

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
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Wed 9a

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 Staff: Laurinda Owens-SD
 Staff Report: 3/23/06
 Hearing Date: 4/12-14/06

REGULAR CALENDAR
STAFF REPORT AND PRELIMINARY RECOMMENDATION

Application No.: 6-04-124

Applicant: Pacifica Hotel Investors Agent: Joseph Holasek/
 dba The Blue Sea Lodge Nogle/Onufer Assoc. Architects

Description: Conversion of two hotel units housed in a detached three-story (two-level over parking), 1,676 sq.ft. structure to a single-family residence including interior remodeling on a 1,564 sq.ft. lot.

Lot Area	1,564 sq. ft.
Building Coverage	582 sq. ft. (37%)
Pavement Coverage	787 sq. ft. (51%)
Landscape Coverage	195 sq. ft. (12%)
Parking Spaces	4
Zoning	MBPD-VC-North
Plan Designation	Visitor-Commercial North (Mixed Use)
Ht abv fin grade	30 feet (approx.)

Site: 730 Santa Rita Place, Mission Beach, San Diego, San Diego County.
 APN 423-330-61

Standard of Review: Chapter 3 policies of the Coastal Act.

STAFF NOTES:

Summary of Staff's Preliminary Recommendation:

The subject proposal results in the conversion of two hotel units located in a detached three-story structure into a single-family residence. The remainder of the hotel facility is located a few lots west and north of the subject site. The primary issue is the loss of visitor-serving accommodations in a near shore area and their replacement with a residential use. In this particular case, while the development will result in the loss of two hotel rooms, the existing structure proposed for conversion is separated from the larger hotel complex within a block that is entirely comprised of other residential structures. In addition, the Visitor Commercial North Zone of the Mission Beach

Planned District does allow residential uses. As such, the conversion to residential use is permitted and will be compatible with the character of the surrounding area, consistent with the Chapter 3 policies of the Coastal Act.

Substantive File Documents: Certified Mission Beach LUP and Planned District Ordinance; City of San Diego PCD Permit Amendment #99-1300; CDP #s 6-92-76 and 6-92-76 E1-E4; 6-00-127; 6-00-127-A1

I. PRELIMINARY STAFF RECOMMENDATION:

The staff recommends the Commission adopt the following resolution:

MOTION: *I move that the Commission approve Coastal Development Permit No. 6-04-124 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. 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.

See attached page.

III. Special Conditions.

The permit is subject to the following conditions:

1. Final Plans. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall submit final plans for interior remodeling to convert the two hotel units to a single-family residence. Minor exterior improvements including

conversion of a partially enclosed exterior stairway to 1st floor storage and 2nd and 3rd floor decks are also permitted. Said plans shall first be reviewed and approved in writing by the City of San Diego. Said plans shall also be in substantial conformance with the plans submitted by Nogle Onufer Associates Architects with this application dated 9/22/04 and shall be subject to the review and written approval of the Executive Director.

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

IV. Findings and Declarations.

The Commission finds and declares as follows:

1. Detailed Project Description/Permit History of Site. Proposed is interior remodeling to convert two existing hotel units to a single-family residence. Also proposed are some minor exterior improvements to convert an existing partially enclosed exterior stairway into storage and decking for the home. The hotel units are currently housed in a detached three-story (two-level over parking), 1,676 sq.ft. structure on a 1,564 sq.ft. lot. The project site is located on the north side of Santa Rita Place, a half block east of the Pacific Ocean in the community of Mission Beach in the City of San Diego. The two hotel units, as noted above, are located in a separate structure well removed from the remainder of the existing 127-room hotel (Blue Sea Lodge) which fronts on the public boardwalk at the northwest corner of Pacific Beach Drive and Ocean Boulevard (public boardwalk). Another hotel structure is situated in the block immediately east of the oceanfront hotel structure at the intersection of Pacific Beach Drive and Mission Blvd. (ref. Exhibit No. 1).

The purpose of the proposed project is to convert the two hotel units to a single-family residence and then to sell the parcel. As noted by the applicant, because these two hotel units are separated from the main hotel lodge, they are not successful as hotel rooms. Only minor interior/exterior improvements are proposed to convert the hotel rooms to a residence. The kitchenettes on the second and third levels will be removed, a new and larger kitchen installed in the second level and the bedrooms will occupy the third level. The first level consists of parking, which will remain. Only minor exterior work is proposed to the existing structure that includes conversion of a partially enclosed exterior stairway to 1st floor storage and exterior decks on the 2nd and 3rd floors.

There have been several past coastal development permits approved for the subject site. The most recent improvements were permitted under CDP #6-00-127 as additions to the existing 100-room hotel facility which was for the construction of two, new three-story buildings to the existing hotel facility which comprised a single structure at that time. That permit applied to the main part of the hotel complex as well as the subject site. The new additions included Building No. 1 (new lobby, 29 new guest units for a total of 129

hotel units and new retail space cubicles at the ground elevation fronting on Pacific Beach Drive). Building No. 2 (new three-story, 30-ft. high building containing two, two-bedroom guest units on the second and third levels over ground-level parking proposed at the Santa Rita frontage) is the structure that is currently proposed for conversion to a single-family residence. As part of that permit, demolition of four existing structures were approved as well as reconstruction of an existing parking lot to provide 29 new surface-level parking spaces. Building No. 3 is the part of the hotel facility that fronts on Oceanfront Walk, the public boardwalk. No changes were proposed to that structure pursuant to CDP #6-00-127. The project was later amended to reduce the number of new guest units to 27 for an overall total of 127 rooms for the hotel facility and to reduce the number of overall parking spaces from 157 to 156 spaces. All development permitted under CDP #6-00-127 has been constructed.

Although the City of San Diego has a certified LCP for the Mission Beach community, the subject site is located in an area where the Commission retains permit jurisdiction. Therefore, Chapter 3 of the Coastal Act is the standard of review, with the City's LCP used as guidance.

2. Consistency with Land Use Designation/Surrounding Development. Sections 30213, 30222 and 30251 are applicable to the subject project and state, in part:

Section 30213

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

Section 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.

Section 30251

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 land forms, to be visually compatible with the character of surrounding areas,...

The two hotel units proposed to be converted to residential use are located in a structure that is separated from the rest of the hotel facility (ref. Exhibit No. 2). The structure is located on the north side of Santa Rita Place between Ocean Front Walk (the public boardwalk) and Mission Boulevard to the east. The subject site is designated as Visitor

Commercial-North in the Mission Beach Planned District. The Mission Beach Planned District Ordinance states that “the purpose of the Visitor Commercial zone is to accommodate tourists, visitors and vacationers.” The intent of the regulations is to provide development possibilities that will accommodate both commercial and mixed uses as well as compliment existing development and the surrounding residential uses. Permitted primary uses include single-family dwellings, duplexes, multi-family dwellings, parks and playgrounds, off-premise parking lots, business offices, retail uses, schools, motels and hotels, and restaurants, to name a few.

With regard to the proposed project, as noted above, the Coastal Act calls for the protection of lower cost visitor serving uses – thus, there is a concern with converting the two hotel units to residential use. However, while the lots bordering on the north side of Santa Rita Place where the subject site is located, from Mission Boulevard west to the boardwalk are all zoned visitor commercial, they are all developed with residential uses. In addition, the lots adjacent to and north of the subject site (with the exception of the hotel parking lot), are also zoned visitor commercial but are developed with residential uses. In addition, the south side Santa Rita Place is zoned for residential uses and these lots are all developed with residential uses. Therefore, in this particular case, because the surrounding lots are developed with residential uses, the proposed conversion of the two hotel units to residential use will be more in keeping with the character of this particular segment of the VC-North Mixed Use Zone.

The public access and recreation policies of the Coastal Act, as noted above, prioritize visitor-serving commercial recreational facilities over private residential use as well protect lower cost visitor and recreational facilities. Given that the proposed development results in the removal of two hotel units in a near shore area where such uses are most important, this would impact the supply of existing visitor-serving accommodations in the nearshore area. Hotels and motels represent high-priority tourist facilities. The existing 127-unit hotel provides a range of prices for their rooms. The applicant conducted a study with regard to the existing reservoir of visitor-serving hotel/motel accommodations in the nearshore community. Based on the information they submitted and as described below, there are several hotels and a number of other visitor-serving commercial establishments in the immediate area. According to the applicant, the occupancy rate for these two units is approximately 30% when compared to an average occupancy rate of 60-100% for the remainder of the hotel facility, possibly due to their location separated from the main hotel facility.

As stated, Mission Boulevard, which is the main coastal access route in the community, and which is also zoned VC-N in this location, contains numerous other commercial and visitor-serving uses. Northeast of the project site along Mission Boulevard near its intersection with Pacific Beach Drive there is a surf shop and a real estate office. Across Mission Boulevard to the east is the Catamaran Hotel. Northeast of the project site is the Mission Bay Motel. North of the project site on the north side of Pacific Beach Drive, there is a retail/commercial shopping center called The Promenade. As such, there is an abundance of other visitor-commercial uses that front on Mission Boulevard to serve the residential community and coastal visitors. Therefore, the Commission finds the

proposed loss of the two hotel units will not result in a significant impact on lower cost visitor and recreational facilities in the surrounding area.

Furthermore, the applicant has provided additional data which includes an inventory of other visitor-serving overnight accommodations in the immediate vicinity (ref. Exhibit No. 4) and the number of rooms as each of those facilities as follows:

<u>Name of Hotel</u>	<u>Number of Rooms</u>
Sea Shore Hotel	(No. of rooms unknown)
Tower 23 Hotel	(No. of rooms unknown)
Crystal Pier Hotel	26
Ocean Park Inn	73
Ocean Beach Cottages (aka The Beach Cottages)	(No. of rooms unknown)
Mission Bay Hotel	50
Surfer Hotel	52
Blue Sea Lodge	127 (existing)
Catamaran Hotel	315
Santa Clara Hotel	(No. of rooms unknown)

However, the key point in permitting the proposed conversion is that *none* of the lots along Santa Rita Place, west of Mission Boulevard where the subject site is located, presently contain hotel or other commercial uses – the entire block is comprised of residential uses. The proposed conversion of the two hotel units to a single-family dwelling will be compatible in use, scale and character with the surrounding area. In this particular case, the VC zone, as certified, allows uses other than strictly visitor-serving uses. This may not be the case in some other coastal communities where VC-zoned property is limited in size and location and only visitor-serving uses are allowed as a priority use. In addition, the applicant obtained an amendment to the Planned Commercial Development Permit (PCD) No. 99-1300 from the City of San Diego. The City also found that the proposed development is consistent with the goals for providing a mixture of uses in this neighborhood. Therefore, in summary, the proposed development consisting of the conversion of two hotel units to a single-family residence is consistent with the land use designation and is compatible with the character of the surrounding area and thus is consistent with Sections 30213 and all recreational policies of the Coastal Act and the certified Mission Beach segment of the City of San Diego LCP for this area.

3. Public Views/Visual Quality. Section 30251 of the Coastal Act is applicable to the subject project and states, in part:

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 land forms, to be visually compatible with the character of surrounding areas,...

The certified Mission Beach Precise Plan and Local Coastal Program Addendum, which the Commission uses for guidance also states:

“Views to and along the shoreline from Public areas shall be protected from blockage by development and or vegetation.” (p.14)

In the Mission Beach community, the public rights-of-way of the various courts and places, which are generally east/west running streets, comprise the community’s public view corridors. In addition, the public boardwalk (Ocean Front Walk), which runs north/south along the beach, serves not only as a highly popular public access, but also serves as a view corridor along the shoreline. The project site is located a half a block from the Ocean Front Walk public right-of-way on Santa Rita Place. In this particular case, the proposed project is to convert two hotel units to a single-family home and only includes minor work to the exterior of the structure and no changes to the existing height or setbacks. Thus, no impacts to public views to the ocean will occur.

With regard to community character, the existing residences in this community vary widely in architectural style and appearance. The proposed project which will result in the conversion of two hotel units to a single-family residence (through mostly interior improvements), is compatible in character and scale with the surrounding development on both the north and south sides of Santa Rita Place, west of Mission Boulevard, which includes exclusive residential development (both single- and multi-family development). In summary, the proposed development will not result in any public view blockage and will be visually compatible with the character of the surrounding neighborhood, consistent with Section 30251 of the Coastal Act and the certified Mission Beach segment of the City of San Diego LCP.

4. Public Access. Coastal Act sections 30210, 30211 and 30212(a) are applicable to the project and state the following:

Section 30210

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30212(a)

(a) Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where:

(1) it is inconsistent with public safety, military security needs, or the protection of fragile coastal resources,

(2) adequate access exists nearby, or, [...]

In addition, Section 30252 of the Act is also applicable to the proposed development and states the following:

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

The project site is located a half a block east of Ocean Front Walk, the public boardwalk. The boardwalk is a heavily-used recreational facility frequented by pedestrians, bicyclists, skaters, skateboarders, runners, and persons in wheelchairs. The walkway is accessible from the east/west courts and streets off of Mission Boulevard, and provides access to the sandy beach at stairways located at various points along the seawall. Access to the beach can be gained nearest the project site at the west end of Santa Rita Place. In addition, on-site parking will be provided with the provision of two sets of tandem parking spaces (for a total of four spaces) which is two more parking spaces than required by City zoning. As such, adequate parking will be provided consistent with Section 30252 of the Act.

In addition, given that only minor interior work is proposed to change the existing two hotel units to a single-family residence, no impacts to public access should occur as a result of the proposed improvements. Therefore, the proposed development, as conditioned, does not interfere with public access opportunities and can be found consistent with the public access and recreation policies of the Coastal Act.

5. Local Coastal Planning. While the City of San Diego has a certified LCP that governs the Mission Beach community, the subject site is located in an area of original jurisdiction, where the Commission retains permit authority. The project is consistent with the certified Mission Beach Precise Plan and all applicable Chapter 3 policies of the Coastal Act. Therefore, the Commission finds that approval of the proposed development, as conditioned, will not prejudice the ability of the City of San Diego to continue to implement its certified LCP for the Mission Beach community.

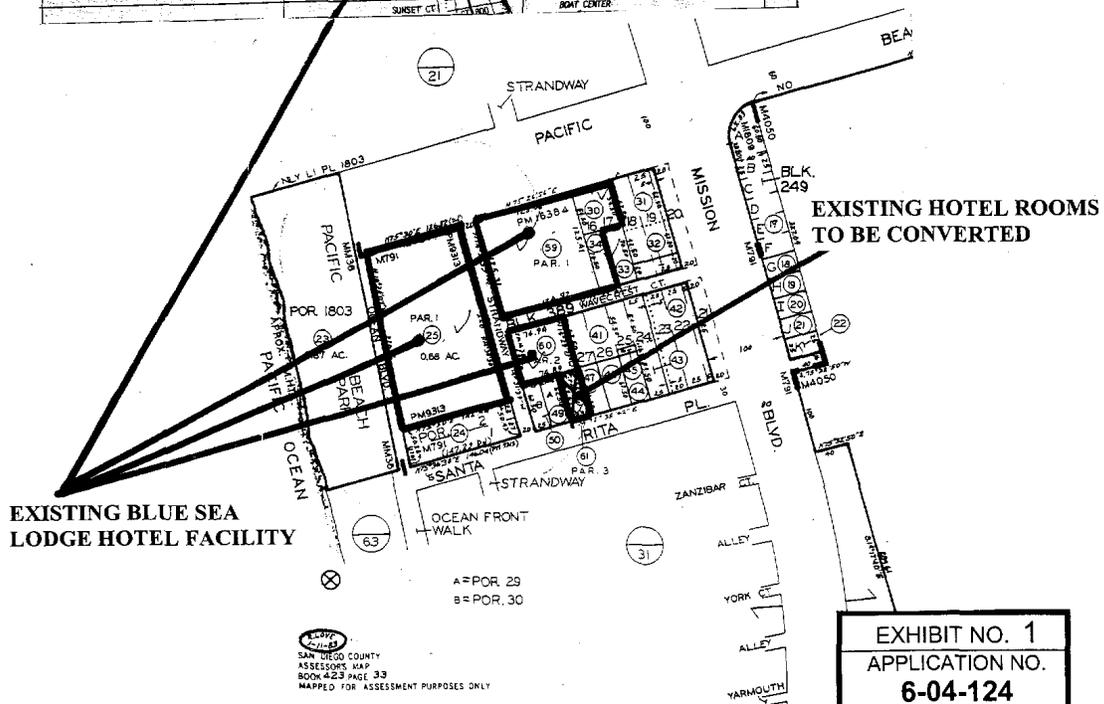
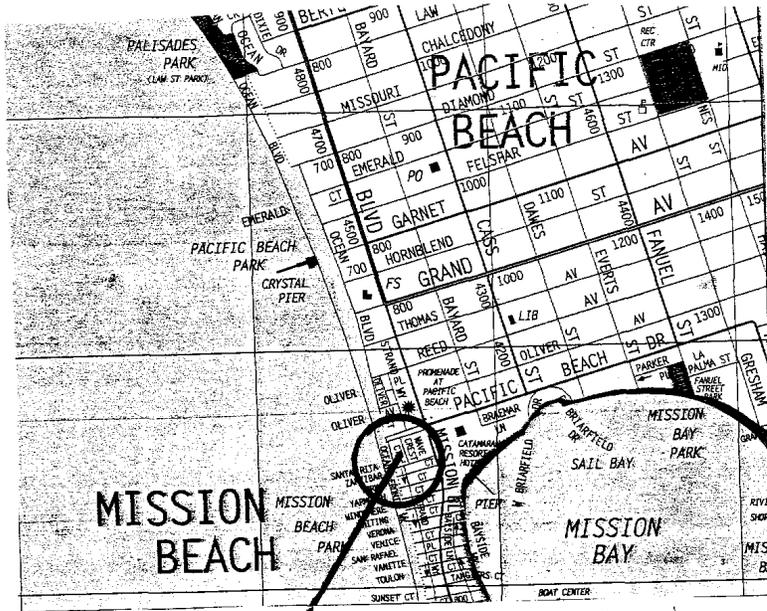
6. Consistency with the California Environmental Quality Act (CEQA). Section 13096 of the Commission's Code of Regulations requires Commission approval of Coastal Development Permits to be supported by a finding showing the permit, as conditioned, to be consistent with any applicable requirements of 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.

The proposed project has been conditioned in order to be found consistent with the Chapter 3 policies of the Coastal Act. Mitigation measures, including conditions

addressing submittal of final plans will minimize all adverse environmental impacts. As conditioned, there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment. Therefore, the Commission finds that the proposed project is the least environmentally-damaging feasible alternative and is consistent with the requirements of the Coastal Act to conform to CEQA.

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.



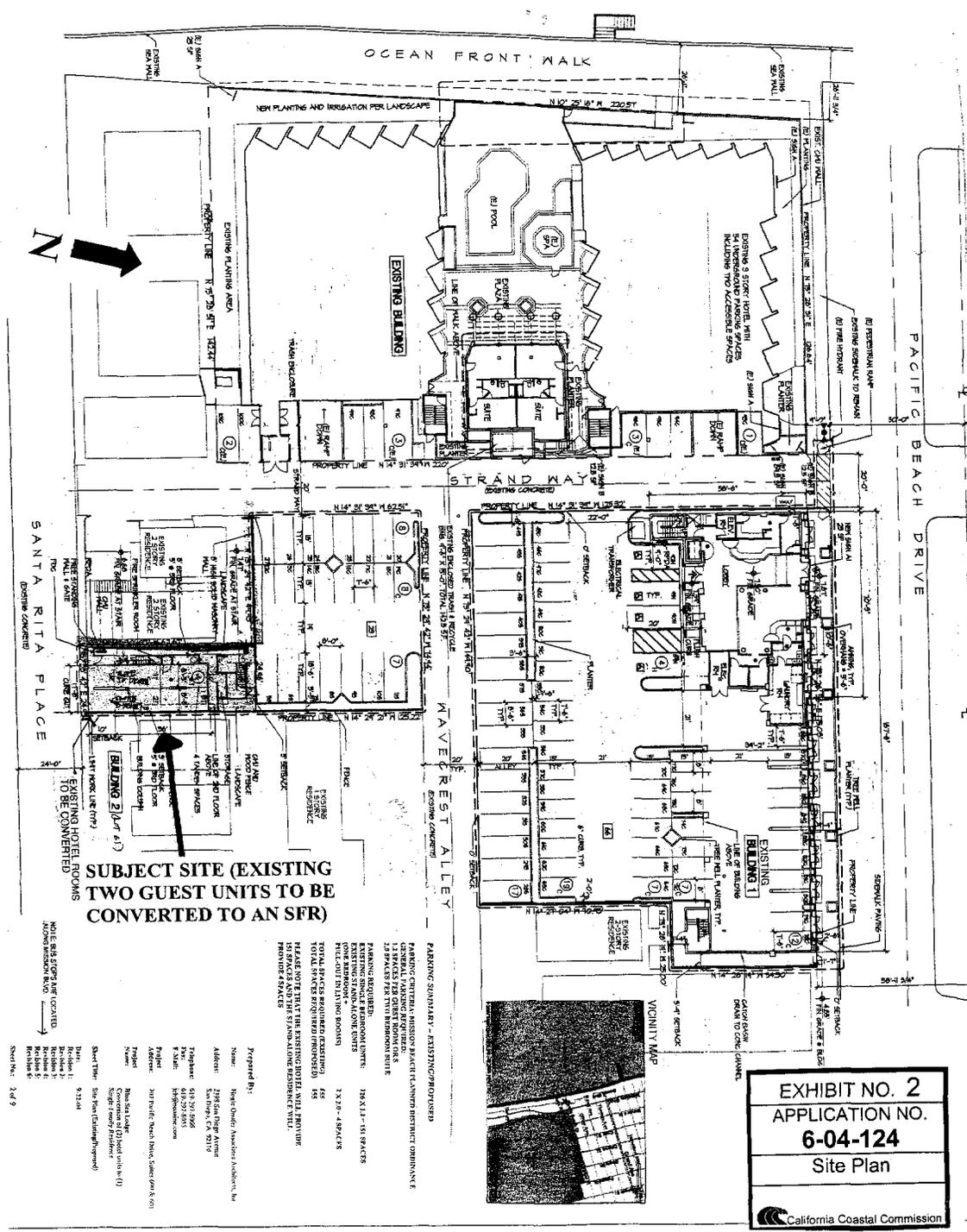
**EXISTING HOTEL ROOMS
TO BE CONVERTED**

**EXISTING BLUE SEA
LODGE HOTEL FACILITY**

SAINT MARY'S
SAN DIEGO COUNTY
ASSESSOR'S MAP
BOOK 423 PAGE 39
MAILED FOR ASSESSMENT PURPOSES ONLY

A=POR 29
B=POR 30

EXHIBIT NO. 1
APPLICATION NO.
6-04-124
Location Map
California Coastal Commission



SUBJECT SITE (EXISTING TWO GUEST UNITS TO BE CONVERTED TO AN SFR)

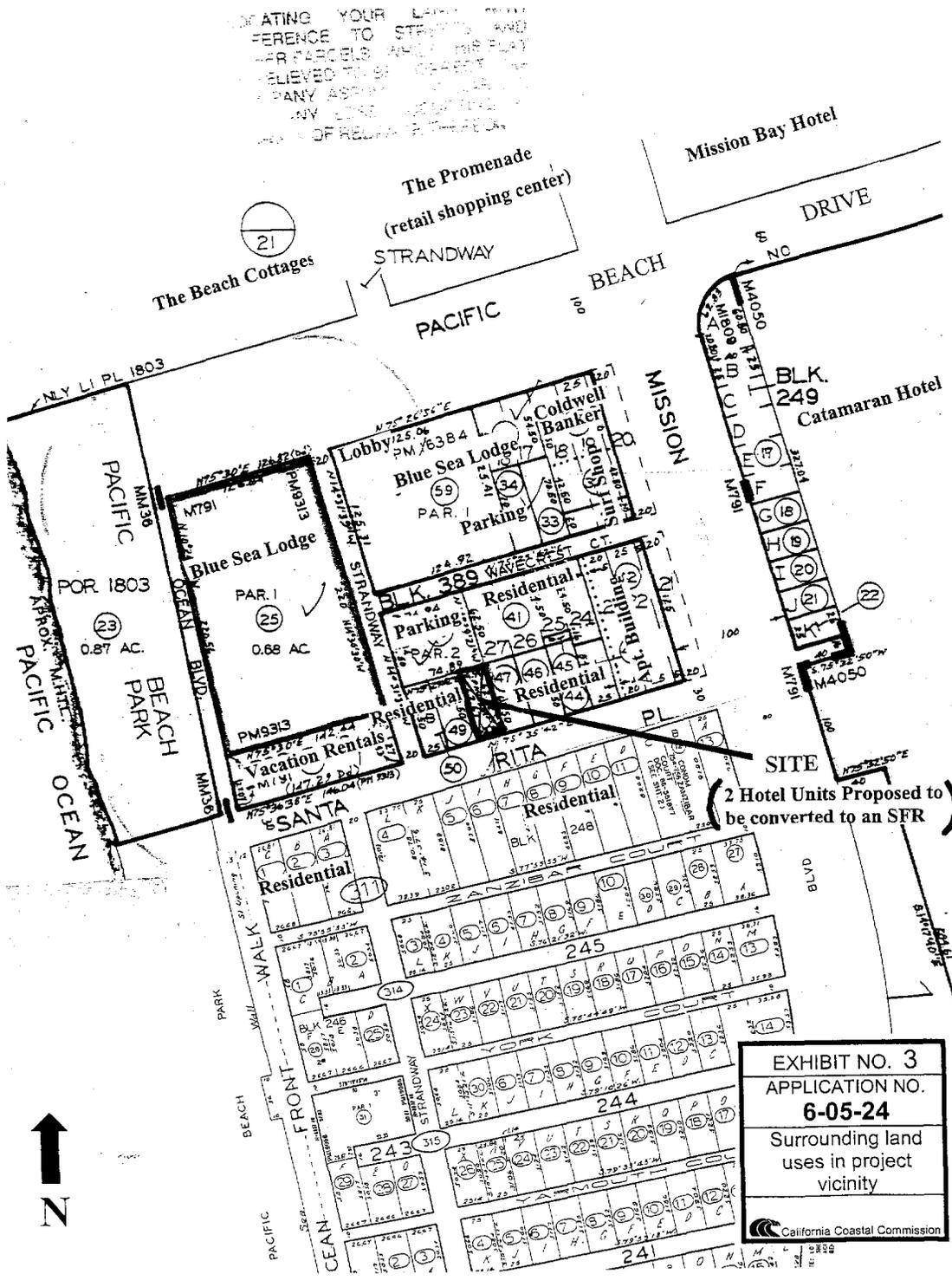
PARKING SUMMARY - EXISTING/PROPOSED

PARKING: CURRENT, MINIMUM REQUIRED (LANDMARK DISTRICT ORDINANCE)
 1.1 SPACES PER GUEST ROOM OR SUITE
 1.2 SPACES PER TENNIS COURT
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EXHIBIT NO. 2
APPLICATION NO.
6-04-124
Site Plan

California Coastal Commission

Prepared By: [Name]
 Address: [Address]
 Telephone: [Phone Number]
 E-Mail: [Email Address]
 Project: [Project Name]
 Date: [Date]



LOCATING YOUR LAND WITH REFERENCE TO STRIPES AND PAR PARCELS AND THIS PLAN BELIEVED TO BE CORRECT FOR MANY ASPECTS OF THE PLAN. ANY ERROR OR OMISSION IS THE RESPONSIBILITY OF THE APPLICANT.

2 Hotel Units Proposed to be converted to an SFR

EXHIBIT NO. 3
APPLICATION NO.
6-05-24
Surrounding land
uses in project
vicinity

California Coastal Commission

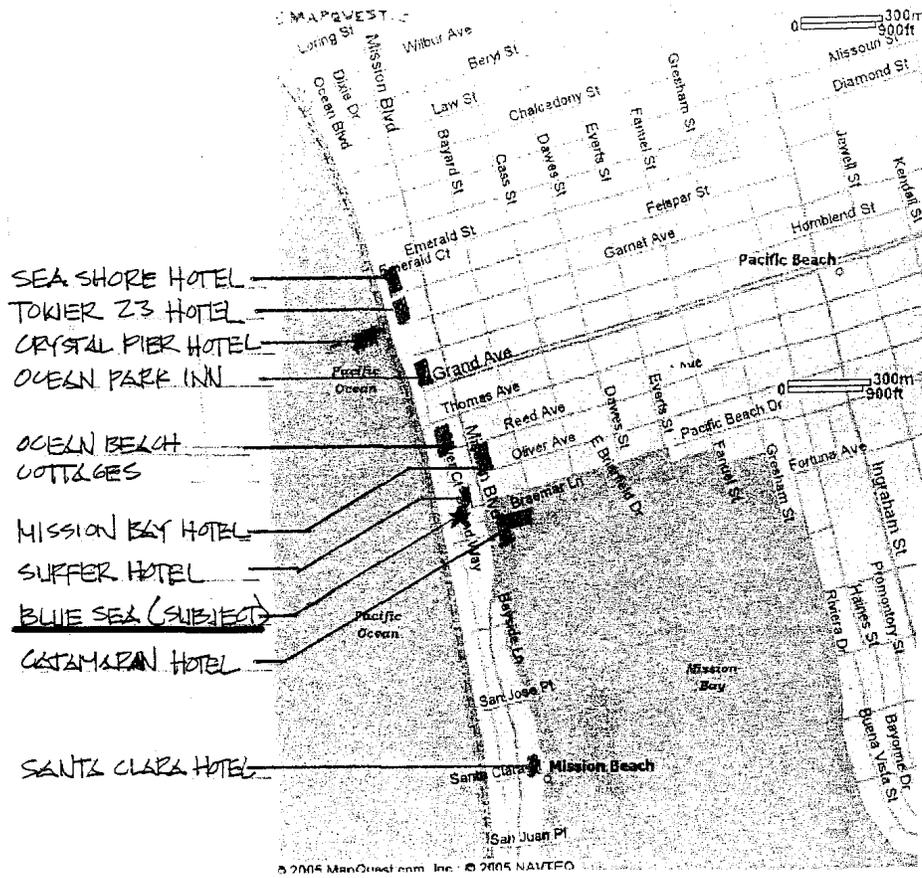


EXHIBIT NO. 4
APPLICATION NO.
6-05-24
Location of other visitor-serving overnight accommodations in proximity to subject site
 California Coastal Commission



EXHIBIT NO. 5
APPLICATION NO.
6-05-24
View of subject site and surrounding residential uses (looking east)
 California Coastal Commission