CALIFORNIA COASTAL COMMISSION
CENTRAL COAST DISTRICT OFFICE
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SANTA CRUZ, CA 95060
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Th9b

Filed:	04/28/04
180th day:	10/25/04
Staff:	SC
Staff report prepared:	06/24/04
Hearing date:	07/15/04

RECORD PACKET COPY

COASTAL DEVELOPMENT PERMIT APPLICATION

Application number.....**3-04-009, Beardsley Mixed-Use Project**

Applicant.....Gregory P. Beardsley (represented by George Ash, Architect)

Project location.....201 Cannery Row, City of Monterey (Monterey County)

Project description.....Construction of 5 residential condominium units, 674 square feet of retail commercial space, and 5 basement parking spaces on a 4,750 square foot lot.

Local approval.....City Council approval 1/6/04.

File documents.....Approved Mitigated Negative Declaration 1/6/04; Preliminary Archaeological Reconnaissance for Assessor's Parcel 001-032-005, in Monterey, Monterey County California (Doane and Breschini, 3/31/2003)

Staff recommendation ...**Approval with Conditions**

Summary: The Applicant proposes to construct a four-story mixed-use condominium project on a vacant 4,750 square foot lot located at the southwest corner of Cannery Row and Reeside Avenue in the City of Monterey. The proposed project consists of a four-story building containing five residential condominium units, 674 square feet of retail commercial space, and five basement parking spaces.

In 1997 the Commission approved an amendment to the Cannery Row Land Use Plan to add mixed-use projects as an allowable use on Cannery Row. To ensure that residential use would not have an adverse impact on coastal access and recreation, the Commission modified the City's submittal to limit residential development to a maximum of 30 units per acre and to require parking standards for development. The proposed project exceeds the certified 30-unit per acre residential density standard by 50% and does not meet the certified parking standards. Therefore, the project has been conditioned to require a reduction in the number of residential condominium units by 2. With this reduction in residential units, the required parking standard will be met.

At this time, there is no water available for new residential or commercial development in the City of Monterey. The Applicant has been placed on the City's Water Waiting List. This approval has been conditioned to require evidence of water availability prior to issuance of the coastal development permit. Additional conditions require submittal of an onsite storm drainage retention plan and a maintenance plan for the storm drains located in the basement garage. As conditioned, Staff recommends approval.

Staff Report Contents

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 and special conditions below.

Motion. I move that the Commission approve Coastal Development Permit Number 3-04-009 pursuant to the staff recommendation.

Staff Recommendation of Approval. Staff recommends a **YES** vote. Passage of this motion will result in approval of the coastal development 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 a Coastal Development Permit. The Commission hereby approves the coastal development permit on the grounds that the development, as conditioned, will be in conformity with the policies of Chapter 3 of the Coastal Act. Approval of the coastal development 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 feasible mitigation measures or alternatives that would substantially lessen any significant adverse effects of the amended 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.

B.Special Conditions

1. **MODIFIED PROJECT PLANS. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT,** the Applicant shall submit revised plans to the Executive Director for review and approval. The revised plans shall include a maximum of 3 residential condominium units in the project, 674 square feet of ground-floor commercial space, and 5 on-site parking spaces.

2. **EVIDENCE OF WATER AVAILABILITY. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT,** the Applicant shall submit written evidence to the Executive Director for review and approval that adequate water, which shall be provided only by and through the municipal water distribution system regulated by the California American Water

Company in the City of Monterey according to the allocation procedures of the City and the Monterey Peninsula Water Management District (or its successor), is available for the project. All relevant agency approvals, including approval from the Monterey County Public Health Department, if required, shall be provided.

3. **STORM DRAIN MAINTENANCE. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT,** the Applicant will submit to the Executive Director for review and approval a maintenance plan for the two storm drains located in the underground garage. This maintenance plan shall ensure that these drainage devices continue to function as designed and intended for the life of the project. The plan shall provide for inspection, cleaning and repairing of the two storm drains annually prior to the start of the rainy season. Additional inspections shall occur after storms as needed throughout the rainy season. Repairs, modifications, or installation of additional filtering devices, as needed, shall be carried out prior to the next rainy season.

4. **DRAINAGE PLANS. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT,** the Applicant shall submit to the Executive Director a drainage plan that provides for onsite retention of building runoff that meets low-impact design standards. All retained runoff shall be used onsite. Examples of onsite use include, but are not limited to, development of a rooftop garden and/or installation of cisterns, from which collected rainwater will be used for onsite landscaping or other onsite use. This onsite drainage system shall be maintained for the life of the project.

III. Recommended Findings and Declarations

The Commission finds and declares as follows:

A.Project Description

1. Project Location & Description

The proposed project is located at the inland southwest corner of Cannery Row and Reeside Avenue in the City of Monterey (see Exhibits 1-2). The proposed four-story project consists of five residential condominium units, 674 square feet of retail commercial area, and five basement parking spaces on a 4,750 square foot lot (the City granted a parking adjustment to waive two additional required parking spaces). The project also calls for the removal of two acacia trees. See Exhibit 3 for project plans. The breakdown of the development is as follows:

Parking/Basement:	**3,705 s.f.**
Unit #1 Retail/ 1st Floor:	**674 s.f.**
Total 1st Floor/Basement:	**4,379 s.f.**

Unit #2 Condo/2nd Floor:	**1,304 s.f.**
Unit #3 Condo/2nd Floor:	**1,650 s.f.**
Common Area/2nd Floor:	**850 s.f.**
Total 2nd Floor:	**3,804 s.f.**

Unit #4 Condo/3rd Floor:	**1,304 s.f.**
Common Area/3rd Floor:	**850 s.f**
Unit #5 Condo/3rd Floor:	**1,650 s.f.**
Total 3rd Floor:	**3,804 s.f.**

Unit #6 Condo/4th Floor:	**1,750 s.f.**
Unit #6 Exit Area/4th Floor:	**850 s.f.**
Total 4th Floor:	**2,600 s.f.**

TOTAL BUILDING AREA: 14,587 s.f.

B. Standard of Review

This area of the City of Monterey falls within the coastal zone. The Cannery Row Land Use Plan (LUP) was effectively certified in 1981. In February 1997, the Commission approved LUP Amendment No. 1-97, which allows a limited amount of residential use to be located above first floor visitor-serving commercial uses on Cannery Row. However, several other components of the Local Coastal Program (LCP) (including one land use segment and the implementation plan) are not yet certified. Thus, the City does not have a fully certified LCP. Therefore, the LUP at this stage of the certification process is advisory only and the standard of review for the project is the Coastal Act.

C. Coastal Development Permit Determination

1. Visitor Serving Use/Parking

The following Coastal Act policies protect recreational and visitor-serving facilities along the California coast:

> ***30213 (in part).*** *Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.*
>
> ***30221.*** *Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.*
>
> ***30222.*** *The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.*

> ***30252 (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...*

Cannery Row LUP Visitor Serving Commercial Uses policy h. states:

> ***h.*** *Mixed use projects consisting of residential use on upper floors above visitor-serving commercial are allowed as conditional uses in the visitor-serving commercial use area at a maximum density of 30 units per acre. The maximum number of residential units associated with mixed use projects developed throughout the Cannery Row coastal zone planning area shall not exceed a total of 183 units. Conversion of existing or previously approved visitor accommodation facilities is prohibited.*

Cannery Row Parking policy h. states:

> ***h.*** *For mixed-use projects, which are not shown on Table 4, first floor visitor serving commercial development shall be required to provide 1 space per 400 square feet for the first 1,000 square feet of floor area and 1 space per 500 square feet for the balance. The residential component of mixed use projects located above first floor visitor serving commercial shall be required to provide a minimum of one on-site parking space for every residential unit to be developed. The City of Monterey shall require more than one on-site parking space per residential unit if necessary to maintain adequate visitor parking opportunities in the Cannery Row planning area. Additional bedrooms may require additional parking spaces as determined on a case-by-case basis.*

Cannery Row is a highly popular destination for visitors to California's central coast. Attractions such as the Monterey Bay Aquarium, world known scuba diving sites, and the Monterey Bay Coastal Trail draw people from near and far to experience coastal access, recreation, and educational opportunities. Cannery Row's proximity to the Monterey City Harbor and Custom House Plaza, as well as its history as the site of California's major sardine canneries, add to its desirability as a recreational and historical destination. As a result of Cannery Row's popularity, there is a great demand for parking, and traffic circulation can be strained during peak visitor periods.

In 1997 the Commission approved an amendment to the Cannery Row Land Use Plan, which added mixed-use projects as an allowable conditional use within areas designated as visitor-serving commercial in the LUP. Such mixed-use projects allow for the development of residential units above first floor levels; first floor levels would remain designated visitor-serving commercial. According to information provided by the City at the time the amendment was submitted, the amendment would assist the City in meeting its Housing Element goals, while still maintaining a high-degree of visitor-serving qualities along Cannery Row.

As submitted, the amendment did not contain any specific limitations on the amount of residential development that would be allowed to occur within the Cannery Row coastal planning area. Nor did the amendment contain specific requirements for the provision of on-site parking to ensure that residential

development would not consume limited parking capacity needed for coastal recreation. Without such limitations, the proposed amendment had the potential to displace visitor-serving uses with residential development and result in the conversion of existing or approved (but not yet constructed) overnight accommodations for visitors to residential use; consume limited water supplies needed to accommodate future development of visitor-serving or coastal dependent uses; diminish parking needed to serve coastal access and recreation; and increase traffic and circulation problems by adding an additional land use at an unspecified intensity.

The City's (uncertified) zoning ordinance at that time allowed for mixed-use projects to exceed 30 units per acre if the Planning Commission made certain findings. To ensure that the amendment would not have an adverse impact on coastal access and recreation, the Commission modified the amendment by requiring that specific mixed-use projects be required to conform to the 30-unit per acre standard, with no exception for increased density, if certain findings were made (see Exhibit 7 for the amendment findings).

As submitted, the amendment also did not include a limitation on the maximum number of residential units that would be allowed on Cannery Row. To address Commission staff's concerns, the City evaluated the amount of vacant and underdeveloped land within the Cannery Row coastal zone to reliably estimate the number of new residential units that could be accommodated at a maximum density of 30 units per acre. The City found this number to be 183 units. With these data, the Commission also modified the amendment to put a limit of 183 residential units in the Cannery Row LUP area (at this time the number of approved residential units in Cannery Row is 56, including this project) and to disallow the conversion to residential use of existing or previously approved overnight accommodations for visitors (see Visitor Serving Commercial Uses policy h. above). Additionally, the Commission modified the amendment to require parking standards for mixed-use projects, as detailed in Cannery Row Parking policy h. above. The City adopted these modifications.

The project as submitted includes 5 residential condominium units on a 4,750 square foot lot. This is a density of approximately 45 residential units per acre,[1] which is 50% greater than the 30 units per acre maximum density allowed by the Commission modification in the certified Cannery Row Land Use Plan, as shown in Visitor Serving Commercial Uses policy h. above. In addition, certified LUP Parking policy h. requires that the project provide a minimum of 7 parking spaces (2 for the commercial component and a total of 5 for the residential component). The proposed project includes only 5 parking spaces. Thus, there is a parking deficit of 2 spaces.

A letter from the Applicant's representative (see Exhibit 6) notes that the City's mixed-use zoning ordinance allows density to exceed 30 units per acre if certain findings are made by the Planning Commission. The City's zoning ordinance, however, is not certified. Also, as discussed above, the certified Cannery Row LUP was specifically modified by the Commission in 1997 to limit residential density along Cannery Row to 30 units per acre, with no exception to allow for increased density beyond

[1] 4,750 square feet x 1 acre/43,560 square feet = .11 acre (size of project site); 5 units/.11 acre = x units/1 acre; .11x=5; x=5/.11=**45**

30 units per acre. The letter also points out that two projects have been approved on vacant and/or underdeveloped parcels that were used to determine the limit of 183 residential units along Cannery Row, and that these approved projects include a residential density much less than 30 units per acre. The implication in the letter is that because these other sites do not include a maximum of 30 residential units per acre, that the proposed project should be able to exceed the maximum allowable density. There are, however, a number of problems with this argument. First, although the two properties have received local approvals (and in one case, Coastal Commission approval in January 2000), no development has taken place on either site and thus the examples provided are for projects that have not yet been developed and may never be built. Also, the LUP's density regulations apply to each particular parcel; thus, each proposed development should not exceed the required density standard regardless of what other residential densities have been approved for other sites. For example, typical planning and zoning standards would not permit a landowner to build a house with 100% site coverage in a zone that allows 50% site coverage because two of the property owner's neighbors had built homes that covered only 25% of the site. The maximum allowable density of 30 residential units per acre is not a requirement in the LUP, nor is it an entitlement, i.e., there is no requirement that each residential project approved along Cannery Row include a residential density of 30 units per acre. Finally, the findings for the 1997 LUP amendment (see Exhibit 7, pg. 8) note that the 183 units is an area wide maximum, as opposed to a site-specific maximum, and that specific mixed use projects will be required to conform to the 30-unit per acre density standard, as well as not exceeding a cumulative total of 183 units within the Cannery Row coastal zone.

As discussed above, the 30-unit per acre residential density regulation and the parking standards were required by the Commission to protect access to this highly visited recreational area. Thus, Special Condition #1 requires that the project be limited to a total of 3 condominium units, which is equivalent to a density of 27 units per acre. The remaining aspects of the project, including the 674 square feet of ground-floor commercial space and the provision of 5 parking spaces shall remain unchanged (5 parking spaces are the *minimum* number required under the certified LUP for the modified project). With this condition, the proposed project is consistent with the visitor-serving policies of the Coastal Act.

2. Water Supply

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...*

Section 30254 states, in part:

> *...Where existing or planned public works facilities can accommodate only a limited amount of new development, services to coastal dependent land use, essential public services and basic*

industries vital to the economic health of the region, state, or nation, public recreation, commercial recreation, and visitor-serving land uses shall not be precluded by other development.

Cannery Row LUP Development Policy l. states:

New development is to be approved only where available supplies of water, parking, and circulation capacities are shown to exist.

The Monterey Peninsula Water Management District (MPWMD) allocates water to all of the municipalities on the Monterey Peninsula. The actual water purveyor is the California American Water Company (Cal Am). Each municipality allocates its share of the water to various categories of development, such as residential, commercial, industrial, etc. At this time, there is no water available for new residential or commercial development in the City of Monterey.

The Applicant has been placed on the City's Water Waiting List. The project, as approved by the City, would require 0.135 acre feet of water per year for the 674 square foot ground-floor commercial use and 0.840 acre feet to support 5 residential condominium units. A reduction of the number of residential condominium units to 3 would reduce the amount of residential water needed to 0.504 acre feet per year, for a total of 0.639 acre feet per year. The City of Monterey evaluates the Water Waiting List periodically and allocates water as it becomes available due to new sources or when previously approved projects do not go forward and the water from those projects is re-allocated. The City has had a water waiting list for approximately the past five years. Over that time, the waiting list has been cleared twice (personal communication with City staff).

Coastal Act Section 30250 directs development to be located in or near an area with sufficient resources to accommodate it. The residential/commercial lot is located in an area serviced by the Cal Am Water Company. The Applicant has applied and is on the City's Water Waiting List. Given that the list has cleared twice in the last five years, it is possible that the City will be able to grant the Applicant a water permit within the two-year time period of this permit. However, evidence of such a water assignment is required prior to issuance of the permit in order to comply with Section 30250. With the inclusion of Special Condition #2, which requires evidence of water availability prior to issuance of the coastal development permit, the project is consistent with Coastal Act Section 30250 regarding water supply. In the event that the permit is not issued within the next two years, and an extension is requested, the absence of a water assignment may constitute a changed circumstance in light of the water constraints in the Monterey Peninsula area.

3. Water Quality

Coastal Act Sections 30230 and 30231 protect water quality and state:

30230. *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.

30231. *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.*

LUP Natural Marine Resources and Habitat Areas Policies g and i state:

g. *Require sand traps in all parking structures to catch surface contaminants from stormwater runoff. Also require cleaning of parking areas by mechanical sweeping with minimum use of hosing to avoid water runoff.*

i. *Where any grading, excavation, demolition, or construction in conjunction with shoreline development requires temporary disturbance or permanently changes the stormwater flows/outfalls..., these disturbances or changes are to be undertaken as a condition of development in a manner that will not impair biological productivity for the habitat and restoration needs areas ...*

Water quality can be adversely affected by increased runoff due to an increase in paved/developed surfaces. The proposed project is located on the inland side of Cannery Row, within several hundred feet of the Monterey Bay National Marine Sanctuary. The project site currently consists of a grassy area with ruderal plants (see Exhibit 2). The pervious nature of the grassy area limits the amount of any polluted runoff currently. As stated above, the project consists of a new building that will house an underground parking garage, as well as residential and commercial uses. The City-approved project includes minimal setbacks to Cannery Row and Reeside Avenue, meaning that there is minimal area to allow onsite ground infiltration of runoff. In addition, the substrate along Cannery Row is primarily granitic, which does not provide a good base for infiltration. The Commission, however, has been requiring that new development maintain peak flows of runoff at the same level as the undeveloped site condition and that new development reduce urban runoff to the maximum extent feasible.

The proposed project description includes appropriate and adequate construction best management practices (BMPs), including use of silt fencing, sediment rolls, a temporary concrete washout facility, filter fabrics or silt sacks around existing storm drains, etc. These BMPs are adequate to protect water quality during construction.

The proposed project includes an underground parking garage. According to the Applicant's engineer, the entrance to the garage will be constructed so as to minimize the amount of rainfall that will enter the

garage. In addition, the proposed project includes installation of two storm drains in the underground garage to handle any minimal amount of runoff that may enter the garage. These storm drains will be fitted with filter units on the inlets to remove oil and other contaminants. Special Condition #3 requires regular maintenance of these storm drains.

The project engineer also states that runoff from the building will be directed into the existing City storm drain system. This does not meet the objective of maintaining peak flows of runoff at the same level as the undeveloped site condition. Special Condition #4 requires the installation of a low-impact design standard drainage system that maintains runoff onsite. Examples of a low-impact design include development of a rooftop garden to collect and retain rainwater onsite, or installation of cisterns to collect water that then can be reused onsite for landscaping needs, etc. With these special conditions, the proposed project is consistent with the water quality protection standards of the Coastal Act.

4. Archaeological Resources

Coastal Act Section 30244 provides protection for archaeological sites and states:

> ***30244.*** *Where development would adversely impact archaeological or paleontological resources as identified by the State Historic Preservation Officer, reasonable mitigation measures shall be required.*

Cannery Row LUP Development Policy k. states:

> ***k.*** *Reasonable mitigations are to be required as a condition of development where it would adversely impact archaeological or paleontological resources as identified by the State Historic Preservation Office.*

The entire Cannery Row LUP planning area is designated as a high sensitivity zone in which archaeological resources are known to exist in some density and where other prehistoric sites are likely to occur (see Exhibit 4). An archaeological reconnaissance report, based on a background records search and a field reconnaissance of the project area, was completed. The report concluded that the proposed project site is immediately adjacent to a specific site that may contain potentially significant archaeological resources below the disturbed surface and imported fill. The proposed project will involve excavation of a partial basement garage and may expose and disturb native soil that may lie beneath the surface fill. The archaeological report made several recommendations, which were incorporated verbatim into the City's Conditions of Approval (see Exhibit 5, #7-8). These conditions include requiring a qualified archaeological monitor on site during excavation activities, as well as the cessation of construction activities within 150 feet of any unearthed prehistoric or historic archaeological resources until a qualified professional archaeologist evaluates the find and formulates and implements appropriate mitigation measures. These conditions provide adequate protection for any found archaeological resources and thus the proposed project is consistent with Coastal Act Section 30244.

D. 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. This staff report has discussed the relevant coastal resource issues with the proposal, and has recommended appropriate mitigations to address adverse impacts to said resources. Accordingly, the project is being approved subject to conditions that implement the mitigating actions required of the Applicant by the Commission (see Special Conditions). As such, the Commission finds that only as modified and conditioned by this permit will the proposed project not have any significant adverse effects on the environment within the meaning of CEQA.

EXHIBIT NO. 1
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EXHIBIT NO. 2
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CANNERY ROW MIXED USE BUILDING

STATISTICS:

PROJECT:	NEW MIXED USE BUILDING 201 CANNERY ROW MONTEREY, CA 93940
PROJECT DESCRIPTION:	This Application is for a Use-Permit to allow a new 3 -1/2 story, mixed-use building located at 201 Cannery Row on an existing 50' wide by 95' deep lot. The lot is located at the corner of Cannery Row and Reeside Ave. The project consists of 674 square feet of retail space located on the first floor. There are (5) condominium units located on the 2nd, 3rd, and 4th floors with a total of 10,208 square feet including common areas. There is a garage/basement with 5 parking spaces and storage units for the condominiums. The basement contains 3,705 square feet. The total building square footage is 14,587 square feet. Due to the narrow lot width of 50', the required 10' corner side yard setback is not feasible to meet. Therefore a variance is being requested to reduce the setback. The reduction is from 10' to 0' for a distance of 25' and from 10' to 5' for a distance of 70' at street level. On the upper levels, there are balcony and roof overhang projections into the setback for the entire length of the property. The required parking is 6.7 spaces. The proposed number of spaces is 5. Therefore, a parking adjustment of 2 spaces is requested. The two existing Acacia Trees are being removed. This is required due to the lot size and the slope of the lot. The Zoning Ordinance, under Section 38-32, Paragraph D-1, allows the Planning Commission the discretion to .....*modify any property development standard of this article to permit a project that is of outstanding design*..... We believe this project fits this definition and ask that the City approve the proposed project.
A.P. #	001-032-005
OWNER:	GREG BEARDSLEY 36 CASTRO RD. MONTEREY, CA 93940
SITE AREA:	50' X 95' = 4,750 S.F.
ZONING:	CR - CANNERY ROW DISTRICT

BUILDING AREA:

PARKING/BASEMENT:		+/-	3,705 S.F.
UNIT 1 RETAIL/FIRST FLOOR:		+/-	674 S.F.
TOTAL FIRST FLOOR/BASEMENT:		+/-	4,379 S.F.
CONDOS/SECOND FLOOR: (balconies not included)			
	UNIT 2:	+/-	1,304 S.F.
	UNIT 3:	+/-	1,650 S.F.
	COMMON AREA:	+/-	850 S.F.
TOTAL SECOND FLOOR:		+/-	3,804 S.F.
CONDOS/THIRD FLOOR:			
	UNIT 4:	+/-	1,304 S.F.
	UNIT 5:	+/-	1,650 S.F.
	COMMON AREA:	+/-	850 S.F.
TOTAL THIRD FLOOR:		+/-	3,804 S.F.
PENTHOUSE/FOURTH FLOOR:			
	UNIT 6: LIVING AREA:	+/-	1,750 S.F.
	UNIT 6 EXIT AREA:	+/-	850 S.F.
TOTAL FOURTH FLOOR:		+/-	2,600 S.F.
TOTAL BUILDING AREA		+/-	14,587 S.F.

BUILDING HEIGHT:	ALLOWED:	FOUR STORIES AND 45 FT.
	PROPOSED:	3 - 1/2 STORIES AND 39 FT.
	HEIGHT ABOVE CANNERY ROW:	45'-0" MAXIMUM

SETBACKS:	PROPOSED:	FRONT:	0 FT.
		REAR:	0 FT.
		INTERIOR SIDE:	0 FT.
		CORNER SIDE:	0 TO 5 FT SEE SITE PLAN

F.A.R.	ALLOWED:	3
	PROPOSED:	10,882/4750 = 2.3
SITE LANDSCAPING:	MINIMUM:	10%
	PROPOSED	2%

PARKING:	REQUIRED:	RETAIL: 674/400 =	1.7
		CONDOS: 5 UNITS =	5
		TOTAL REQUIRED:	6.7
	PROVIDED:	5 COVERED (2 car adjustment required)	

SPRINKLERS:	YES
TREE REMOVAL:	(2) EXISTING ACACIA TREES

EXHIBIT NO. 3
APPLICATION NO.
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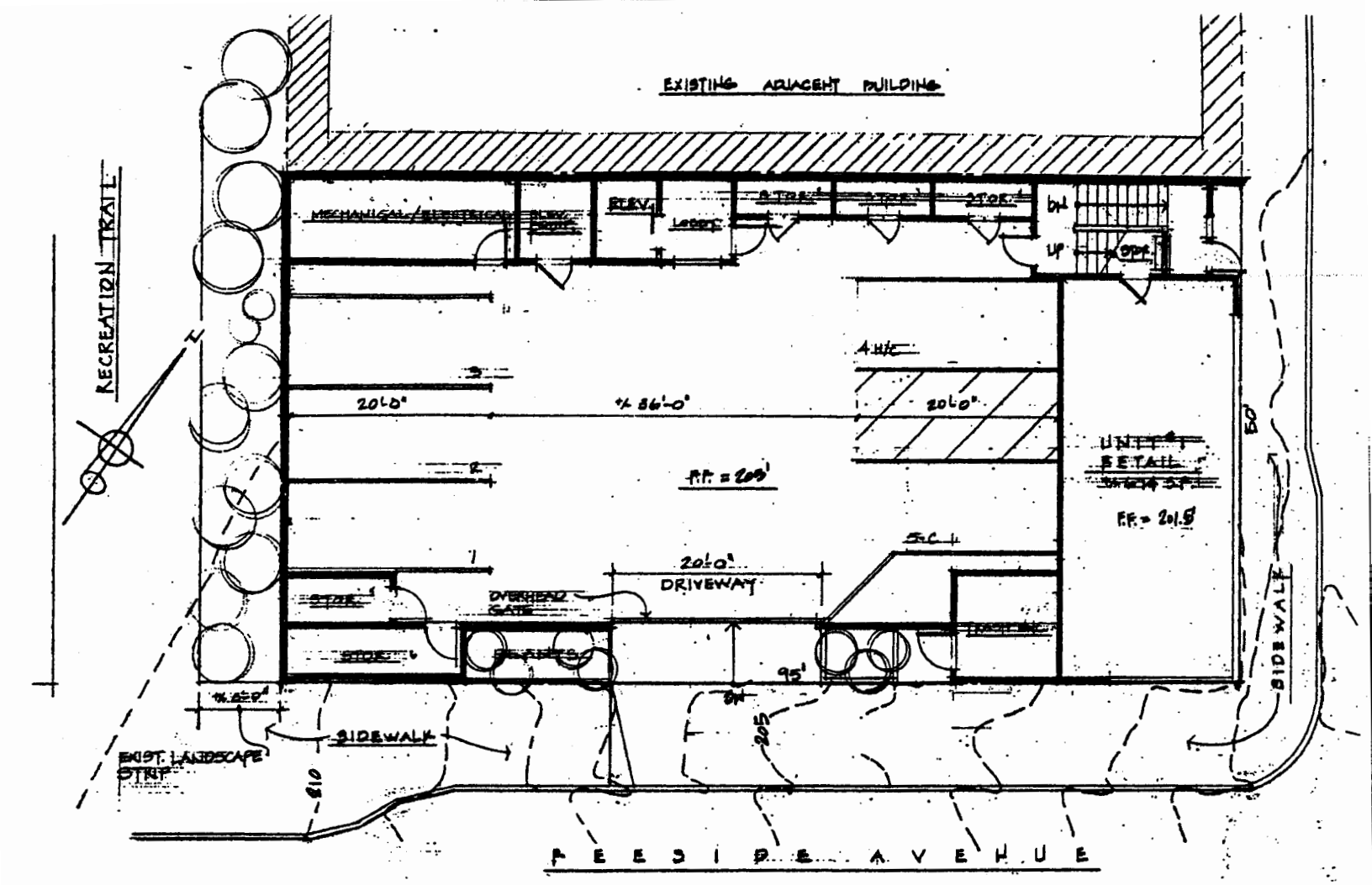
revisions
3 9-2-03
4 9-23-03
5 10-10-03

Project: 0120
CANNERY ROW MIXED USE BUILDING
201 CANNERY ROW
MONTEREY, CALIFORNIA 93940
Drawn By:

LICENSED ARCHITECT GEORGE ASH No. C 15605 Ren. Date STATE OF CALIFORNIA

GEORGE ASH architect
341 Foam Street, Monterey, CA 93940 (831) 644-1095 fax (831) 644-5301



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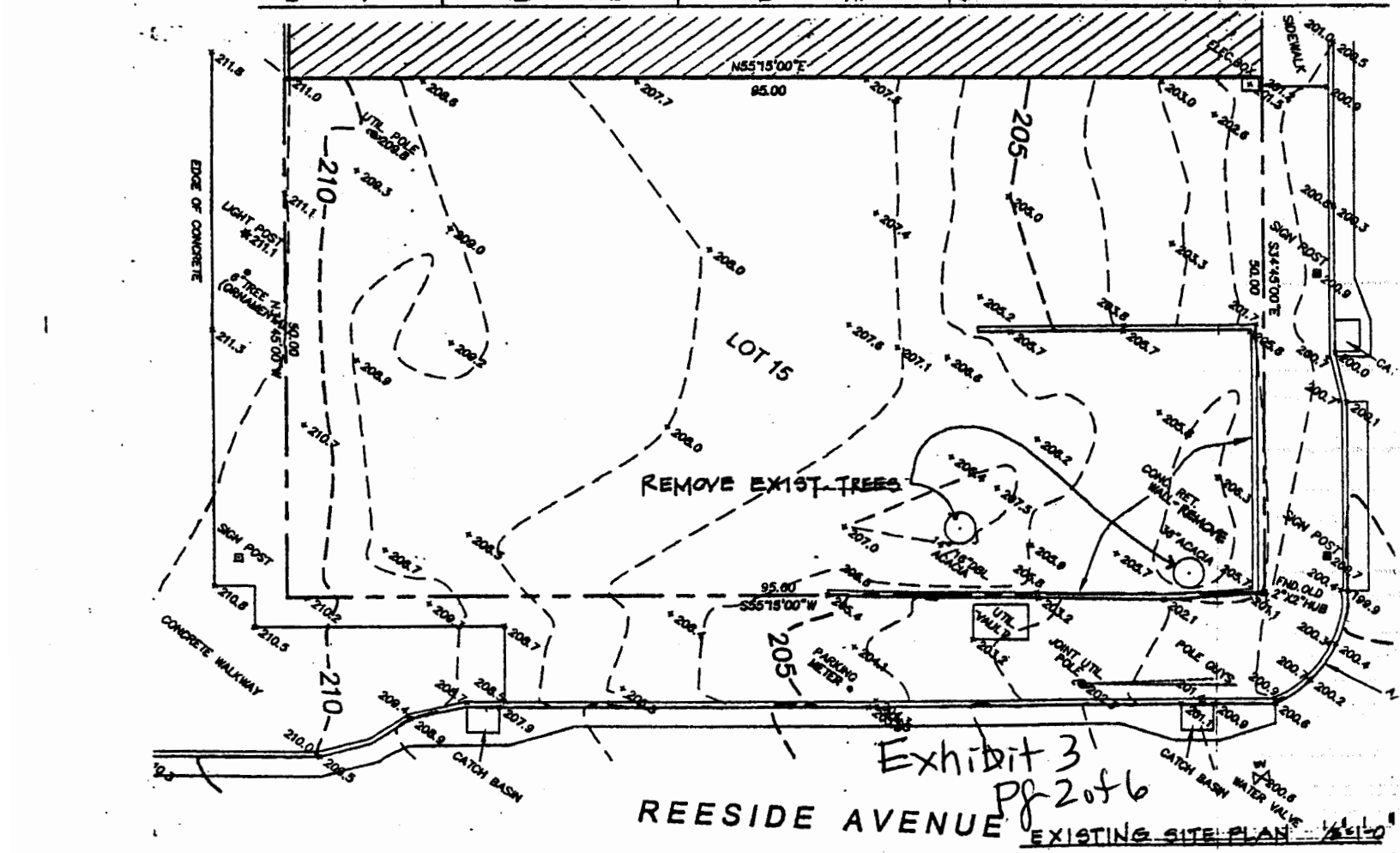

Exhibit 3
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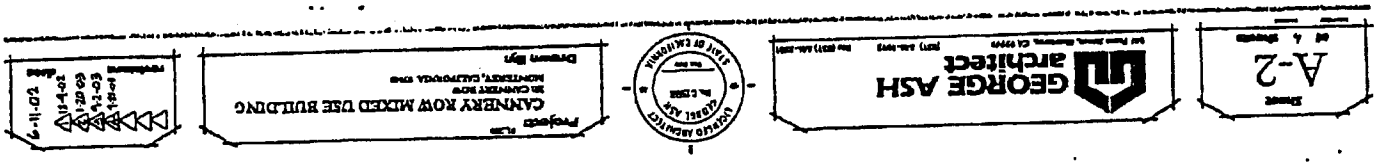
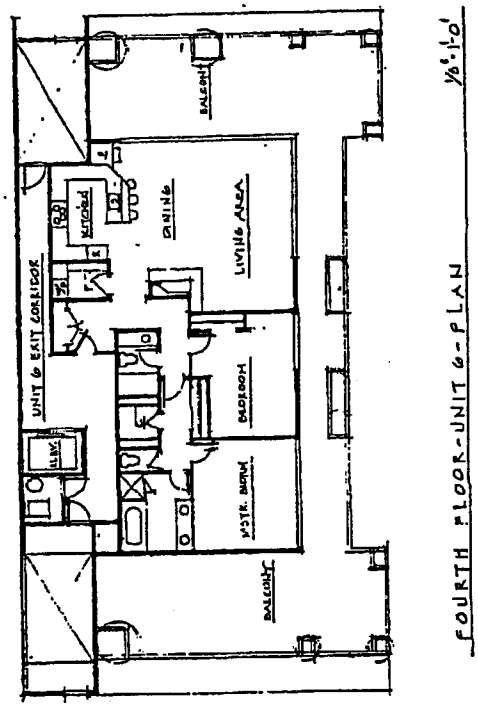
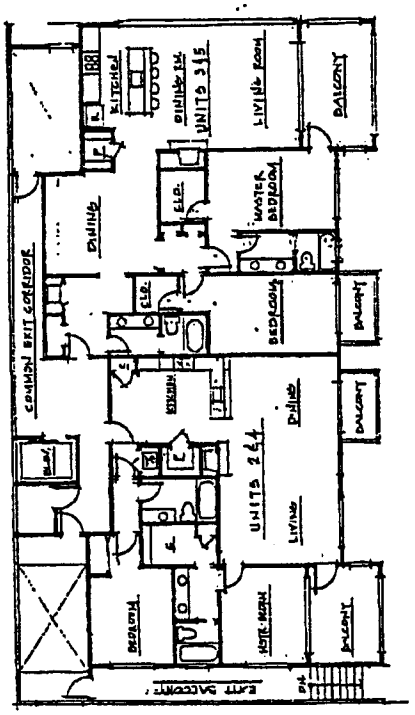
EXISTING SITE PLAN 1/4"=1'-0"



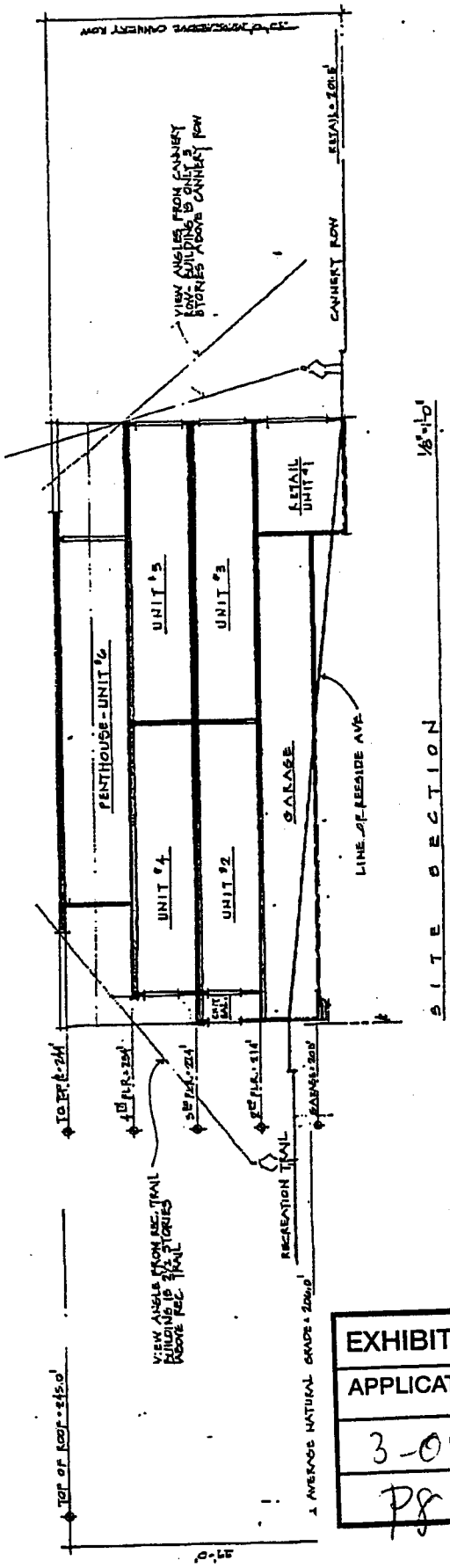
(H)
(22)



FOURTH FLOOR-UNIT 6-PLAN 1/8"=1'-0"



SECOND AND THIRD FLOOR PLAN 1/8"=1'-0"



SITE SECTION 1/8"=1'-0"

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MAX. BUILDING HEIGHT = 245.0'

4TH FLOOR F.F. = 234.0'

3RD FLOOR F.F. = 224.0'

2ND FLOOR F.F. = 214.0'

RETAIL F.F. = 201.2'

CANNERY ROW ELEVATION = 200.0'

REESIDE AVE

CANNERY ROW

EXHIBIT NO. 3
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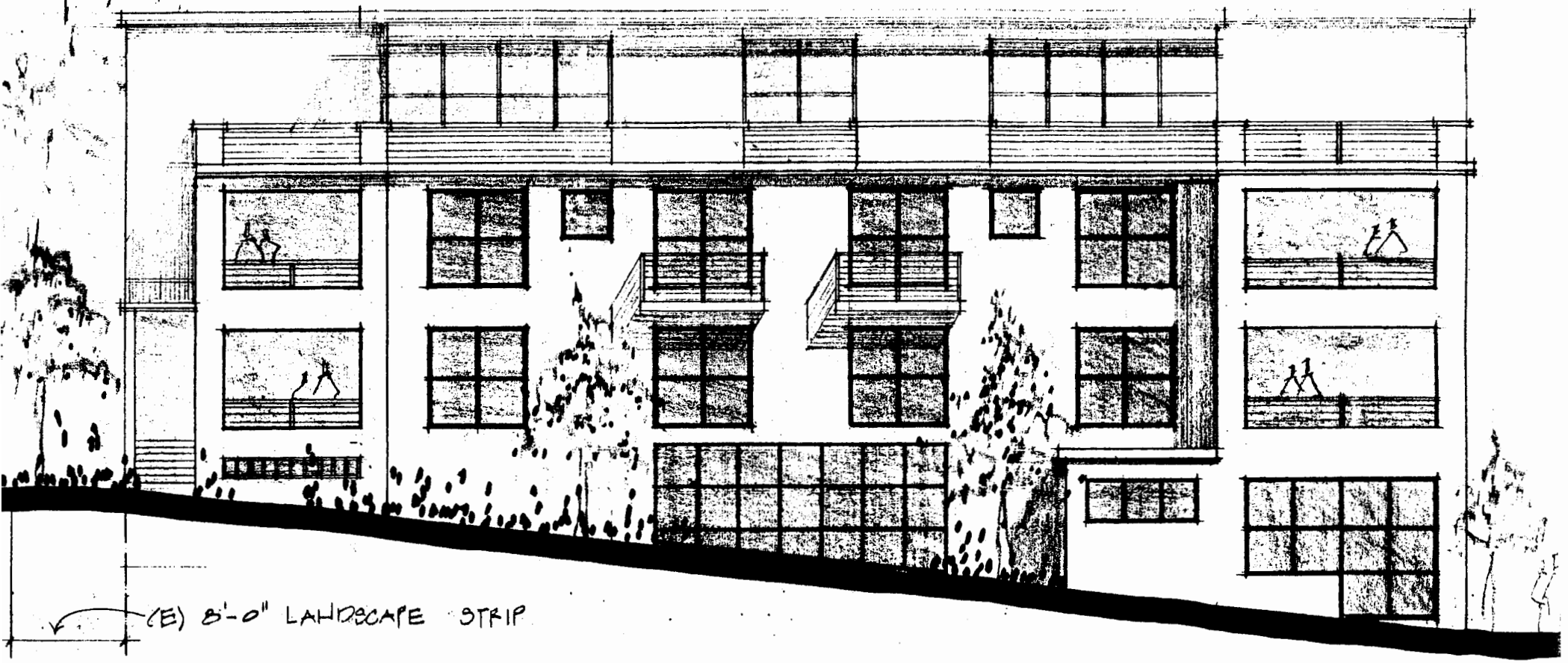
2. ANODIZED BRONZE METAL STOREFRONT WINDOWS.

3. STAINLESS STEEL CABLE GUARDRAIL SYSTEM

4. COPPER GUTTERS AND DOWNSPOUTS



SIDE ST. ELEVATION 1/8" = 1'-0"

EXHIBIT NO. 3
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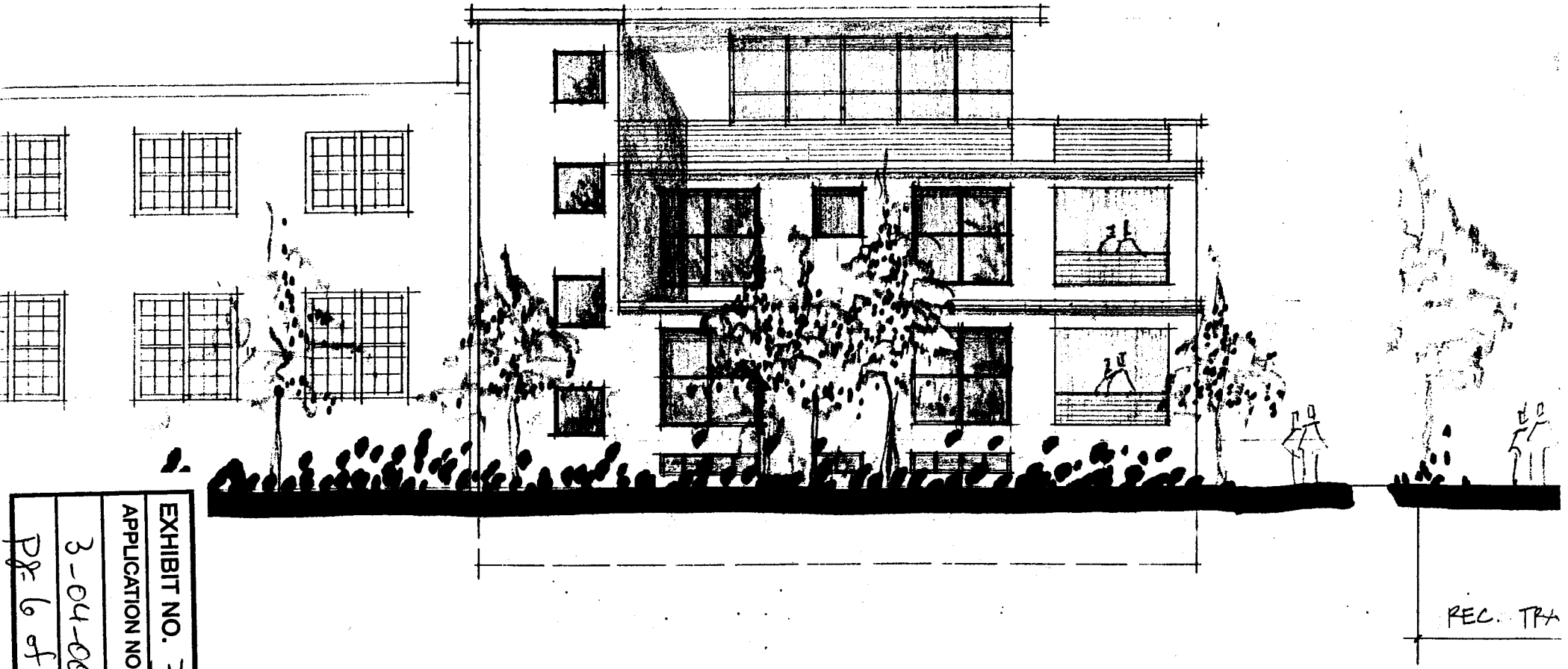

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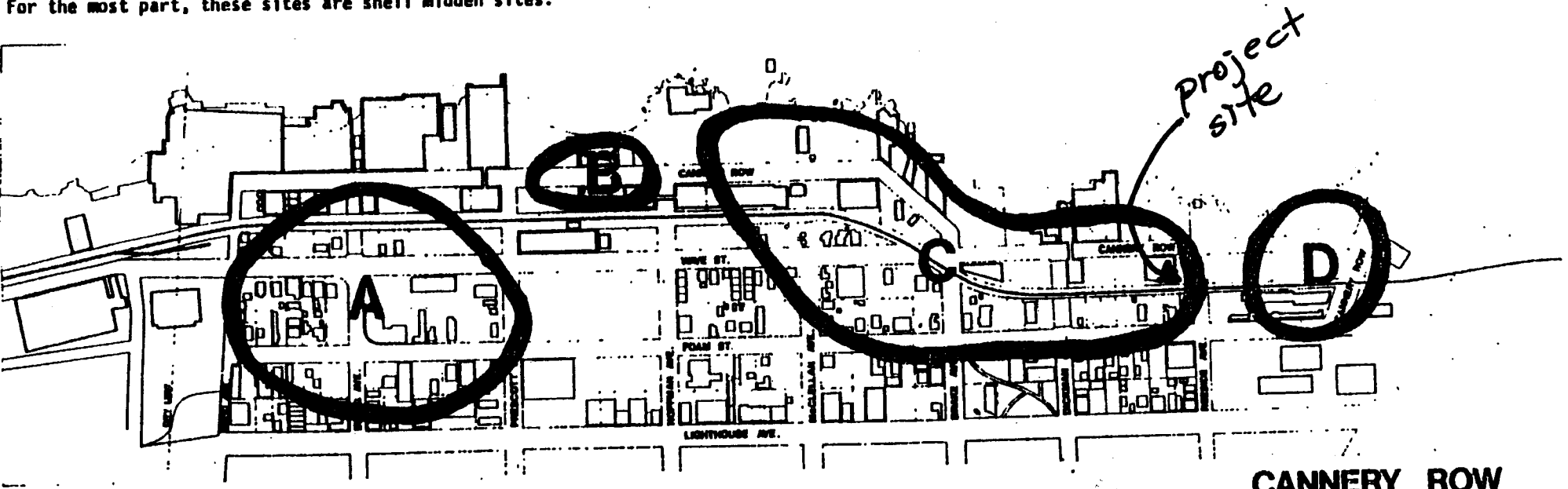
REC. TRAIL ELEV. 1/8"=1'-0"

RE

Note - The entire Cannery Row LCP planning area is designated as a high sensitivity zone in which archaeological resources are known to exist in some density and where other prehistoric sites are likely to occur. High sensitivity zones include rocky coastline environs, areas around fresh water resources, such as stream drainages and miscellaneous zones where evidence suggest probable presence of archaeological sites. Sites in the Cannery Row area pertain to the prehistoric period, although historic materials may occur at some of these sites as well. For the most part, these sites are shell midden sites.



Site Zones

A - 390, 391

B - 389

C - 386, 387, 388,103

D - 102

Site Zones - Site zones are those lands on which archaeological sites have been identified and recorded and the lands immediately adjacent to these known sites. Site number designations which appear follow the classification system employed by California archaeologists. All recorded sites have been surveyed by a professional archaeologist and the details of the site noted. Archaeological records for Monterey County are stored at Cabrillo College, under the direction of Robert Edwards.

CANNERY ROW
LOCAL COASTAL PROGRAM
CITY OF MONTEREY

Figure 17
ARCHEOLOGY AND PALEONTOLOGY

IV-B-7

EXHIBIT NO. 4
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EXHIBIT A
201 CANNERY ROW VESTING TENTATIVE MAP, USE PERMIT, VARIANCE AND PARKING ADJUSTMENT

RECOMMENDED CONDITIONS OF APPROVAL:

1. That the Use Permit, Variance, Parking Adjustment, Concept architectural approval and Vesting Tentative Map are approved for development of a 4-story mixed-use building that will contain five residential condominium units, one retail commercial condominium unit, one common area parcel and five garage parking spaces as shown on the submitted site plan floor plan and elevation drawings dated October 10, 2003 with the following revisions:

    A. An elevation benchmark shall be added to the Map.
    B. The owner of the adjacent property shall be added to the Map.
    C. The streets on the Map shall be labeled as "City Street" with the right-of-way width dimensioned.

2. That all development on the project property shall be constructed and thereafter maintained in accordance with the conditions of this permit.

3. Prior to applying for building permits, the applicant shall submit for Preliminary Architectural Review Committee (ARC) review and approval.

4. The applicant shall comply with all the requirements of the Public Works Department.

5. Prior to recordation of the Final Map, which shall include a Tract Map and Condominium plans, the applicant shall prepare and submit the Final Map for the review and approval of the Public Works Department.

6. That CC & R's for the condominiums shall be prepared and submitted for review, evaluation and acceptance by the City Engineer and City Attorney's Office prior to the submittal of a Final Map.

7. A qualified archaeological monitor shall be present during construction activities that may involve native soil exposure or disturbance, such as excavation for the basement garage, foundations or utilities, etc. If evidence of cultural materials is discovered on the parcel, work shall be temporarily halted to allow the find to be evaluated by the monitor and/or the principal archaeologist for the project. If the find is determined to be significant, appropriate mitigation measures shall be formulated and implemented. If human remains or significant cultural features are discovered, work shall be halted on the parcel until the find can be evaluated and appropriate mitigation measures formulated and implemented.

8. The following language or the equivalent shall be included in any permits issued within the project area: "If prehistoric or historic archaeological resources or human remains are accidentally discovered during construction, work shall be

Exhibit 5
Pg 1 of 2

(4)

halted within 50 meters (150 feet) of the find until it can be evaluated by a qualified professional archaeologist. If the find is determined to be significant, appropriate mitigation measures shall be formulated and implemented.

9. The applicant shall prepare and submit a Historic Documentation Program to the Historic Preservation Commission for approval. The Historic Documentation Program shall provide information about the history of this site as it relates to Cannery Row. Approval of the Historic Documentation Program shall be required prior to issuance of a Building Permit.

10. Prior to issuance of a Building Permit, the applicant shall pay required park impact fees to the City of Monterey and school impact fees to the Monterey Peninsula Unified School District.

11. The Parking Adjustment is approved with the condition that the adjustment fee is paid. The applicant is required to pay for a two space parking adjustment.

12. This project is subject to categorical water allocation program approved by the City Council. The applicant will proceed at his own risk that water may not be available at the time he requests Building Permits. No Building Permits will be issued if water is not available to this project.

13. That all development on the project property shall be constructed and thereafter maintained in accordance with the conditions of this permit.

14. These Permits shall become null and void if not exercised or extended within twenty-four (24) months of the date of granting the approval. It is the applicant's responsibility to track the twenty-four month expiration date and request permit approval extensions prior to the permit expiration date. No renewal notice will be sent to the applicant.

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5

GEORGE ASH
architect

June 21, 2004

California Coastal Commission
725 Front Street, Suite 300
Santa Cruz, CA 95060

Attn.: Susan Craig
re: **Coastal Development Permit Application #3-04-009**

Dear Ms. Craig,

In addition to the letter I wrote dated March 18, 2004, I would like to submit the following information.

Greg Beardsley and I met with Rick Marvin to discuss the 30 units per acre issue. He pointed out that the City, when calculating the maximum number of residential units to be allowed in the Cannery Row area, applied the 30 units per acre factor (found in the zoning ordinance) to all of the vacant and under developed land in the Cannery Row area. That is how they arrived at the 183 total units. The 183 number is the critical number for the Cannery Row area.

There have been two projects approved on a majority of the vacant or underdeveloped property in the Cannery Row area. The **I-MAX Theater** and the **Oceanview Plaza** projects. The **I-MAX** theater is on 31,000 square feet of land. Based on the 30 units per acre factor, that would allow 21 units. There are **zero** units approved for that site. The **Oceanview Plaza** project is on 4.8 acres, which would allow 144 units. That project has been revised downward and approved for **51** units. Those two properties potentially could create a total of 165 of the allowed 183 units, yet are approved for only a **total of 51** units.

Therefore, by approving the 5 units, (already approved by the City), at **201 Cannery Row**, this will in no way have any significant impact on the total allowed number of units for the Cannery Row area. Combining all three of these projects, there are 56 units approved on 5.63 acres at a density of 9.9 units per acre, far below 30 units per acre.

Further, please refer to highlighted portion of the attached copy of the City's Mixed-Use zoning ordinance:

> *....Density may exceed 30 units per acre if the Planning Commission determines that the additional units will make the mixed-use building size and height compatible with adjoining buildings.*

We worked for seven months with the City Staff, Architectural Review Committee, Historical Preservation Committee and the Planning Commission to achieve a design that does in fact compliment the Cannery Row area in size, height, and design, that the City has approved. In all of those months, we never heard from anyone that density was an issue.

We ask that the Coastal Commission staff find that this project is an acceptable project for the Cannery Row area and recommend approval. Rick Marvin has said that he is available to confirm this information. Please call him at the City of Monterey @ 646-3885.

Thank you for your time on this project.

Sincerely;

George Ash
cc: Greg Beardsley

EXHIBIT NO. 6
APPLICATION NO.
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541 Foam Street
Monterey, CA 93940

(831) 646-1095
(831) 646-5301 Fax

g. Restaurants with live entertainment and/or dancing.

3. Uses Not Allowed in a Mixed Use Development. The following uses are not allowed in a mixed use development, even if listed as permitted or conditional uses in the underlying zone.

a. Adult businesses.
b. Bars with live entertainment and/or dancing.
c. Convenience markets with gas pumps.
d. Vehicle/equipment repair, service stations, vehicle washing, and vehicle storage.

4. Property Development Standards. Mixed use development shall meet the property development standards of the underlying zone, with the following qualifications and exceptions:

a. Street Frontage Uses. Commercial and office uses shall be the predominant street frontage use in a mixed-use project.

b. Design Intent. Mixed use developments should be compatible with the existing design elements of the surrounding area. The development should not look like an apartment building, if the predominant design is commercial. Density may exceed 30 units per acre if the Planning Commission determines that additional units will make the mixed use building size and height compatible with adjoining buildings.

c. Usable Open Space. Private open space is encouraged for each residential unit. Interior patio areas or patios to the rear of a building are options for providing open space.

d. Parking Requirements. Off-street parking and loading shall be required for all uses, subject to the requirements set forth in Article 18.

e. Noise. An acoustic analysis and noise mitigation program to reduce noise transmission between commercial and residential uses shall be submitted with a use permit application for a use which typically generates high noise levels in a mixed use building.

An acoustic analysis and noise mitigation program for residential units shall be submitted with the use permit application for a mixed use project in an area with noise generators such as traffic, evening activity, music, etc. in the immediate area. Noise mitigation measures may include insulation of walls and windows, placement of sleeping quarters in interior locations, and placement of closets and utility areas between the outside noise sources and living or sleeping areas.

f. Other Required Conditions. Each residential unit shall be provided a separate storage area consisting of at least 100 cubic feet and having a minimum horizontal surface of 25 square feet. In addition, for projects

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Gregory P. Beardsley
Real Estate Investments

June 18, 2004

Rick Marvin
Community Development Dept.
City Hall, City of Monterey
Monterey, CA 93940

Dear Rick,

Thank you for the information you gave me over the phone yesterday. I will ask Susan Craig, through George Ash, to call you to confirm the following information regarding the number of projects that have been approved with or without residential units in the Cannery Row local coastal plan to date.

To date: 56 residential units have been approved.

Lot size	#of units	Location
4950sf	5	201 Cannery Row (my project)
4.8 acres	51	Ocean View Plaza, Cannery Row
31,000sf	0	Imax Theater
5.63 acres	56	Total units

Sincerely,

Gregory P. Beardsley

Cc: George Ash

EXHIBIT NO. 6
APPLICATION NO.
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36 Castro Road, Monterey, CA 93940
(831) 655-5100 • FAX (831) 655-5115

4. Water Availability:

Water is a major constraint to new development in the City of Monterey. According to the water allocation figures recently developed by the City of Monterey (Exhibit 6), there are ± 52 acre feet of water currently available. (An acre foot is approximately equivalent to 326,000 gallons of water. For reference, a single family home consumes about one third of an acre foot per year. Apartment type residences, such as those proposed on Cannerry Row, consume less water than single family homes.) ± 29 acre feet of the total of ± 52 acre feet of water has been conditionally released for the development of the Cannery Row Hotel, which remains a high-priority for City development objectives. (Note that the suggested modifications also prohibit the conversion of existing or approved visitor serving facilities, such as the Cannery Row Hotel, to mixed use development.)

Out of the remaining ± 23 acre feet of water, 20 acre feet serve as the City reserve, leaving ±3.5 acre feet of water (or, for comparison, enough water to serve 10 -12 single family homes) to be allocated by the City for new development as of November 1, 1996. Out of the 20 acre feet serving as the City reserve, 5 acre feet are allocated to residential uses, 5 acre feet are allocated to commercial uses, and 10 acre feet are unallocated. The City allows a maximum of 2 acre feet of water to be allocated to both residential and commercial development out of the City's reserve. Under this program, the City asserts that mixed use projects will facilitate the provision of visitor-serving commercial facilities under this water constraint, by allowing for the conjunctive use of water reserved for residential and water reserved for commercial uses under the City's allocation program. However, this allocation program is not a component of the Cannery Row certified LUP.

The City anticipates that a residential unit of a mixed use projects will consume .17 acre feet of water per year; development of the maximum 166 residential units will require 27.62 acre feet of water per year, significantly more than what is currently available. Therefore, regardless of the City's current allocation program, most new development in Cannery Row will be dependent upon developing new sources of municipal water.

Due to this fact, it is necessary to ensure that future residential development, as a component of mixed use projects, will not consume water that would otherwise be needed to allow for the development of coastal dependent or coastal related land uses as detailed on pages 18-19 of this staff report. This necessitates that residential development be restricted to a level that will not have a significant impact on the availability of water needed to serve Coastal Act priority land uses. Without such a limit, residential development could consume a sign limited water that may otherwise be needed to serve coastal dependent or coa land uses.

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FINDINGS re: Public Access & Recreation/Visitor serving

C. Applicable Coastal Act Policies

1. LUP Requirements

Coastal Act Section 30512(c) sets forth that "[t]he Commission shall certify a land use plan, or any amendments thereto, if it finds that a land use plan meets the requirements of, and is in conformity with, the policies of Chapter 3 (commencing with Section 30200). ... ".

As discussed on page 8 of this staff report, it is necessary to analyze the relationship between the amendment and the LUP as currently certified in order to ensure that the proposed changes will not conflict with other components of the LUP necessary to maintain Coastal Act conformance. Therefore, suggested modifications supplement LUP parking policies and the Land Use Map, in a manner which addresses the changes proposed by the amendment submittal. Specifically, these modifications ensure that parking provisions necessary to protect public access and recreation opportunities are required of mixed use projects, and that the addition of Mixed Use projects as a conditional use throughout the Cannery Row coastal zone is identified on the Land Use Plan map.

Other non-policy text of the existing LUP which is outdated and does not directly apply to the coastal development review process is not the subject of suggested modifications, but are encouraged to be updated by the City in the future, preferably in coordination with the development of an Implementation Program for the area to be submitted for Commission certification.

2. Access and Recreation

a. Coastal Act Policies:

1) Section 30213 states in part:

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

2) Section 30221 requires:

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

3) Section 30222 states:

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

4) Section 30252 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...

b. Analysis:

The protection of coastal access and recreation opportunities for the public, as required by the above policies, are dependent upon numerous factors. With respect to the proposed amendment, meeting this Coastal Act objective relies upon ensuring that the addition of mixed use projects, particularly their residential components, do not diminish parking opportunities needed to accommodate coastal access and recreation activities, and do not preclude the development of facilities which serve coastal access and recreation. These issues are analyzed below.

1) Parking:

An important Coastal Act consideration in adding residential use to the Cannery Row planning area is the affect upon the availability of public parking, as parking directly relates to coastal access and recreation. Certain types of coastal recreation activities, such as scuba diving, a popular sport within the offshore areas along Cannery Row, require parking in close proximity to the water due to the extent of the equipment involved.

As described on pages 11-12 of this staff report, the City of Monterey zoning ordinance for mixed use projects (Exhibit 4) requires the provision of off-street parking and loading as set forth in Article 18 of the Monterey City Code (Exhibit 5). These require "a minimum of 1 permanently assigned parking space per [residential] unit", but allow adjustments to this requirement for mixed use projects in order to allow for commercial and residential parking spaces to be shared. Such sharing may result in residential uses occupying spaces that may otherwise be desired by coastal visitors. Furthermore, these requirements do not specify that such spaces must be provided on-site, which could potentially allow the use of off-site parking spaces which might otherwise be used for access and recreation purposes. Most crucially, as submitted, the amendment does not contain a limit on the amount of residential development associated with mixed use projects which could occur. Without such a limit, the impact on limited public parking opportunities could be significantly adverse, in consistent with the requirements of Coastal Act Section 30252.

In order to address these issues, the suggested modifications accomplish the following:

- a minimum of one on-site parking space per residential unit is required;
- the City of Monterey must require more than one on-site parking space per unit if needed to maintain adequate public parking opportunities in the Cannery Row planning area; and,
- residential development associated with mixed-use projects is limited to a maximum of 166 units in the Cannery Row coastal zone.

2) Traffic and Circulation:

Similar to the availability of public parking, traffic and circulation conditions relate to coastal access and recreation in that they affect the accessibility of an area. Adverse traffic conditions

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can diminish the quality of a recreational coastal drive, bike ride, or walk, as well as reduce the number of people that roadway networks can effectively serve.

The City of Monterey has asserted that the addition of mixed uses on Cannery Row will allow the traffic network to serve a larger number of coastal visitors, because residential traffic generates less traffic than visitor use, and at different times of the day other than peak visitor hours. However, as the amendment submittal is worded, there are no restrictions regarding the intensity of residential development that can occur. Without such a limit, there are no assurances that potentially extensive residential development will not create new traffic problems that would adversely affect coastal access and recreation opportunities.

Therefore, the suggested modifications identify that a maximum of ~~166~~ 183 (modified by Commission at 1997 hearing) residential units can be developed as part of mixed use projects throughout the Cannery Row area (the method in which this maximum number was determined is contained on pages 10-11 of this staff report). According to the information submitted by the City of Monterey, the coastal roadways in this area will be able to accommodate the additional 1660 trips per day expected as a result of this development.

3) Visitor Serving Facilities:

Cannery Row provides significant opportunities for coastal visitors to experience the unique, scenic, historic, and biologically rich coastal environment of this section of the Monterey Bay. As recognized by Coastal Act section 30213 and 30222, an important component of facilitating these opportunities is providing visitor-serving facilities.

Mixed use projects will provide visitor-serving commercial facilities on the ground level. In fact, as a result of a previous citizens initiative which restricts the construction of new hotels on Cannery Row to those which receive a majority vote by the public, the City has stated that allowing mixed use projects will facilitate the provision of visitor-serving facilities on properties that would otherwise not be developed due to the initiative. (It should be noted, however, that at such a time that the City submits the Implementation Plan component of its LCP, the Commission will have the opportunity to review the implications of this initiative, and either modify or reject its provisions in order to carry out the provisions of the certified LUP).

Nevertheless, the proposed amendment does not limit the extent of mixed use development. As a result, certification of the amendment as submitted would allow an unspecified amount of mixed use development, which could include the conversion of existing or approved visitor-serving facilities. Such development would reduce the amount of visitor-serving facilities on Cannery Row, and replace them with residential uses, contrary to the priorities set forth in Coastal Act Section 30222.

Therefore, the Commission has suggested modifications which specifically prohibit the conversion of existing or approved overnight accomodations to mixed use development. Such a modification is necessary to ensure that the addition of mixed uses will not replace this kind of visitor-serving use with residential development.

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c. Conclusions:

The addition of mixed use development on Cannery Row has the potential to negatively impact coastal access and recreation opportunities by increasing demands on limited public parking, creating traffic and circulation problems, and replacing existing or approved visitor-serving facilities with residential use. The most significant variable affecting the degree of significance is the amount of residential development allowed. As submitted, the amendment does not identify the maximum amount of mixed use development that could ultimately take place on Cannery Row. The other important variable related to the amendments impact on coastal access and recreation is the amount of parking that will be needed and provided by mixed use projects. As submitted, the amendment does not contain adequate parking standards necessary to ensure that mixed use development will not consume public parking spaces needed to serve coastal access and recreation. Accordingly, the amendment submittal can not be found to be consistent with Coastal Act Sections 30213, 30221, and 30222.

In order to address these issues, the Commission has suggested modifications which:

- limits the number of residential development associated with mixed use projects to ~~100~~ 183 units (this represents the number of units that can be developed at a maximum density of 30 units per acre on currently vacant and underutilized lots in the Cannery Row coastal zone);

- prohibits the conversion of existing or approved visitor-serving facilities to mixed use; and,

- requires that mixed use project provide a minimum of one on-site parking space per residential unit, and establishes that the City of Monterey shall require more than one on-site parking space per residential unit where necessary to maintain adequate visitor-serving parking opportunities.

With these modifications, the restricted extent of mixed use development will limit associated impacts to an insignificant level. Modified parking standards will ensure that mixed use projects will not adversely affect public parking opportunities. Therefore, only as modified is the amendment consistent with Coastal Act access and recreation policies.

3. New Development

a. Coastal Act Policies:

1) Section 30253 requires in part that where appropriate, new development shall protect special communities and neighborhoods which, because of their unique characteristics, are popular visitor destination points for recreational uses.

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2) Section 30254 states in part:

> Where existing or planned public works facilities can accommodate only a limited amount of new development, services to coastal dependent land use, essential public services and basic industries vital to the economic health of the region, state, or nation, public recreation, commercial recreation, and visitor-serving land uses shall not be precluded by other development.

b. Analysis:

The above Coastal Act policies require that the addition of mixed use projects on Cannery Row protect the unique characteristics of the Cannery Row area that make it such a popular visitor destination, and maintain adequate public service capacities to serve coastal dependent and coastal related land uses.

The subject amendment, as submitted, conflicts with these requirements because the unspecified extent of residential development associated with mixed use projects has the potential to:

- alter Cannery Row's character as a well known visitor destination for coastal access and recreation opportunities to an exclusive residential neighborhood; and,

- consume limited public service capacities (i.e., water) needed to serve future coastal dependent and coastally related development.

Modifications to the amendment submittal have therefore been suggested which prohibit the conversion of existing and approved visitor-serving facilities, and limit the total amount of residential development allowed on Cannery Row to ~~166~~ 183 units, which represent the number of units that can be developed above ground floor visitor-serving commercial land uses at a maximum density of 30 units per acre on currently vacant and underutilized parcels in the Cannery Row coastal zone.

Prohibiting the conversion of existing and approved hotels and motels is necessary to maintain Cannery Row's function as an important coastal access and recreation destination of the Central Coast. (In addition to prohibiting the conversion of existing overnight accomodations, the conversion of approved facilities is specifically noted by the suggested modifications in order to reflect the City's intent to facilitate construction of the previously approved but not yet developed Cannery Row Hotel). Without such a modification, the amendment submittal could be interpreted as allowing the conversion of visitor--serving facilities to mixed use/residential developments. Such conversions would diminish Cannery Row's current visitor-serving character.

Similarly, limiting the extent of residential development associated with mixed uses to ~~166~~ 183 units will also serve to maintain Cannery Row's visitor-serving attributes. In addition, this measure will curb the total amount of water that will be utilized by residential development in Cannery Row. Without a limit on residential units, residential development could consume a significant

amount of limited water that may otherwise be needed to serve coastal dependent or coastally related land uses.

c. Conclusions:

Unlimited mixed use development, as allowed by the amendment submittal, would conflict with Coastal Act Sections 30253 and 30254 which protect the unique qualities of visitor-serving destinations such as Cannery Row, and require that where public service capacities are limited, services to coastal dependent, recreational, and visitor-serving land uses not be precluded by other development (e.g., residential).

As a result, the Commission must deny the amendment proposal as submitted. However, the Commission has suggested modifications to the submittal which would bring it into conformance with these Coastal Act requirements by limiting the extent of residential development associated with mixed use projects on Cannery Row to a level that will not reduce the area's quality as a destination for coastal dependent and coastally related activities.

D. California Environmental Quality Act (CEQA)

The Coastal Commission's review and development process for LCPs and LCP amendments has been certified by the Secretary of Resources as being the functional equivalent of the environmental review required by CEQA. Therefore, local governments are not required to undertake environmental analysis on LCP amendments, although the Commission can and does utilize any environmental information the local government has developed. CEQA requires that alternatives to the proposed action be reviewed and considered for their potential impact on the environment and that the least damaging feasible alternative be chosen as the alternative to undertake.

With respect to the subject amendment, the Commission has analyzed the environmental impacts associated with the proposed policy changes, and has found that the amendment, as submitted, could have significant adverse impacts on coastal recreation and access opportunities due to the unspecified amount of residential development that could result. Therefore, the Commission has developed an alternative to the amendment submittal, represented by the suggested modifications contained in this report, which will avoid significant adverse impacts to environmental resources by limiting the amount of residential development authorized by the amendment within the Cannery Row coastal zone. As detailed in the findings of this report, the subject amendment, as modified, will not have a significant adverse impact on the environment within the meaning of the CEQA.

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maximum is recommended to be incorporated in the LUP as a suggested modification in order to ensure that the amendment will not have an adverse impact on coastal access, recreation, and coastal dependent and related developed as further detailed in the following section of this staff report. It is noted that this is an area wide maximum, and the above analysis was utilized as a basis to determine an area wide maximum, as opposed to site specific maximums. Specific mixed use projects will be required to conform to the 30 unit per acre density standard, and not exceed a cumulative total of ~~166~~ 183 (modified by Commission at hearing) units within the Cannery Row coastal zone. In recent discussions, City staff has not objected to such a modification.

2. Impact on Public Parking:

As described above, an analysis of the proposed amendment's effects is dependent upon gauging the intensity of residential development that could result. It was therefore necessary to establish a maximum number of residential units which could be developed throughout the Cannery Row coastal zone under the revised policies before the amendment's impact on public parking could be determined.

Competition for parking on Cannery Row can be keen. Monterey City staff has identified that there are currently 2,445 parking spaces in public and private parking structures and lots, as well as 747 on-street parking spaces in the Cannery Row planning area. On occasion, such as during the recent opening of the Monterey Bay Aquarium's Outer Bay wing, these spaces have been 100% occupied. The City asserts, however, that residential parking needs are highest during the night, when visitor parking needs are not at their peak. No evidence in support of this assertion has been provided.

Parking requirements referenced by the City's Mixed Use Ordinance (attached as Exhibit 5), require "a minimum of 1 permanently assigned parking space per [residential] unit", but allow adjustments to this requirement for mixed use projects in order to allow for commercial and residential parking spaces to be shared. The Commission staff expressed concerns to the City regarding the "adjustability" of this parking standard; in response, the City staff indicated that residential components of mixed-use projects are require to provide a minimum of one parking space per unit, with the City able to require more spaces for larger units during its review of individual projects. However, these parking standards are not currently contained in the Cannery Row LUP, and do not specify that the spaces be provided on-site. Therefore, the Commission has proposed suggested modifications to ensure that the amendment will not result in a reduction of public parking needed for coastal access and recreation, for the Coastal Act reasons detailed in section II.D.2. of this report. These modifications require a minimum of one on-site parking space per unit, and allow the City to require more than one space if necessary to protect public parking opportunities in the Cannery Row planning area.

Given the fact that the amendment submittal has been narrowed to a maximum of ~~166~~ 183 residential units, an average need of two parking spaces per unit would result in a total residential demand of 332 spaces. If the City applies the minimum requirement of one on-site parking space per unit, there could be a shortage of ~~166~~ 183 parking spaces needed by residential development.

As a result, the suggested modifications include a requirement require that wher maintain adequate visitor parking opportunities in the Cannery Row planning are

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