

**CALIFORNIA COASTAL COMMISSION**

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Filed: 10/02/06  
 49th Day: 11/20/06  
 180th Day: 3/31/06  
 Staff: Al Padilla-LB  
 Staff Report: 11/19/06  
 Hearing Date: 12/13-15/06

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## STAFF REPORT: REGULAR CALENDAR

**APPLICATION NUMBER:** 5-06-380

**APPLICANT:** Indus Investments, Inc.

**PROJECT LOCATION:** 1301 Ocean Avenue, Santa Monica

**PROJECT DESCRIPTION:** Tenant improvements to an existing 54 room hotel, including addition of 17 new guest rooms, access ramp, courtyard renovations, pool, and 18 new parking spaces on an adjacent lot.

Lot Area:	30,000 square feet
Building Coverage:	7,001 square feet
Pavement Coverage:	20,859 square feet
Landscape Coverage:	2,140 square feet
Parking Spaces:	44
Zoning:	RVC (Residential-Visitor Commercial)
Ht above final grade:	85 feet

**LOCAL APPROVALS RECEIVED:** Conditional Use Permit 05-006

### SUMMARY OF STAFF RECOMMENDATION:

Staff recommends approval with a special conditions requiring; 1) that the lots are legally tied together; 2) future improvements condition; 3) landscape Plan to ensure drought tolerant and non-native invasive plants; and 4) recordation of a deed restriction against the property, referencing all of the Special Conditions contained in this staff report. As conditioned, the proposed project conforms with all applicable policies of the Coastal Act. The applicant is in agreement with all special conditions.

**STAFF RECOMMENDATION:**

**MOTION:**        *I move that the Commission approve Coastal Development Permit No. 5-06-380 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.     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 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.     Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.

4. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
5. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

### III. SPECIAL CONDITIONS

#### 1. Lot tie

**PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT**, the applicant shall provide evidence, for the review and approval of the Executive Director, that the properties identified as Parcel 20 and Parcel 21, in Exhibit No. 2 of the staff report, dated November 19, 2006, have been legally tied together so that they are treated as a single parcel pursuant to applicable State and Local statutes. The tied properties shall be held as a single building site for purposes including, but not limited to, sale, conveyance, development, or encumbrance.

#### 2. No Future Improvements Restriction

This permit is only for the development described in coastal development permit No. **5-06-380**. Except as provided in Public Resources Code section 30610 and applicable regulations, any future development as defined in PRC section 30106, including, but not limited to, a change in the density or intensity of use land, shall require an amendment to Permit No. **5-06-380** from the California Coastal Commission or shall require an additional coastal development permit from the California Coastal Commission or from the applicable certified local government.

#### 3. Landscape Plan

**A.** Prior to issuance of the coastal development permit, the applicant shall submit, for review and approval of the Executive Director, a landscaping plan. The plan shall be prepared by a licensed landscape architect. To minimize the need for irrigation and minimize encroachment of non-native plant species into adjacent areas, all landscaping shall consist of native and/or drought tolerant non-invasive plant species. No plant species listed as problematic and/or invasive by the California Native Plant Society, the California Invasive Plant Council (formerly known as the California Exotic Pest Plant Council), or as may be identified from time to time by the State of California shall be utilized on the property. No plant species listed as a 'noxious weed' by the State of California or the U.S. Federal Government shall be utilized within the property. All plants employed on the site shall be drought tolerant (low water use) plants identified by U. C. Davis and the Water Resources Board.

**B.** The permittee shall undertake development in accordance with the final plans approved by the Executive Director pursuant to this condition. Any proposed changes to the approved plans shall be reported to the Executive Director in order to determine if the proposed change shall require a permit amendment pursuant to the requirements of the Coastal Act and the California Code of Regulations.

#### **4. 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 is proposing tenant improvements to an existing 54-room hotel including the addition of 17 new guest rooms, access ramp, courtyard renovations, pool, and 18 new parking spaces. The 17 new guest rooms will be added through the redesign of existing rooms and interior space. No additional floor area will be added.

The existing 54-room hotel (Shangri-La Hotel) consists of 52,092 square feet, seven stories, with a one-level subterranean parking garage providing 26 spaces, on a 22,500 square foot lot. The proposed project is located on the southeast corner of Ocean Avenue and Arizona Avenue, in the City of Santa Monica. A separate 7,500 square foot lot, located to the south of the hotel, provides approximately 23 non-code compliant parking spaces and is used as hotel parking. This lot will be restriped in order to be code compliant and provide 16 support parking spaces for the new hotel rooms. Two additional spaces will also be added within the subterranean garage for a total of 18 new spaces.

Surrounding uses consist of a mix of commercial, retail, residential and recreational uses, including a 11-story commercial/office building to the north, one-story commercial building and

surface parking lot to the northeast, residential to the east, and to the west, directly across from Ocean Avenue, is Palisades Park.

**B. Public Access/Parking**

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 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...*

In addition, policy #20 of the Santa Monica certified Land Use Plan states in part that:

*New development shall provide adequate parking to meet all demands created by the development...*

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. Because the project site is located within close proximity to a number of coastal recreational areas and visitor serving uses, the provision of adequate on-site parking is critical for continued public beach access in the area. Furthermore, the Commission has consistently addressed both public and private parking issues in order to protect the ability of beach visitors who depend on the automobile to access the beach. 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 public beach parking.

The proposed project is located on the inland side of Ocean Avenue directly across from Palisades Park, which is a bluff top park that provides public walkways, pedestrian bridge access to the beach, landscaping, and panoramic views of the ocean and coastline. The property is also three blocks north of the Santa Monica Pier.

The hotel was constructed in 1939 and currently provides 26 parking spaces within a subterranean garage (20 spaces were required by City code at the time of construction), on a 22,500 square foot lot (Parcel 21). According to the City, the proposed new 17 rooms would require 17 net new parking spaces (Coastal Commission parking standards require 9 new spaces). A total of 18 net new spaces are proposed. Two new parking spaces will be added to the subterranean garage and 16 spaces will be provided on an abutting and separate surface parking lot (Parcel 20), which will be tied to the subject property, as a condition of the City's permit, for the purposes of creating a single building site. The adjacent parking lot will be restriped to provide head in parking spaces for guest parking only and code compliant

spaces. The existing adjacent parking lot was not required support parking for the hotel but was acquired by the hotel owners and used as additional parking for hotel guests.

Although the adjacent lot (Parcel 20) is being used as parking for the hotel, the parking is not required parking and was acquired by the hotel owner as additional parking for the existing hotel. Since the adjacent parking was not required parking and is a separate lot, the lot is not encumbered by the adjacent hotel or other uses, therefore, the parking lot spaces are being used as support parking for the new rooms. As proposed, the project will provide adequate parking for the 17 additional rooms on the adjacent lot and within the subterranean parking garage. However, because the hotel and the parking lot in which the proposed support parking will be located are separate lots owned by the hotel owner, it is possible that in the future the properties can be sold separately which could potentially eliminate the additional support parking for the new 17 rooms of the hotel. The City had the same concern and addressed this issue by requiring the lots to be tied and held as a single building site; however, it is possible that the lots could be untied, with only City approval, and sold without notification to the Commission, resulting in potential recreational and beach access impacts due to lack of adequate on-site parking for the new units. Therefore, to ensure that the lots are held as one parcel, and will not be sold or developed separately in the future, Special Condition No. 1, requires that the applicant tie the two properties together to create one building site, as required by the City, so that neither property can be sold separately, subdivided, or developed, without Commission approval. Special Condition No. 2 requires that any future development will require an amendment to this permit. As conditioned, the proposed 17 new hotel rooms will not have an adverse impact on public beach and recreational access. The Commission, therefore, finds that the proposed project, as conditioned, will be consistent with Section 30211 and 30252 of the Coastal Act.

### **C. Development**

Section 30250 of the Coastal Act states in part that:

*(a) New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have a significant adverse effects, either individually or cumulatively, on coastal resources.*

Section 30251 of the Coastal Act states in part that:

*The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural landforms, to be visually compatible with the character surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas.*

The area consists of a mix of commercial, retail, residential and recreational uses. As proposed, the project will be consistent with the existing hotel use and the character of the

surrounding area. Furthermore, because the project will be mainly interior renovation to an existing building, will not add any additional square footage, and is in a highly developed area inland of Ocean Avenue, the proposed project will not have any impact on coastal views. The Commission, therefore, finds that the project will be consistent with the view protection policies of the Coastal Act, will not adversely impact the visual resources of the surrounding area, and therefore, is consistent with Sections 30250 and 30251 of the Coastal Act.

#### **D. Control of Polluted Runoff**

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 consists mainly of interior modifications, but will include exterior improvements within the developed courtyard and along the sideyard of the hotel. The parking lot adjacent to the hotel will be restriped and additional landscaping will be planted along the perimeter. The City's permit requires that all new landscaping is water-conserving.

The proposed project poses a potential source of pollution due to contaminated runoff from construction activities. Increase urban runoff can carry pollutants and sediment from the site into the City's storm drains and into the Santa Monica Bay. To mitigate potential impacts the Commission has routinely required projects to incorporate best management practices with extensive recommendations and measures to reduce or prevent contaminants from running off the site.

Urban runoff and pollution of the bay are important issues with the City of Santa Monica. The City, to mitigate potential impacts caused by development, has adopted an Urban Runoff Pollution Ordinance. The ordinance is designed to reduce the amount of urban runoff pollution from sites. The ordinance requires projects to incorporate best management practices with extensive recommendations and measures to reduce or prevent contaminants from running off the site during construction and operation of the proposed development. The City has conditioned the project to comply with the City's storm water and surface runoff requirements. As proposed, the project will incorporate effective Best Management Practice during construction. Furthermore, Special Condition No. 3 is necessary to ensure that landscaping consists of drought tolerant non-invasive plants. The Commission, therefore, finds that the proposed project will not adversely impact water quality and will be consistent with Section 30231 of Coastal Act.

#### **E. Local Coastal Program**

Section 30604(a) of the Coastal Act states that:

*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 (commencing with Section 30200).*

In August 1992, the Commission certified, with suggested modifications, the land use plan portion of the City of Santa Monica's Local Coastal Program, excluding the area west of Ocean Avenue and Neilson Way (Beach Overlay District), and the Santa Monica Pier. On September 15, 1992, the City of Santa Monica accepted the LUP with suggested modifications.

The subject site is suitable for commercial development. As conditioned the development will not adversely impact coastal resources or access. The Commission, therefore, finds that the proposed project, only as conditioned, will be consistent with the Chapter 3 policies of the Coastal Act and will not prejudice the ability of the City to prepare implementation for a Local Coastal Program consistent with the policies of Chapter 3 of the Coastal Act as required by Section 30604(a).

#### **F. 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)(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. There are no negative impacts caused by the proposed development which have not been adequately mitigated. Therefore, the proposed project is found consistent with CEQA and the policies of the Coastal Act.



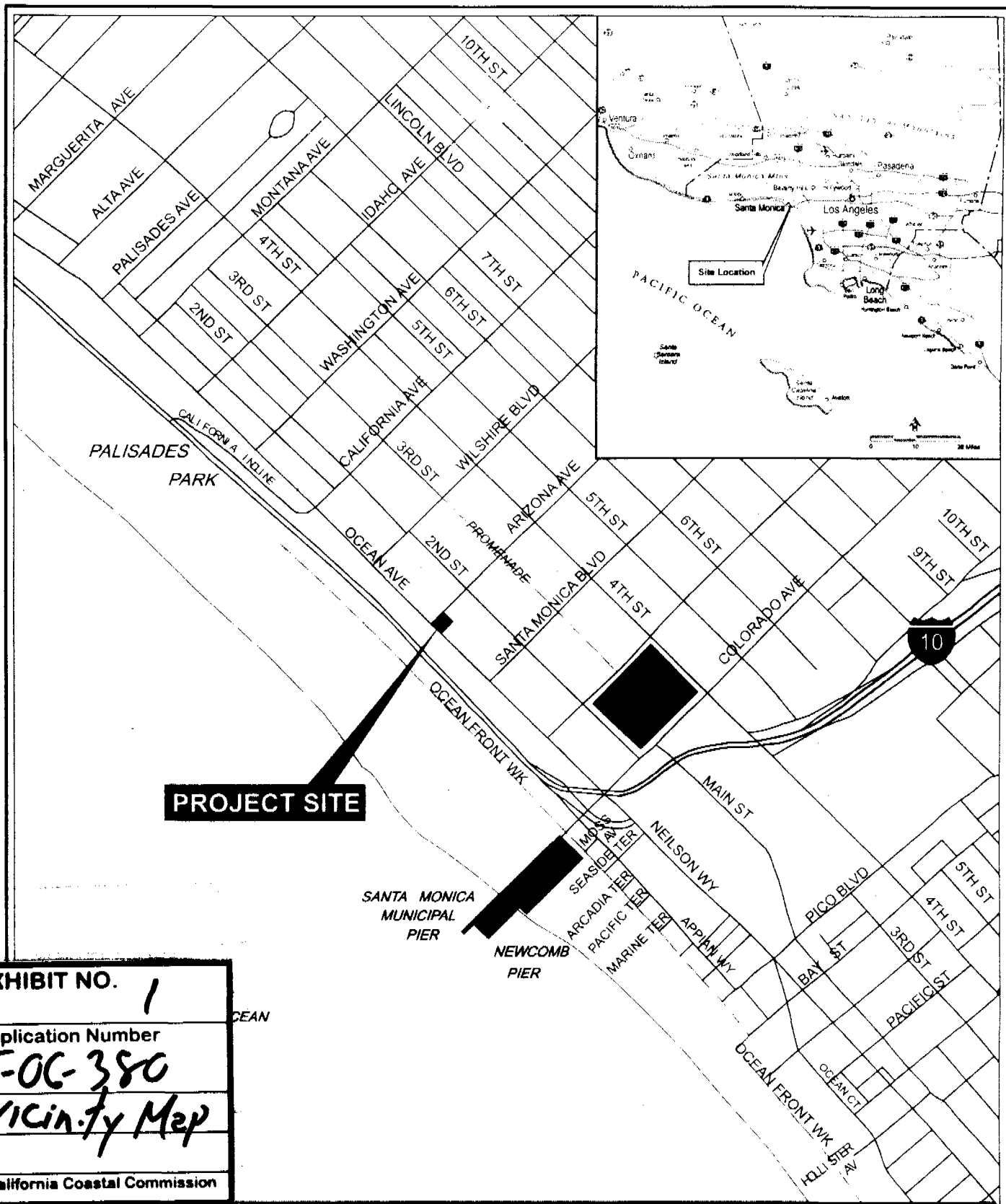


EXHIBIT NO.	1
Application Number	5-06-380
	Vicinity Map
California Coastal Commission	



0 ————— 25 Miles

Source: PCR Services Corporation, 2005

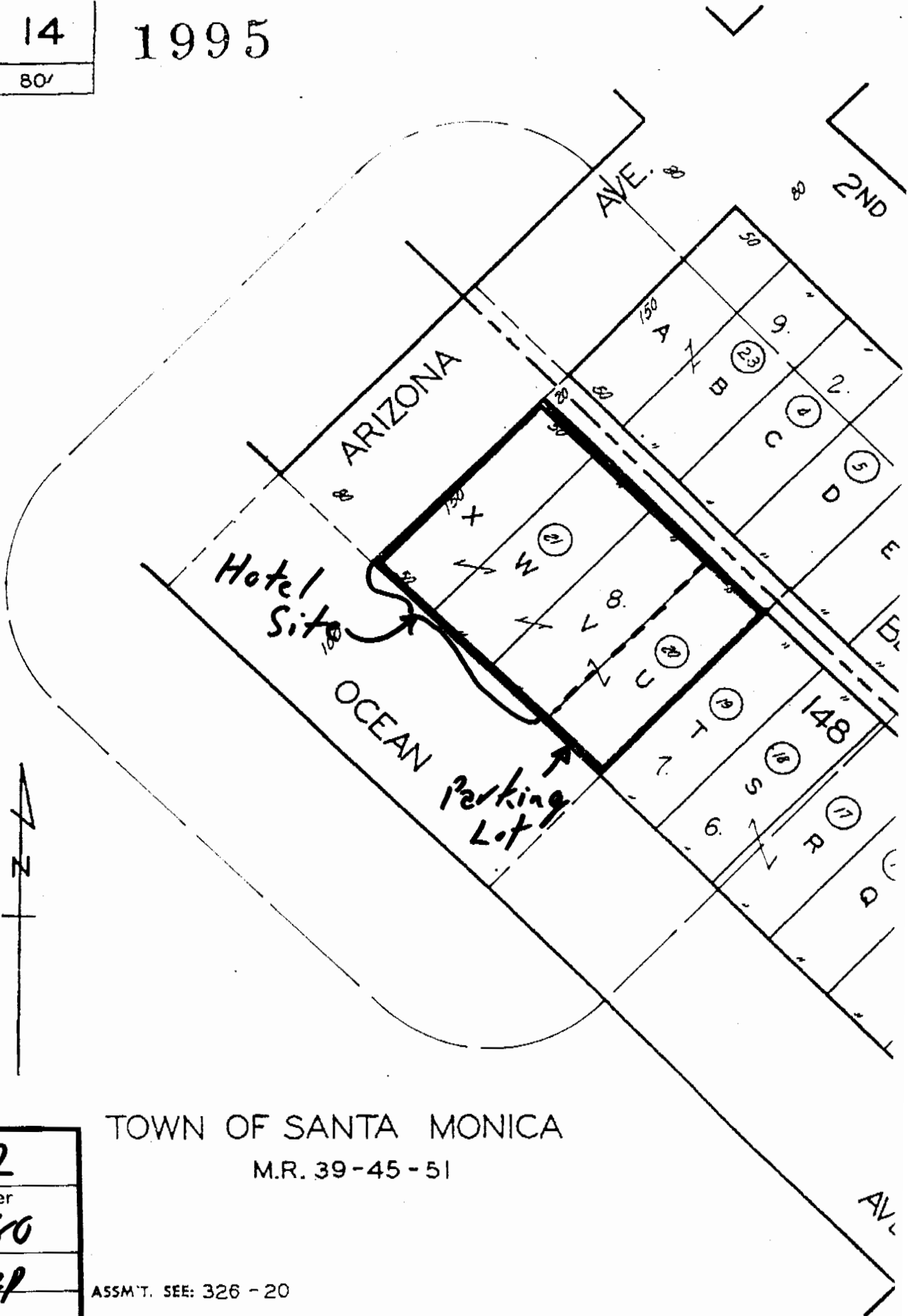
Figure 1  
Regional Location and  
Project Vicinity Map

4291

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1995

SCALE 1" = 80'



TOWN OF SANTA MONICA  
 M.R. 39-45-51

EXHIBIT NO. 2

Application Number

5-06-380

Parcel Map

ASSM'T. SEE: 326 - 20

California Coastal Commission

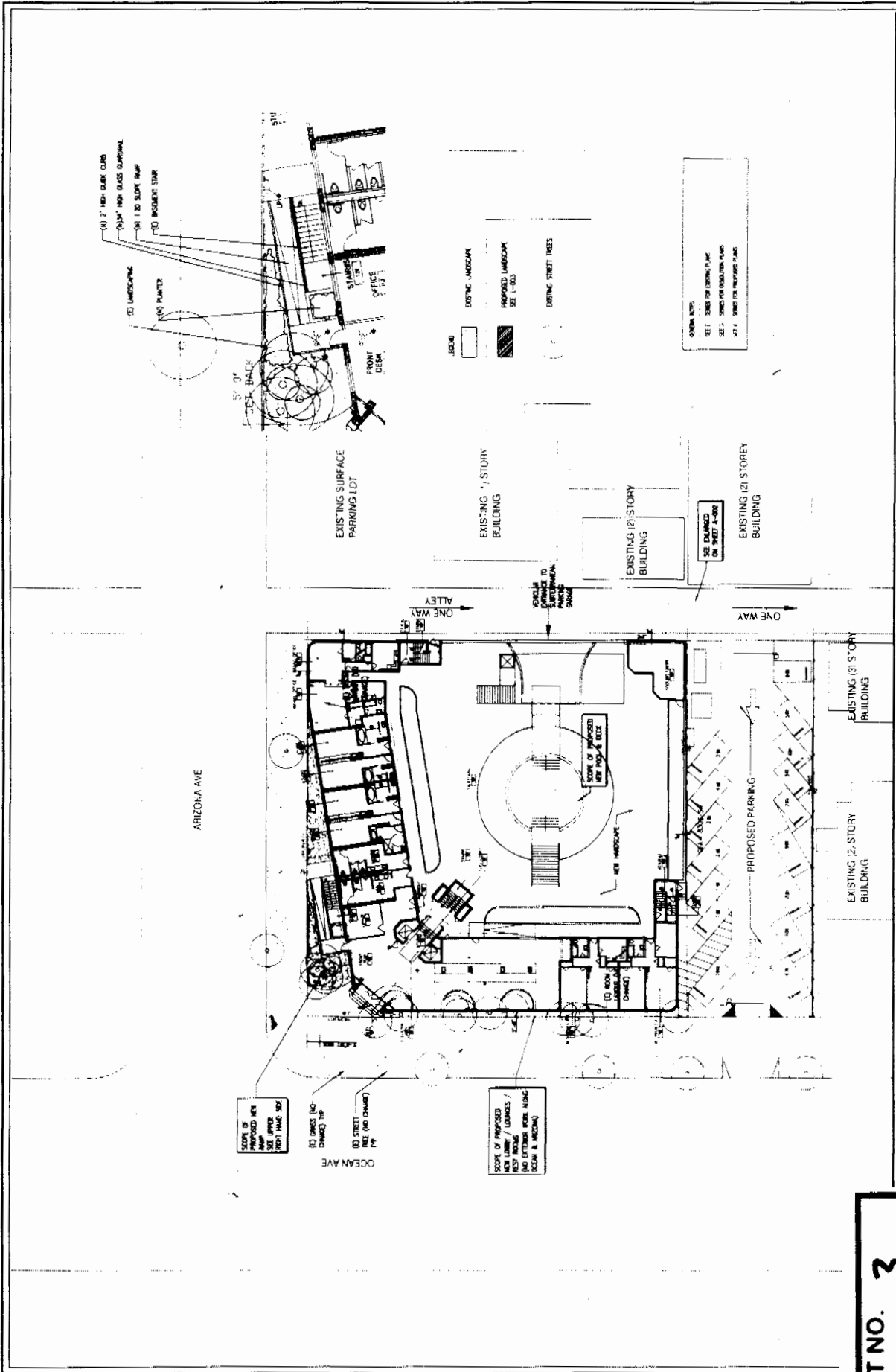


Figure 2  
Proposed Site Plan

Source: HLW International LLP, 2005

<b>EXHIBIT NO.</b>	<b>3</b>
<b>Application Number</b>	<b>5-06-380</b>
	<b>Site Plan</b>
<b>California Coastal Commission</b>	



