

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA

7000 METROPOLITAN DRIVE, SUITE 103

SAN DIEGO, CA 92108-4402

767-2370



July 18, 2001

RECORD PACKET COPY**Tue 9e****TO: COMMISSIONERS AND INTERESTED PERSONS****FROM: DEBORAH LEE, SOUTH COAST DEPUTY DIRECTOR
SHERILYN SARB, DISTRICT MANAGER, SAN DIEGO AREA OFFICE
DIANA LILLY, COASTAL PROGRAM ANALYST, SAN DIEGO AREA OFFICE****SUBJECT: STAFF RECOMMENDATION ON CITY OF CORONADO MAJOR
AMENDMENT 1-2001(A) (HOTEL/MOTEL SPECIAL USE PERMIT)****SYNOPSIS****SUMMARY OF AMENDMENT REQUEST**

The submittal consists of an amendment to the certified Land Use Plan that addresses the expansion of existing hotel/motel facilities in areas designated for retail and office uses. Currently, the City's LUP designates hotel/motel uses as "permitted uses" that may be enlarged, reconstructed, or structurally altered consistent with the scale, height, and bulk requirements of the surrounding zone. No local discretionary permits are currently required for such expansions.

The proposed amendment would revise the LUP to state that 1) these nonconforming motels and hotels would continue to be allowed to be reconstructed without a discretionary permit so long as the replacement project does not expand the prior structure or use nonconformities; and 2) that enlarging, reconstructing or increasing the intensity of use of nonconforming hotels and motels such that additional off-street parking is required, could only be permitted through issuance of a Major Special Use Permit. Such hotel/motel enlargements would have to comply with both the requirements of the Hotel-Motel Zone and the zoning requirements of the underlying zone concerning height, setback, structural coverage, landscaping, floor area ratio, façade treatment, off-street parking and design review regulations.

SUMMARY OF STAFF RECOMMENDATION

Staff is recommending denial of the Land Use Plan amendment as submitted, then approval with suggested modifications. The proposed changes would add a level of discretionary review which triggers the need for a coastal development permit, and would increase the opportunity for public participation in the review of hotel and motel projects. However, since the City does not have an abundance of visitor-serving overnight accommodations, and the amendment increases the regulatory burden on projects involving the expansion of existing hotels and motels (high priority uses under the

Coastal Act), it is important that the City's LUP contain clear policy language that ensures the proposed amendment not be interpreted or implemented in such a way that the expansion of hotels and motels is discouraged. Therefore, staff is recommending that language be added to the Recreation and Visitor Serving Facilities section of the LUP that states that the provision of new low-cost visitor accommodations and the expansion of existing accommodations is encouraged.

The appropriate resolutions and motions begin on page 3. The suggested modifications begin on page 4. The findings for denial of the Land Use Plan Amendment as submitted and approval if modified begin on page 5.

ADDITIONAL INFORMATION

Further information on the City of Coronado LCP amendment 1-2001(A) may be obtained from Sherilyn Sarb, at (619) 767-2370.

PART I. OVERVIEW

A. LCP HISTORY

On June 23, 1981, the City of Coronado's Land Use Plan was deemed effectively certified, following the incorporation of modifications suggested in the Coastal Commission's March 13, 1981 action. Those modifications pertained to the Shoreline Access, Recreation and Visitor-Serving Facilities, Visual Resources and Special Communities, Public Works and Locating and Planning New Development components of the City's Land Use Plan. The Implementation Plan was certified with suggested modifications of September 28, 1983. The suggested modifications addressed exemptions from coastal permit requirements, definitions of several terms, procedures for recordation of documents, and minor corrections to the Coastal Permit Ordinance. The ordinances were amended and the City assumed permit authority on January 11, 1984. There have been a number of amendments to the Land Use Plan and Implementing Ordinances since that time.

B. STANDARD OF REVIEW

The standard of review for land use plans, or their amendments, is found in Section 30512 of the Coastal Act. This section requires the Commission to certify an LUP or LUP amendment if it finds that it meets the requirements of Chapter 3 of the Coastal Act. Specifically, it states:

Section 30512

(c) The Commission shall certify a land use plan, or any amendments thereto, if it finds that a land use plan meets the requirements of, and is in conformity with, the policies of Chapter 3 (commencing with Section 30200). Except as provided in paragraph (1) of subdivision (a), a decision to certify shall require a majority vote of the appointed membership of the Commission.

C. PUBLIC PARTICIPATION

The City has held Planning Commission and City Council meetings with regard to the subject amendment request. All of those local hearings were duly noticed to the public. Notice of the subject amendment has been distributed to all known interested parties.

PART II. LOCAL COASTAL PROGRAM SUBMITTAL - RESOLUTIONS

Following a public hearing, staff recommends the Commission adopt the following resolutions and findings. The appropriate motion to introduce the resolution and a staff recommendation are provided just prior to each resolution.

I. MOTION: *I move that the Commission certify Land Use Plan Amendment 1-2001(A) for the City of Coronado as submitted.*

STAFF RECOMMENDATION OF DENIAL OF CERTIFICATION:

Staff recommends a **NO** vote on the motion. Failure of this motion will result in denial of the land use plan amendment as submitted and adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the appointed Commissioners.

RESOLUTION TO DENY CERTIFICATION OF LAND USE PLAN AMENDMENT AS SUBMITTED:

The Commission hereby denies certification of the Land Use Plan Amendment for the City of Coronado as submitted and finds for the reasons discussed below that the submitted Land Use Plan Amendment fails to meet the requirements of and does not conform to the policies of Chapter 3 of the California Coastal Act. Certification of the plan would not comply with the California Environmental Quality Act because there are feasible alternatives or mitigation measures that would substantially lessen any significant adverse impact which the Land Use Plan Amendment may have on the environment.

- II. **MOTION:** *I move that the Commission certify Land Use Plan Amendment 1-2001(A) for the City of Coronado as submitted if modified in accordance with the suggested changes set forth in the staff report.*

STAFF RECOMMENDATION: CERTIFICATION IF MODIFIED AS SUGGESTED:

Staff recommends a **YES** vote on the motion. Passage of the motion will result in certification with suggested modifications of the submitted land use plan amendment and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the appointed Commissioners.

RESOLUTION TO CERTIFY SUBMITTED LAND USE PLAN AMENDMENT IF MODIFIED AS SUGGESTED:

The Commission hereby certifies the Land Use Plan Amendment 1-2000(A) for the City of Coronado if modified as suggested and adopts the findings set forth below on the grounds that the Land Use Plan amendment with suggested modifications will meet the requirements of and be in conformity with the policies of Chapter 3 of the Coastal Act. Certification of the plan if modified as suggested below 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 plan on the environment, or 2) there are no further feasible alternatives or mitigation measures which could substantially lessen any significant adverse impact which the Land Use Plan Amendment may have on the environment.

PART III. SUGGESTED MODIFICATIONS

Staff recommends the following suggested revisions to the proposed Land Use Plan be adopted. The underlined sections represent language that the Commission suggests be added, and the ~~struck-out~~ sections represent language that the Commission suggests be deleted from the language as originally submitted.

1. Item B.2 of Section III of the City's Land Use Plan shall be revised as follows:

III. ADOPTED POLICY

It is the policy of the City of Coronado to:

[...]

B. RECREATION AND VISTOR SERVING FACILITIES

[...]

2. Maintain the quality and number of existing visitor accommodations at or above their present levels, and encourage the provision of new low-cost visitor accommodations and the expansion of existing low-cost visitor accommodations.

PART IV. FINDINGS FOR DENIAL OF CERTIFICATION OF THE CITY OF CORONADO LAND USE PLAN AMENDMENT 1-2001(A), AS SUBMITTED, AND APPROVAL IF MODIFIED

A. AMENDMENT DESCRIPTION

The existing LUP has the following policy regarding the expansion of existing hotel and motel facilities:

B. RECREATION AND VISITOR SERVING FACILITIES

[...]

7. That existing hotel/motel facilities in areas designated for residential and commercial (retail and office) uses shall be considered permitted uses to continue on the existing sites and shall be allowed to enlarge, extend, reconstruct, or structurally alter such uses consistent with maintaining the scale, height, and bulk requirements of the surrounding zone.

The proposed amendment would replace the above policy with the following:

Nonconforming Hotels and Motels.

- A. Existing structures and uses of nonconforming motels and hotels shall be allowed to be reconstructed and retain existing nonconformities so long as the replacement project does not expand the prior structural or use nonconformities.

B. Existing structures and uses of nonconforming motels and hotels shall not be enlarged, extended, reconstructed, structurally altered, or increased in the intensity of use such as to require additional off-street parking without a Major Special Use Permit allowing such enlargement, extension, reconstruction, alteration, or increase in the intensity of use. Subsequent enlargements or other structural changes shall comply with the requirements of the Hotel-Motel Zone, except that such construction shall comply with the zoning requirements of the underlying zone concerning height, setback, structural coverage, landscaping, floor area ratio, façade treatment, off-street parking and design review regulations.

Thus, the amendment would require the discretionary review, through a Major Special Use Permit, of proposals to expand existing non-conforming motels and hotels that involve an enlargement, or change in intensity that would require additional off-street parking. However, the standards applicable to such expansions would be essentially the same—that is, the expansion must meet the requirements of the underlying zone regarding height, parking, bulk and scale, etc. Because the certified LCP exempts development not requiring any local discretionary review from coastal development permit requirements, the amendment would result in the requirement that these types of hotel/motel expansions obtain a coastal development permit, as well as a Major Special Use Permit.

Reconstruction of existing hotels and motels that did not involve an expansion of the structure or use nonconformities as outlined in Section "A" or increase the intensity of use so as to require additional off-street parking as outlined in Section "B", would continue to be exempt from local discretionary review and coastal development permit requirements.

B. CONFORMANCE WITH SECTION 30001.5 OF THE COASTAL ACT

The Commission finds, pursuant to Section 30512.2(b) of the Coastal Act, that portions of the Land Use Plan as set forth in the preceding resolutions, are not in conformance with the policies and requirements of Chapter 3 of the Coastal Act to the extent necessary to achieve the basic state goals specified in Section 30001.5 of the Coastal Act which states:

The legislature further finds and declares that the basic goals of the state for the Coastal Zone are to:

- a) Protect, maintain and, where feasible, enhance and restore the overall quality of the coastal zone environment and its natural and manmade resources.
- b) Assure orderly, balanced utilization and conservation of coastal zone resources taking into account the social and economic needs of the people of the state.

c) Maximize public access to and along the coast and maximize public recreational opportunities in the coastal zone consistent with sound resource conservation principles and constitutionally protected rights or private property owners.

(d) Assure priority for coastal-dependent and coastal-related development over other development on the coast.

(e) Encourage state and local initiatives and cooperation in preparing procedures to implement coordinated planning and development for mutually beneficial uses, including educational uses, in the coastal zone.

C. CHAPTER 3 CONSISTENCY

1. Visitor-Serving Accommodations. The following Chapter 3 policies apply to the proposed amendment, and state, in part:

Section 30213.

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

Section 30221.

Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.

Section 30222.

The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

Findings for Denial

As described above, the proposed amendment would alter the local review requirements for expansions of motels and hotels in areas designated for residential and retail commercial uses. Currently, such hotels and motels are specifically designated as "permitted uses" and are allowed to be enlarged, extended, reconstructed, or structurally altered consistent with maintaining the scale, height, and bulk requirements of the surrounding zone.

The amendment would remove the language identifying these nonconforming uses as "permitted uses" and require that projects involving enlarging, extending, reconstructing,

structurally altering, or increased in the intensity of use such as to require additional off-street parking for the hotel/motel obtain a Major Special Use permit (and thus, a coastal development permit). The amendment does not substantially change the standards applicable to these expansions. Although the proposed amendment language adds specificity and detail, the basic requirement that hotel/motel expansions must conform to the zoning requirements of the underlying use would remain the same.

In general, the requirement for greater discretionary review and a coastal development permit for a hotel/motel expansions will increase the City's ability to regulate such development consistent with the certified LCP. However, there is a scarcity of low-cost, overnight visitor-serving accommodations in the City of Coronado. An increase in lower-cost facilities is more likely to result from the expansion of existing hotel/motel facilities than the construction of new facilities. Thus, the Commission is concerned that the proposed amendment not be interpreted (or implemented) in such a way as to discourage or place obstacles in the way of hotel/motel expansions. Removing the "permitted uses" designations for hotels and motels in residential and commercial areas could suggest that these uses should be deterred from expanding, even when the use is otherwise compatible with the surrounding community and zoning requirements.

Therefore, in this particular case, the Commission finds that without the addition of language that makes it clear that the provision of high-priority overnight visitor-accommodations is encouraged, the amendment cannot be found consistent with the visitor-serving policies of the Coastal Act.

Findings for Approval if Modified

The Coastal Act requires that lands suitable for visitor-serving commercial recreational have priority over private residential, general industrial, or general commercial development. The LCP should ensure that visitor accommodations, particularly low-cost facilities are specifically encouraged, whether through the provision of new facilities, or the expansion of existing facilities.

Suggested Modification #1 adds policy language to the LUP that states that the City encourages the provision of new low-cost visitor accommodations and the expansion of existing low-cost visitor accommodations. The proposed amendment will result in the requirement that hotel/motel expansions obtain a coastal development permit, whereas currently, such projects are not reviewed for consistency with the certified LCP. Thus, as modified, the Commission can be assured that applications for hotel/motel expansions will be reviewed in light of LUP policies that expressly encourage low-cost visitor-serving facilities, consistent with the Coastal Act. Therefore, the additional discretionary review required by the proposed amendment should not have the effect of discouraging or reducing the provision of visitor-accommodations in the City of Coronado. Only as modified can the plan can be found consistent with the visitor-serving policies of Chapter 3 of the Coastal Act.

**PART VI. CONSISTENCY WITH THE CALIFORNIA ENVIRONMENTAL
QUALITY ACT (CEQA)**

Section 21080.5 of the California Environmental Quality Act (CEQA) exempts local government from the requirement of preparing an environmental impact report (EIR) in connection with its local coastal program. Instead, the CEQA responsibilities are assigned to the Coastal Commission and the Commission's LCP review and approval program has been found by the Resources Agency to be functionally equivalent to the EIR process. Thus, under CEQA Section 21080.5, the Commission is relieved of the responsibility to prepare an EIR for each LCP.

Nevertheless, the Commission is required in an LCP submittal or, as in this case, an LCP amendment submittal, to find that the LCP, or LCP, as amended, does conform with CEQA provisions. As discussed above, as modified, the amendment can be found fully consistent with the visitor-serving policies of the Coastal Act. No impacts to coastal resources are anticipated. There are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which certification of the LCP, as modified, may have on the environment.

RESOLUTION NO. 7768

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF CORONADO, CALIFORNIA,
TO AMEND THE LOCAL COASTAL PROGRAM
LAND USE PLAN ACTION PROGRAM ITEM B-7
ADDRESSING THE REGULATION OF CERTAIN
NONCONFORMING HOTELS OR MOTELS

WHEREAS, the City of Coronado has adopted a General Plan and a Local Coastal Program (LCP);

WHEREAS, the City of Coronado has determined to amend its Local Coastal Program Land Use Plan Action Program Item B-7 to clarify that the Major Special Use Permit review process is required for the approval of the enlargement, extension, reconstruction or structural alteration of hotels or motels nonconforming in regard to use for their existing zoning;

WHEREAS, the Coronado City Council and Planning Commission have determined in public hearings that these amendments under review are consistent with the policies and goals of the Coronado Local Coastal Program and the Coronado General Plan; and

WHEREAS, said public hearings were duly noticed as required by law and all persons desiring to be heard were heard at said hearings.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Coronado, California, that the City of Coronado Local Coastal Program Land Use Plan Action Program Item B-7 is amended to read as follows and requests California Coastal Commission Certification of this amendment:

Exhibit #1
City of Coronado
LCPA 1-2001(A)
Resolution

Resolution

Page 2

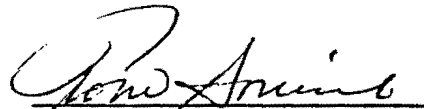
Nonconforming Hotels and Motels.

A. Existing structures and uses of nonconforming motels and hotels shall be allowed to be reconstructed and retain existing nonconformities so long as the replacement project does not expand the prior structural or use nonconformities.

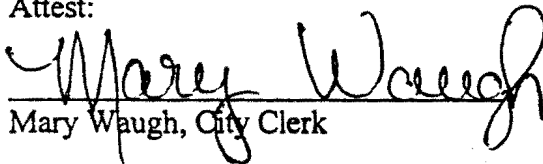
B. Existing structures and uses of nonconforming motels and hotels shall not be enlarged, extended, reconstructed, structurally altered, or increased in the intensity of use such as to require additional off-street parking without a Major Special Use Permit allowing such enlargement, extension, reconstruction, alteration, or increase in the intensity of use. Subsequent enlargements or other structural changes shall comply with the requirements of the Hotel-Motel Zone, except that such construction shall comply with the zoning requirements of the underlying zone concerning height, setback, structural coverage, landscaping, floor area ratio, façade treatment, off-street parking and design review regulations.

PASSED AND ADOPTED by the City Council of the City of Coronado, California, this 17 day of April, 2001, by the following vote, to wit:

AYES: MARKS, MONROE, SCHMIDT, WILSON AND MAYOR SMISEK
NAYS: NONE
ABSENT: NONE
ABSTAIN: NONE


Tom Smisek, Mayor of the
City of Coronado, California

Attest:


Mary Waugh, City Clerk

