CALIFORNIA COASTAL COMMISSION

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Filed: 49th Day: 8/18/04 10/6/04

180th Day: Staff:

2/14/05 AJP-LB &

Staff Report: **Hearing Date:** 10/27/04 11/17-19/04

Commission Action:

STAFF REPORT: REGULAR CALENDAR

APPLICATION NUMBER: 5-04-291

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APPLICANT:

Norman Kravetz

AGENT:

Thomas H. Landau

PROJECT LOCATION:

1540 Second Street, Santa Monica

PROJECT LESCRIPTION: Demolition of a restaurant and construction of a 61,600 square foot 45 foot high, commercial building with 6,721 square feet of ground floor retail and 4,400 square feet of restaurant use, 41,917 square feet of office use on the second and third floors, and 299 parking spaces provided on the ground floor and within three levels of subterranean parking.

Lot Area:

37,500 square feet

Building Coverage:

28,455 square feet

Pavement Coverage:

8,323 square feet 692 square feet

Landscape Coverage: Parking Spaces:

299

Zoning:

C3-Downtown Commercial

Ht above final grade:

45 feet

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: 1) submittal of revised plans to reduce the height of the development to a height below the sightline from the adjacent viewing deck of Santa Monica Place; 2) requirement to make available to the public all parking during weekdays, weekends and holidays after regular business hours; 3) attendant parking requirement; 4) participation in a parking, car pool and transit incentive program; 5) parking signage; 6) dewatering requirements; 7) water quality mitigation; 8) archaeological resource recovery plan; 9) conformance with geotechnical recommendations; and 10) recordation of a deed restriction against the property referencing all of the Standard and Special Conditions contained in this staff report.

LOCAL APPROVALS RECEIVED: Development Review permit 98-012; CUP 98-046; VAR98-053

SUBSTANTIVE FILE DOCUMENTS: Santa Monica certified Land Use Plan.

STAFF RECOMMENDATION:

MOTION: I move that the Commission approve Coastal

Development Permit No. [insert number] 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 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. <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. Revised Plans

PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant will submit, for the review and written approval of the Executive Director, revised project plans showing that the height of the development reduced in height so as not to exceed a sightline drawn from 5 feet- 5 inches above the third level viewing deck of Santa Monica Place to the western roof edge(s) of the development located to the west at the corner of Ocean Avenue and Colorado Boulevard (1541-1551 Ocean Avenue) and approved under Coastal Development Permit No. 5-81-554, as shown in Exhibit No. 12.

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 amendment is required.

2. Public Parking

All on-site parking provided by the project for retail and office use shall be open for public parking after business hours on weekdays, weekends, and holidays, consistent with the hours of the beach and pier parking hours. If a fee is charged, rates shall not exceed that charged at the public beach parking lots.

3. Future parking changes

With the acceptance of this permit, the applicant acknowledges that any change in the parking proposed under this permit, including but not limited to elimination of the parking attendant service or change in hours that the parking attendant service is available, will

require an amendment to this permit.

4. 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 size of the signs shall be at least 14" in height and 18" in length. The signage shall be located in conspicuous locations along Second Street and Colorado Avenue, informing the public of the availability and location of the availability of 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 amendment is required.

5. Parking, Car Pool and Transit Incentive Program

The applicant shall provide for 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.

6. 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.

7. 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.

8. Archaeological Resources

A. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall submit for the review and approval of the Executive Director a revised archeological monitoring plan prepared by a qualified professional, that shall incorporate the following measures and procedures:

- 1. The applicant shall comply with all recommendations and mitigation measures contained in the Research Design for the Evaluation of Seven Potential Prehistoric Sites, Boeing Property, prepared by EDAW, Inc., dated August 2001 (revised January 2002, February 2002, April, 2003), the Subsurface Investigation and Evaluation at Boeing Property, prepared by EDAW, inc., dated December 2003, and as amended by the Archeological and Native American Monitoring Plan, dated February 2004 and as further modified by the conditions below and any other applicable conditions of this permit;
- 2. If any cultural deposits are discovered during project construction, including but not limited to skeletal remains and grave-related artifacts, traditional cultural sites, religious or spiritual sites, or artifacts, the permittee shall carry out significance testing of said deposits and, if cultural deposits are found to be significant, additional investigation and mitigation in accordance with this special condition including all subsections. No significance testing, investigation or mitigation shall commence until the provisions of this special condition are followed, including all relevant subsections;
- 3. If any cultural deposits are discovered, including but not limited to skeletal remains and grave-related artifacts, traditional cultural sites, religious or spiritual sites, or artifacts, all construction shall cease in accordance with subsection B. of this special condition;
- 4. In addition to recovery and reburial, in-situ preservation and avoidance of cultural deposits shall be considered as mitigation options, to be determined in accordance with the process outlined in this condition, including all subsections;
- 5. Archaeological monitor(s) qualified by the California Office of Historic Preservation (OHP) standards, Native American monitor(s) with documented ancestral ties to the area appointed consistent with the standards of the Native American Heritage Commission (NAHC), and the Native American most likely

descendent (MLD) when State Law mandates identification of a MLD, shall monitor all project grading;

- The permittee shall provide sufficient archeological and Native American monitors to assure that all project grading that has any potential to uncover or otherwise disturb cultural deposits is monitored at all times;
- 7. If human remains are encountered, the permittee shall comply with applicable State and Federal laws. Procedures outlined in the monitoring plan shall not prejudice the ability to comply with applicable State and Federal laws, including but not limited to, negotiations between the landowner and the MLD regarding the manner of treatment of human remains including, but not limited to, scientific or cultural study of the remains (preferably non-destructive); selection of in-situ preservation of remains, or recovery, repatriation and reburial of remains; the time frame within which reburial or ceremonies must be conducted; or selection of attendees to reburial events or ceremonies. The range of investigation and mitigation measures considered shall not be constrained by the approved development plan. Where appropriate and consistent with State and Federal laws, the treatment of remains shall be decided as a component of the process
- 8. Prior to the commencement and/or re-commencement of any monitoring, the permittee shall notify each archeological and Native American monitor of the requirements and procedures established by this special condition, including all subsections. Furthermore, prior to the commencement and/or re-commencement of any monitoring, the permittee shall provide a copy of this special condition, the archeological monitoring plan approved by the Executive Director, and any other plans required pursuant to this condition and which have been approved by the Executive Director, to each monitor.

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- **B.** If an area of cultural deposits, including but not limited to skeletal remains and grave-related artifacts, traditional cultural sites, religious or spiritual sites, or artifacts, is discovered during the course of the project, all construction activities in the area of the discovery that has any potential to uncover or otherwise disturb cultural deposits in the area of the discovery and all construction that may foreclose mitigation options or the ability to implement the requirements of this condition shall cease and shall not recommence except as provided in subsection C and other subsections of this special condition. In general, the area where construction activities must cease shall be no less than a 50 foot wide buffer around the cultural deposit.
- **C.** An applicant seeking to recommence construction following discovery of the cultural deposits shall submit a Significance Testing Plan for the review and approval of the Executive Director. The Significance Testing Plan shall identify the testing measures that will be undertaken to determine whether the cultural deposits are significant. The Significance Testing Plan shall be prepared by the project archaeologist(s), in consultation with the Native American monitor(s), and the Most Likely Descendent (MLD) when State Law mandates identification of a MLD. The Executive Director shall

make a determination regarding the adequacy of the Significance Testing Plan within 10 working days of receipt. If the Executive Director does not make such a determination within the prescribed time, the plan shall be deemed approved and implementation may proceed.

- 1. If the Executive Director approves the Significance Testing Plan and determines that the Significance Testing Plan's recommended testing measures are de minimis in nature and scope, the significance testing may commence after the Executive Director informs the permittee of that determination.
- 2. If the Executive Director approves the Significance Testing Plan but determines that the changes therein are not de minimis, significance testing may not recommence until after an amendment to this permit is approved by the Commission.
- 3. Once the measures identified in the significance testing plan are undertaken, the permittee shall submit the results of the testing to the Executive Director for review and approval. The results shall be accompanied by the project archeologist's recommendation as to whether the findings are significant. The project archeologist's recommendation shall be made in consultation with the Native American monitors and the MLD when State Law mandates identification of a MLD. The Executive Director shall make the determination as to whether the deposits are significant based on the information available to the Executive Director. If the deposits are found to be significant, the permittee shall prepare and submit to the Executive Director a supplementary Archeological Plan in accordance with subsection D of this condition and all other relevant subsections. If the deposits are found to be not significant, then the permittee may recommence grading in accordance with any measures outlined in the significance testing program.
- D. An applicant seeking to recommence construction following a determination by the Executive Director that the cultural deposits discovered are significant shall submit a supplementary Archaeological Plan for the review and approval of the Executive Director. The supplementary Archaeological Plan shall be prepared by the project archaeologist(s), in consultation with the Native American monitor(s), the Most Likely Descendent (MLD) when State Law mandates identification of a MLD, as well as others identified in subsection E of this condition. The supplementary Archaeological Plan shall identify proposed investigation and mitigation measures. The range of investigation and mitigation measures considered shall not be constrained by the approved development plan. Mitigation measures considered may range from in-situ preservation to recovery and/or relocation. A good faith effort shall be made to avoid impacts to cultural resources through methods such as, but not limited to, project redesign, capping, and placing cultural resource areas in open space. In order to protect cultural resources, any further development may only be undertaken consistent with the provisions of the Supplementary Archaeological Plan.

- If the Executive Director approves the Supplementary Archaeological Plan and determines that the Supplementary Archaeological Plan's recommended changes to the proposed development or mitigation measures are de minimis in nature and scope, construction may recommence after the Executive Director informs the permittee of that determination.
- If the Executive Director approves the Supplementary Archaeological Plan but determines that the changes therein are not de minimis, construction may not recommence until after an amendment to this permit is approved by the Commission.
- E. Prior to submittal to the Executive Director, all plans required to be submitted pursuant to this special condition, except the Significance Testing Plan, shall have received review and written comment by a peer review committee convened in accordance with current professional practice that shall include qualified archeologists and representatives of Native American groups with documented ancestral ties to the area. Names and qualifications of selected peer reviewers shall be submitted for review and approval by the Executive Director. The plans submitted to the Executive Director shall incorporate the recommendations of the peer review committee. Furthermore, upon completion of the peer review process, all plans shall be submitted to the California Office of Historic Preservation (OHP) and the NAHC for their review and an opportunity to comment. The plans submitted to the Executive Director shall incorporate the recommendations of the OHP and NAHC. If the OHP and/or NAHC do not respond within 30 days of their receipt of the plan, the requirement under this permit for that entities' review and comment shall expire, unless the Executive Director extends said deadline for good cause. All plans shall be submitted for the review and approval of the Executive Director.
- F. The permittee shall undertake development in accordance with the approved final plans. Any proposed changes to the approved final plans shall be reported to the Executive Director. No changes to the approved final plans shall occur without a Commission amendment to this coastal development permit unless the Executive Director determines that no amendment is required.

9. Conformance of Design and Construction Plans to Geotechnical Report

A. All final design and construction plans, including foundations, floor plans and grading shall be consistent with all recommendations contained in the Geotechnical Report prepared by Ralph Stone and Company, dated August 9, 2003. PRIOR TO THE ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicants shall submit, for the Executive Director's review and approval, evidence that an appropriate licensed professional has reviewed and approved all final design and construction plans and certified that each of those final plans is consistent with all of the recommendations specified in the above-referenced geologic evaluation approved by the California Coastal Commission for the project site.

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

10. Deed Restriction

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 demolish an existing 1-story, 20 foot high, approximately 2,900 square foot restaurant (McDonalds) and construct a 3-story above grade, 61,600 square foot mixed use development consisting of retail, restaurant and office space. The project will include a 4,400 square foot McDonald's restaurant and 6,721 square feet of visitor serving retail on the first floor. The second and third floors will contain approximately 41,917 square feet of general office space. The development will have a 3 level, 13,340 square foot, subterranean parking garage for 269 cars, and 30 at-grade spaces.

The proposed project site is an .87-acre or 37,500 square foot lot located on the northwest corner of Second Street and Colorado Avenue, in the City of Santa Monica (see Exhibit No. 2-4). The project site is one block from the bluffs overlooking Pacific Coast Highway and the beach at Palisades Park, and the entrance to the Santa Monica Pier.

The project is located in the City's Downtown Commercial District. The site and surrounding area is zoned C3-Downtown Commercial, which allows general retail, office, residential, hotel, and visitor-serving uses.

The project site is situated west of the Santa Monica Place shopping center. The City's certified Land Use Plan (LUP) designates the area west of Santa Monica Place as a view corridor. Projects within the view corridor require special consideration to preserve such views.

B. Impact to Public Views

The proposed mixed use development will be 3-stories, 45 feet high above existing grade. The proposed site is located on the west side of 2nd Street and west of Santa Monica Place shopping center. Santa Monica Place is a three-level, enclosed downtown shopping center, which along with the outdoor Third Street Promenade, forms the City's downtown retail core. A significant issue associated with this project is its impact on public views, in particular the views from the public viewing platforms at Santa Monica Place.

The following policies of the Coastal Act and the certified LUP are applicable to the issue of public views Section 30251 of the Coastal Act states:

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 cosigned to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

In addition, the Santa Monica LUP, certified with suggest modifications, has a number of policies to ensure that the visual resources of the Santa Monica coastal zone are protected. The policies are as follows:

Policy 35 states:

Palisades Park shall be preserved for public use by visitors and residents preserving scenic views to the Santa Monica Bay and accommodating existing uses.

Policy 66 states in part that:

- ...Permitted development including public works of art shall be sited and designed to:
- a. protect views to and along the ocean and scenic coastal areas;
- b. minimize the alteration of natural landforms; and
- c. be visually compatible with the character of surrounding areas and restore and enhance visual quality in visually degraded areas.

Policy 71 states:

The City shall develop standards to assure that new development along Adelaide Drive and all other scenic corridors and designed viewing areas, as identified in the Scenic and Visual Resources Map#13, is designed and sited to be visually compatible with the character of the surrounding area, restores and enhances visual quality in visually degraded areas, and protects public views to the coast and scenic coastal areas.

The LUP's Scenic and Visual Resources Map designates the area west of the Santa Monica Place as a Scenic Corridor. The Santa Monica view corridor extends from the second and third level exterior decks of the shopping center, and ranges between Colorado Avenue to the south and Broadway Avenue to the North (see Exhibit No. 10). The viewing platforms at Santa Monica Place were a specific requirement of the Commission in Appeal No. 69-76. In 1977, the State Commission approved the shopping center (Appeal 69-76) with a number of conditions. One of the conditions required viewing platforms on the second and third levels on the western portion (along Second Street) of the shopping center. The condition required 10,000 square feet of open deck space with an ocean orientation on the second and third levels of the shopping mall, along with requiring that at least 5,000 square feet of commercial area be used for public use facilities, such as restaurants.

Although the views would be intermittent due to existing development located between the shopping center and the ocean, the Commission found the views substantial enough to require viewing platforms as a condition of approval of the development of Santa Monica Place, and to limit the height of future development within the Santa Monica Place view corridor in order to protect those views.

The open viewing decks of Santa Monica Place, which are at 17.5 feet and 35 feet above sidewalk level, offer views to portions of the Pier, sandy beach, and to the ocean and its horizon. The available views are over and between the mix of commercial and residential development bordered by Second Street on the east, Colorado Avenue to the south, Ocean Boulevard to the west, and Broadway Avenue to the north. These views are intermittent due to some blockage by existing buildings and/or large trees along Second Street and Palisades Park. Furthermore, views from the second level deck, because of the deck's low elevation are generally blocked by existing development and trees.

Since the approval of Santa Monica place in 1977, the Commission has reviewed four projects (5-88-062; 5-84-866; 5-81-554; and 5-94-172) within the view corridor of Santa Monica Place. One of the projects approved by the Commission, CDP No. 5-81-554, is located directly west of the project site (see Exhibit No. 9). The approved project was for the demolition of a restaurant and gas station and construction of a mixed use commercial, office and residential development consisting of two separate buildings. The two separate buildings were designed and approved at 28 feet and 36 feet, after the Commission expressed concern over the applicant's initial proposed design of 90 feet and the project's adverse impacts to public views from the viewing decks from Santa Monica Place. As designed and approved, the 36 foot high building was placed in the northern half of the site where it was determined that that portion of the site was more suited for the taller building and it minimized view impacts of Santa Monica Bay and Pier from the Santa Monica Place viewing decks. The Commission further found that views over the southern portion of the site were considered more significant due to less visual

obstructions. Therefore, the southern portion was designed at 28 feet to protect views from Santa Monica Place (see Exhibit No. 9). The Commission further found that as designed, the mixed-use development would not conflict with the Commission's previous permit action regarding Santa Monica Place (Appeal No. 69-76).

Today, the view decks continue to be available to the general public with access from Second Street and from within the shopping center, as well as direct access from the adjacent shopping center's parking structure. However, the City has indicated that they have recently been in preliminary discussions with the owners of Santa Monica Place for redevelopment of the shopping center. At this time it is not known what the future plans for the mall are and how such plans may affect the viewing decks. However, it is possible that redevelopment may not occur or redevelopment will not affect the viewing decks. It is also possible that if the redevelopment of the shopping center comes before the Commission, the Commission may require the replacement of the viewing decks consistent with the Commission permit action in appeal No. 69-76.

At this time, however, the redevelopment of the mall is only in the preliminary discussion stage and it is not known if redevelopment will go forward. At this time the mall is operating and the view decks are open to the public. Therefore, views from the deck should continue to be protected.

In the Environmental Impact Report that was prepared for the project, potential view impacts from Santa Monica Place were addressed. The EIR states that:

The majority of the proposed structure would be about 45 feet tall. This elevation would remain consistent with the surrounding land uses, such as the mixed-use commercial/residential land use locate to the west of the project site and would; therefore, not obstruct or diminish views of the Pacific Ocean. However, the project's design also incorporates the development of two tower units, designed to screen mechanical equipment associated with the elevators. These tower units are approximately 59 feet tall. Although the tower units exceed the building height restriction of 56 feet, they are permitted by code to project above the maximum height limit. Given the extended height of the tower units the project could potentially obstruct a portion of the view from the Santa Monica Place terrace. It is anticipated that the view would only be partially obstructed due to the limited mass of these tower units. The space between and around the tower units would still provide a viewing corridor of the Pacific Ocean...

In the City's staff report to the City Council for certification of the Final EIR, the report states:

Existing development and street trees already obscure most of the ocean views to the west from the 2nd and 3rd floor viewing platforms. The EIR concluded that since the 45' height of the project is consistent with the height of the commercial/residential land uses to the west of the site and the two, 59' tall elevator penthouse have limited mass, the view obstruction of the propose project has a less than significant environmental impact.

Commission staff does not concur with the City's findings. First, based on Commission permit records, the proposed project is not consistent with the height of the commercial/residential land use to the west. The commercial/residential land use to the west that the City's report is referring to is the project approved by the Commission in Coastal Development Permit No. 5-

81-554. The two building development was approved by the Commission with heights of 28 feet and 36 feet. The proposed 45-foot roof line of the proposed development will extend 9 feet to 17 feet over the Commission approved development, with the proposed 59 foot elevator tower in the northeast corner extending 23 feet to 31feet over the adjacent existing roof line. Second, it is not evident in the EIR or City staff report how the view analysis was conducted. The EIR includes only a pictorial analysis of the area and does not include existing building heights and elevation comparisons.

Furthermore, the applicant has submitted photographs of the view corridor over the project site with the proposed development superimposed on the photograph. In the photograph it shows minor impacts to the coastal views caused by the roofline and tower. However, based on a elevation drawings and a sightline analysis conducted and submitted for Coastal Development Permit No. 5-81-554, staff does not agree with the applicant's visual interpretation of the view impacts.

In order to ascertain impacts to views from the viewing decks, a view analysis needs to include a sight line analysis that includes surveyed building elevations of existing and proposed development from sightlines drawn from the view decks. Based on Commission records, Commission staff prepared a sight line analysis given the information on the height of the view decks and the existing development to the west (CDP No. 5-81-554), and distances of the existing and proposed buildings from the view decks.

Based on maps of the view corridor, it is shown that the proposed project is located in the southern portion of the view corridor (see Exhibit No. 10). The southern edge of the view corridor runs from the viewing decks to the northwest corner of the existing building (Holiday Inn) located on the south side of Colorado Boulevard. This southern edge of the view corridor bisects the southeastern portion of the site where approximately 3,040 square feet, or 8% of the 37,470 square foot lot is located outside of the southern extend of the view corridor (see Exhibit No. 10). The northern edge of the view corridor is approximately 160 feet from the proposed project's northern property line; therefore, the remaining 34,430 square feet of lot area, or 92% of the property is located within the view corridor.

Since views are generally blocked from the second level deck, Commission staff used a sightline analysis from only the third level deck. A sightline drawn over the project site from the third level deck to the furthest western edge of the existing development to the west of the project site shows that the maximum building height in front (east) of the 28 foot high building, previously approved by the Commission, would be tapered and range from approximately 36 feet along the eastern property line to 33 feet along the western property line. The maximum building height in front (east) of the 36 foot high building would taper from approximately 39 feet along the eastern property line to 36 feet along the western property line (see Exhibit No. 12).

Although the southeastern portion (3,040 square feet) of the site is outside of the view corridor, the remaining portion is in. As stated, within the view corridor over the proposed project site and extending west over the existing roof line of the development previously approved by the Commission, views of the ocean, ocean horizon, pier, and beach are available. The proposed project with a roofline at 45 feet and elevator towers (northeast and northwest towers)

extending to 59 feet, the proposed project will eliminate all views including views of the ocean horizon (see Exhibit No. 8 and 11). Therefore, to protect the coastal views over the project site within the view corridor and to be consistent with past permit action for the area, the proposed project is conditioned to require the height of the project to be reduced in height so as not to exceed a sightline drawn from the third level viewing deck of Santa Monica Place to the western roof edge(s) of the development located to the west, as shown in Exhibit No. 12. Therefore, only as conditioned, will the proposed project be consistent with Section 30251 of the Coastal Act and the guidance provided by policies 35, 66 and 71 of the certified LUP.

C. New Development

Section 30250 of the Coastal Act states in part:

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

The proposed project will be located in downtown Santa Monica which consists of a mixture of office, retail, residential, and visitor-serving commercial uses. The Commission in prior actions on Coastal permits has indicated that downtown Santa Monica is a location in which new commercial development should be concentrated. Furthermore, policy #70 of the City's certified Land Use Plan states that:

Allowable uses shall include retail, pedestrian oriented, visitor-serving commercial, public parking uses and other complementary uses (such as hotels, offices, cultural facilities, restaurants, social services, and housing).

Surrounding uses include low and high rise office buildings, surface parking lots, parking structures, restaurants and other commercial establishments. The proposed mixed use development will be consistent with existing uses in the downtown area and with the character or the area. The Commission therefore, finds that the proposed project will be consistent with applicable policies of the certified LUP and with Section 30250 of the Coastal Act.

D. Parking and Public Access

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.

The proposed 74,940 total square foot project will include 48,078 square feet office, 7,383 square feet of retail and 4,400 square feet of restaurant (2,509 square feet of public service area), and 299 parking spaces.

Based on City parking standards of 1 space per 300 square feet for retail and office use, and 1 space per 75 square feet of restaurant space, the City requires 244 parking spaces for the proposed development. Although the City found the parking provided by the project adequate to meet City parking standards, the Commission has consistently applied Commission parking standards to development within the Santa Monica area. In the Santa Monica area, the Commission has consistently required that general retail use provide parking at a rate of 1 space per 225 square feet of gross area, 1 space per 250 square feet of general office, and 1 space per 50 square feet of service area for restaurant use. Based on the Commission's parking standards, the mixed-use project will generate a parking demand of 274 parking spaces.

The Commission has required stricter standards than the City because of the area's close proximity to coastal recreational uses and visitor-serving uses and the shortage of parking in the area. In this particular case the applicant is proposing to provide 299 parking spaces, with 87 spaces in tandem for employee parking. As proposed the parking will exceed the maximum number of spaces required by the Commission by 25 parking spaces.

In past coastal development permit action in the area the Commission has allowed attendant parking for projects to meet the Commission's parking requirements. The applicant is required by the City's permit to provide attendant parking for the employee parking. Public parking for the retail and restaurant use will not require attendant parking.

As proposed with a parking attendant, the parking will be adequate to support the proposed use. However, to ensure that the project continues to provide a parking attendant a special condition is required in order to place the applicant on notice that any change to the parking, including, but not limited to, elimination of the parking attendant service or change in hours that the parking attendant service is available, will require an amendment to this permit.

Because the proposed project site is located approximately two blocks from the Pier and beach, 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 of the projects' location, the parking supply could be a valuable reservoir of public parking, especially during the weekends and holidays, if the businesses are closed and the commercial parking spaces are not used. Therefore, it is necessary to require the commercial parking spaces to be available to the general public after business hours during regular beach parking lot hours, on the weekends and holidays. 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. 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.

E. Control of Polluted Runoff

Section 30230 states:

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Section 30231 states:

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

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

Coastal Commission water quality staff has previously reviewed the City of Santa Monica's water quality standards for similar projects and have determined that the City's standards are consistent with standards imposed by the Commission.

However, unlike previous Commission approved projects, this proposed project involves a significant amount of excavation. A potential water quality problem can result from excavation for the underground parking garage. Based on test borings, groundwater was found at depths of approximately 50 to 60 feet below grade. The proposed subterranean structure is proposed at a depth of approximately 30 feet below grade. The EIR states that groundwater would likely be encountered during excavation and will be required. If groundwater is to be pumped during construction, the EIR states that a National Pollution Discharge Elimination System (NPDES) permit or a sanitary sewer discharge permit will be obtained from the Regional Water Quality Control Board or the Sanitary District. However, 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.

F. <u>Cultural Resources</u>

Section 30244 of the Coastal Act states:

Where development would adversely impact archaeological or paleontological resources as identified by the State Historic Preservation Officer, reasonable mitigation measures shall be required.

The proposed site is currently developed and has been disturbed in the past. According to the EIR, archaeological records indicate no identifiable historical, archaeological, and/or paleontological resources exist on the project site. However, one historic site has been identified within one-half mile radius of the project site. The EIR states that the development may impact unidentified prehistoric cultural remains.

In past permit action, the Commission has required the applicants to monitor all grading and construction activities and required appropriate recovery and mitigation measures, regarding excavation, reporting and curation. To ensure that the project is consistent with Past Commission action, special conditions are necessary to ensure consistency with the Coastal Act. To assure that the proposed project remains sensitive to the concerns of the affected Native American groups, a Native American monitor should be present at the site during all excavation activities to monitor the work, if artifacts or remains are discovered. The monitor should meet the qualifications set forth in the NAHC's guidelines. Therefore, as conditioned, the proposed project is consistent with Section 30244 of the Coastal Act which requires reasonable mitigation measures be provided to offset impacts to archaeological resources.

Once a site is determined to contain significant cultural resources a Treatment Plan (Mitigation Plan) will be prepared and reviewed by the appropriate Federal and State reviewing agencies. The Treatment Plan will outline actions to be implemented to mitigate impacts to the cultural resources found at the site(s). To determine whether the Treatment Plan is consistent with the proposed permit or if an amendment to this permit is required, the applicant shall submit a copy of the Treatment Plan to the Commission. The Executive Director, after review of the Treatment Plan, will determine if an amendment will be required. The Executive Director will require an amendment if there is significant additional excavation required or there is a significant change in area of disturbance or change in the type of excavation procedures.

In the event that grave goods are found the Los Angeles County Coroner's Office will be notified in compliance with state law, and they in turn will request the Native American Heritage Commission to determine the cultural affiliation.

The Commission's Archaeological Guidelines also recommend that the research design include arrangements for curation of collections when appropriate, and dissemination of the research findings. Regarding curation, there must be some assurance that the collection and related field records, catalogs and reports will be properly curated. Without proper curation there is no assurance that the value of information obtained will be retained in perpetuity. A qualified curation facility is one that meets the State Historic Preservation Office (SHPO) guidelines, such as the San Bernardino County Museum. However, there is no guarantee that the facility will be able to accept the collections once the artifacts are ready for curation. Consequently, if another facility is available that meets SHPO's guidelines, it would also be appropriate to allow curation to occur there. In any case, curation of any significant artifacts must be assured in order to find that the proposed project meets Section 30244 of the Coastal Act's requirement for reasonable mitigation. Therefore, as a condition of approval, artifacts of significant cultural value collected as a result of this project at the archaeological sites shall be curated at a qualified curation facility. If no qualified curation facility is available at the time the project is complete, an amendment to this permit shall be required to determine the appropriate curation process. The Commission finds, therefore, that as conditioned, the proposed project is consistent with Section 30244 of the Coastal Act.

G. Geology

Section 30253 of the Coastal Act states in part:

New development shall:

(I) Minimize risks to life and property in areas of high geologic, flood, and fire hazard.
(2) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs.

According to the EIR and Environmental Assessment Report prepared by the applicant's consulting Geotechnical engineer, the project site is located over the Lakewood Formation. The Lakewood formation consists of terraces and old dune deposits made up of gravel, sand, silty sand, silt, and clay and have a uniform thickness of approximately 200-300 feet throughout the City.

The report states that there are no known faults in the area. The closest fault, the south branch of the Santa Monica fault is approximately 7,000 feet to the north. According to the report the potential of ground rupture from fault displacement is considered very low due the distance of the fault from the project site. Furthermore, the site is located outside of the liquefaction zone, based on the "Seismic Hazard Zones" map issued by the State of California. According to the EIR, the project site is considered as having medium susceptibility to liquefaction, due to a combination of underlying alluvial soils, ground water levels, and the potential for strong ground shaking.

The report concludes that development of the site is feasible from a geotechnical engineering viewpoint provided their recommendations are incorporated into the design. Recommendations include foundation design and construction. To ensure that the recommendations made by the consultants are implemented, the applicant shall submit plans reviewed and approved by their geotechnical consultants indicating that all recommendations have been incorporated into the design. The Commission, therefore, finds that only as conditioned will the proposed development be consistent with Section 30253 of the Coastal Act and the certified LUP.

H. 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), the Santa Monica Pier and the Civic Center.

On September 15, 1992, the City of Santa Monica accepted the LUP with suggested modifications.

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).

I. CEQA

Section 13096 of the Commission's 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)(i) 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 impact, which the activity may have on the environment.

As proposed there are negative impac's caused by the proposed development which have not been adequately mitigated. The negative impacts caused by the proposed development involve impacts to scenic coastal resources. An alternative to the proposed project, that will reduce the visual impacts caused by the project, is to redesign the project to reduce the height of the development below the sightline from the viewing areas. The redesign is feasible through the redesign of the roofline and relocation or modification to the elevator towers. The redesign may require a reduction in the proposed square footage, but the alternative will continue to allow the applicant to develop the site with an economically feasible development. Therefore, the proposed project has been conditioned to minimize those impacts by limiting the height of the development to a height that will not interfere with the views from the adjacent viewing platform. Therefore, the proposed project, only as condition, is consistent with CEQA and the policies of the Coastal Act.

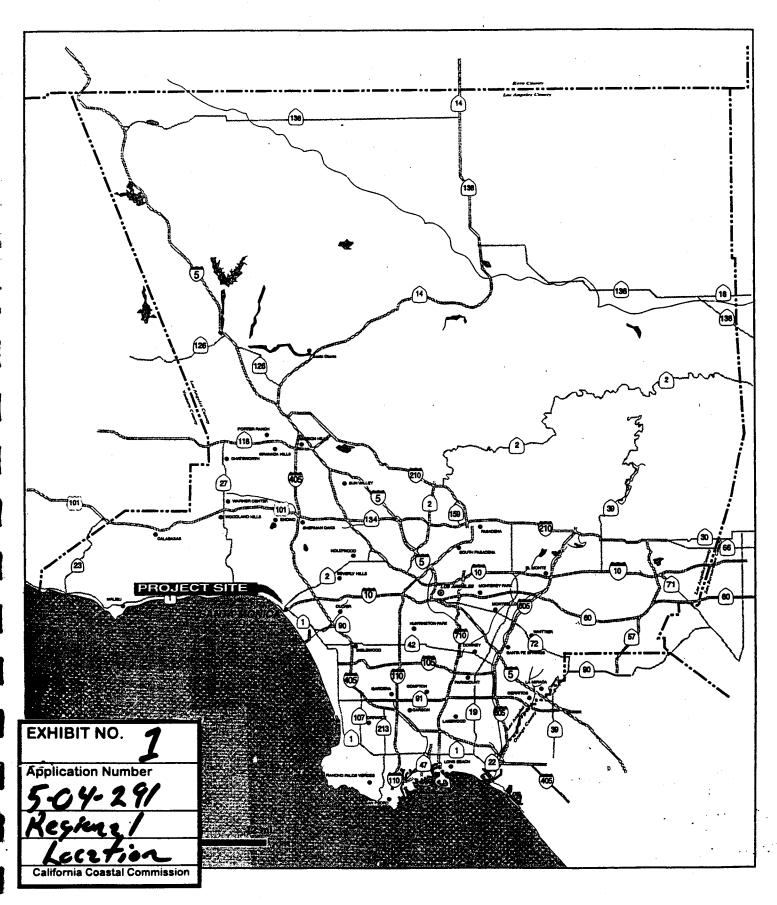
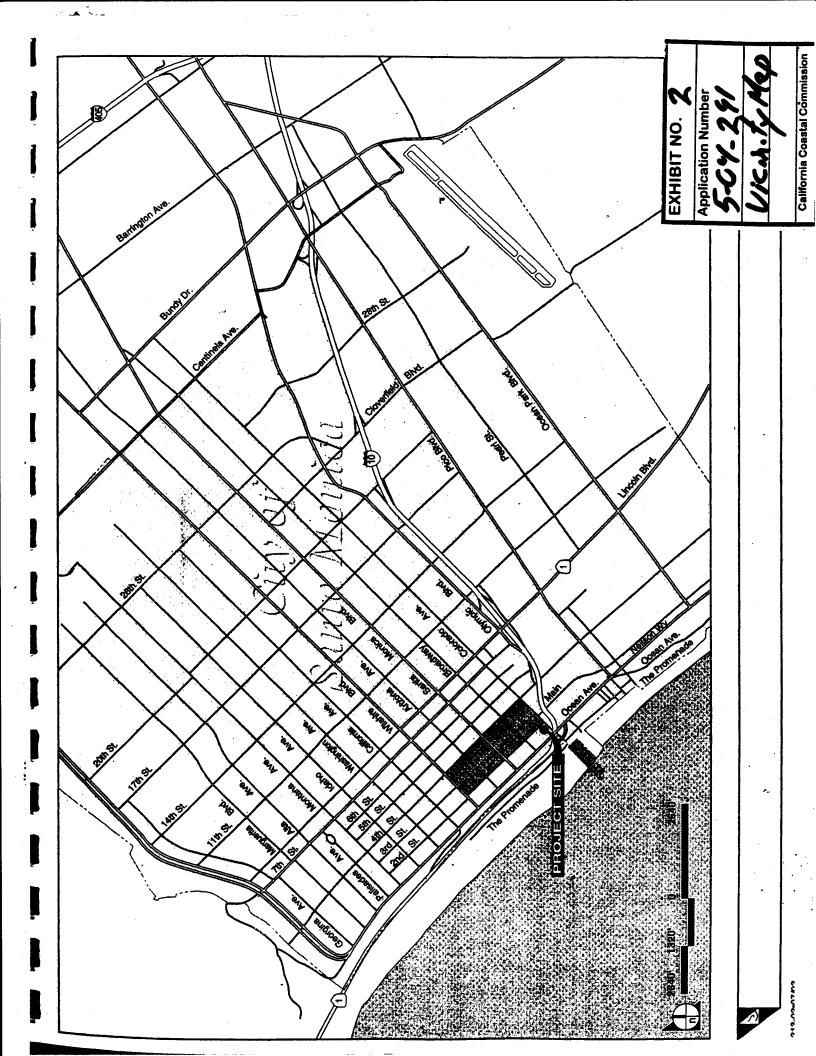
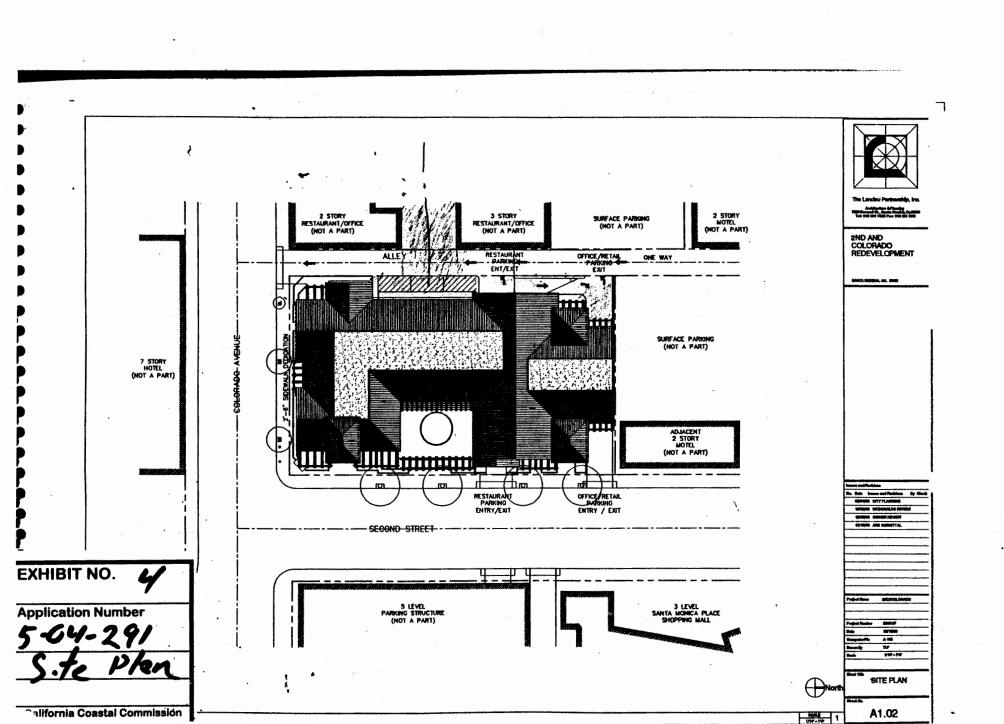


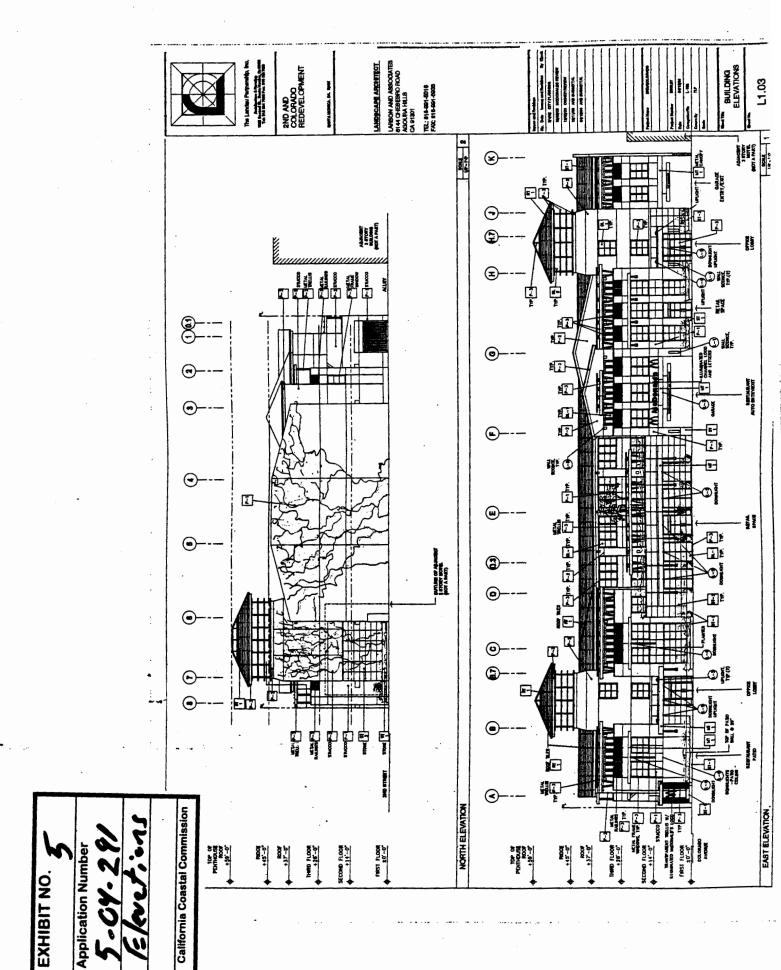
FIGURE III-1

Regional Location



California Coastal Commission





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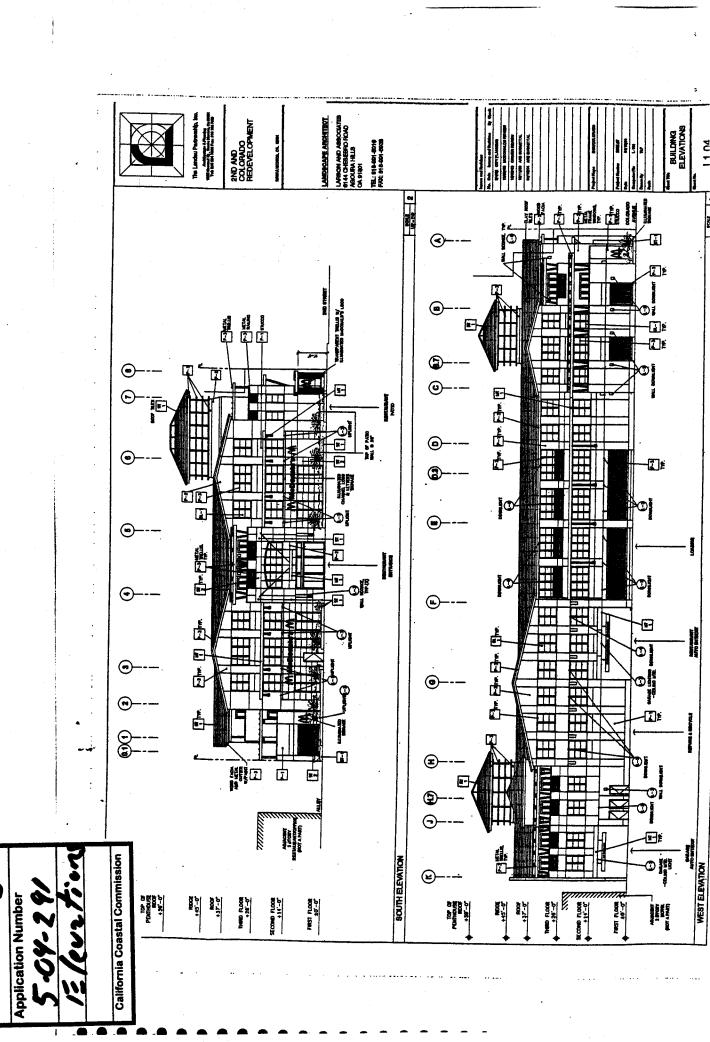
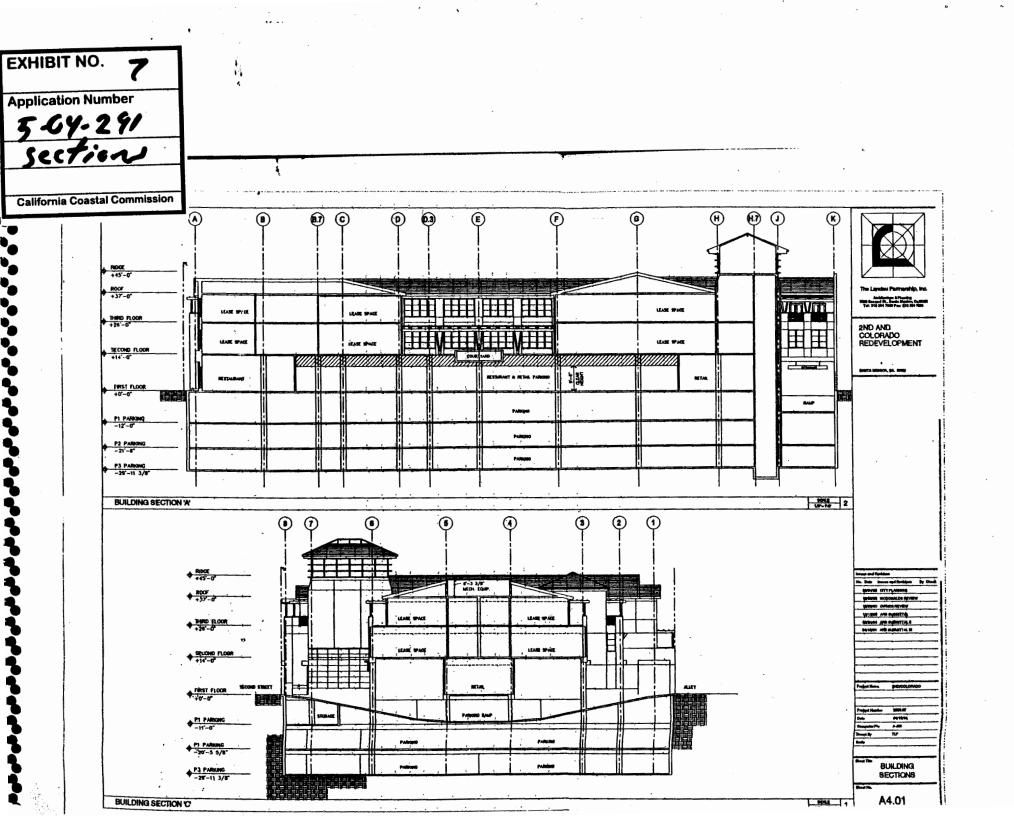
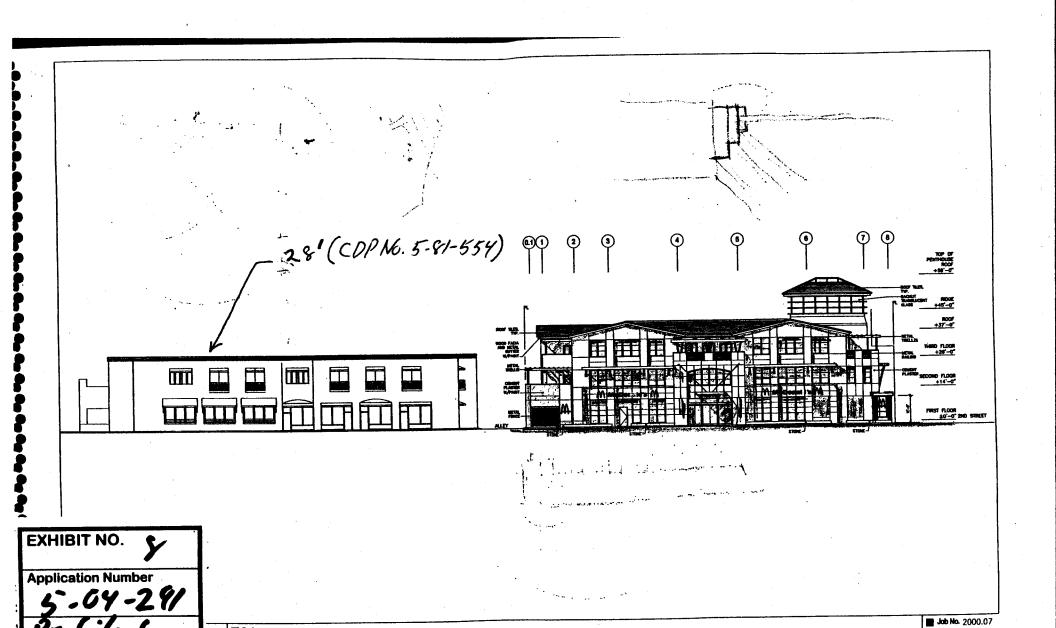


EXHIBIT NO.





2ND & COLORADO REDEVELOPMENT

NEIGHBOROOD PROFILE-COLORADO

Date 12/15/03

Project

