational experience popular throughout the Los Angeles area. The area is developed with small commercial developments, some older apartments, and some City-owned parking lots. Outside this area, the Hermosa Beach community is developed with newer single family homes and condominiums, as well as older duplexes and small cottage style homes.

Many of the older structures in Hermosa Beach do not provide adequate on-site parking. The streets in this area tend to be narrow and provide little parking, as well. At the same time, beach goers are using the streets and City lots for beach access. The result of this is an inadequate supply of private off-street parking and a competition among beach-goers, customers of commercial establishments, and the surrounding residential uses for public on-street parking. As a result, many residents and customers park on the surrounding streets and public beach lots, where there is a parking shortage, and has negatively impacted public access to the beach.

The Commission and the City have addressed the City's lack of downtown parking several times, (1) by the construction of two downtown surface lots to serve customers and beach visitors (just prior to the adoption of the Coastal Act), (2) by the development of a remote parking system to serve visitors in the late 1970's, (3) by the certification of an LUP and allowing a limited number of minor changes in intensity of development in the down town area without additional parking. Instead, developers were allowed to pay an in lieu fee toward the cost of a future public parking structure. This exception was limited to development creating the demand of no more than 100 spaces, based on the level of occupancy of the lots. (4) In 1994, the Commission certified an LUP amendment that allowed approval of up to 96,250 sq. ft of intensification and new construction of commercial development over what existed at the time, with no parking and no in lieu fee. The amount of intensification was based on a survey that showed that there was available parking to accommodate that development. The survey assumed that commercial demand was constant during the week (the City operates free beach parking five blocks inland). The Bijou Theater was considered part of the existing development in that survey, and according to the planning director was still open at the time the survey occurred. (5) On April 8, 1997, the Commission approved Coastal Development Permit #5-97-011 for a hotel and the construction of a three level parking structure on the site of one of the pre existing down town lots. As part of Permit #5-97-011 the Commission approved a four-level parking structure to provide 380 public parking spaces plus 100 spaces to support a hotel development at 1300 The Strand. This permit was later amended on July 7, 1998 that changed the parking structure to 3½-levels and reduced the number of public parking spaces to 300 while maintaining the 100 hotel spaces as previously approved. The parking spaces were allocated for a new hotel, a 7,000 square foot commercial development, additional parking within the parking structure, and replacement for the loss of street parking spaces.

Both the Environmental Impact Report for the hotel and parking structure and the City of Hermosa Beach, Downtown Circulation and Parking Study (The Study), April 9, 1996, included the Bijou Theater (the subject property). The subject property is located in Area 1 as depicted in The Study (Exhibit #3). Area 1 contains 1,089 parking spaces (without the 400-space parking lot) and Area 2 contains 363. The study found that Hermosa Beach has an adequate parking supply to accommodate peak hour demand during the off season but demand exceeds the effective supply during a busy summer Saturday night. The study found that demand did not exceed capacity, however patrons would spend too much time looking for remaining parking spaces. The study demonstrated that with the 400 space parking structure (which has since been completed) there would still be a net deficit of 254 spaces. Although the parking structure greatly alleviates pressures on parking supply, it does not fully absorb the parking deficit in the downtown section of Hermosa Beach. Even though the deficit was recognized, each survey concluded that a limited amount of development could occur with no parking. The surveys established the base for limited expansion. The Bijou Theater and its theoretical demand on the parking system were noted before calculating the additional available parking spaces to support new development.

In this context of scarce parking, the commission notes that (1) the Bijou Theater parking demand was counted during all surveys that were adopted to justify additional intensification and (2) the theater has a right of re-occupancy. The present project will reduce the theoretical demand on the downtown parking supply because a theater requires more parking than the retail and the offices that are proposed to replace it. Moreover, once the structure has converted to offices and retail, the owners will not be able to operate the structure as a theater. Therefore, the demand for down town parking will have been permanently reduced. The City of Hermosa Beach provided the following parking calculations for the project, based on the parking requirements of the certified LUP.

Table #1

Existing Use/ Parking Req.	Sq. Ft.	Required Spaces	Proposed Use/ Parking Req.	Sq. Ft.	New Spaces Req.	Net Credit
Retail (1/250)	2,966	12	Retail (1/250)	2,966	12	0
Theater (1/50)	10,938	219	Retail (1/250)	10,938	44	175
Office (1/250)	11,266	45	Office (1/250)	11,266	45	0
Mezzanine (1/250)	665	3	Mezzanine (1/250)	665	3	0
Total Parking						175

Based on the City's parking requirements, the total parking demand for the subject site if it were open would be 279 spaces. This demand is consistent with the parking requirements based on the Commission's parking ratios. The 279 spaces for the existing

site have been accounted for in the City's parking and circulation study. Table #1 compares the parking demand of the former permitted uses and the demand of the new uses. The staff concludes that the proposed project decreases the potential demand by 175 spaces. As proposed, the project will decrease the total amount of parking demand in the downtown area. The proposed project creates less of a demand on the overall downtown parking supply than would a rehabilitation of the building without a change in intensity of use. However, the Commission notes that the project is, in effect, abandonment of the right to reoccupy because if at any time in the future an owner determines that a theater should occupy the site, a coastal development permit will be required.

Special Condition #1 is therefore required to ensure and make the permittee aware that any future change in use of the subject property requires a new coastal development permit. This will allow the Commission to determine whether such a project is consistent with the applicable parking requirements within the Hermosa Beach down town parking area. Therefore, the proposed project is consistent with the public access and parking requirements of the Coastal Act and because this project is identified as "grandfather" in the down town polices that address down town parking, the project is also consistent with the Commission certified Hermosa Beach Land Use Plan.

C. Historic Resources

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.

In 1999, the City of Hermosa Beach designated the subject property (the Bijou Theater) as an historic structure. Preservation of the historic structure protects the community character of the down town area in Hermosa Beach. The development is consistent with the City requirements and the goals of the City in designating the structure a historic building. The proposed project provides a reasonable and economic reuse of the structure without altering its historic characteristics. Therefore, the project is consistent with Section 30252 of the Coastal Act to preserve the character of special communities.

C. Local Coastal Program

Section 30604(a) of the Coastal Act provides that the Commission shall issue a coastal development permit only if the project will not prejudice the ability of the local government having jurisdiction to prepare a Local Coastal Program which conforms with Chapter 3 policies of the Coastal Act:

- (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 (commencing with Section 30200). A denial of a Coastal Development Permit on grounds it would prejudice the ability of the local government to prepare a Local Coastal Program that is in conformity with the provisions of Chapter 3 (commencing with Section 30200) shall be accompanied by a specific finding which sets forth the basis for such conclusion.

On August 20, 1981 the Commission staff denied the City of Hermosa Beach Land Use Plan (LUP) as submitted and certified it with suggested modifications on April 21, 1982. The modifications were accepted and the LUP is fully certified. The City has prepared a final draft of its zoning and implementation ordinances (LIP) and submitted a revision to their LUP. Since the Commission has not certified the Hermosa Beach LCP, the standard of review for development in Hermosa Beach is still the Coastal Act.

The proposed development is consistent with the public access, recreation, and community character policies of Chapter Three of the Coastal Act. The proposed development addresses the LUP's concern with respect to the scale of development and the preservation of street parking for public use. The development is consistent with the parking management, density, and land use provisions of the certified LUP and its proposed revisions. Therefore, the Commission finds that approval of the proposed development will not prejudice the City's ability to prepare a Local Coastal Program consistent with the policies of Chapter 3 of the Coastal Act, as required by Section 30604(a).

D. California Environmental Quality Act

Section 13096 Title 14 of the California Code of Regulations requires Commission approval of a coastal development permit application 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 that the activity may have on the environment.

The proposed project has been found consistent with the Chapter 3 policies of the Coastal Act. All adverse impacts have been minimized and there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact that the activity may have on the environment. Therefore,

the Commission finds that the proposed project can be found consistent with the requirements of the Coastal Act to conform to CEQA.

End/am

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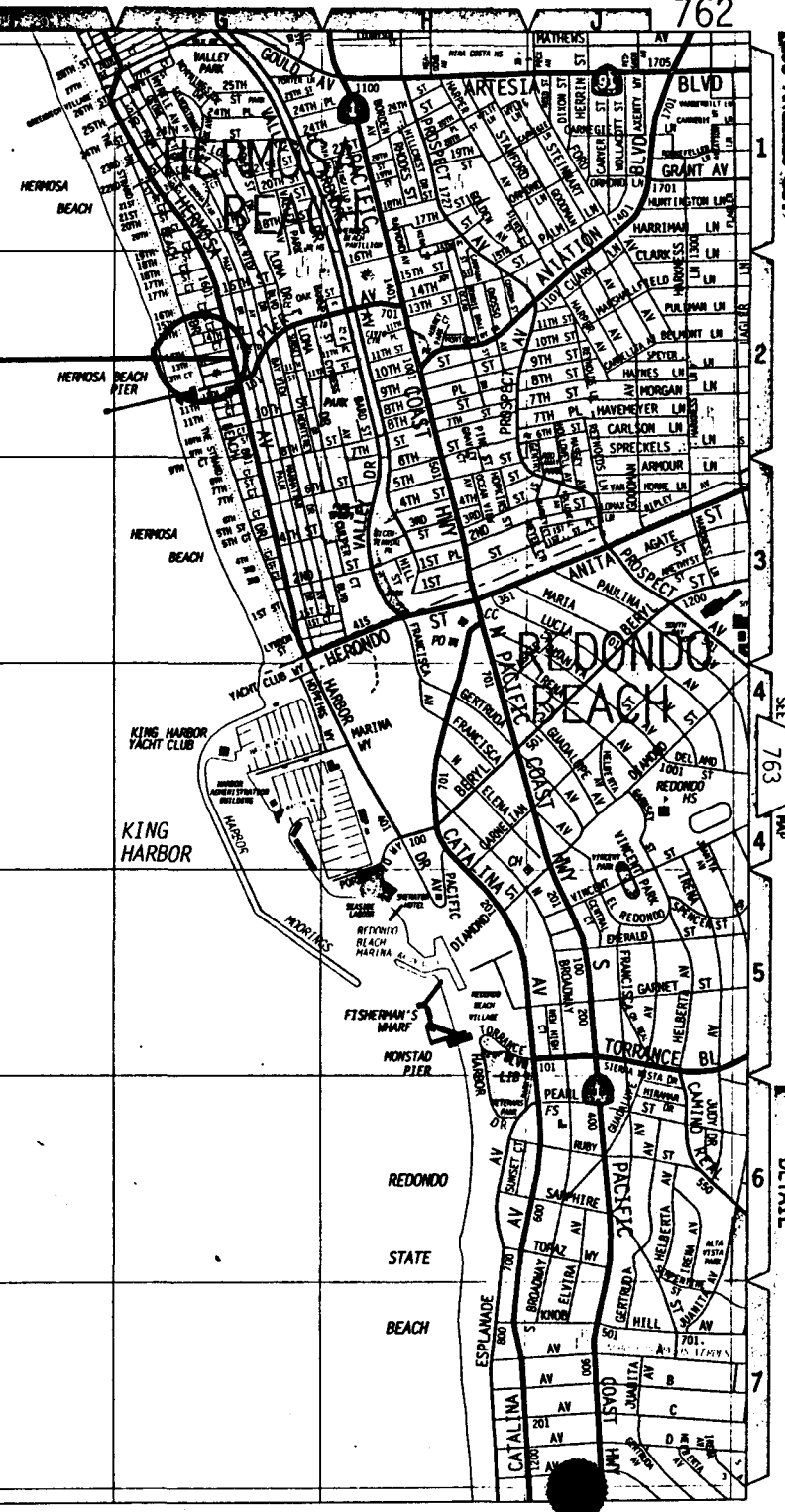
Site

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EXHIBIT # 1
PAGE 1 OF 1



PACIFIC

45th St.

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Length of
The Strand

PACIFIC

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EXHIBIT #

2

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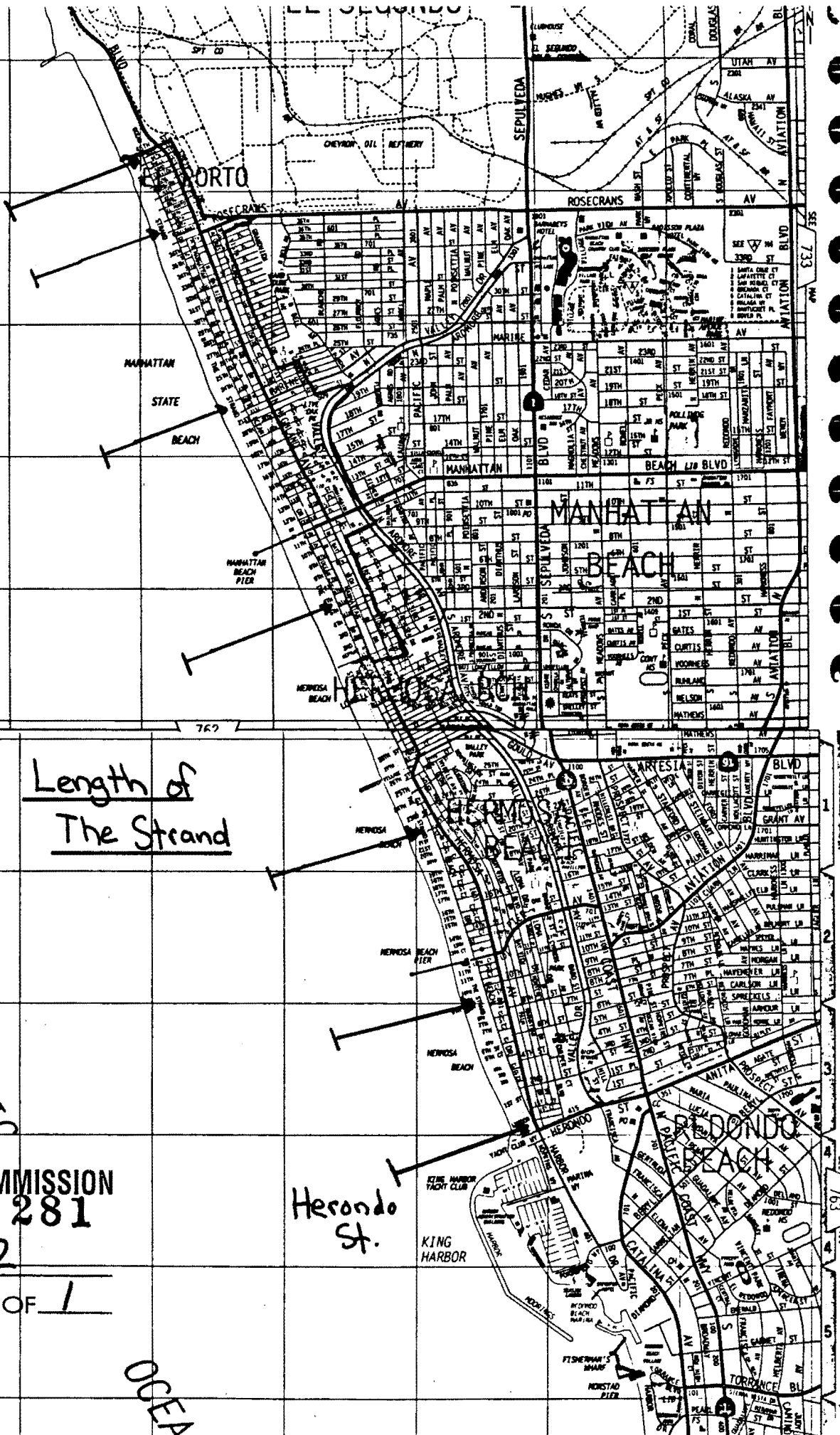
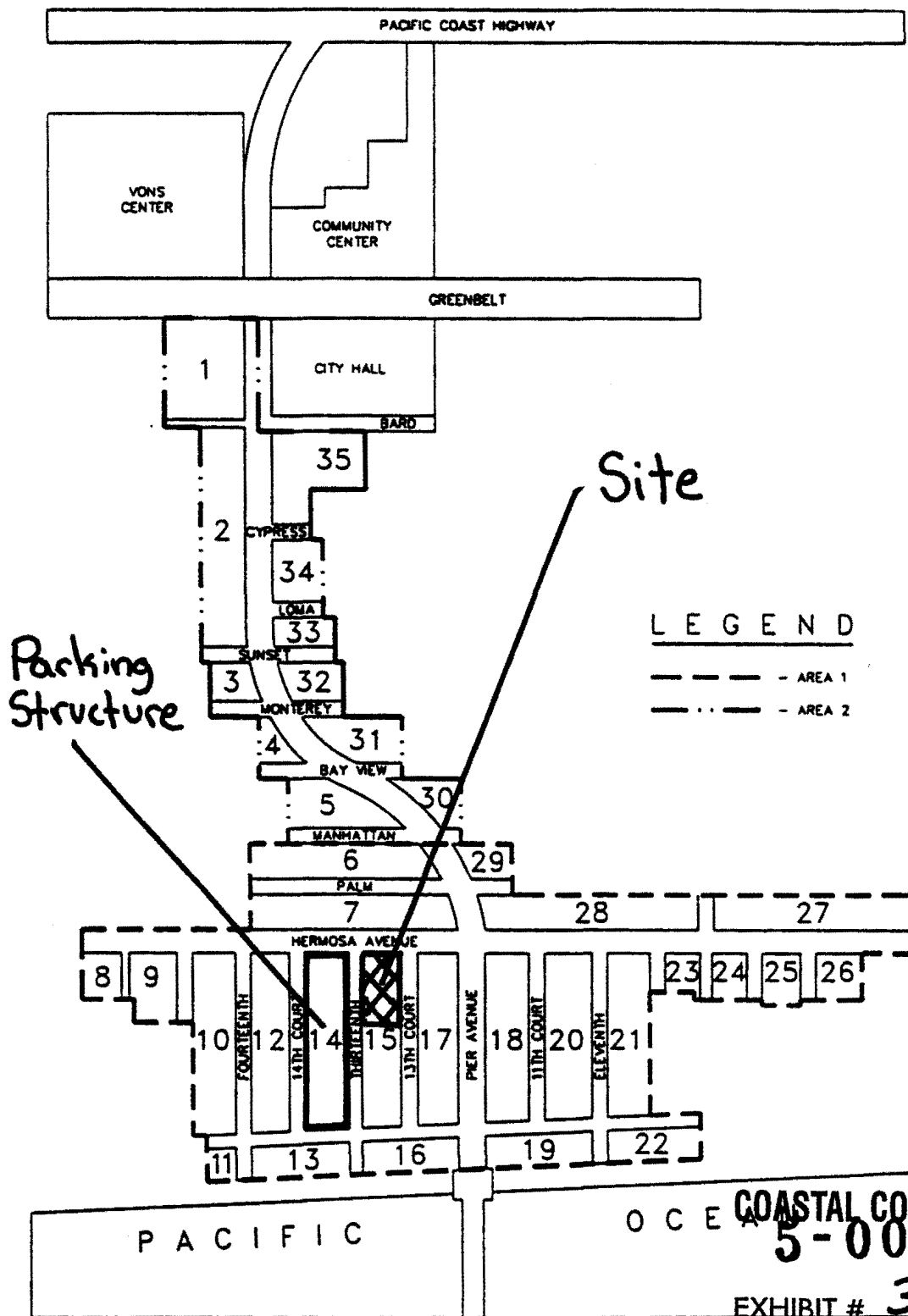


Figure 1: Map of Study Area



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5-00-281

EXHIBIT # 3

PAGE ____ OF ____