CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE 725 FRONT STREET, SUITE 300 SANTA CRUZ, CA 95060 (831) 427-4863

W3a



RECORD PACKET COPY

Filed:	10/21/03
180-day:	04/18/03
Staff:	MJW
Staff report:	11/20/03
Hearing date:	12/10/03

COASTAL DEVELOPMENT PERMIT APPLICATION

Application number	3-03-084 Tescher
Applicant	Chris Tescher
Project location	Southwest corner of Ocean Avenue and Carmelo Street, Carmel, Monterey County (BLOCK S, LOTS 1, 3, and 5; APN 010-267-001) (See Exhibit A)
Project description	Demolition of an existing 2,824 square foot hotel, lot line adjustment, and construction of two single-family residences –each approximately 2,460 square feet in size. (See Exhibit B)
Local approval	<u>City of Carmel-by-the-Sea</u> : DS 03-55, DS 03-56, RE 03-10, UP 03-20.
File documents	City of Carmel-By-The-Sea approved Land Use Plan and uncertified Zoning Ordinance; Categorical Exclusion Order E-77-13; City of Carmel Community Building and Planning Department Staff Report (07/09/03).

Staff recommendation ... Approve

Summary: The project site is 12,000 square feet in size and is comprised of three 4,000 square foot lots of record, located on the southwest corner of Ocean Avenue and Carmelo Street, three blocks inland from the beach. The Applicant proposes to demolish an existing 4 room hotel approximately 4,675 square feet in size, adjust the existing lot-lines to create two 6,000 square foot lots, and construct two single family residences approximately 2,460 square feet (with garage) in the City of Carmel-by-the-Sea. The proposed project received design review approval from the City in July 2003 and was submitted for Commission consideration in August 2003.

The project involves demolition of an older Carmel structure that has seen many revisions/modifications. Originally constructed as a single family residence in 1921, a series of additions in the early 1960's expanded the structure to its current size and it was converted to a visitor-serving hotel. As a result of those changes, the structure no longer retains its original physical integrity and thus, cannot be considered historic. The applicant has also provided evidence that the lost visitor-serving accommodations will be transferred to another hotel that is currently under expansion in the village.

The proposed replacement homes will be constructed at the maximum floor area density allowed for single family residences on 6,000 square foot lots and are consistent with the City's standards for overall



height, setbacks, and volume. The residences make use of natural materials such as wood shake and stone exteriors and wood windows, and are Craftsman-like in their architectural expression. The architecture is modern, yet uncomplicated and can generally be considered consistent with the character with the existing residences in the neighborhood. Structural coverage is approximately 37% of the site area and there is adequate room for the design of storm water retention devices and forest resources. The applicant has submitted a drainage plan to handle storm water runoff on-site and a landscape plan that includes planting Monterey pine and coast live oak. All existing significant trees will remain.

Staff is therefore recommending that the project be approved as proposed, as it is consistent with the Chapter 3 policies of the Coastal Act.

Staff Report Contents

I. Staff Recommendation on CDP Application	2
II. Conditions of Approval	3
A. Standard Conditions	3
III. Recommended Findings and Declarations	3
A. Standard of Review	
B. Project Location and Description	4
C. Issue Discussion	
1. Community Character	5
2. Water Quality	7
3. Local Coastal Programs	
4. California Environmental Quality Act (CEQA)	

IV. Exhibits

Exhibit A: Location Map Exhibit B: Parcel Map Exhibit C: Site Plans Exhibit D: Elevations

I. Staff Recommendation on CDP Application

The staff recommends that the Commission, after public hearing, **approve** a coastal development permit for the proposed development subject to the standard conditions below.

Motion. I move that the Commission approve Coastal Development Permit No. 3-03-084 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 Coastal Development 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. Conditions of Approval

A.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 on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
- **3.** Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
- 4. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
- 5. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the Permittee to bind all future owners and possessors of the subject property to the terms and conditions.

III. Recommended Findings and Declarations

The Commission finds and declares as follows:



A. Standard of Review

The City of Carmel-by-the-Sea is located entirely within the coastal zone but does not yet have a certified LCP. The Commission recently certified a Land Use Plan (LUP) but has yet to take action on an Implementation Plan (IP). The City formally adopted the Commission's suggested modifications to the LUP on June 3, 2003 and thus, only the IP remains uncertified. Nevertheless, until the IP is certified, the Commission retains coastal permitting authority over development within the City, for which the standard of review is the Coastal Act of 1976. The adopted LUP provides policy guidance, and staff has referred to the LUP during its evaluation of this project. However, the main issues raised by the proposed project are reviewed for consistency with Chapter 3 of the Coastal Act.

The Commission has authorized a broad-ranging categorical exclusion within the City of Carmel (Categorical Exclusion E-77-13) that excludes from coastal permitting requirements most types of development not located along the beach and beach frontage of the City. The proposed development, however, is not excluded under Categorical Exclusion E-77-13 because it involves demolition.

B. Project Location and Description

The project site is 12,000 square feet in size and is comprised of three 4,000 square foot lots of record. It is located on the southwest corner of Ocean Avenue and Carmelo Street, approximately three blocks inland from the beach. The site has an approximately 4,675 square foot two story hotel and detached garage occupying all three lots, with the greatest intensity of use occurring on the northern third of the lot. The hotel has four visitor-serving rooms. According to the historic evaluation report, the existing structure was originally constructed in 1921 as a single-family residence. The building was substantially expanded/redesigned in 1964 into the current existing hotel. The building plans on file with the City illustrate a progression of alterations and changes over time. As a result of these changes, the structure no longer retains its original physical integrity and thus, the property cannot be considered a historic resource.

The applicant proposes to demolish the existing hotel, adjust the existing lot-lines to create two 6,000 square foot lots of record, and construct two single-family residences. On the newly created first lot, adjacent to Ocean Avenue [Lot 1 & North ½ Lot 3], the replacement home will be a two story, 2,253 square foot residence constructed with a mixture of plaster and Carmel stone. A matching, detached guesthouse, approximately 207 square feet will also be constructed. The replacement house on the newly created second parcel [South ½ Lot 3 and Lot 5] is a two story residence with 2,460 square feet of living space, a wood shake exterior with a moderately pitched wood shake roof, exposed rafter tails, and wood windows. The existing non-structural coverage will be removed and replaced with non-structural coverage, on both sites, up to the limits allowed by the City's zoning.



C. Issue Discussion

1. Community Character

While residential development in most of Carmel is excluded from the requirement for a coastal development permit by virtue of Commission Categorical Exclusion E-77-13, in general, demolitions. Because the City of Carmel does not have a certified LCP, the Coastal Commission must issue the coastal development permit. The main issue raised by demolition and remodel projects in Carmel is the preservation of community character. Section 30253 of the Coastal Act addresses the issue of preserving the community character of special communities such as Carmel:

30253(5): New development shall where appropriate, protect special communities and neighborhoods which, because of their unique characteristics, are popular visitor destination points for recreational uses.

Demolition of existing residential buildings in Carmel is not a recent phenomenon. However, a series of demolitions in the recent past have engendered controversy over whether or not an existing house represents the historical, architectural, and environmental character of Carmel; and if a replacement house detracts from Carmel's character because of a modern design, tree removal, proposed house size, or other characteristics. There are a number of examples where a house or houses were demolished and a single, much larger house constructed on the site. In other instances, a single house straddling a lot line has been demolished and two new, smaller houses were constructed. In either of these types of instances, the character of Carmel may or may not be preserved. The size of a house is one aspect of Carmel's character, but not all existing houses in Carmel are small. However, because the lots are almost all relatively small, about 4000 square feet, the general pattern of development is one of smaller houses.

Another aspect of Carmel's character is the pine and oak dominated landscape. Although the forest landscape is not all natural – there has been enhancement over the years by tree planting – it pervades the City and is a defining characteristic of Carmel. Demolition can result in tree damage and/or removal. New construction after demolition also may result in the loss of trees, especially if a new structure is built out to the maximum allowed by the zoning.

Carmel is also a very popular visitor destination as much for the style, scale, and rich history of its residential, commercial, and civic architecture, as for its renowned shopping area, forest canopy and white sand beach. The City is considered a "special community" under the Coastal Act due to its unique architectural and visual character. It is often stated that Carmel, along with such other special coastal communities as the town of Mendocino, is one of the special communities for which Coastal Act Section 30253(5) was written. Indeed, Carmel has been, and remains today, a spectacular coastal resource known the world over as an outstanding visitor destination as much for the character of its storied architecture, as for its renowned shopping area and white sand beach. In part, Carmel is made special by the character of development within City limits as various architectural styles present reflect the historical influences that have existed over time.



Analysis. The parcels are currently developed with a visitor-serving hotel originally constructed in the early 1920's. As a result of its age, the structure was eligible for consideration as a historic resource, though it was not listed on the current or any former historic resource surveys or lists. The original building permit and plans on file with City show a much smaller residence than currently existing on the site. A series of changes and additions in 1964 and again in 1969 have altered the shape and size of the original residence. The provided historic evaluation concludes that the structure no longer retains its original physical integrity and does not meet any of the criteria for determining significance under either the California Register of Historical Resources (CRHR) or the themes identified in the City's Historic Context Statement. As such, the existing hotel cannot be considered historic.

In the past, the Commission expressed concern that demolitions were facilitating construction of replacement home structures that were much larger in size, scale, height, etc. The primary basis for this concern was the effects these changes would have on community character. Carmel is world-renown for its small cottages. In this instance, the applicant is proposing to demolish a roughly 4,675 square foot two-story hotel that occupies 3 legal lots of record $[3 \times 4,000 \text{sf} = 12,000 \text{sf}]$. The applicant also proposes to adjust the lot lines to create two lots of record $[2 \times 6,000 \text{sf} = 12,000 \text{sf}]$ and construct 2 large two-story homes. Most of the existing structural development is limited to the two existing lots closest to Ocean Avenue, the existing lot furthest from Ocean Avenue has very little development. Thus, construction of a 2,460 square foot residence and guesthouse on the newly created 6,000 square foot lot closest to Ocean Avenue is similar in size and scale to what is currently occupying the property. On the other hand, construction of the second 2,460 square foot residence on the southerly lot, also 6,000 square feet in size, will be a substantial departure from the existing site condition. Structural site coverage will increase from 670 square feet to 2,196 square feet and massing will likewise be much greater. Though there will be a noticeable change in the size and scale of development occupying the new site, the replacement structure is within the City approved limits for square footage and volume. The footprint of new house will occupy only 37% of the lot -with a significant portion of the site available for the design of on-site drainage controls and forest regeneration.

As noted, the existing structure provides 4 visitor-serving accommodations [rooms]. The applicant's proposal would demolish these recreational opportunities in favor of residential development. The City's certified LUP allows for redevelopment of older visitor serving units in the R-1 district as long as the City maintains the same ratio of V-S accommodations to residential homes. Currently, the City of Carmel-by-the-Sea provides an adequate number of visitor serving opportunities or roughly 1 visitor-serving unit per residence. The demolition of the existing hotel [four rooms] will not change this ratio. The applicant has provided documentation demonstrating that the loss in visitor serving rooms will be transferred to or offset by another hotel in the City which currently expanding. Thus, the proposed demolition will not result in a significant adverse effect on visitor serving accommodations.

The City's Design Traditions Project identified Carmel's eclectic architecture as a defining element of its character. Carmel is distinctly recognized for its small well-crafted cottages, informal streetscapes, and architectural diversity. The City's adopted LUP policies require that all residential designs maintain the City's enduring principals of modesty and simplicity and preserve the City's tradition of simple homes



7

nestled in the forest. These policies likewise recommend limiting the number of roof planes and require restraint in the use of offsets and appendages. The proposed replacement structures are somewhat less restrained in their architectural expression and design, however, they are nonetheless consistent with the typical modern architectural character exhibited throughout the City.

Although the existing structure appears from the outside to be in good condition and the site is attractive, the proposed project will not adversely affect the unique characteristics that make Carmel a special community. The parcel is currently developed with a visitor-serving dwelling and all utilities are connected to the existing structure on this site. Parcels on either side of the subject parcel are developed with single-family dwellings at urban densities. There are adequate public services for the proposed new homes and parking is adequate. Neither the demolition nor the new construction would adversely or significantly affect any significant public view or any other coastal resources. All existing trees will remain. The area is developed at urban densities and with urban services in an area able to accommodate the replacement of the existing hotel with two single-family residences. Therefore, the demolition of the existing structure, lot line adjustment, and construction of two new residences is consistent with Coastal Act Sections 30251 and 30253(5).

2. Water Quality

Section 30231 of the Coastal Act requires, in part, that the biological productivity of coastal waters be maintained and enhanced by controlling storm water runoff. Carmel-by-the-Sea lies within and at the bottom of the Carmel River watershed. Runoff from the City flows into Carmel Bay, which is designated both as an Area of Special Biological Significance (ASBS) in the California Ocean Plan, and as a California Fish and Game Ecological Reserve. It is also part of the Monterey Bay National Marine Sanctuary. An ASBS is an area designated by the State Water Resources Control Board that requires special protection of species or biological communities that could be impacted by water quality degradation. Carmel Beach and the shoreline is also a highly popular public recreation area. Maintaining and restoring water quality throughout the Carmel River watershed, and in this case, Carmel's urban landscape, is necessary to protect these sensitive coastal resources.

The City's certified LUP contains policies that generally require all new development to incorporate site design controls to reduce the generation of pollutants and minimize site disturbance of natural drainage conditions. In addition, all new development is required to implement simple infiltration techniques throughout drainage areas to efficiently manage storm water, infiltrate runoff into the soil, retain runoff for slower release, and convey runoff slowly through vegetation. In this specific case, the existing residences do not have any rain gutters, downspouts, or other method of design for conveying rain water to the earth, rainwater is simply allowed to sheet off the roof and onto the lot. Without knowing the specifics of the existing condition (e.g., sand condition, depth, presence of clay, water pressure created by the slope and height of the roof, etc.), it is difficult to know whether this system is adequate to handle the amount of storm water runoff created by the increase in impervious coverage. To address this, a drainage plan has been submitted with the application identifying a combination of surface and subsurface drainage mechanisms to handle runoff created onsite. Water that does not naturally percolate



into the sandy soil will be directed towards catch basins on the surface that convey runoff via drain pipe to a percolation area at the rear of the lot. The Commission's water quality team has reviewed the plans and concurs that the drainage systems will be adequate to handle the amount of storm water runoff created by the increase in impervious surfaces and promote infiltration on-site prior to conveyance onto Carmelo Street or Ocean Avenue.

Thus, the Commission finds that the proposed project and drainage plan will minimize erosion, aid in filtering pollutants, nurture the forest landscape, and generally preserve the quality of coastal waters and is therefore consistent with section 30231 of the Coastal Act.

3. Local Coastal Programs

The Commission can take no action that would prejudice the options available to the City in preparing a Local Coastal Program that conforms to the provisions of Chapter 3 of the Coastal Act (Section 30604 of the Coastal Act). As described previously, the City is currently working on a new LCP submittal (both LUP and IP), funded in part by an LCP completion grant awarded by the Commission. The Commission has approved the City's LUP and work on the IP has commenced.

The Coastal Act provides specific guidance for issuance of coastal development permits in cases where the local jurisdiction does not have a certified LCP. Section 30604(a) of the Coastal Act states:

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 Chapter 3 (commencing with Section 30200) 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 Chapter 3 (commencing with Section 30200).

The City is currently in the middle of a community planning process to determine, among other things, the specific development standards that will be incorporated in its upcoming IP submittal. The Commission has approved the City's Land Use Plan and staff has referred to its policies for guidance on the proposed development. Nevertheless, the Coastal Act remains the standard of review and staff has had to use its best professional judgment to assess the individual and cumulative effect that projects such as this will have on the community character of Carmel.

As described previously, to implement community character protection requirements of the Coastal Act, the Commission evaluates projects and measures a project's impact on coastal resources across a number of variables. These changes are also evaluated in the overall context of changes in community character. Because the more specific features that define Carmel's character, as well as their significance, has yet to be decided, it is important to focus on measures of significant change to community character so that the completion of an LCP consistent with the Coastal Act is not prejudiced. One such criterion is whether the development will result in an increase in impervious surfaces, involve the demolition of notable or historic buildings or result in the removal of significant trees or vegetation. Each of these factors must be evaluated separately and together as a whole. As discussed above, the proposed demolition does not



involve a historic resource. The rebuild is consistent with the size and volume standards for singlefamily residences on 6,000 square foot lots, and will not affect any trees or other coastal resources (i.e., water quality).

Additionally, the proposed project will not otherwise impact public access or view opportunities available to the coast. Therefore, the Commission finds that the proposed project is consistent with Coastal Act Policy 30604(a) in that approval of the project has been found consistent with the Chapter 3 policies of the Coastal Act and will not prejudice development of the LCP in conformance with Chapter 3 policies of the Coastal Act.

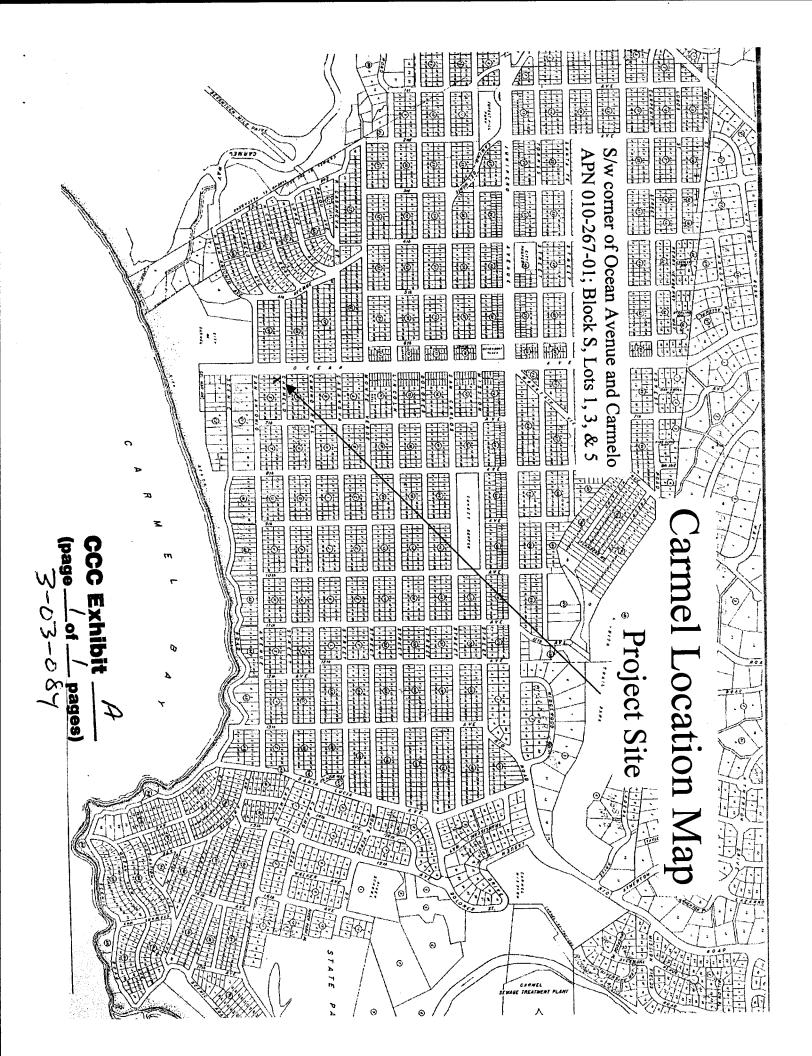
4. California Environmental Quality Act (CEQA)

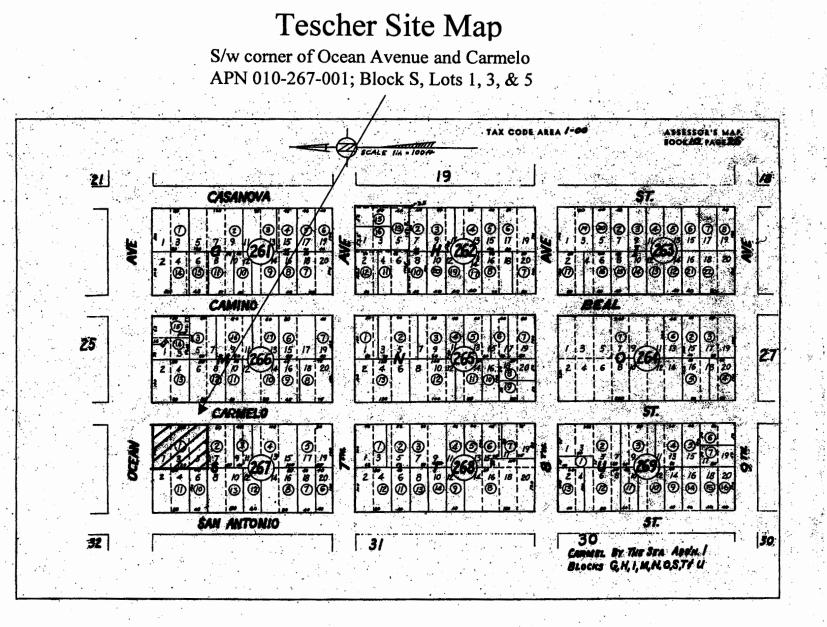
Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with coastal development permit applications showing the application to be consistent with any applicable requirements of CEQA. Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment.

The Coastal Commission's review and analysis of land use proposals has been certified by the Secretary of Resources as being the functional equivalent of environmental review under CEQA. The findings, incorporated by reference herein have discussed the relevant coastal resource issues with the proposal. Accordingly, the project is being approved without special conditions or the need to implement mitigating actions required of the Applicant by the Commission. All public comments received relevant to this application have been addressed either in these findings or in other correspondence. As such, the Commission finds that the proposed project will not have any significant adverse effects on the environment within the meaning of CEQA.

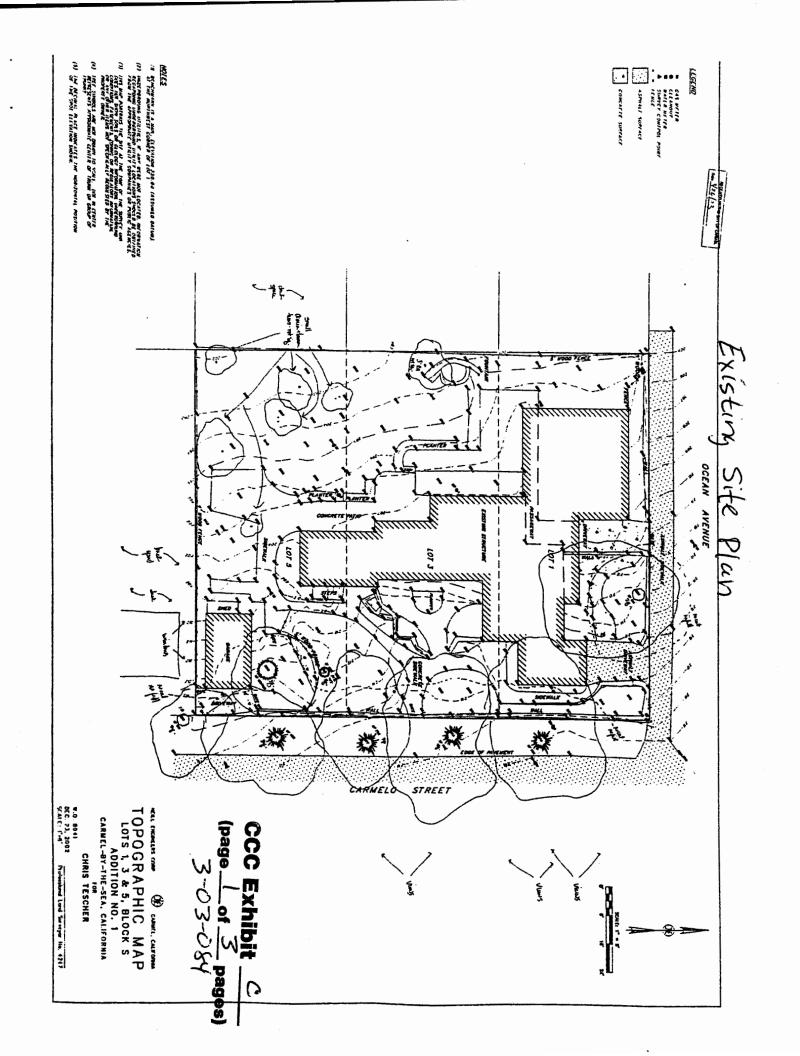
9

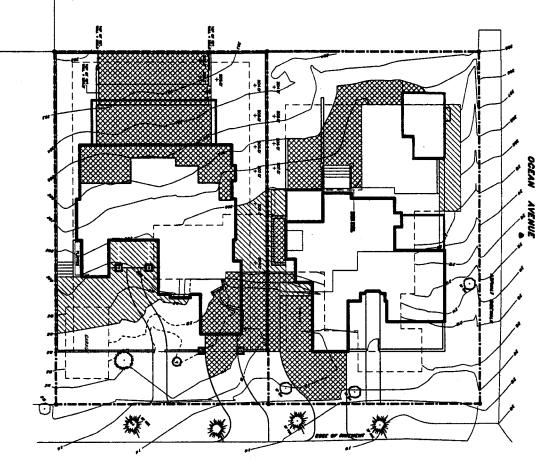






CCC Exhibit B (page_1_of_1_pages) 3-03-089





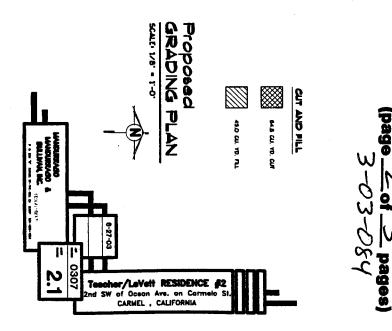
CARMELO STREET

CCC Exhibit

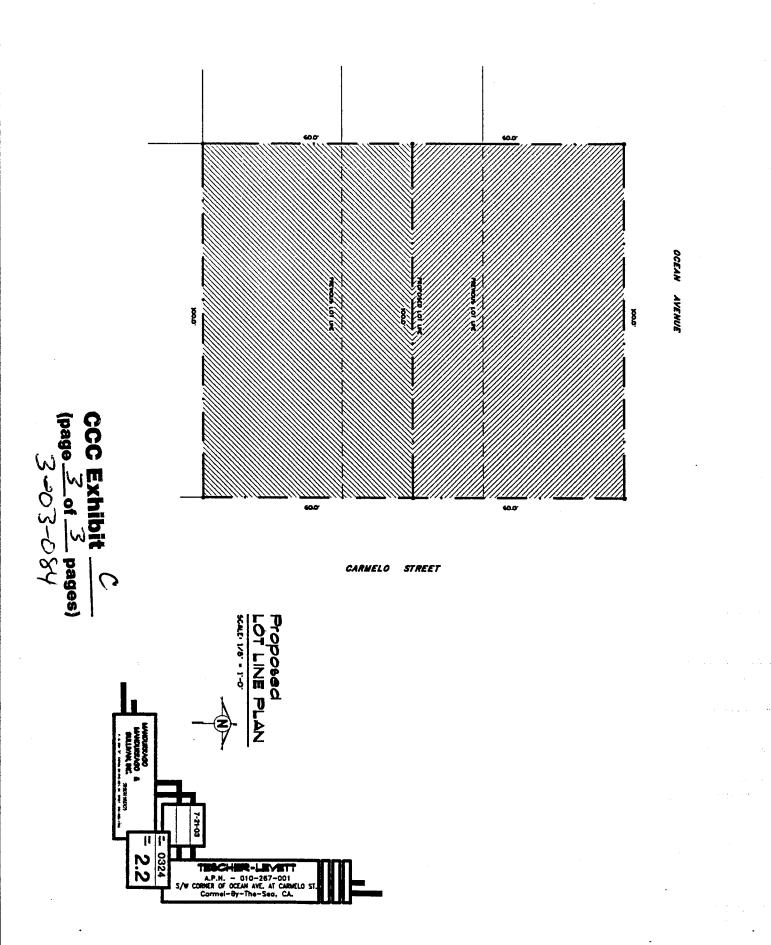
 \mathcal{O}

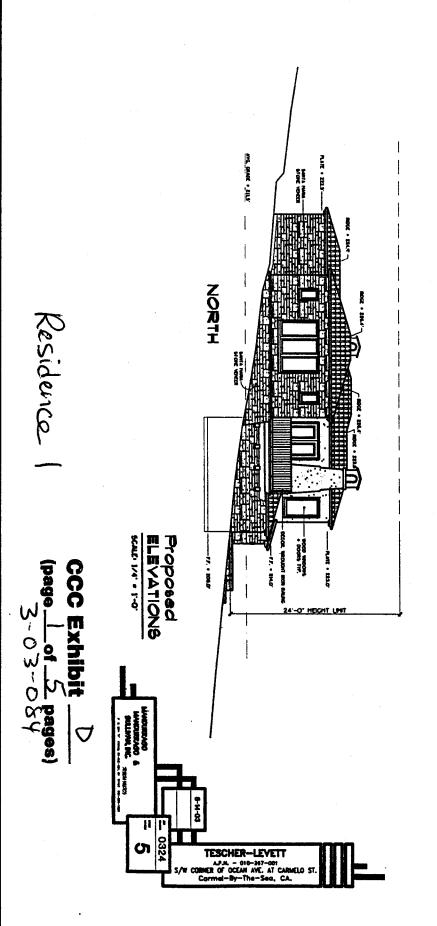
(page_

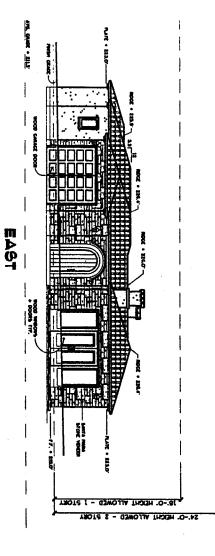
1001

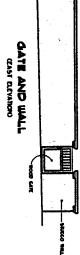


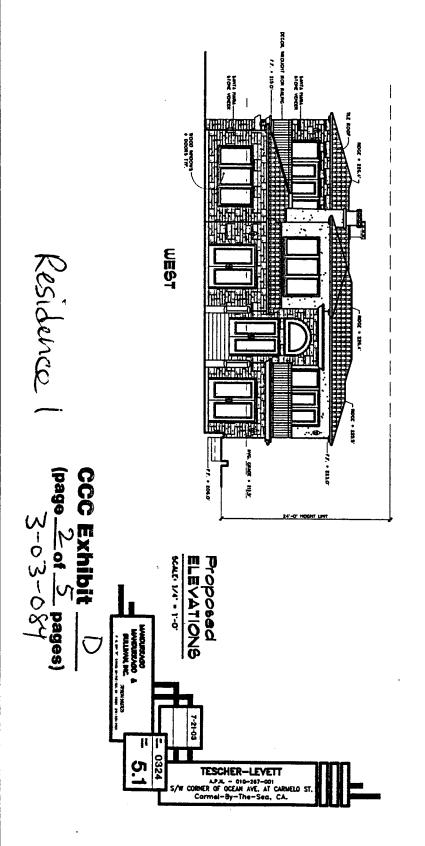
Proposed Site Plan



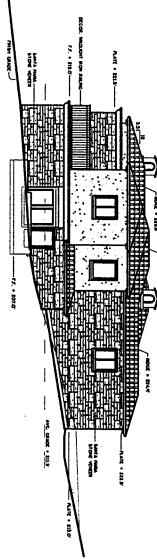


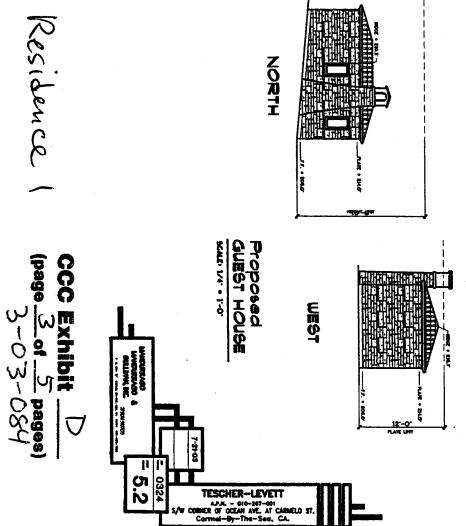


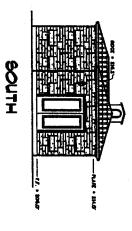






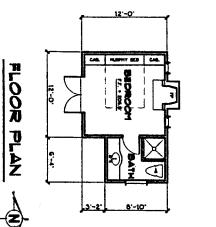


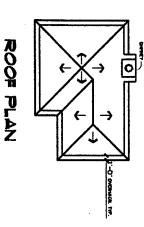




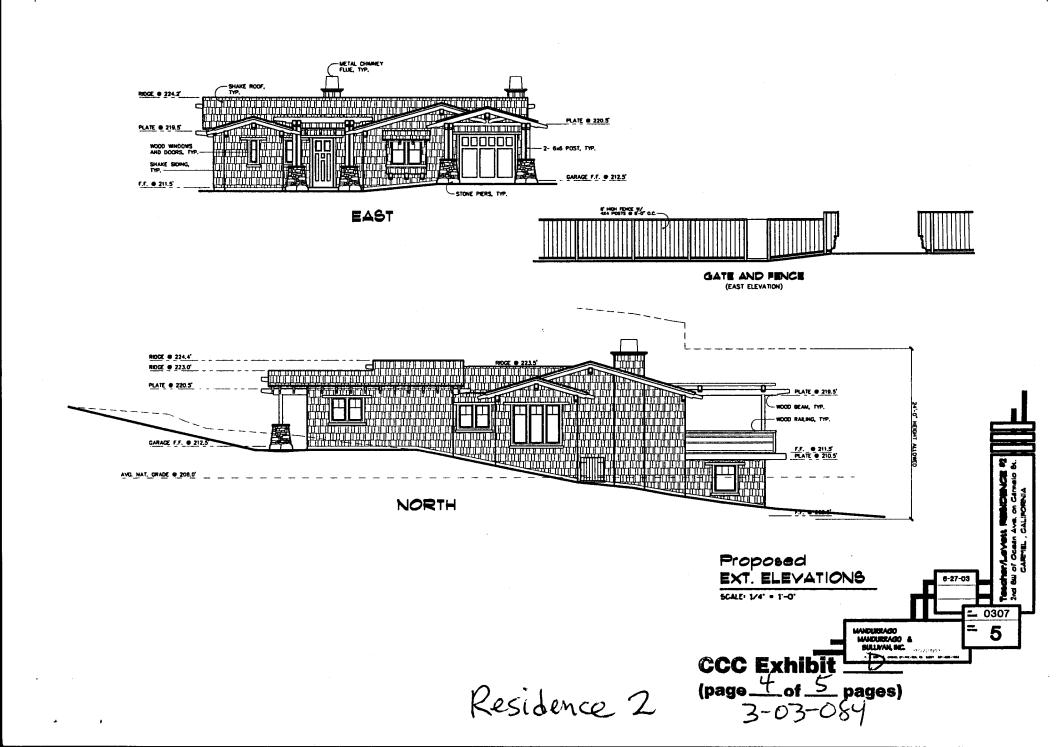
5

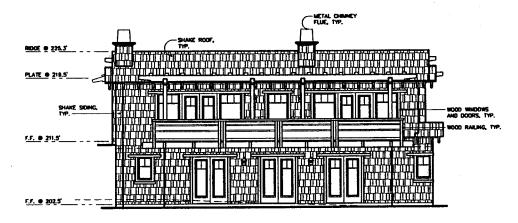
EAGT



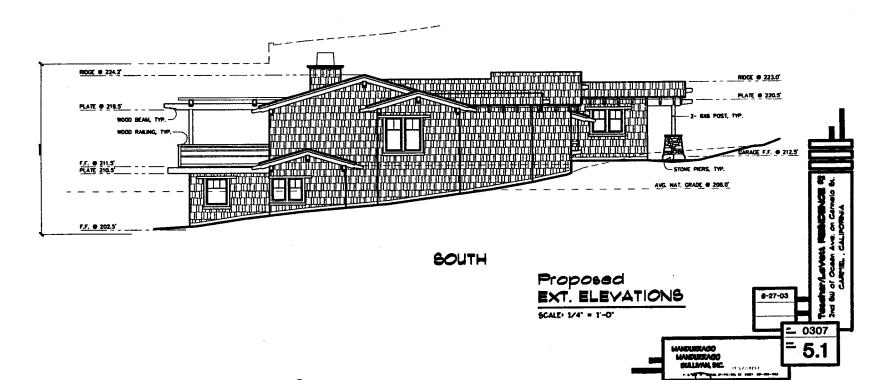


SCALE: 1/4" = 1-0"





WEST



Đ

CCC Exhibit _____ (page 5 of 5 pages) 3-03-084

Résidence 2