CALIFORNIA COASTAL COMMISSION



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Filed: 49th Day: 180th Day: Staff: Staff Report: Hearing Date: 9/11/02 10/30/02 3/10/03 AJP-LB 10/9/02 11/5-8/02



STAFF REPORT: REGULAR CALENDAR

APPLICATION NUMBER: 5-02-314

APPLICANT: Calstar Equities, Inc.

AGENT: Christopher M. Harding & Kenneth L. Kutcher

PROJECT LOCATION: 2012-2024 and 2021-2029 Main Street, Santa Monica

PROJECT DESCRIPTION: Construction of two mixed-use residential and commercial projects on two separate parcels and a lot merger to combine five lots into one single parcel (Parcel 1) and two lots into a second single parcel (Parcel 2). Development includes, Parcel 1: Demolition of a vacant restaurant/specialty market and construction of a 135,045 square foot, four-story, 35 foot high building with ground floor commercial uses along Main Street, 107 residential apartment units above, and 290 subterranean parking spaces, on a 45,152 square foot parcel; Parcel 2: Demolition of a surface parking lot and construction of a 34,679 square foot, three-story, 27 foot high building with ground floor commercial uses along Main Street, 26 residential apartment units above, and 87 subterranean parking spaces, on a 18,000 square foot parcel.

	Parcel 1	Parcel 2
Building Coverage:	44,876 sq ft	1 <u>3,650 sq</u> ft
Pavement Coverage:	none	1,200 sq ft
Landscape Coverage:	5,004 sq ft	3,150 sq ft
Parking Spaces:	290	87
Ht above final grade:	35 ft	27 ft

LOCAL APPROVALS RECEIVED: City of Santa Monica Approval in Concept, Development Review Permit 99-013, 00-002, Conditional Use Permit 01-016, 01-017, and Vesting Tentative Parcel map 25566.

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 participation in a parking, car pool and transit incentive program; parking signage, water quality mitigation; and recordation of a deed restriction against the property, referencing all of the Standard and Special Conditions contained in this staff report.

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SUBSTANTIVE FILE DOCUMENTS: Santa Monica certified Land Use Plan; Vesting Tentative Parcel map No. 25566.

STAFF RECOMMENDATION:

The staff recommends that the Commission adopt the following resolution:

I. MOTION, STAFF RECOMMENDATION AND RESOLUTION FOR 5-02-314:

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

<u>MOTION</u>: I move that the Commission approve Coastal Development Permit #5-02-314 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. <u>Notice of Receipt and Acknowledgment.</u> 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. <u>Expiration.</u> 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. <u>Interpretation</u>. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
- 4. <u>Assignment.</u> 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. <u>Terms and Conditions Run with the Land.</u> 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. Parking, Car Pool and Transit Incentive Program

A. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall provide for review and approval by the Executive Director, a parking, carpool and transit incentive program as follows:

(1) The applicant shall actively encourage employee participation in a Transportation Ride Sharing.

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

(3) The applicant shall provide a bicycle parking area, free of charge, on the property.

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

B. The permittee shall undertake the development in accordance with the approved program. Any proposed changes to the approved program shall be reported to the Executive Director. No changes to the program shall occur without a Coastal Commission approved amendment to this coastal development permit unless the Executive Director determines that no amendment is required.

2. Public Parking

The on-site parking provided by the project shall be open for public parking during the hours when the public beach parking lots are open, which includes weekdays, weekends, and holidays. If a fee is charged, rates shall not exceed that charged at the public beach parking lots. €,

3. Public Signage

PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant will submit, for the review and written approval of the Executive Director, a signage plan showing the size, wording and location of signs. The signage shall be located in conspicuous locations along the Main Street frontage, informing the public of the availability and location of the public parking.

The permittee shall undertake the development in accordance with the approved plans. Any proposed changes to the approved plans shall be reported to the Executive Director. No changes to the plans shall occur without a Coastal Commission approved amendment to this coastal development permit unless the Executive Director determines that no ame: dment is required.

4. Dewatering of Groundwater

PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall provide, for the review and approval by the Executive Director, a written agreement providing that any required dewatering of the site due to groundwater intrusion, or percolating surface water, during construction or post-construction will require filters to be installed on all dewatering pumps and sump pumps. Such dewatering shall comply with the State of California Regional Water Quality Control Board or the Sanitary District discharge requirements.

5. 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.

6. <u>Deed Restriction</u>

PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall submit to the Executive Director for review and approval documentation demonstrating that the applicant has executed and recorded against the parcel(s) governed by this permit a deed restriction, in a form and content acceptable to the Executive Director: (1) indicating that, pursuant to this permit, the California Coastal Commission has authorized development on the subject property, subject to terms and conditions that restrict the use and enjoyment of that property; and (2) imposing the

Special Conditions of this permit as covenants, conditions and restrictions on the use and enjoyment of the Property. The deed restriction shall include a legal description of the entire parcel or parcels governed by this permit. The deed restriction shall also indicate that, in the event of an extinguishment or termination of the deed restriction for any reason, the terms and conditions of this permit shall continue to restrict the use and enjoyment of the subject property so long as either this permit or the development it authorizes, or any part, modification, or amendment thereof, remains in existence on or with respect to the subject property.

IV. FINDINGS AND DECLARATIONS:

The Commission hereby finds and declares:

A. Project Description and Location

The applicant proposes to construct two mixed-use residential and commercial projects on two separate noncontiguous parcels. Parcel 1, consisting of approximately 45,152 square feet, will include the demolition of a vacant restaurant/specialty market and construction of a 135,045 square foot, four-story, 35-foot high building with ground floor commercial uses along Main Street, 107 residential apartment units, and 290 subterranean parking spaces. Parcel 2, consisting of approximately 18,000 square feet, will include the demolition of a surface parking lot and construction of a 34,679 square foot, three-story, 27-foot high building with ground floor commercial uses along Main Street, 26 residential apartment units, and 87 subterranean parking spaces.

The project also includes a subdivision to merge five lots on Parcel No. 1 (West Project) into a single parcel, and two lots on Parcel No. 2 (East Project) into a single parcel (Vesting Tentative Parcel map No. 25566). The two separate parcels are separated by Main Street (see Exhibit No. 2).

Both projects are located in the north part of Main Street, immediately north of Bicknell, in the City's Main Street Commercial area. Parcel No. 1 is located on the west side of Main Street and consists of 5 adjoining lots comprising a total of 49,880 square feet. The property encompasses an entire City block and is fronted on four sides by Main Street to the east, Bay Street to the north, Bicknell Avenue to the south, and Neilson Way to the west. The property is currently developed with a vacant 12, 687 square foot building that was formerly the Pioneer Boulangerie bakery and restaurant, and surface parking.

Parcel No. 2 is located on the east side of Main Street, immediately across Main Street from Parcel No.1 site. Parcel No. 2 consists of two (2) adjoining lots, comprising a total of 18,000 square feet. This property is a corner parcel with frontage on Main Street and Bicknell Avenue. The subject site was formerly a surface parking lot serving the bakery.

The project area has a mix of residential, commercial, institutional, and public uses. Land uses surrounding Parcel No. 1 (West Project) site include a surface parking lot (site of

Parcel No. 2) and one-story commercial buildings across Main Street to the east; a twostory hotel and a three-and-a-half-story multi-family residential building to the west across Neilson Way; one to three-story commercial and residential uses to the north along the west side of Main Street and across Bay Street; one and two-story commercial and residential uses to the south across Bicknell Avenue; and a restaurant to the south across Bicknell Avenue.

Land uses surrounding the proposed Parcel No. 2 (East Project) site include one to threestory commercial and residential uses to the north along the east side of Main Street and across Bay Street; one to three-story commercial and residential uses to the south across Bicknell Avenue; and one to three-story residential uses to the east.

B. <u>Development</u>

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 proposed project is located on Main Street in the City of Santa Monica. Main Street has evolved over the years from small scale neighborhood serving retail uses to trendy restaurants, art galleries, specialty-retail establishments and offices over ground floor retail. The City's certified LUP states that:

Main Street is the closest commercially zoned area to the South Beach area, and has evolved during the past two decades from a commercial street of low-intensity development to a specialty shopping and visitor serving area. There has been a marked increase in the number of restaurants, art galleries, antique, and specialtyretail establishments, and traffic. Most of this activity is concentrated south of Ocean Park Boulevard. Recent development north of Ocean Park Boulevard includes offices over ground floor retail, furniture and accessory showrooms, gymnasiums and dance studios, and some restaurants...

Policy #116 of the LUP states:

In conformance with the Zoning Ordinance provisions, Main Street shall provide neighborhood commercial uses along with visitor serving retail uses. New development which significantly impacts coastal access or other coastal resources in an adverse way shall not be allowed. Residential uses may be allowed in mixeduse development provided that no portion of the residential use is located on he ground floor fronting Main Street.

Policy #117 of the LUP states:

Development on Main Street shall comply with the CM2, CM3, and CM4 District Standards.

The proposed project will consist of two separate mixed-use projects consisting of residential and visitor-serving commercial on the ground floor fronting Main Street. The ground floor development will consist of approximately 11,549 square feet of commercial space for the development on Parcel No.1 and 6,533 square feet on Parcel 2.

North Main Street is generally characterized by one and two story developments with a few three-story buildings. The proposed projects have been designed to be compatible with the development in the surrounding area. The development on Parcel No.1 (West Project), which is zoned CM3 (Main Street Commercial) will have a maximum height of 35 feet consistent with the maximum 35 foot height limit allowed under CM3 zoning. The building on Parcel 2 (East Project), which is zoned CM2 (Main Street Commercial) will be 27 feet, consistent with the maximum 27 foot height allowed under the City's CM2 zoning.

Because of the large size of the parcels the two proposed separate buildings have been articulated to break up the massing of the building to conform to the pattern of surrounding development and have been designed with increased setbacks. Further, the building on Parcel 1, which is proposed at 35 feet high, has been designed with stepbacks to further reduce the massing.

The proposed height, bulk and location of the project will not have an adverse impact on coastal views or scenic resources. The proposed project is located approximately two blocks from the Santa Monica beach and because of the project's location and existing development between the project site and the ocean, the proposed buildings will not interfere with any public coastal views or scenic resources.

The Commission, therefore, finds that the proposed project will be compatible with the character and scale of the surrounding uses and with Sections 30250 and 30251of the Coastal Act.

C. <u>Coastal Access</u>

The Commission has consistently found that a direct relationship exists between the provision of adequate parking and the availability of public access to the coast. Section 30211 of the Coastal Act states that:

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

Section 30252 of the Coastal Act requires that new development should maintain and enhance public access to the coast by providing adequate parking facilities. 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 or providing substitute means of serving the development with public transportation. . .

Therefore, in order to conform to the requirements of the Coastal Act, the proposed project must provide adequate support parking in order not to negatively impact parking for coastal access. On Parcel 1 (West Project) the applicant is proposing a three-level subterranean parking garage consisting of 290 parking spaces. Vehicular access is provided from the driveway entrance on Bicknell Avenue mid-block between Main Street and Neilson Way. No vehicular access will be provided from Main Street, Neilson Way or Bay Street. The parking gate would be recessed approximately 125 feet into the structure to allow for internal queuing of up to seven cars before reaching the parking attendant booth within the structure. Based on the City's approval, and as required by the City's Zoning Code, parking within the garage will segregate the residential parking spaces from the commercial parking spaces to allow for full separate and secure access to residential parking spaces 24 hours per day.

Parking for Parcel No. 2 (East Project) is provided on-site in a proposed two-level subterranean parking garage containing 87 parking spaces. Vehicular access is provided from a driveway entrance on Bicknell Avenue approximately 130 feet north of Main Street. No vehicular access would be provided from Main Street. Based on the City's approval, and as required by the City's Zoning Code, parking within the garage will segregate the residential parking spaces from the commercial parking spaces to allow for full separate and secure access to residential parking spaces 24 hours per day. An interior gate would control access to the residential spaces located on the lower levels of the parking garage. The driveway gate would be recessed approximately 100 feet into the property to allow for internal queuing of up to five cars per lane.

The Commission's parking standard for general retail use is 1 parking space per 225 square feet. For residential use, the Commission has required 2 parking spaces per residential unit, plus 1 space per 7 units for guest parking. Based on the Commission's parking standards, the development on Parcel No. 1 (West Project), which consists of 107

residential units and 11,549 square feet or retail space, will require 229 parking spaces for the residential portion and 52 spaces for the retail, for a total of 281 parking spaces. The development on Parcel No. 1 will provide a minimum of 229 parking spaces for residential use and a minimum of 52 parking spaces for retail. A total of 290 parking spaces, 9 spaces in excess of the 281 required by Commission standards, will be provided (At this time the applicant has not decided how the 9 extra spaces will be allocated). Therefore, the parking proposed for the development on Parcel No. 1 is adequate to meet the demand based on Commission parking standards.

For the development on Parcel No. 2 (East Project), which consists of 26 residential units and 6,533 square feet of retail use, will require 56 parking spaces for the residential use and 29 spaces for the retail use, for a total of 85 spaces. The project on Parcel No. 2 will provide 56 parking spaces for residential use and 29 parking spaces for retail, for a total of 85 parking spaces. Therefore, the parking proposed is adequate to meet the demand based on Commission parking standards.

However, because of the density of the proposed project and close proximity to the beach and beach parking areas, traffic generated by the development could have an adverse impact on public beach access. Impacts could be caused by increased traffic congestion that could deter the public from coming to the area, and from increased on-street parking demand from residents and visitors, employees, and customers that elect to park off-site. To mitigate potential access impacts the City's Land Use Plan Policy #16 requires that parking facilities, of commercial, office, and mixed-use developments that provide 10 or more parking spaces, shall be made available to the general public when the business is not in operation. This increases the availability of public parking and reduces the impact that projects have on beach access due to increase traffic and parking demands. Because the commercial use will be visitor serving retail, parking will be available to the general public during the operating hours of the businesses. However, the applicant has not proposed specific operating hours and availability of the parking. Because of the projects' locations, the parking could be a valuable reservoir of public parking, especially during the weekends and holidays, if the businesses are closed and the parking is not used. Therefore, it is necessary to require the parking to be available to the general public after business hours during regular beach parking lot hours. Furthermore, to ensure that the public is aware of the location and availability of the parking the applicant shall provide signage along Main Street and at the entrance to the parking garage directing the public to the parking area. The applicant shall submit a signage plan, for the review and approval of the Executive Director, showing the location, size and wording to be used.

To further mitigate access and traffic impacts, the Commission, in past coastal development permit action, has required that commercial businesses participate in a parking and transit incentive program, which encourages use in ride sharing, alternative and mass transit. The applicant has agreed to participate in a parking, car pool and transit incentive program. To ensure that all future owners are aware of these requirements, it is necessary to require that the applicant record a deed restriction referencing all of the standard and special conditions contained in this staff report. The Commission, therefore, finds that only as conditioned will the project not adversely impact coastal access and will

be consistent with Section 30211 and 30252 of the Coastal Act and with the applicable policies of the City's certified LUP.

D. <u>Control of Polluted Runoff</u>

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 longterm 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 and other hardscape. The City, to mitigate potential impacts for all development, 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. The City's Best Management Practices are designed to treat, infiltrate or filter the amount of stormwater runoff up to the 85% percentile for a 24 hour storm event. 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.

However, the proposed project involves a significant amount of excavation. A potential water quality problem can come from excavation for the underground parking garage. Based on test borings, groundwater was found at depths of 40 feet below grade. The



proposed subterranean structure is proposed at a depth of approximately 33 feet below grade. As proposed, the EIR states that the depth of construction will not adversely impact the groundwater. However, although the structure will be above the level of the groundwater, future groundwater levels may rise above the base of the structure during construction and require dewatering. In addition, groundwater and/or percolating surface water may collect in the bottom of the parking structure after construction. To ensure that the dewatering does not adversely impact water quality by introducing sediments or other contaminants into coastal waters, via the storm drain, a special condition is necessary requiring the applicant to provide the installation of filters on all dewatering pumps and sump pumps. Therefore, only as conditioned will the proposed project be consistent with past Commission action with regards to water quality requirements and minimize water quality impacts. To ensure that the development complies with the City requirements, a special condition is necessary that requires the applicant to agree to comply with the water quality requirements of the City. 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.

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).

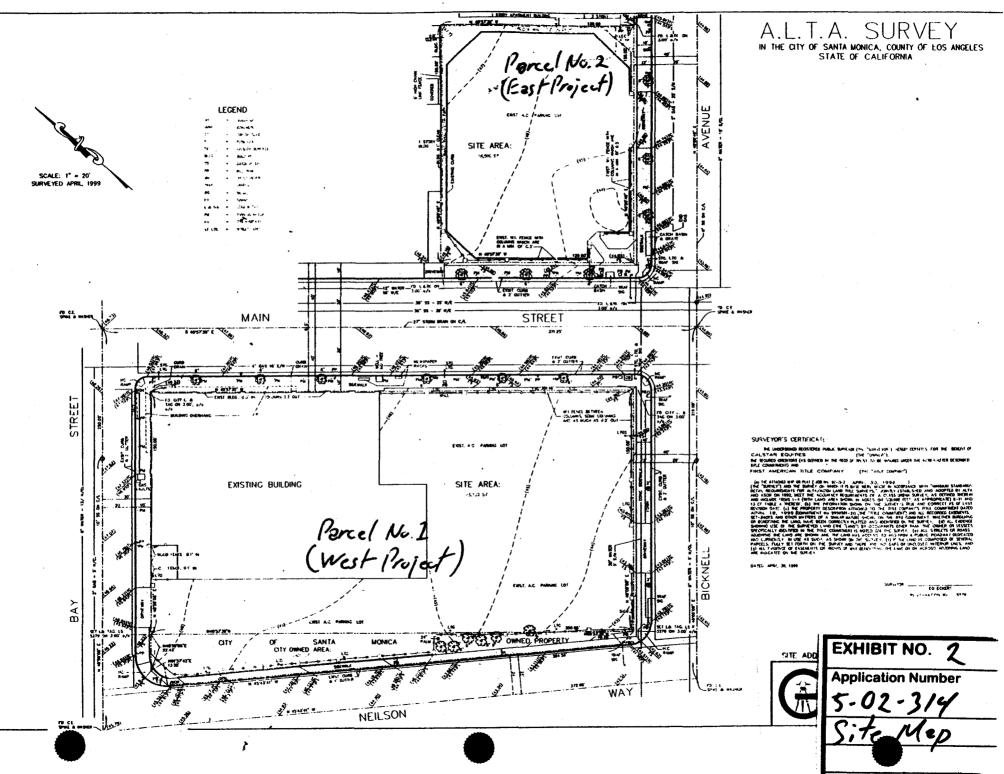
F. California Environmental Quality Act

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

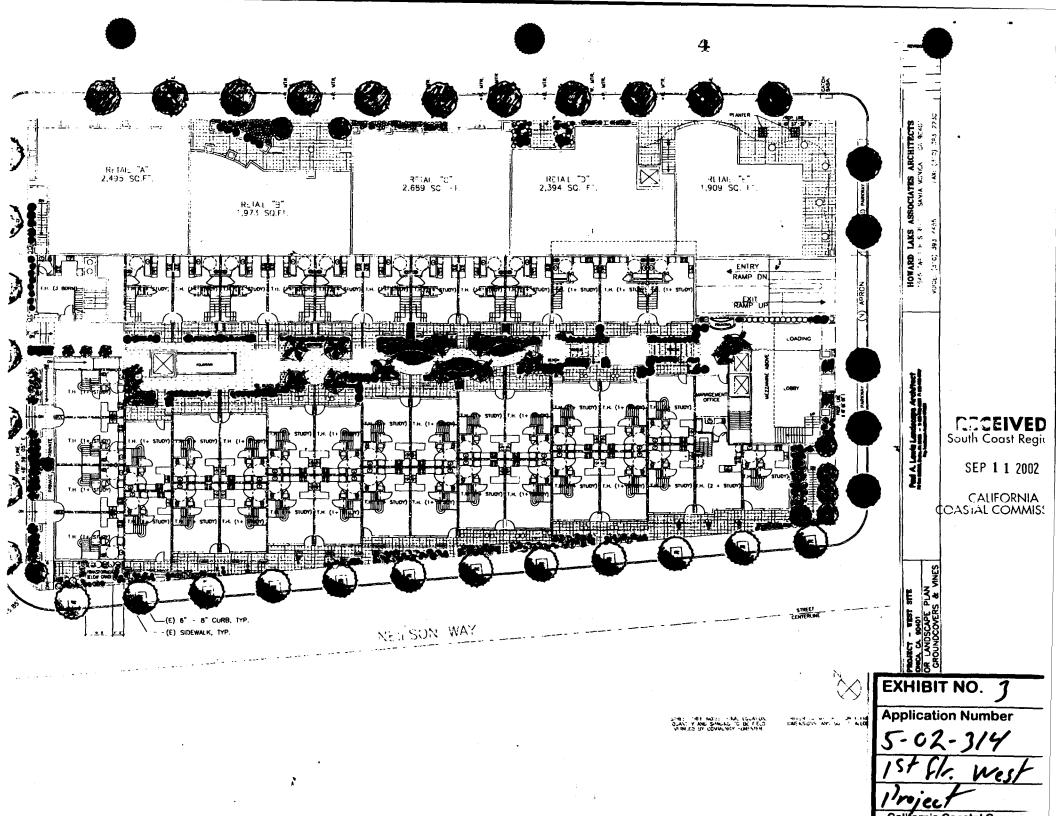
21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment.

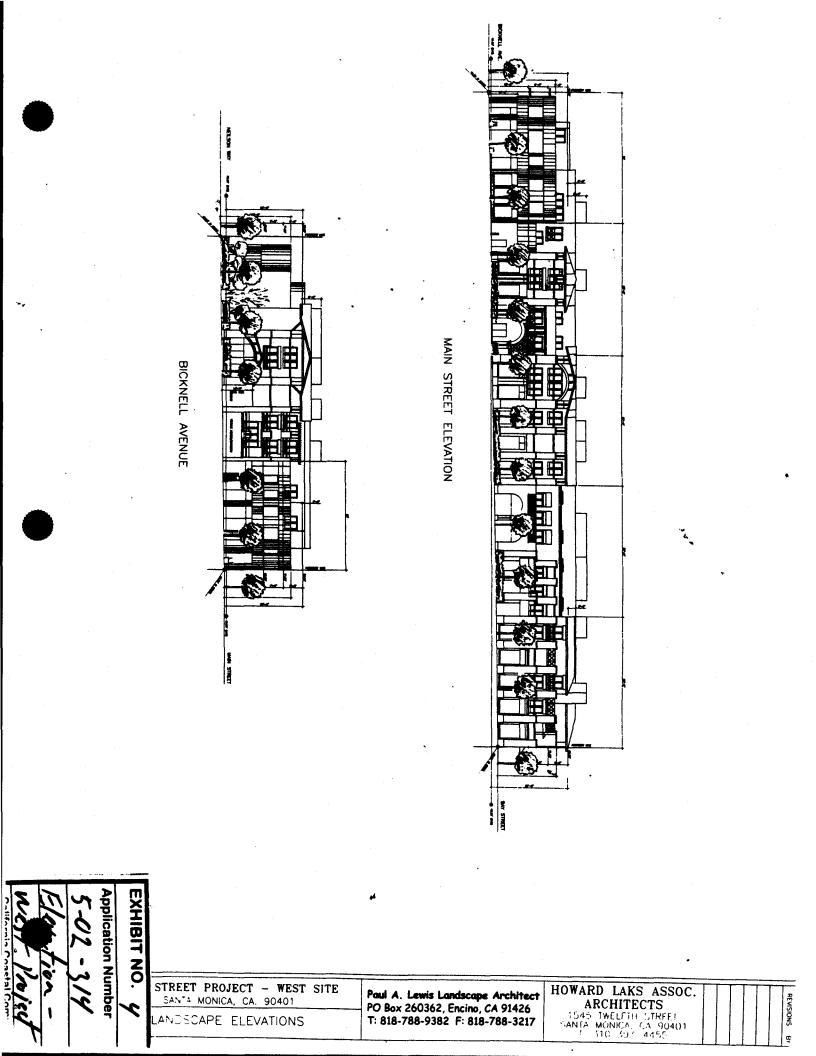
As conditioned, all potential adverse impacts have been adequately mitigated. There are no feasible alternatives or mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment. Therefore, the proposed project is found consistent with CEQA and the policies of the Coastal Act.

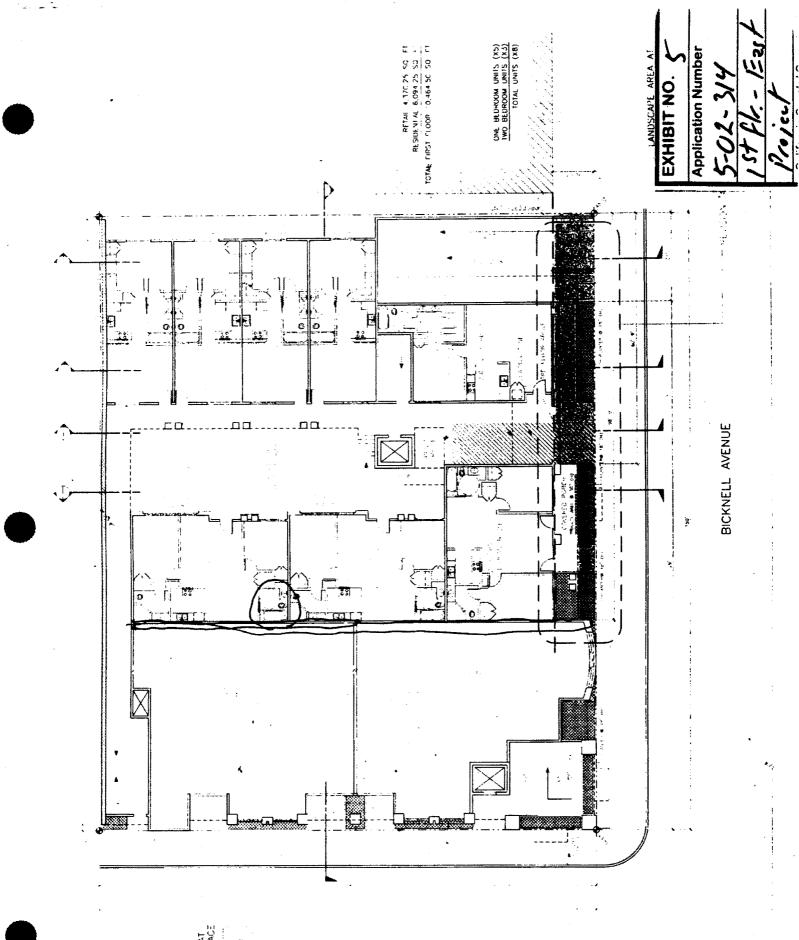




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