

**CALIFORNIA COASTAL COMMISSION**

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# F22a

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Staff: Karl Schwing, LB  
Staff Report: October 24, 2013  
Hearing Date: November 15, 2013  
Commission Action:

## **COMBINED STAFF REPORT ON APPEAL: FINDING SUBSTANTIAL ISSUE AND DE NOVO HEARING**

**Appeal Number:** A-5-HNB-12-298

**Local Government:** City of Huntington Beach

**Decision:** Approval with Conditions

**Applicant:** Russo & Steele Collector Automobile Auctions, Drew Alcazar

**Agent:** Mike Adams

**Project Location:** Public beach parking lot on the ocean side of Pacific Coast Highway between Huntington Street and Beach Blvd., Huntington Beach (Orange County)

**Project Description:** An annual fee-for-entry automobile auction for a period of 11 days during the month of June, each year until 2017, in a public beach parking lot displacing up to 588 parking spaces to place temporary fencing for a vendor/sponsor area and a vehicle display area for 300 cars in a 30,000 sq.ft. 26 ft. high tent

**Appellants:** Commissioners Dayna Bochco & Brian Brennan

**Staff Recommendation:** Find Substantial Issue on the Appeal &  
Approve the Coastal Development Permit with conditions

### **IMPORTANT NOTE**

The Commission will not take public testimony during the 'substantial issue' phase of the appeal hearing unless at least three (3) commissioners request it. If the Commission finds that the appeal raises a substantial issue, the de novo phase of the hearing will immediately follow at this meeting, during which it will take public testimony. Written comments may be submitted to the Commission during either phase of the hearing.

## **SUMMARY OF STAFF RECOMMENDATION:**

The staff recommends that the Commission determine that **A SUBSTANTIAL ISSUE EXISTS** with respect to the grounds on which appeal number A-5-HNB-12-298 has been filed because the locally approved development raises issues of consistency with the Public Access and Recreation Policies of the Coastal Act and with policies of the certified Local Coastal Program (LCP) related to public access and recreation (see Motion, page 4).

Staff further recommends that the Commission, after a public de novo hearing, approve the permit, with conditions as set forth in the staff report (see Motion, page 13).

The proposed project is a temporary event, a collector automobile auction, to be located within a heavily used public beach parking lot, for a period of 11 days, during the peak summer season. The proposed auction would occupy between 348 and 588 parking spaces within the footprint of the proposed event. Although there are large beach parking lots in this area to support beach visitation, there is also a sizeable population of beachgoers that quickly fill the parking lots, especially on summertime weekends, when the proposed event would occur. Thus, the proposed project would have a significant adverse impact on public access by displacing beach visitors from the public beach parking lot.

Commission staff has made several efforts to resolve the appeal with the applicant. Staff has suggested the applicant change the time of year the event would be held to be outside the peak beach use/summer season, and/or change the location of the event, perhaps moving it to an inland site or private venue. Staff has provided other suggestions as well in an effort to curtail the adverse impacts that the project will have on public access and recreation (see Exhibit 7). To date, the applicant hasn't been receptive to these suggestions. Staff's recommendation on this permit would require that the event be held outside the peak summer season (see Special Condition 1, page 14).

The City's approval raises other concerns as well. For instance, this event is new to this location. While impacts associated with the event can be anticipated to a certain degree, there is an element of the unknown. Nevertheless, the City approved the event to occur for a period of 5 years. Staff has recommended reducing the duration of the approval down to 1 year, as a trial with monitoring (see Special Condition 3, page 14). Additional years could be added to the approval through the amendment process if the first year trial doesn't reveal any major problems.

The staff recommendation also includes conditions to protect public access to and along the shoreline throughout the event, to implement a parking management plan including remote parking if such is necessary to support the proposed event, and to implement a waste management/water quality protection plan.

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## APPENDICES

Appendix A – Substantive File Documents

## EXHIBITS

Exhibit 1 – Location Map

Exhibit 2 - Site Plan and Main Tent

Exhibit 3 - Applicant's Event Overview and Revised Narrative

Exhibit 4 – City of Huntington Beach – Notice of Final City Action on Coastal Development  
Permit No. 12-005

Exhibit 5 – Appeal filed by Commissioners Bochco and Brennan

Exhibit 6 – Parking Study by the applicant

Exhibit 7 – Commission staff's communications with applicant and their reply

Exhibit 8 - Guidelines for the Exclusion of Temporary Events from Coastal Development Permit  
Requirements adopted by the Commission May 12, 1993

## **I. MOTION AND RESOLUTION ON SUBSTANTIAL ISSUE**

### **Motion:**

*I move that the Commission determine that Appeal No. A-5-HNB-12-298 raises NO substantial issue with respect to the grounds on which the appeal has been filed under § 30603 of the Coastal Act.*

Staff recommends a **NO** vote. Failure of this motion will result in a de novo hearing on the application, and adoption of the following resolution and findings. Passage of this motion will result in a finding of No Substantial Issue and the local action will become final and effective. The motion passes only by an affirmative vote of the majority of the appointed Commissioners present.

### **Resolution:**

*The Commission hereby finds that Appeal No. A-5-HNB-12-298 presents a substantial issue with respect to the grounds on which the appeal has been filed under § 30603 of the Coastal Act regarding consistency with the Certified Local Coastal Plan and/or the public access and recreation policies of the Coastal Act.*

## **II. APPEAL PROCEDURES**

After certification of a local coastal program (LCP), the Coastal Act provides for limited appeals to the Coastal Commission of certain local government actions on Coastal Development Permits. Developments approved by cities or counties may be appealed if they are located within the appealable areas, such as those located between the sea and the first public road paralleling the sea, or within three hundred feet of the inland extent of any beach, mean high tide line, or the top of the seaward face of a coastal bluff. Furthermore, developments approved by local County governments may be appealed if they are not the designated “principal permitted use” under the certified LCP. Finally, developments which constitute major public works or major energy facilities may be appealed, whether approved or denied by the city or county [Coastal Act Section 30603(a)].

The Huntington Beach LCP was certified by the Commission in 1985, with a major update to the Downtown Specific Plan in 2011, within which the project site is located. The City of Huntington Beach approval of the proposed project is appealable because the project is located between the sea and the first public road paralleling the sea and it is within 300 feet of the inland extent of the beach.

Section 30603 of the Coastal Act states:

*(a) After certification of its Local Coastal Program, an action taken by a local government on a Coastal Development Permit application may be appealed to the Commission for only the following types of developments:*

*(1) Developments approved by the local government between the sea and the first public road paralleling the sea or within 300 feet of the inland extent of any beach or of the*

*mean high tide line of the sea where there is no beach, whichever is the greater distance.*

- (2) *Developments approved by the local government not included within paragraph (1) that are located on tidelands, submerged lands, public trust lands, within 100 feet of any wetland, estuary, stream, or within 300 feet of the top of the seaward face of any coastal bluff.*

Sections 30603(a)(1) and (2) of the Coastal Act establishes the project site as being appealable by its location between the sea and first public road and within 300 feet of the inland extent of the beach (Exhibit 1).

The term "substantial issue" is not defined in the Coastal Act or its implementing regulations. The Commission's regulations indicate simply that the Commission will hear an appeal unless it "finds that the appeal raises no significant question as to conformity with the certified local coastal program" or, if applicable, the public access and public recreation policies of Chapter 3 of the Coastal Act (Cal. Code Regs. title 14 section 13155(b)). In previous decisions on appeals, the Commission has been guided by the following factors:

1. The degree of factual and legal support for the local government's decision that the development is consistent or inconsistent with the certified LCP;
2. The extent and scope of the development as approved or denied by the local government;
3. The significance of the coastal resources affected by the decision;
4. The precedential value of the local government's decision for future interpretations of its LCP; and
5. Whether the appeal raises only local issues, or those of regional or statewide interest

## **A. GROUNDS FOR APPEAL**

The grounds for appeal of an approved local CDP in the appealable area are stated in Section 30603(b)(1), which states:

*(b)(1) The grounds for an appeal pursuant to subdivision (a) shall be limited to an allegation that the development does not conform to the standards set forth in the certified Local Coastal Program or the public access policies set forth in this division.*

Section 30625(b)(2) of the Coastal Act requires a de novo hearing of the appealed project unless the Commission determines that no substantial issue exists with respect to the grounds for appeal. If Commission staff recommends a finding of substantial issue, and there is no motion from the Commission to find no substantial issue, the substantial issue question will be considered moot, and the Commission will proceed to the de novo public hearing on the merits of the project. The de novo hearing will be scheduled at the same hearing or a subsequent Commission hearing. A de novo public hearing on the merits of the project uses the certified LCP as the standard of review. In addition, for projects located between the first public road and the sea, findings must be made that any approved project is consistent with the public access and recreation policies of the Coastal Act. Sections 13110-13120 of the California Code of Regulations further explain the appeal hearing process.

The grounds for the current appeal include contentions that the approved development does not conform to the standards set forth in the certified LCP regarding public access and recreation and marine resource policies.

## **B. QUALIFICATIONS TO TESTIFY BEFORE THE COMMISSION**

If the Commission decides to hear arguments and vote on the substantial issue question, proponents and opponents will have three minutes per side to address whether the appeal raises a substantial issue. The only persons qualified to testify before the Commission at the substantial issue portion of the appeal process are the applicants, persons who opposed the application before the local government (or their representatives), and the local government. Testimony from other persons must be submitted in writing.

The Commission will then vote on the substantial issue matter. It takes a majority of Commissioners present to find that no substantial issue is raised by the local approval of the subject project.

The de novo hearing is scheduled at the same hearing. A de novo public hearing on the merits of the project uses the certified LCP as the standard of review. In addition, for projects located between the first public road and the sea, findings must be made that any approved project is consistent with the public access and recreation policies of Chapter 3 of the Coastal Act. Sections 13110-13120 of the California Code of Regulations further explain the appeal hearing process.

## **III. APPELLANTS' CONTENTIONS**

The City of Huntington Beach approval of the proposed development was appealed on October 25, 2012 by two appellants, California Coastal Commissioners Dayna Bochco and Brian Brennan (Exhibit 5). The appellants contend that the proposed development is not consistent with the public access and recreation policies of Chapter 3 of the Coastal Act and does not conform to the requirements of the Local Coastal Program.

The appeal by the California Coastal Commission contends:

- The event raises issues regarding consistency with the public access and recreation policies of the Coastal Act which serve to maximize public access to the coast (30210); protect lower cost visitor and recreational facilities and prioritize public recreational opportunities (30213); and reserve upland areas necessary to support coastal recreational uses (30223).
- The subject temporary event is different from other temporary events held during the summer in that most temporary events held throughout the year do not usurp as much public beach parking (588 spaces) or charge admission to attend the event.
- The event raises an issue regarding private use of public beach recreational facilities as this event is affiliated with the adjacent hotel and is more private in nature than the surfing competitions, outdoor retail sales, and parades which are open to the public and routinely held in the City, and represents exclusive use of a public beach parking lot for a private commercial event charging a fee for admission to the auction area.

- The City did not analyze the cumulative impact of this event in the context of the number of additional weekends during the summer the Huntington Beach pier area will be impacted by other popular “temporary” events.
- As demonstrated by a parking study, by displacing 588 public parking spaces, the event will add to the existing parking problem at the beach parking lots during summertime, when beach parking is at peak demand, creating additional public access impacts. Event attendees are expected to largely park in the adjacent hotel parking lot. Whereas the general public wishing to access the beach will be required to use a proposed shuttle to remote parking between ½ mile to 2 ½ miles away from the beach. This system shifts the parking inconvenience from the event attendees (who may park at the hotel) to the general beach visitor, who must park up to 2.5 miles away. Additional road congestion and impacts on a major coastal access route (Coast Highway) are likely and the traffic impacts associated with this and the event itself do not appear to have been considered by the City. Finally, weekday impacts were not fully considered and there is no provision for a shuttle to address any weekday impacts that may arise.
- Alternatives that would alleviate the impacts raised by this proposal include shifting the event dates to occur outside the peak summer demand period and/or moving the event to private property. Such alternatives were not considered by the City.
- The proposed 26 foot high, 30,000 sq.ft. tent on the public beach parking lot will create a temporary public view impact to the shoreline which was not analyzed in the City staff report.
- The City approved the event to occur for 5 years. Approval of a 5 year permit, subject to monitoring, raises an issue and question as to the ability to modify the event to address identified adverse impacts in the future. Such events should only be authorized for a one-year period to allow reassessment of impacts through a new public hearing process. In this particular case, there is a significant question as to the appropriateness of staging an exclusive private event on a public beach parking lot in the summer; however, any event that may be authorized should only receive authorization as a one-time event.

#### **IV. FINDINGS AND DECLARATIONS ON SUBSTANTIAL ISSUE**

##### **A. PROJECT DESCRIPTION AND LOCATION**

The proposed project is an annual automobile auction during the month of June, each year until 2017. The event would be held within the public beach parking lot on the ocean side of Pacific Coast Highway between Huntington Street and Beach Blvd., in the City of Huntington Beach, Orange County (Exhibit #1). The subject parking lot is one of several that the City owns and operates along the beach, with this one being one of the more heavily used lots given its proximity to the City’s municipal pier, popular downtown shopping district, and several major hotels.

Including setup and take-down, the event would be 11 days. The main event will take place for four days (Thursday thru Sunday) and include amplified music, auction announcements, and food and alcohol sales. The event will be held within the beach parking lot which would temporarily displace up to 348 parking spaces during set-up/take-down and 588 public parking spaces during the actual event.

The request also includes a parking management plan to shuttle displaced beach visitors to remote parking lots located at Rodgers Senior Center, City Hall, Edison Park, Edison High School and Newland Barn. Parking within the Hilton and Hyatt Hotel parking lots on the inland side of PCH will be available for event participants, attendees and staff. The event requires installation of temporary fencing to accommodate a vendor/sponsor area with about 40 10' x 10' canopies and a vehicle display area for 300 cars in a 30,000 sq.ft. 26 ft. high tent. Paid admission will be required for spectators to preview the auction vehicles and participate in the auction within the tented area. The admission price isn't specified, though general admission at other Russo & Steele events in Arizona and Las Vegas are \$20/day. The vendor/sponsor area will be available to the general public free of charge.

## **B. LOCAL COASTAL PROGRAM BACKGROUND**

The LCP for the City of Huntington Beach, minus two geographic areas, was effectively certified in March 1985. The two geographic areas that were deferred certification were the Parkside site (once known as the MWD site) and an area inland of Pacific Coast Highway between Beach Boulevard and the Santa Ana River mouth (known as the PCH ADC). Both of the ADCs have been subsequently certified, the PCH ADC in 1995 and the Parkside site in 2011. There have also been some major updates to the City's LCP since 1985, including a comprehensive update to the LUP that was certified in 2001, and a complete update to the City's Downtown Specific Plan (DSP) that was certified in October 2011. The subject parking lot is within District 7 of the DSP.

## **C. DESCRIPTION OF LOCAL APPROVAL**

On August 15, 2012, the City of Huntington Beach Zoning Administrator approved Coastal Development Permit 12-05 with conditions. The vice chairperson of the Planning Commission, Mr. Mark Bixby, appealed the matter to the Planning Commission. On September 25, 2012, Planning Commission approved Coastal Development Permit 12-05 for the project with twelve conditions of approval (see Exhibit 4). Among the special conditions were:

- A requirement that a shuttle services and remote parking lot operations program and accompanying sign program be submitted to the City for review and approval by the Director of Public Works and Planning and Building
- A requirement that the event setup, operation and take-down not exceed a period of 11 days in June. The hours of operation of the event were to be 9 am to 10pm on Thursday, 9 am to 11 pm on Friday and Saturday, and 9 am to 4 pm on Sunday.
- A requirement for the applicant and City to monitor the 4-day event operations including the parking lot usage, shuttle ridership, and public complaints. The Planning Commission is to review the results of the monitoring and may consider modifications to the approval at that time.

## **D. SUBSTANTIAL ISSUE ANALYSIS**

As previously stated, the local CDP may be appealed to the Commission on the grounds that it does not conform to the standards set forth in the certified Local Coastal Program (LCP) or the public access policies of the Coastal Act. The Commission must assess whether the appeal raises a



substantial issue as to the project's consistency with the certified LCP or the access policies of the Coastal Act.

In making that assessment, the Commission considers whether the appellants' contentions regarding the inconsistency of the local government action with the certified LCP raise significant issues in terms of the extent and scope of the approved development, the support for the local action, the precedential nature of the project, whether a significant coastal resource would be affected, and whether the appeal has statewide significance.

In the current appeals of the project approved by the City of Huntington Beach the appellants contend that the City's approval of the project does not conform to various provisions of the certified LCP and requirements set forth in the Coastal Act. Following are relevant Coastal Act and LCP policies:

Section 30210 of the Coastal Act states:

*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 30213 of the Coastal Act states (as does City LCP policy C 3.2.2):

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

Section 30223 of the Coastal Act states (as does City LCP policy C 3.1.3):

*Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.*

City of Huntington Beach Coastal Land Use Plan contains the following relevant policies:

Coastal Element Policy C 1.1.1

*With the exception of hazardous industrial development, new development shall be encouraged to be located within, contiguous 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.*

Coastal Element Policy C 1.1.2

*Coastal dependent developments shall have priority over other developments on or near the shoreline. Coastal-related developments should be accommodated within reasonable proximity of the coastal-dependent use they support.*

#### Coastal Element Policy C 1.1.6

*Temporary and seasonal activities within the coastal zone which do not qualify as exempt activities pursuant to the Commission's guideline adopted by the Commission pursuant to Section 30610(i) of the Coastal Act shall be monitored and regulated through the coastal development permit process to protect coastal resource from adverse impacts associated with the seasonal or temporary activities.*

#### Coastal Element Policy C 2.1.2

*Promote increasing the capacity of Pacific Coast Highway through re-striping and traffic signal synchronization to enhance traffic circulation and safety. Require that all recreational beach and on-street parking spaces removed due to re-striping be replaced at a one-to-one ratio. Replacement parking shall be provided based on the following standards: (1-C 9)*

- a) Replacement parking shall be provided prior to or concurrent with the loss of any parking.*
- b) Replacement parking shall be provided either on-street, in parking lots and/or parking structures which are within 500 feet of Pacific Coast Highway.*
- c) Replacement parking shall be dispersed commensurate with its existing location on Pacific Coast Highway unless it is determined that public coastal access is better served by concentrating it in one or more locations.*
- d) Pedestrian access across Pacific Coast Highway shall be provided.*
- e) Dispersed drop off points shall be provided on the seaward side of Pacific Coast Highway.*

#### Coastal Element Policy C 4.1.1

*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 public views to and along the ocean and scenic coastal areas.*

The appellants contend that the proposed event raises issues regarding consistency with the public access and recreation policies of the Coastal Act which serve to maximize public access to the coast (30210); protect lower cost visitor and recreational facilities and prioritize public recreational opportunities (30213); and reserve upland areas necessary to support coastal recreational uses (30223). The proposed automobile auction would be held during the peak beach visitation season within a parking lot that is necessary to support beach visitation. Furthermore, the subject temporary event is different from other temporary events held during the summer in that most temporary events held throughout the year do not usurp as much public beach parking (588 spaces) or charge admission to attend the event.

Although there are parking areas inland of Pacific Coast Highway within residential and commercial areas, the primary area to park when visiting the beach is within the subject beach parking lot and adjacent beach parking lots. These parking lots are an important coastal resource as they support beach visitation by individuals and families that live both nearby and well inland of the coast. Those coming from inland locations must travel, primarily by car, to reach the beach in a reasonable timeframe given the lack of any convenient, integrated regional public transit system. The applicant's parking study

(Exhibit 6) demonstrates that the subject parking lot (and lots nearby) reach capacity by noon on weekends during the time period the applicant proposes to hold the event. Thus, beach visitors would be displaced by holding the event in the beach parking lot during this time period. Furthermore, at nearly 600 parking spaces, that impact would be significant. In this case, the lower cost visitor and recreational facilities wouldn't be protected as required under Section 30213 of the Coastal Act (and under LCP Policy C 3.2.2). Therefore, a substantial issue exists with regard to whether holding such an event in the location and at the time proposed is consistent with the public access and recreation policies of the Coastal Act and with the policies of the certified LCP cited above.

The appellants contend that the event raises an issue regarding private use of public beach recreational facilities as this event is affiliated with the adjacent hotel and is more private in nature than other events like surfing competitions, which are open to the public, generally free of charge, and routinely held in the City. Such events, while creating a parking demand (as does the proposed event), do not involve the displacement of hundreds of parking spaces. This event represents exclusive use of a public beach parking lot for a private commercial event. On top of displacing the parking, there is a fee of approximately \$10 to \$20 for admission to the car display and auction area. The event, a collector automobile auction, would generally have less appeal to the casual beach visitor than other summertime events held on the beach, such as with surfing competitions. By their nature, surfing competitions must be held on the beach, while an automobile auction does not. If holding the event during the peak summer season in Huntington Beach is important, unlike a surfing competition, an automobile auction could be located in a private venue, like a hotel with event/meeting space, or at some other inland location where public access wouldn't be affected.

The appellants contend that the City did not analyze the cumulative impact of this event in the context of the number of additional weekends during the summer in the Huntington Beach pier area that will be impacted by other popular "temporary" events. There is no indication in the file materials that the City considered this potential cumulative impact. Other events include a paintball competition and the US Open of Surfing. The proposed event would occur at a point in time, generally the third weekend in June, when beach visitation approaches its maximum. This is about the same time that the school year ends, and families begin to spend more time at the beach. Adjusting the timing of the proposed event, perhaps by even a few weeks earlier in the month, or later in the year, would minimize the impact of the event on beach visitors.

As demonstrated by a parking study, by displacing 588 public parking spaces, the event will add to the existing parking problem at the beach parking lots during summertime, when beach parking is at its peak demand, creating additional public access impacts. Event attendees are expected to largely park in the adjacent hotel parking lot. Whereas the general public wishing to access the beach will be required to use a proposed shuttle to remote parking between ½ mile to 2 ½ miles away from the beach. The shuttle would only be available on the weekends. This system shifts the parking inconvenience from the event attendees (who may park at the hotel) to the general beach visitor, who must park up to 2.5 miles away. Often, beach visitors are laden with coolers, chairs, umbrellas, and boogie boards/surfboards, which adds to the inconvenience that must be endured by parking remotely instead of within the beach parking lot. Section 30223 of the Coastal Act (and City LCP policy C 3.1.3 requires the reservation of upland areas, like beach parking lots, to support coastal recreational uses, like beach visitation. In this instance, the beach parking lot is being reserved for a private event. In so doing, there would be adverse impacts on beach visitors. Thus, a substantial issue is raised regarding consistency with the public access and recreation policies of the Coastal Act and the certified LCP.

As noted above, the shuttle concept has impacts on beach visitors in and of itself. However, if a shuttle system could be found adequate, no provision is made for a shuttle to address any weekday impacts that may arise. The shuttle system only includes weekend service. The applicant's parking study indicates that the weekday parking demand is lower than on the weekend, as one would expect. The study goes on to suggest that, based on a single mid-week parking count in June 2012, no shuttle is needed to support beach visitation during the week. While this one-day count can corroborate the general conclusion that parking demand at the beach is lower mid-week than on the weekend, it's certainly not enough to conclusively find that there will be no need for any kind of shuttle service during the week. Since the provision of off-site parking with shuttle service is the only mitigation being offered by the applicant, that plan must be more robust and flexible and include provisions for weekday service to be provided should the need arise.

The appellants contend that additional road congestion and impacts on a major coastal access route (Coast Highway) are likely to be caused by the event and such events do not appear to have been considered by the City. This contention is accurate and should be considered at the de novo stage.

The appellants contend that the proposed 26 foot high, 30,000 sq.ft. tent on the public beach parking lot will create a temporary public view impact to the shoreline which was not analyzed in the City staff report. Coastal Element Policy C 4.1.1 requires the protection of public views to and along the shoreline. There is no indication that the City considered view impacts in this case. Although the impact is temporary, it should be analyzed for consistency with the certified LCP, as suggested by the appellants.

The City approved the event to occur for 5 years. The appellants contend that, an event of this size and scope should only be given a trial approval, with monitoring. The City's approval does include a monitoring provision and provisions for reassessment through a public hearing process. However, the monitoring and reassessment provision isn't clear as to whether this would occur through the coastal development permit process as an amendment, or through some other City process. Coastal Element Policy C 1.1.6 states that temporary events like the one proposed "shall be monitored and regulated through the coastal development permit process." Thus, the approval raises a substantial issue as to consistency with the certified LCP.

Therefore, the Commission finds that a substantial issue exists with regard to the grounds on which the appeal was filed. With regard to the factors that the Commission typically considers in a substantial issue analysis: 1. This is a case where there the City hasn't shown the factual and legal support for its decision that the development is consistent with the Local Coastal Program and the public access and recreation policies of Chapter 3 of the Coastal Act; 2. This is a case where the extent and scope of the development approved by the local government is significant as the area involved is nearly 600 public parking spaces in a public beach parking lot that is heavily used; 3. The resource that could be impacted in this case, public access, and the impact that would occur is significant both individually and cumulatively; 4. This is a case where there would be a significant adverse precedent made in that the local government didn't apply all of the requirements of the LCP, and the Chapter 3 policies of the Coastal Act as noted above; and, 5. This appeal raises issues of regional and statewide significance given the public access resources at stake and potential adverse impacts that similar such events could have on public access elsewhere in the State coastal zone. Each of the issues identified above, where the Commission expressly has found there is a

substantial issue, are individually sufficient to warrant a finding that the appeal raises a substantial issue.

## V. MOTION AND RESOLUTION ON THE DE NOVO HEARING

### Motion:

*I move that the Commission approve Coastal Development Permit #A-5-HNB-12-298 pursuant to the staff recommendation.*

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:

*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.*

## VI. STANDARD CONDITIONS

This permit is granted subject to the following 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.

## **VII. SPECIAL CONDITIONS**

1. **Event Timing.** Coastal Development Permit A-5-HNB -12-298 permits the Russo & Steele Collector Automobile Auction to occur after Labor Day weekend and before the Memorial Day weekend – the event is prohibited between Memorial Day weekend and Labor Day weekend (inclusive of the holiday) subject to the following: PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall submit for the review and approval of the Executive Director a parking and traffic study which identifies a period of time to hold the event when parking demand on the weekday leaves at least 348 parking spaces vacant within the beach parking and on the weekend leaves at least 588 parking spaces vacant within the beach parking lot. The beach parking lot to be studied shall be the lot between Huntington Street and Beach Blvd. The study shall identify off-site private parking and/or remote parking to be utilized by event attendees and include incentives to encourage the event attendees to utilize the private/remote parking. The study shall also demonstrate that traffic associated with the event will not cause the existing level of service to be significantly/adversely affected during the time period of the event. The study must be prepared by an appropriately qualified professional, subject to review and approval of the Executive Director. The applicant must obtain permission from the City for the time period approved by the Executive Director.
2. **Event Duration.** Coastal Development Permit A-5-HNB -12-298 permits the Russo & Steele Collector Automobile Auction for no more than a total period of 11 days (3 days setup, 4 days event, 4 days take-down) during the time period identified pursuant to Special Condition 1. Any proposed change in the approved event, site plan, parking plan, shuttle bus plan, or any other deviation from the approved development as conditioned, shall be submitted for review by the Executive Director to determine whether an amendment to this coastal development permit is necessary pursuant to the requirements of the Coastal Act and the California Code of Regulations. If the Executive Director determines that an amendment is necessary, no changes shall occur without a Coastal Commission approved amendment to this coastal development permit.
3. **Event Monitoring and Recurrence.** This coastal development permit is valid for one 11-day period in 2014. The event may recur in subsequent years, through approval of an amendment to this coastal development permit from the California Coastal Commission. Such amendment request(s) shall be accompanied by the results of monitoring, subject to review and approval of the Executive Director. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall submit for the review and approval of the Executive Director a monitoring plan, which includes monitoring methods and data sources, to include beach parking lot observations, tracking of shuttle ridership, parking capacity in the beach parking lots and any remote parking utilized, effects on traffic,

effects on public access to the beach, public complaints; and proposed measures to address deficiencies identified. In addition to the monitoring results and typical filing requirements, any application for an amendment shall include evidence of current local approval for that year's event, updated project plans (depicting all physical improvements and footprint of the event), event dates, parking plan and shuttle bus plan (as applicable), and evidence that the previous year's event complied with all special conditions imposed for the previous year's coastal development permit.

Any proposed change in the approved event, site plan, parking plan, shuttle bus plan, admission charge policy, or any other deviation from the approved development as conditioned, shall be submitted for review by the Executive Director to determine whether an amendment to this coastal development permit is necessary pursuant to the requirements of the Coastal Act and the California Code of Regulations. If the Executive Director determines that an amendment is necessary, no changes shall occur without a Coastal Commission approved amendment to this coastal development permit.

4. **Event Parking, Traffic Management and Shuttle Plan.** The applicant shall implement a parking and traffic management plan and, to the extent required to support visitors to the proposed event (as identified through the parking study required in Special Condition 1), a shuttle bus plan consistent with the terms of this condition and as proposed and described in the Event Overview received by the Commission on January 8, 2013 and the "Revised Narrative" dated July 24, 2012, both attached as Exhibit 3 of this staff report. In the event of any conflict between the applicant's proposed plans and the terms of this permit, the terms of this permit shall prevail. The applicant shall implement the traffic and parking plan and shuttle bus plan as follows:
  - a) **Public Beach Parking Lots.** During the set-up and take-down periods, the applicant may have exclusive use of no more than 348 parking stalls, and, during the 4-day period of the actual event no more than 588 parking stalls, within the subject beach parking lot. Parking to support the event, including parking for vehicle owners/sellers, auction bidders, spectators, sponsors/vendors, and event staff, shall be provided off-site in private parking facilities at nearby hotels (as proposed by the applicant), or at remote locations that are not currently part of the beach parking supply. All other public parking spaces located in the public beach parking lots, and along public streets shall be reserved for the general public on a first-come, first served basis. Wherever feasible, the applicant shall reduce the quantity of spaces reserved in the beach parking lot for exclusive use by the event, as those spaces are no longer needed, and return those spaces to general public use.
  - b). **Remote Parking Supply.** Whenever the parking and traffic study required pursuant to Special Condition 1 identifies a need for remote parking (either weekday and/or weekend), the applicant shall provide for the remote parking for the event attendees.
  - c) **Shuttle Bus Service.** On any day that remote parking is in use, the applicant shall provide a shuttle bus service to transport event attendees between the remote parking and event. Shuttle vehicle capacity and service frequency shall be adequately sized/timed to meet demand.

- d) **Signage.** Commencing no later than three calendar days before the start of the event, the applicant shall provide conspicuously posted on-street informational signs and banners to direct event attendees to remote parking and inform them of the shuttle bus stops. The signs and banners shall also inform the event attendees of the availability of a bus shuttle for event attendees. The signs and banners shall be adequately sized to be visible to motorists, but no smaller than 2' x 3'. All signage shall be retrieved and properly disposed of within one calendar day following the conclusion of the event.
  - e) **Advertisements.** The applicant shall provide appropriate advertisement of the parking off-site and remote parking available to event attendees, and to discourage event attendees from using public beach parking.
- 5. **Walkway/Bike Path.** The event shall not interfere with the public's use of the public walkway and bicycle path that parallels the beach, just seaward of the parking lot. The walkway and bicycle path shall remain open and unobstructed. No fences, vehicles, materials or structures shall be parked or placed on the walkway and bicycle path. The applicant shall monitor the walkway and bicycle path in order to prevent any encroachments by event sponsors and vendors.
  - 6. **Public Access to and Along the Water.** The proposed event, and all associated development, shall not encroach onto the beach.
  - 7. **Removal of Temporary Improvements.** All temporary improvements permitted herein shall be removed in their entirety and the site restored to its pre-existing condition by no later than 6:00 p.m. on the fourth calendar day (day 11 of 11) following the conclusion of the event.
  - 8. **Protection of Water Quality.** By acceptance of this coastal development permit, the applicant agrees to remove and legally dispose of all trash, waste, oil, grease, and other materials that may be deposited on-site incidental to the automobile auction event, associated activities, and the general public's use of the event site and adjacent parking facilities. Such clean-up and disposal shall be completed at the end of each day's activities, with a final clean-up and inspection on the fourth calendar day following the conclusion of the event.
  - 9. **Local Government Approval.** Except as modified by this permit, the conditions imposed by the City of Huntington Beach remain in effect. Furthermore, this action has no effect on conditions imposed by a local government pursuant to an authority other than the Coastal Act. In the event of conflict between the terms and conditions imposed by the local government and those of this coastal development permit, the terms and conditions of Coastal Development Permit A-5-HNB-12-298 shall prevail.



## VIII. FINDINGS AND DECLARATIONS FOR DE NOVO HEARING

### A. PROJECT DESCRIPTION AND LOCATION

The project description and location is hereby incorporated by reference from Section IV.A of Substantial Issue portion of this staff report beginning on page 7.

### B. PUBLIC ACCESS AND RECREATION

The exclusive use of a segment of public beaches and support facilities such as beach parking lots by special events, and the associated limitations on public access and recreation, has always been an issue of prime importance to the Commission. The following Coastal Act and Local Coastal Program policies protect the public's right to public access and recreation opportunities:

Section 30210 of the Coastal Act states:

*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 30213 of the Coastal Act (and City LCP policy C 3.2.2) states:

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

Section 30223 of the Coastal Act states (as does City LCP policy C 3.1.3):

*Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.*

City of Huntington Beach Coastal Element Policy C 1.1.1 states:

*With the exception of hazardous industrial development, new development shall be encouraged to be located within, contiguous 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.*

City of Huntington Beach Coastal Element C 1.1.2 states:

*Coastal dependent developments shall have priority over other developments on or near the shoreline. Coastal-related developments should be accommodated within reasonable proximity of the coastal-dependent use they support.*

City of Huntington Beach Coastal Element C 1.1.6 states:

*Temporary and seasonal activities within the coastal zone which do not qualify as exempt activities pursuant to the Commission's guideline adopted by the Commission pursuant to Section 30610(i) of the Coastal Act shall be monitored and regulated through the coastal development permit process to protect coastal resources from adverse impacts associated with the seasonal or temporary activities.*

City of Huntington Beach Coastal Element C 2.1.2 states:

*Promote increasing the capacity of Pacific Coast Highway through re-striping and traffic signal synchronization to enhance traffic circulation and safety. Require that all recreational beach and on-street parking spaces removed due to re-striping be replaced at a one-to-one ratio. Replacement parking shall be provided based on the following standards: (1-C 9)*

- a) Replacement parking shall be provided prior to or concurrent with the loss of any parking.*
- b) Replacement parking shall be provided either on-street, in parking lots and/or parking structures which are within 500 feet of Pacific Coast Highway.*
- c) Replacement parking shall be dispersed commensurate with its existing location on Pacific Coast Highway unless it is determined that public coastal access is better served by concentrating it in one or more locations.*
- d) Pedestrian access across Pacific Coast Highway shall be provided.*
- e) Dispersed drop off points shall be provided on the seaward side of Pacific Coast Highway.*

The proposed project is a temporary event during peak public visitation of the beaches in Huntington Beach that will have a significant adverse impact on public access and recreation because it will affect part of a public parking lot that supports intensive use of the adjacent public beach during peak summer months. For 11 days, from set-up to take-down, the general public will be excluded from using between 348 and 588 parking spaces (up to 4 acres) within the footprint of the event site. The area will be enclosed by fencing and various tents, including a 300 by 100 foot main tent will be placed inside the enclosure. There will also be up to 300 cars that are part of the auction inside the enclosure. Public access to the beach would remain available by navigating around the enclosure, but access wouldn't be available through the enclosure. The bike path and walkway that runs parallel to the beach, just seaward of the parking lot would remain open. Special Condition 5 and 6 ensure that these aspects of the proposal are implemented. All temporary development is proposed to be removed at the end of the event such that public access to the parking lot is fully restored. Special Condition 7 ensures this is also implemented.

Although the proposed event will not physically prevent pedestrian access to the beach and water, it will affect the public's ability to access and use the coast by displacing the public from parking in the beach parking lot and restricting the use of a portion of the parking lot to a specific group of people: the organizers, participants and fee-paying spectators of the event.

### **Parking Supply and Traffic**

The Commission has consistently found that a direct relationship exists between the provision of adequate parking and maximizing public access to the coast. The subject parking lot is one of several beach parking lots owned and managed by the City of Huntington Beach. The parking study done by the applicant collected parking data from all the beach parking lots between Huntington Street and Magnolia Street, and broke those down into three areas. Parking Area 1 is where the proposed event would be held, between Huntington Street and the pedestrian bridge at the Hyatt Hotel. There are 740 public parking spaces in that area. During setup and takedown, 348

of the 740 spaces would be used. During the 4 day event, the footprint in the parking lot would grow to occupy up to 588 parking spaces.

Parking area 2, identified in the parking study, contains 665 parking spaces and is located between the pedestrian bridge and Beach Boulevard. Parking Area 3 contains 714 parking spaces, and is located between Beach Boulevard and Newland Street. Parking Area 4 contains 697 spaces, and is located between Newland Street and Magnolia Streets. In total, there are 2816 parking spaces in the study area. According to the City's web site, there is a flat fee of \$15 to park in the beach parking lots that are in the study area. However, there are also public spaces along Pacific Coast Highway, and in beach lots adjacent to the pier, that offer hourly parking at \$1.50/hour.

The parking study collected data on a Saturday, Sunday and Wednesday in June 2012. Those days were chosen as they coincide with the days the event would take place. The parking study found that Parking Area 1 was virtually full by noon on the weekend and remained nearly full on Saturday until 5pm, but on Sunday spaces would begin to open up in the mid-afternoon. Based on this information, the study assumed that the event would displace 588 vehicles on the weekend.

On the Wednesday studied, they found that peak demand in Parking Area 1 was 253 cars at 3pm, leaving 487 spaces available. Since 348 spaces would be used during weekday setup and takedown, the study assumed there would be no adverse impact to the public. The study didn't look at demand on Thursday or Friday, when the event would begin.

The study also looked at parking usage in Parking Areas 2, 3 and 4 (which together contain 2,076 spaces), finding that at least 95% of the spaces in those lots were full on Saturday and about 75% full on Sunday. On the Wednesday studied, they found about 1200 spaces available of the 2,076 spaces total. Thus, the study concluded that no adverse impacts were likely mid-week.

In general, the study found that parking spaces begin to fill on the weekend at the lots closest to the pier, continuing to fill southward (down coast) as the day progresses.

The proposed event is expected to attract approximately 800 persons per day, including vehicle owners/sellers, auction bidders, sponsor/vendors, Russo & Steele staff, and spectators. The parking study assumes that most of the event attendees will be staying at the hotels just inland of the site and using the on-site hotel parking spaces.

To address the impact upon public parking on the weekend, the applicant proposes a remote parking program for beach visitors to use. This would make use of existing parking at City Hall, Edison High School, Edison Park, Newland Barn (a City park), and Rogers Senior Center. The closest of these sites to the subject beach is the senior center, which the parking study says is about 1.1 miles. The other locations are between 2.2 and 2.6 miles from the subject beach. The applicant proposes to implement a sign program, advertisement in the auction promotional materials, and maps to direct the public to make use of the remote parking. The parking study suggests that use of the remote parking and shuttle would be free and would be an enticement to utilize the remote parking instead of searching for a space closer to the beach. The applicant's project description doesn't state whether the remote parking and shuttle would be free.

The proposed displacement of 348 to 588 parking spaces in a heavily used beach parking lot, during the peak summer beach visitation period will add to the burden already born by the limited beach parking supply. Although there is a lot of parking, there is also a lot of demand. There is simply not enough public parking available in the beach parking lots to accommodate all of the people who attempt to visit the coast in Huntington Beach during summer weekends. Add to this the applicant's proposal to reserve 588 parking spaces for this event and the ability to find public parking near the beach will be nearly impossible.

The applicant's proposal to replace the public beach parking with remote parking makes little sense in this circumstance. In some cases, such as with a surf competition or other beach-related sporting event that has wide public appeal, the use of the event's promotional materials and advertising could effectively inform a large segment of the beach-going population about the remote parking opportunity. However, the promotional materials/advertisement for the auto auction will be directed to those who might be interested in collector automobiles, a relatively select group of people, not the general public visiting the beach. Thus, that advertisement would likely have little effect on providing alternative parking options for beachgoers during the proposed event dates. There will be other signs at the beach lots, and at the remote lots, to direct beach visitors to use the remote parking. If, by chance, the beach visitor sees the signs at the remote lots, they may be saved from searching for a space closer to the beach. However, for the signs at the beach lots, at that point, the impact to the beach visitor created by the auction has already occurred.

Furthermore, the remote parking proposal transfers the parking inconvenience to the general public, instead of those attending the event that is creating the impact. Those attending the event will be able to park close by at the hotel. Whereas, the beach visitor, with all their attendant gear, must drive over a mile inland to obtain a parking space, wait for and board a shuttle, ride the shuttle as it completes its route to the various remote lots, and finally be dropped off at the beach. All of which may follow on an already long trip from non-coastal regions of southern California. They'll have to do the same to return to their vehicle.

There are alternatives that would avoid this impact on the beach visitor. The event could either be held in a private venue and/or at an inland location because this event is not dependent on being next to the ocean as indicated by the applicant's hosting of similar events in the desert in Las Vegas and Scottsdale. Or, the event could be held outside the peak summer visitation period (usually considered to be between the Memorial Day and Labor Day weekends), when ample space is likely available in the beach parking lots to accommodate the use of the public spaces for the proposed event.

The applicant's parking study focused solely on the time period they proposed in June. Their study didn't consider alternative time periods, when the impact could be lessened or avoided. In general, in the Commission's experience, beach visitation is reduced between late September and early May. However, the Commission is unable to identify a specific time period without further study by the applicant. Therefore, the Commission imposes Special Condition 1. If the applicant wishes to undertake the auction in the beach parking lot, they must do so after Labor Day weekend and before the Memorial Day weekend – the event would be prohibited in the beach parking lot between Memorial Day weekend and Labor Day weekend (inclusive of the holiday). To identify a specific time period that will not cause significant adverse impacts on public access and recreation, the applicant must submit, prior to issuance of this CDP, for the review and approval of the Executive

Director a parking and traffic study, prepared by an appropriately qualified professional. For example, the study may be prepared by a qualified traffic engineer, or, may consist of equivalent information and analysis collected and prepared by qualified City staff. To address parking impacts, the study shall identify a period of time to hold the event when parking demand on the weekday leaves at least 348 parking spaces vacant within the beach parking and on the weekend that leaves at least 588 parking spaces vacant within the beach parking lot. The beach parking lot to be studied would be the proposed lot between Huntington Street and Beach Blvd. To address traffic impacts, the study must also demonstrate that traffic associated with the event will not cause significant adverse impacts on the existing level of service during the time period of the event.

The applicant has indicated that parking to support the event, including parking for vehicle owners/sellers, auction bidders, spectators, sponsors/vendors, and event staff, will be accommodated in the nearby Hyatt and Hilton hotels. However, if that parking is not available and/or the event attendees aren't sufficiently incentivized to use the hotel parking instead of public beach parking, then the parking for the event itself will generate an impact. In order to address this possibility, Special Condition 1 and 4 are imposed which require that the off-site parking supply for the event is identified. If the off-site hotel parking isn't available, the applicant must supply remote parking and a shuttle to support the event. The event remote parking supply and shuttle bus service would be necessary to mitigate the increase in vehicle congestion and parking demand caused by those attending the event, if not supplied in the hotel parking areas.

Special Condition 1 and 4 also protects the parking spaces that do remain outside of the event footprint for beach visitors, and requires signage, advertisement, and incentives to the event attendees to use parking designated for the event, and to not use the public beach parking supply. Only as conditioned to mitigate the adverse effects of the exclusive use of public parking on public beach access can the proposed event be found to be consistent with the public access and recreation policies of the Coastal Act and the certified Local Coastal Program.

### **5-Year Permit**

As mentioned previously, the applicant is seeking a 5-year permit (through 2017) instead of a one-time event permit. The City's approval sets up the requirement that the applicant monitor various aspects of the event, such as parking lot usage, shuttle ridership, and public complaints. Then there would be a public hearing before the Planning Commission to "verify compliance with all conditions of approval, Chapters of the Huntington Beach Zoning Code and Subdivision Ordinance, and the Municipal Code..." The condition states that "the Planning Commission may consider modifications to the conditions of approval". However, there is no indication that the duration of the approval could be shortened if need be. Furthermore, it's unclear whether the process involves an amendment to the coastal development permit, or if this whole process is outside of the CDP process.

City of Huntington Beach Coastal Element C 1.1.6 states that temporary and seasonal activities within the coastal zone must be monitored through the coastal development permit process. Therefore, the Commission has imposed Special Condition 3 which limits this approval to one 11-day period in 2014. The condition allows for the event to recur in subsequent years, through approval of an amendment to this coastal development permit from the California Coastal Commission. As with the City's condition, the results of monitoring, subject to review and approval of the Executive Director, must include beach parking lot observations, tracking of shuttle

ridership, parking capacity in the beach parking lots and any remote parking utilized, effects on traffic, effects on public access to the beach, public complaints; and proposed measures to address deficiencies identified. The amendment request would need to include evidence of current local approval for that year's event, updated project plans (depicting all physical improvements and footprint of the event), event dates, parking plan and shuttle bus plan (as needed), and evidence that the previous year's event complied with all special conditions. Through this process, the Commission can ensure that the event complies with the Coastal Act and LCP. Only as conditioned can the proposed event be found to be consistent with the public access and recreation policies of the Coastal Act and the certified Local Coastal Program.

### **Free Admission vs. Paid Admission**

The proposed event includes a fee of \$10-20 to enter the main tent, preview auction vehicles or to view the auction. However, there will be a sponsor area adjacent to the main tent where products will be displayed that is open free of charge to the general public.

In response to several commercial events that were to take place on California's beaches in a number of coastal communities, the Commission requested the Executive Director to investigate the number of possible events, and ways to assure that a proliferation of commercial and other special events would not displace the general public from the use of the public beach. On May 12, 1993, the Commission adopted guidelines to balance the use of the beach for short-term events, such as filming activities and sporting events and the general public's use of the beach.

The Commission's *Guidelines for the Exclusion of Temporary Events from Coastal Development Permit Requirements* allow the Executive Director to exclude most temporary events from coastal development permit requirements, except for those that meet all of the following criteria:

- a. *The event is held between Memorial Day weekend and Labor Day; and,*
- b. *The event occupies all or a portion of a sandy beach area; and,*
- c. *The event involves a charge for general public admission or seating where no fee is currently charged for use of the same area (not including booth or entry fees).*

The guidelines also allow the Executive Director to exclude from permit requirements temporary events meeting all of the above criteria when:

- d. *The fee is for preferred seating only and more than 75% of the provided seating capacity is available free of charge for general public use;*  
or...[see Exhibit 8 for full text of Guidelines].

On the other hand, the guidelines allow the Executive Director to determine that a permit is necessary, even if the criteria above are not met, if the Executive Director or the Commission determines that unique or changing circumstances exist relative to a particular event that have the potential for significant adverse impacts on coastal resources (see Section III of the Guidelines (Exhibit 8))

The proposed event is being held within a public beach parking lot, and not on the sandy beach. Currently, any individual wishing to park in the subject parking lot must pay \$15. However, any pedestrian or cyclist is free to enter the parking lot and cross through it without paying. The proposed project would temporarily institute a \$10 to \$20 fee for any entry into the area occupied by the event (except for the vendor/product display area). Thus, to enjoy the primary attraction at the event, the vehicles and auction of them, one must pay the entry fee.

The project site is a heavily used public beach parking lot and the event would be held during the peak beach use period. Over the years, the Commission has reviewed and approved these kinds of events requiring either 100% free admission or limiting admission fees. The applicant's proposal does not protect public access and does have the potential for significant adverse impacts on coastal resources for which no mitigation is available.

However, as conditioned to move the event to the off-season, and to a period when there are vacant parking spaces that would otherwise go unused, the Commission finds, in this case, that the proposed project can be found to be consistent with the public access and recreation policies of the Coastal Act and the certified Local Coastal Program.

### **C. VISUAL RESOURCES**

Huntington Beach Coastal Element Policy C 4.1.1 states:

*The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect public views to and along the ocean and scenic coastal areas.*

The temporary structures associated with temporary events like the proposed automobile auction are highly visible and block public views of the shoreline, but they do not conflict with the Local Coastal Program policies because they exist on a temporary basis for only a few days. After the event, the structures are quickly removed within a few days and the public's view of the shoreline is restored. Therefore, the scenic resources of the coastal zone are protected from any long-term or permanent negative impacts.

Special Condition No. 7 requires that all temporary improvements permitted herein shall be removed in their entirety and the site restored to its pre-existing condition by no later than 6:00 p.m. of the final (11<sup>th</sup>) permitted day of the event. As conditioned, the Commission finds that the development conforms with the certified Local Coastal Program.

### **D. WATER QUALITY**

The following Local Coastal Program policies protect marine resources from the effects of polluted runoff:

Huntington Beach Coastal Element Policy C 6.1.1

*Require that new development include mitigation measure to enhance water quality, if feasible and at a minimum prevent the degradation of water quality of groundwater basins, wetlands, and surface water.*

Huntington Beach Coastal Element Policy C 6.1.2

*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.*

Huntington Beach Coastal Element Policy C 6.1.3

*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.*

Huntington Beach Coastal Element Policy C 6.1.4

*The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain organisms and for the protection of human health shall be maintained and where feasible, restored.*

The proposed event poses a potential source of pollution due to trash generation, spillage from portable restroom facilities, and vehicles being stored or driven. The discharge of polluted runoff into to coastal waters can cause cumulative adverse impacts to water quality.

Therefore, Special Condition No. 8 requires the applicant to remove and legally dispose of all trash, waste, oil, grease, and other materials each day that may be deposited on-site incidental to the event, all associated activities, and the general public's use of the event site and adjacent parking facilities. As conditioned, the Commission finds that the development conforms with the Local Coastal Program.

**E. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

The City of Huntington Beach is the lead agency responsible for certifying that the proposed project is in conformance with the California Environmentally Quality Act (CEQA). The City determined that in accordance with CEQA, the project is Exempt from Provisions of CEQA because the project consists of a minor temporary use of land having no permanent effects on the environment, similar in nature to such temporary uses as carnivals, sales of Christmas trees, etc. Section 13096 of Title 14 of the California Code of 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).

All adverse impacts have been minimized by the recommended conditions of approval and there are no feasible alternatives or additional 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 can be found consistent with the requirements of the Coastal Act to conform to CEQA.

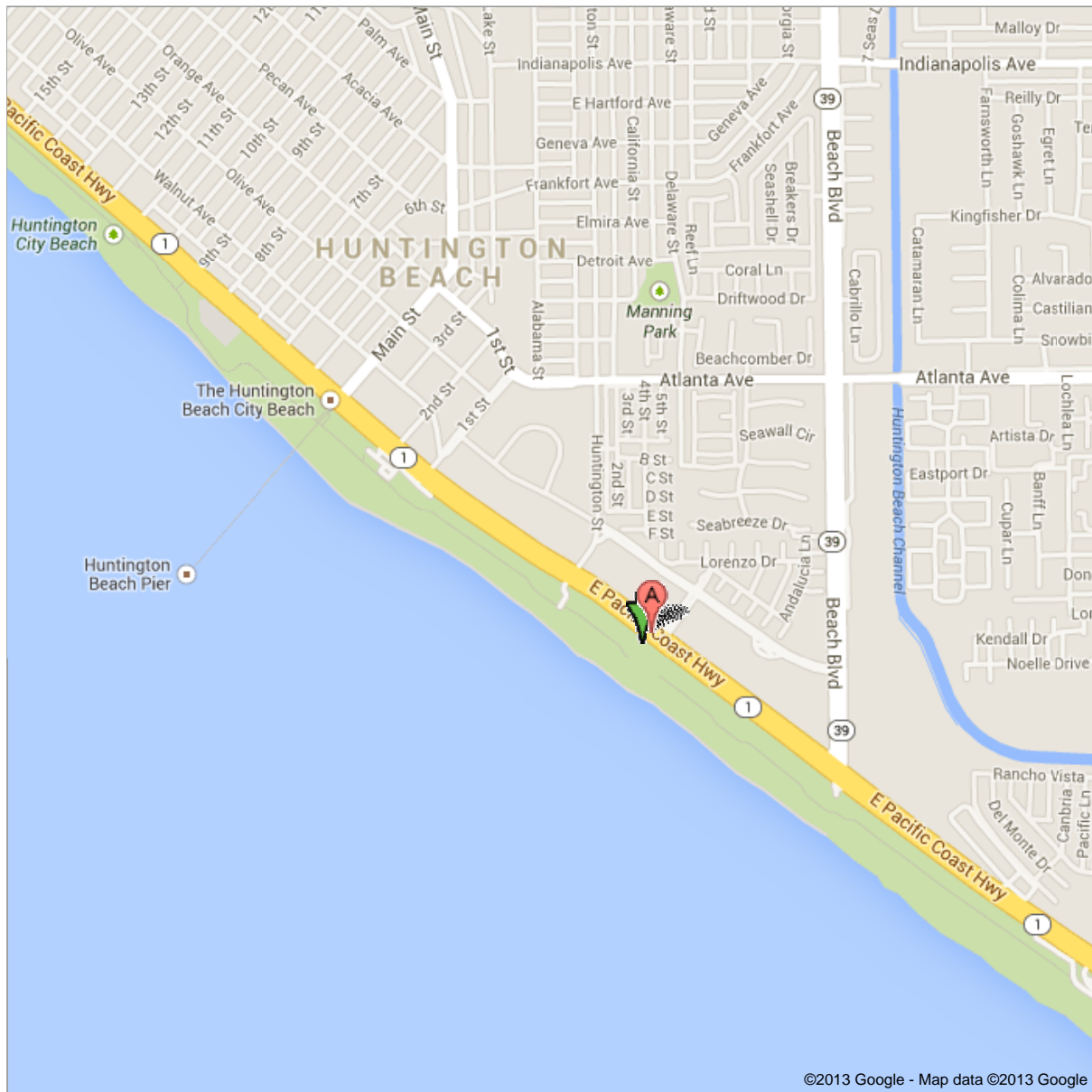
**Appendix A - Substantive File Documents:**

File materials submitted by the City of Huntington Beach  
Huntington Beach Local Coastal Program (LCP)



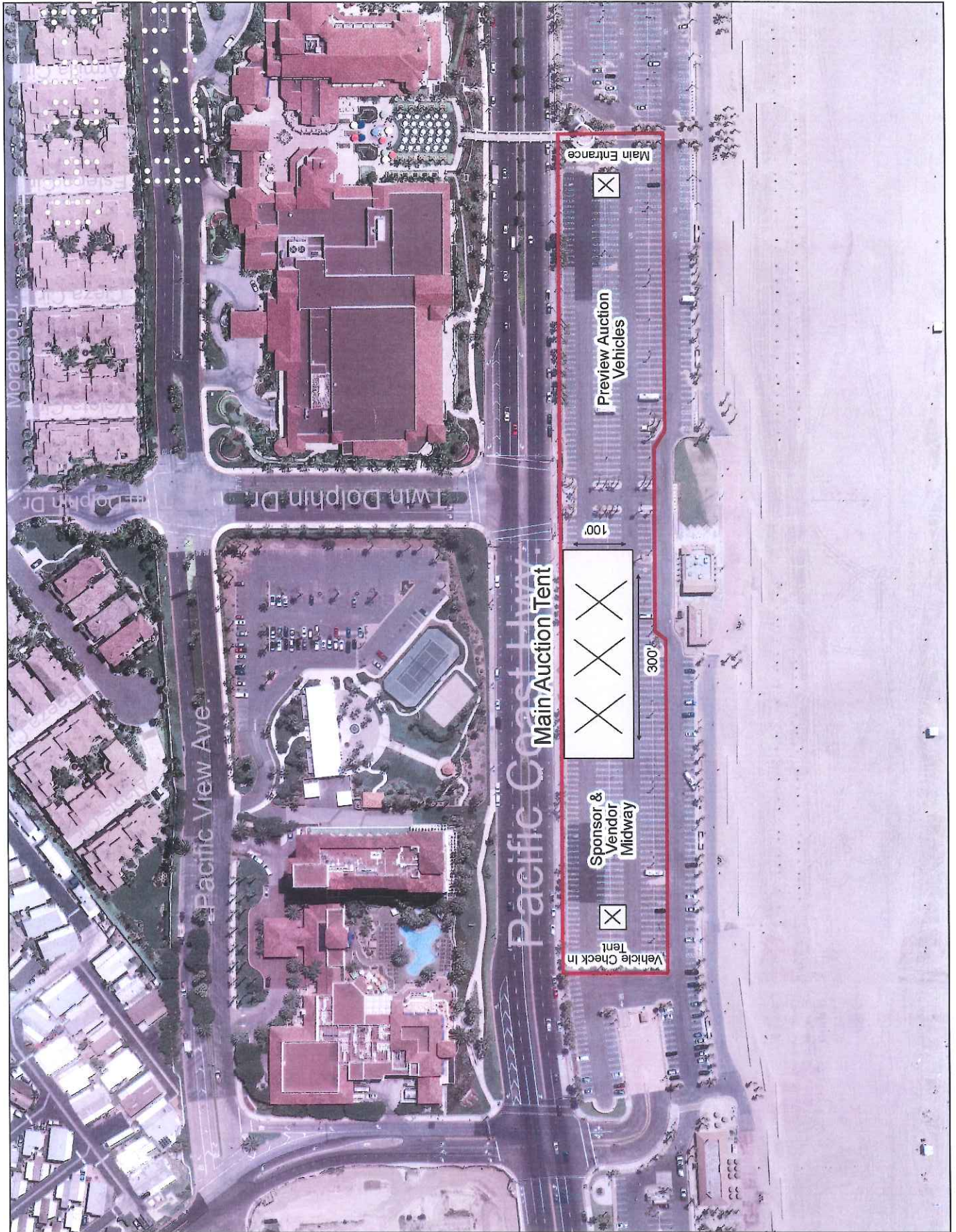


Address **21449-21525 E Pacific Coast Hwy**  
**Huntington Beach, CA 92648**





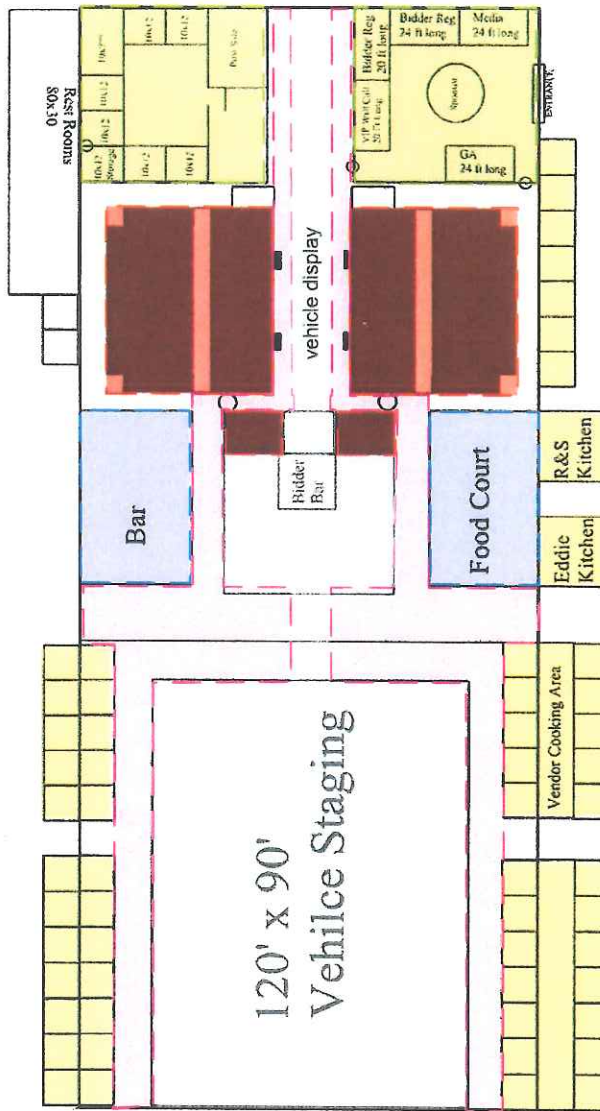
# SITE PLAN





DRAFT FOR DISCUSSION

# Main Auction Tent – Interior Layout (300' x 100')



General circulation 7,400 s.f. @ 1 per 200 s.f. = 37 occupants

Food & Beverage 2,800 s.f. @ 1 per 50 s.f. = 56 occupants

Bleacher seating 5,000 s.f. @ 1 per 12 s.f. = 417 occupants

Administrative Area 4,800 sq. ft. @ 1/150 = 32 occupants

Vendor booths and cooking 55 booths x 1.25/booth = 69 occupants

Total: 611 occupants

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**REVISED**  
**NARRATIVE**  
7/24/12

**Proposed Coastal Development Permit with Design Review**  
**Russo and Steele Auto Auction Event**

Location: City Beach Parking Lot between Huntington Street and the pedestrian overpass to the south.

Request: To permit the first annual collector automobile auction event. The application is for a Coastal Development Permit and Design Review. The Event will include an auto auction, vendor area (with alcohol), preview area and feature a charity fund raising gala.

Project Description: The Event is proposed between June 17<sup>th</sup> and June 27<sup>th</sup> 2013. A schedule of daily activities is attached. The venue will consist of a Main Tent structure approximately 300' x 100' and will include the action staging area, restrooms, food court (with alcohol) and special bidder area. Amplified music will be in the Main Tent only. No special lighting is proposed.

A special Sponsor and Midway area will be assembled adjacent to the Main Tent. This area will consist of approximately 40 10' x 10' canopies for product display. This portion of the Event will be open free of charge to the general public. The larger portion of the site will be the "Preview Auction Vehicles" area.

Event set up will be completed June 17- June 19, 2013. Construction activity will be limited to the tent structure and installation of the temporary fencing. Set up and take down times will be in compliance with City ordinances. The Main Tent will be setback approximately 30' from the southerly curb along Pacific Coast Highway and 15' from the northern property line. The tent will be placed in the parking lot, 60' to the south of Twin Dolphin to avoid being directly in front of the hotel rooms across Pacific Coast Highway. The tent will be 26 feet high at the apex. Take down work will be from June 24 - June 27, 2013.

Auction Vehicles will arrive and depart for three days prior to and three days after the Event. The loading and unloading of vehicles will be limited to regular business hours approximately 8:00 am to 6:00 pm. The transport truck will drop off before the event and pick up after; they will not stay through the Event. Approximately 300 vehicles will be up for auction. That will average 100 vehicles per day that will be brought in, which averages 10 vehicles per hour. Many of the transport vehicles are designed to accommodate more than one vehicle.

The overall project area is approximately 4.2 acres in size, with 300 cars displayed. Approximately 600 people will occupy the Main Tent during the auction period.

Zoning and  
General Plan:

The property is currently zoned SP-5 Downtown Specific Plan, Area 7 and the General Plan is OSS - Shore

Parking:

It is anticipated that 588 spaces will be impacted during the actual Event June 20 - June 23. However, 240 parking spaces within the "Preview Auction Vehicles" area can be utilized by the public during set up and take down activities. Additionally, there will be a total of 200 parking spaces to the north of the main event area and along the beach path that will be available for the public during set up and take down and during the actual event. The promoter will provide a shuttle program from the City Hall parking lot and use a portion of Edison High School during the weekend peak demands. Reader board signage will be in place to direct the public to remote parking locations. Additionally, the State will allow vehicles with City beach parking passes to park in the Huntington State Beach parking lot immediately south of Beach Boulevard during the weekend of the event. Peak parking demand for the beach is approximately 2:00 pm daily while peak parking for the Event will be 5:00 pm during the vehicle auction. Sponsors, vendors and auction participants will be encouraged, with incentives, to park within the Hotels structures.

A complete study has been prepared by Kimley-Horn and Associates and is enclosed with this submittal.

Surrounding Uses:

North-Public Parking  
East-Public Parking  
South-Visitor Serving Commercial (Hotel)  
West-Public Beach

Environmental Status: An Environmental Assessment has been prepared for this project and a detailed Parking Availability Analysis has also been completed.

## ***City of Huntington Beach & Russo and Steele, LLC***

### **EVENT OVERVIEW**

#### **Target Dates (First Year)**

**Event Dates** – The target launch date for the auction will be June 20<sup>th</sup> – 23<sup>rd</sup>, 2013.

We anticipate the dates for 2013 will remain on the June 20-23<sup>rd</sup> weekend however – once our announcement of this even is made, should the other events surrounding the Southern California Collector Car synergy move the ability to match amended dates is necessary.

#### **Schedule of Events – 2013**

##### **June 17<sup>th</sup> – 19<sup>th</sup> (Monday - Wednesday)**

Site Prep and Set up, Tents and Lighting

##### **June 17<sup>th</sup> – 19<sup>th</sup> (Monday – Wednesday)**

Auction Vehicle Check-In

##### **June 20<sup>th</sup> (Thursday)**

Auction Vehicle Preview (9:00AM – 4:00PM)

Bidder Registration (9:00AM – 4:00PM)

Sponsor Load In (10:00AM – 4:00PM)

Charity Preview Gala (6:30PM – 9:30PM)

##### **June 21<sup>st</sup> (Friday)**

Auction Preview (Gates open at 9:00AM)

Bidder Registration (10:00AM – 11:00PM)

Gates Open for General Admission (9:00AM)

Memorabilia - Main Tent (5:00PM – 6:00PM)

Auction – Main Tent (6:00 PM – 11:00 PM)

##### **June 22<sup>nd</sup> (Saturday)**

Gates Open for General Admission (9:00 AM)

Auction Vehicle Preview

Memorabilia - Main Tent (5:00PM – 6:00PM)

Auction – Main Tent (6:00 PM – 11:00 PM)

##### **June 23<sup>rd</sup> (Sunday)**

Gates Open for General Admission (9:00 AM)

Auction Vehicle Preview

Memorabilia - Main Tent (10:00AM – 11:00AM)

Auction – Main Tent (11:00AM – 4:00PM)

##### **June 24<sup>th</sup> – 27<sup>th</sup> (Monday - Thursday)**

Vehicle Check Out

Site Tear Down

#### **Venue**

The event will be held across the street from the Hyatt Regency Huntington Beach Resort & Spa and the Waterfront Hilton Hotel, on the beach-front parking lot owned by the City of Huntington Beach.

- Main Tent – The Main Tent (300 feet by 100 feet) will be housed on the beach-front parking lot and will serve as the focal point for the weekend festivities, and will house the auction, the charity gala, and any auxiliary activities (seminars, brunches etc) that might take place.
- 300 Auction Vehicles will be parked on one side of the Main Auction Tent for preview with Vendors and Sponsors on the other.

## ***City of Huntington Beach & Russo and Steele, LLC***

### **Advertising/Marketing**

**Marketing Department Coordination** – In an effort to have a fully integrated launch, Russo and Steele will coordinate with with The City of Huntington Beach, the Hyatt Regency Huntington Beach Resort & Spa and Hilton Waterfront Beach Hotel advertising/marketing departments to develop an integrated marketing strategy to announce the partnership, promote the upcoming event dates, and continue to promote the relationship year round. Russo and Steele requests that all logos, stock photography, and other materials be sent as soon as possible along with any visual identity standards that accompany them to initiate the marketing artwork.

**Media Launch (Full Launch Mode)** – Once an agreement has been signed, the four parties will team up for a coordinated Media launch to announce the partnership and to release the dates for the 2013 Auction. This coordinated effort will consist of several components:

- **Press Conference** – A press conference will be held to announce the relationship, and press from both the hotel and automotive industries, as well as local press will be invited to attend at a strategically positioned time and place.
- **Press Release** – Jointly disseminated from the collective PR offices
- **Websites Updates** – Calendar listings, banners, announcements and links on all party's websites
- **HTML Email** – Direct E-mail campaign sent out to over 30,000 Russo and Steele clients and high profile guests of the Hyatt Regency Huntington Beach Resort & Spa, the Hilton Waterfront Beach Hotel and the City of Huntington Beach.
- **Direct Mail** – promotional pieces sent out to Russo and Steele's and other top client lists.
  - "Save the Date" piece
  - Info Piece
  - Auction Catalogue
- **Print Ads** – Full scale Russo and Steele co-branded ads will be taken out in magazines that will be hitting newsstands throughout the year.
- **Huntington Beach — Media and Promotions** – Prior to signing a Letter of Intent, the City of Huntington Beach will deliver Russo and Steele a detailed media plan and promotion schedule, outlining its yearly ad and media budget as well as the various media outlets that the hotels advertises with. The City of Huntington Beach will designate funds to be spent directly on promoting the Russo and Steele event, including but not limited to: television, radio, billboards, newspaper, airport, bus stops, etc.
- **The Hyatt Regency Huntington Beach Resort & Spa and the Hilton Waterfront Beach Hotel**  
The hotels will designate specific funds to be spent directly on promoting the events, including but not limited to: its heavy web presence, its field marketing team, as well its PR team. Additionally Russo and Steele, Hyatt Regency Huntington Beach Resort & Spa and the Hilton Waterfront Beach Hotel will participate in national cross promotions, media tags and dedicated media buys. Furthermore, the Hyatt Regency Huntington Beach Resort & Spa and the Hilton Waterfront Beach Hotel will continue to promote Russo and Steele year round with in-room promotional materials and in-hotel TV mentions.



## ***City of Huntington Beach & Russo and Steele, LLC***

### **Scottsdale 2013 Auction Launch**

- **"Huntington Beach" VIP Area** – A sky box area overlooking the auction block exclusively branded for the Huntington Beach Event to feature signage and décor creating a California style environment.
- **Scottsdale Auction Registration** – Signage surrounding the registration tables announcing the new auction and co-branding Russo and Steele and with the City of Huntington Beach, The Hyatt Regency Huntington Beach Resort & Spa and the Hilton Waterfront Beach Hotel.
- **Scottsdale Auction Signage** – Co-branded signage throughout the Scottsdale event.
- **Auction Catalogue** – Full page co-branded ad in the 2013 Scottsdale and Monterey 2012 catalogs giving all of the details of the event as well as giving reservation information at the Hyatt Regency Huntington Beach Resort & Spa and the Hilton Waterfront Beach Hotel.
- **Hyatt Regency Huntington Beach Resort & Spa and the Hilton Waterfront Beach Hotel, City of Huntington Beach, Booth** – A booth for the hotels, and City of Huntington Beach inside the main bidder's tent giving details about the Russo and Steele partnership, and the ability for the hotels to take room reservations for the event, offering a concierge service etc.
- **Auction Block Mentions** – During the auction, the auctioneers will be given designated scripts to announce the partnership at various time throughout the auction. Russo and Steele would strategically place these mentions during peak times of the show, and during the sale of high dollar automobiles.
- **Grand Unveiling** – During the peak of the auction, Drew and representatives from the Hyatt Regency Huntington Beach Resort & Spa and the Hilton Waterfront Beach Hotel, and the City of Huntington Beach will have a formal presentation of the event on the auction block. This part of the auction will be sure to capture everyone's attention, and will be followed by the grand entrance of the "apex car".
- **"Bidder's Dream" Silent Auction Item** – As a tie into the charity gala, the partners can put together a package for bidders to be auctioned off. It can include a free admission package to the 2012 event including VIP Credentials, hotel room, spa package. (Possibly airfare with suitable sponsor) etc.

### **Sponsorship**

- **Event Sponsors** – Russo and Steele will be able to bring its sponsors to the designated event site and those sponsors will be given category exclusivity within the preview area and inside the Main Tent. Additionally, Russo and Steele will work with the Hyatt Regency Huntington Beach Resort & Spa and the Hilton Waterfront Beach Hotel to find highly visible placements for Russo and Steele throughout the hotels. These opportunities could range from carrying a specific line of alcohol or wine in the bars, to vehicle placements in the valet area etc.

## ***City of Huntington Beach & Russo and Steele, LLC***

### **Operations**

- **Signage Opportunities** – The partners will provide a list of locations and size requirements for Russo and Steele signage that can be hung throughout the existing site, inside the hotel, or throughout the city Of Huntington Beach.
- **Security** – Since the event is centered around high dollar automobiles, security is a major concern. The partners will work together to come up with a specific site plan outlining the event site perimeter, and the City of Huntington Beach will assist with security, stemming from the local Police and Fire Departments for both day and night security. This will ensure that all attendees and the vehicles are safe at all times.
- **Infrastructure** – The partners will also work to come up with a suitable site layout, and will work to ensure that everyone's needs are being met. Russo and Steele will require the following:
  - Phone and Internet Line hookups (Provided by the Hyatt Regency Huntington Beach Resort & Spa and the Hilton Waterfront Beach Hotel)
  - Power hookups – suitable to handle the operations of Russo and Steele (sound, lighting, office etc.),
  - Fence, to be provided by Russo and Steele
  - Main Tent - Russo and Steele will be responsible for the costs associated with the main tent, including
    - Tent Costs
    - Sound and Lighting
    - Seating (Bleachers)
    - Décor
    - Auction Block Flooring
- **Permitting and Licensing**
  - The City of Huntington Beach will work with Russo and Steele and the various governing bodies to secure any required permitting or specific licenses , prior to the required filing dates to insure a successfully event.

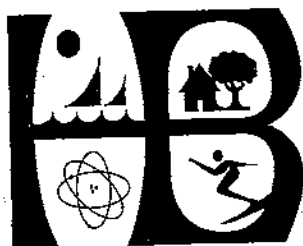
### **Auction Events**

- **Charity Gala/Preview Party** – The gala will be held on Wednesday prior to the auction and will serve as a chance for attendees, local government, and the media to get together for an event to benefit a charity. This event will draw the very highest profile guests, and should become one of the signature events in Huntington Beach. This gala will be held in either the Hilton or they Hyatt, and the partners will work together to come up with a theme or “catch” to liven up the event and to attract attendees. The Hyatt Regency Huntington Beach Resort & Spa and the Hilton Waterfront Beach Hotel will help with the acquisitions of local chef's, gala décor etc, and all of the partners will work together to secure a beer/liquor sponsor to offset the costs. All other costs will be mutually agreed upon by the partners, a charity of the partners' choosing will be designated as the beneficiary of the event, and will receive all of the after cost proceeds from the gala ticket sales.
- **Media Area**– During the auction, the media would have an area within the hosted hotel for the media to check-in, gain wireless internet access, and have comfortable setting for communications between the auction and their home offices. By creating a specific area that provides a food and a beverage station along with internet access, members of the media will be encouraged to stay at the event longer and maintain contact with their publications. We would like to have TV's playing live auction action during auction times and at all other times have a commercial reel running on the TV's for maximum media exposure.

***City of Huntington Beach & Russo and Steele, LLC***

- **General Preview / Vehicle Check In** – The general preview area will be on either side of the Main Tent, and it serves as a chance for bidders to inspect the vehicles that they are interested in purchasing. This area will be closed to the general public for security reasons, but will be open to general admission ticket holders. In addition, this area will serve as the check in for the vehicles that are being offered at the auction. We will have staff arriving prior to the event to assist in check in and for the vehicles that arrive early. Russo and Steele will work with the City of Huntington Beach to coordinate the most effective way to load and unload the transporters that will be carrying the vehicles in.





# Huntington Beach Planning Commission

2000 MAIN STREET

CALIFORNIA 92648

**RECEIVED**  
South Coast Region

OCT 11 2012

CALIFORNIA  
COASTAL COMMISSION

## NOTICE OF FINAL CITY ACTION COASTAL DEVELOPMENT PERMIT NO. 12-005 APPEALABLE DEVELOPMENT

October 9, 2012

### CERTIFIED MAIL

TO: South Coast Area Office  
California Coastal Commission  
Attn: Theresa Henry  
200 Oceangate, 10th Floor  
Long-Beach, CA 90802-4302

APPLICANT: Drew Alcazar, 5230 S. 39<sup>th</sup> Street, Phoenix, AZ 85040

PROPERTY OWNER: City of Huntington Beach, 2000 Main Street, Huntington Beach, CA 92648

REQUEST: To permit an annual automobile auction for a period of 11 days during the month of June for five years (2013-2017). The main event will take place for four days and include amplified music, auction announcements, food and alcohol sales. The event will be held within the beach parking lot located between Huntington Street and the Hyatt pedestrian bridge and temporarily displace up to 588 parking spaces. The request also includes a parking management plan with shuttle services to remote parking lots located at Rodgers Senior Center, City Hall, Edison Park, Edison High School, and Newland Barn. Parking within the hotel parking lots will be available for event participants, attendees, and staff.

LOCATION: 21101 Pacific Coast Highway, 92648 (ocean side of Pacific Coast Highway, between Huntington Street and Beach Boulevard)

PROJECT PLANNER: Jill Arabe

COASTAL STATUS: APPEALABLE

DATE OF LOCAL APPEAL  
EXPIRATION: October 9, 2012

The above application was acted upon by the Planning Commission of the City of Huntington Beach on September 25, 2012, and the request was approved with findings and conditions of approval.

Under the provisions of the Huntington Beach Zoning and Subdivision Ordinance, the action taken by the Planning Commission is the City's final action unless an appeal is filed to the City Clerk by the applicant or an aggrieved party. Said appeal must be in writing and must set forth in detail the actions and grounds by and upon which the applicant or interested party deems himself aggrieved.

As of October 9, 2012, there have been no appeals filed on the above entitlement.

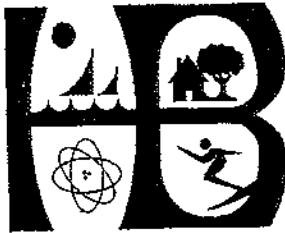
The action by the City is final and all rights of appeal as defined in the California Code of Regulations 13573 and Subsection D of Section 245.24 of the Huntington Beach Zoning and Subdivision Ordinance have been exhausted.

If there are any questions, please contact Jill Arabe at (714) 374-5357.

Kimberly De Coite, Administrative Assistant  
Huntington Beach Planning Commission

Attachment: Notice of Local Action for Coastal Development Permit No. 12-005

C: Applicant  
Property Owner  
Project Planner



## Huntington Beach Planning Commission

2000 MAIN STREET

CALIFORNIA 92648

### NOTICE OF ACTION

September 26, 2012

Drew Alcazar  
5230 S. 39<sup>th</sup> Street  
Phoenix, AZ 85040

**SUBJECT:** APPEAL OF ZONING ADMINISTRATOR'S APPROVAL OF COASTAL DEVELOPMENT PERMIT NO. 12-05 (RUSSO AND STEELE AUTO AUCTION)

**APPLICANT:** Drew Alcazar, 5230 S. 39<sup>th</sup> Street, Phoenix, AZ 85040

**APPELLANT:** Vice Chairperson Mark Bixby

**PROPERTY OWNER:** City of Huntington Beach, 2000 Main Street, Huntington Beach, CA 92648

**REQUEST:** To permit an annual automobile auction for a period of 11 days during the month of June for five years (2013-2017). The main event will take place for four days and include amplified music, auction announcements, food and alcohol sales. The event will be held within the beach parking lot located between Huntington Street and the Hyatt pedestrian bridge and temporarily displace up to 588 parking spaces. The request also includes a parking management plan with shuttle services to remote parking lots located at Rodgers Senior Center, City Hall, Edison Park, Edison High School, and Newland Barn. Parking within the hotel parking lots will be available for event participants, attendees, and staff.

**LOCATION:** 21101 Pacific Coast Highway, 92648 (ocean side of Pacific Coast Highway, between Huntington Street and Beach Boulevard)

**COASTAL STATUS:** Appealable

**DATE OF ACTION:** September 25, 2012

On Tuesday, September 25, 2012, the Huntington Beach Planning Commission took action on your application, and your application was approved with findings and conditions of approval. Attached to this letter are the findings and conditions of approval.

Please be advised that the Planning Commission reviews the conceptual plan as a basic request for entitlement of the use applied for and there may be additional requirements prior to commencement of the project. It is recommended that you immediately pursue completion of the conditions of approval and address all requirements of the Huntington Beach Zoning and Subdivision Ordinance in order to

expedite the processing/completion of your total application. The conceptual plan should not be construed as a precise plan, reflecting conformance to all Zoning and Subdivision Ordinance requirements.

Under the provisions of the Huntington Beach Zoning and Subdivision Ordinance, the action taken by the Planning Commission becomes final at the expiration of the appeal period unless an appeal is filed to the City Council. The notice of appeal shall include the name and address of the appellant, the decision being appealed, and the grounds for the appeal. Said appeal must be accompanied by a filing fee of One Thousand, Seven Hundred Sixty-Three Dollars (\$1,763.00) if the appeal is filed by a single family dwelling property owner appealing the decision on his own property and Three Thousand, Three Eighty-Three Dollars (\$3,383.00) if the appeal is filed by any other party. The appeal shall be submitted to the City Clerk within ten (10) working days of the date of the Planning Commission's action. There is no fee for the appeal of a Coastal Development Permit to the California Coastal Commission.

In your case, the last day for filing an appeal and paying the filing fee is **October 9, 2012, at 5:00 PM.**

This project is in the Appealable portion of the coastal zone. Only projects in accordance with Section 30603 of the California Coastal Act may be appealed to the Coastal Commission. Action taken by the Planning Commission may be appealed directly to the Coastal Commission pursuant to Title 14, Section 13573 of the California Administrative Code and Section 245.24D of the Huntington Beach Zoning and Subdivision Ordinance. An appeal may be filed directly with the Coastal Commission pursuant to Section 13573(a)(3) if the appellant was denied the right of local appeal because local notice and hearing procedures for the development did not comply with the provisions of this article, or pursuant to Section 13573(a)(4) because the City charges an appeal fee for the filing or processing of appeals. The other two grounds for direct appeal do not apply. If the above condition exists, an aggrieved person may file an appeal within ten (10) working days, pursuant to Section 30603 of the Public Resources Code, in writing to:

South Coast Area Office  
California Coastal Commission  
200 Oceangate, 10th Floor  
Long Beach, CA 90802-4302  
Attn: Theresa Henry  
(562) 590-5071

The Coastal Commission review period will commence after the City appeal period has ended and no appeals have been filed. Applicants will be notified by the Coastal Commission as to the date of the conclusion of the Coastal Commission review. Applicants are advised not to begin construction prior to that date.

Provisions of the Huntington Beach Zoning and Subdivision Ordinance are such that any application becomes null and void one (1) year after final approval, or at an alternative time specified as a condition of approval, unless actual construction has started.

Excepting those actions commenced pursuant to the California Environmental Quality Act, you are hereby notified that you have 90 days to protest the imposition of the fees described in this Notice of Action. If you fail to file a written protest regarding any of the fees contained in this Notice, you will be legally barred from later challenging such action pursuant to *Government Code* §66020.



If you have any questions regarding this Notice of Action letter or the processing of your application, please contact Jill Arabe, the project planner, at (714) 374-5357 or via email at [JARabe@surfcity-hb.org](mailto:JARabe@surfcity-hb.org) or the Planning and Building Department Zoning Counter at (714) 536-5271.

Sincerely,

Scott Hess, Secretary  
Planning Commission

By:



Herb Fauland, Planning Manager

SH:HF:JA:kd

Attachment: Findings and Conditions of Approval – CDP No. 12-005

c: Honorable Mayor and City Council  
Chair and Planning Commission  
Fred A. Wilson, City Manager  
Scott Hess, Director of Planning and Building  
Bill Reardon, Division Chief/Fire Marshal  
Mike Vigliotta, Deputy City Attorney III  
Debbie DeBow, Principal Civil Engineer  
Mark Carnahan, Inspection Manager  
Jill Arabe, Assistant Planner  
Property Owner  
Project File

## ATTACHMENT NO. 1

### FINDINGS AND CONDITIONS OF APPROVAL

#### FINDINGS FOR PROJECTS EXEMPT FROM CEQA:

The Planning Commission finds that the project will not have any significant effect on the environment and is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to section 15304 of the CEQA Guidelines, because the project consists of a minor temporary use of land having no permanent effects on the environment, similar in nature to such temporary uses as carnivals, sales of Christmas trees, etc.

#### FINDINGS FOR APPROVAL - COASTAL DEVELOPMENT PERMIT NO. 12-05:

1. Coastal Development Permit No. 12-05 to permit an annual automobile auction for a period of 11 days during the month of June for five years (2013-2017) conforms with the General Plan, including the Local Coastal Program. The project is consistent with the following General Plan objectives and policies:

##### A. Land Use Element

Policy LU 14.1.3: Require that structures located in the City's parks and other open spaces be designed to maintain the environmental character in which they are located.

##### B. Coastal Element

Policy C 1.1.4: Where feasible, locate visitor-serving commercial uses in existing developed areas or at selected points of attraction for visitors.

Policy C 1.1.6: Temporary and seasonal activities within the coastal zone which do not qualify as exempt activities pursuant to the Commission's guidelines adopted by the commission pursuant to Section 30610(i) of the Coastal Act shall be monitored and regulated through the coastal development permit process to protect coastal resources from adverse impacts associated with the seasonal or temporary activities.

Policy C 2.4.1: Maintain an adequate supply of parking that supports the present level of demand and allows for the expected increase in private transportation use.

##### C. Recreation and Community Services Element

Objective RCS 1.1: Encourage recreational opportunities unique to Huntington Beach which will enhance visitation and economic development.

The proposed event is consistent with the General Plan objectives and policies because the use is a visitor-serving commercial/recreational use and provides a recreational opportunity for classic car enthusiasts and tourists. The event is located within an existing beach parking lot and will temporarily displace up to 588 parking spaces. It is proposed within

close proximity to the downtown area and the hotels (Hilton and Hyatt), which are comprised of other visitor-serving commercial uses. The visual presence of the event near the iconic downtown, pier, and hotels will attract tourists and increased revenue. Furthermore, the use is temporary and will maintain adequate public access to coastal resources, as the event does not encroach into sidewalks, parking lot entrances, public access points or the shoreline. Associated temporary improvements such as the fencing, canopies, and tent will be removed upon completion of the event. Based on parking surveys provided by the applicant, potential parking impacts during the event may occur on the weekend (Attachment No. 5), but will be mitigated through free shuttle services and remote parking lots supplied by the applicant. A total of 795 parking spaces will be provided and maintained at five remote parking lots including City Hall, Edison High School and Park, Rodgers Senior Center, and Newland Barn with shuttle services to and from the lots. No other events will impact parking at the remote lots. The demand for additional parking for the event is not anticipated because the majority of attendees will be guests at the Hilton and Hyatt hotels across the street. Approximately 1,300 hotel parking spaces are available for guests and visitors, which adequately supplies parking for the hotel and the proposed event. As conditioned, event participants and spectators will be notified to park within the hotel parking lots.

2. The project is consistent with the requirements of the CZ Overlay District, the base zoning district, as well as other applicable provisions of SP5 (Downtown Specific Plan), the Huntington Beach Zoning and Subdivision Ordinance (HBZSO), and the Huntington Beach Municipal Code (HBMC). The automobile auction is located within District No. 7 (Beach) of SP5, which allows for beach open space uses or other related uses subject to the review and approval of the City's Design Review Board. The project is also subject to approval of a Specific Events Permit. Although the temporary event will displace up to 588 parking spaces, coastal resources including the beach, boardwalk, and all remaining parking facilities will be accessible to the general public. Pedestrian and vehicular access will be available around the event site. Free parking and shuttle service at remote parking lots will be provided to replace the temporary loss of parking.
3. At the time of occupancy the proposed development can be provided with infrastructure in a manner that is consistent with the Local Coastal Program. The project will provide a temporary visitor-serving use that will not significantly change the physical environment. No permanent alterations to the site are proposed. Onsite improvements are limited to the main tent, fencing, canopies, and signage. The project is within a previously developed site in an urbanized area with all necessary services and infrastructure available. Upon completion of the event, all associated equipment and improvements will be removed and returned to its previous condition.
4. The development conforms with the public access and public recreation policies of Chapter 3 of the California Coastal Act. Adequate access to coastal resources is provided around the event site including beach parking lot entrances, nearby public right-of-ways, the pedestrian overpass, and adjacent parking lots. The project includes the replacement of parking with remote parking lots at City Hall, Edison Park, Edison High School, Rodgers Senior Center, and Newland Barn. The remote parking lots are accompanied by shuttle services to the beach and event site which will be free and available for use by the general public.

**CONDITIONS OF APPROVAL - COASTAL DEVELOPMENT PERMIT NO. 12-05:**

1. The site plans received and dated April 24, 2012, the project narrative received and dated July 24, 2012, shall be the conceptually approved design and proposal, and the parking study received and dated July 26, 2012, shall be the conceptually approved study.
2. A minimum of six months prior to the first day of the event scheduled in June 2013, the applicant shall submit to the Planning Division a detailed narrative of the shuttle services and remote parking lot operations program approved by a traffic engineer for review and approval by the Directors of Public Works and Planning & Building. The program shall address, but not be limited to, hours of operation for the shuttle, the number of shuttle buses being provided for the event, anticipated shuttle occurrence/interval time, the route (i.e., pick up/drop off areas) for shuttle buses, coordination between remote parking lots, and a traffic control plan. At the City's discretion, additional information may be required to be incorporated into the program.
3. Five months prior to the first day of the event scheduled in June 2013, the applicant shall submit to the Planning Division a complete signage program in compliance with the Huntington Beach Zoning and Subdivision Ordinance (HBZSO) and Downtown Specific Plan (SP5). The signage program shall include, but not be limited to, signs posted at the event site, within the public right-of-way, and within remote parking lots, the proposed sign types, the location of proposed signs, and the information provided on the signs. Signage for the shuttle service at the remote parking lots shall identify hours of operation, and emergency and program contact information. The signage program shall be subject to review and approval by the Departments of Public Works and Planning and Building.
4. Upon approval of the shuttle program and signage program, the applicant shall promote and distribute informational materials of the auction including the remote parking lots and shuttle services during the event to sources such as the City website, Russo and Steele website, and event attendees.
5. One week prior to the first day of the event, the applicant shall provide the following:
  - a. Written notification to all the hotels and visitor accommodations within the City of Huntington Beach (including Sunset Beach) regarding the event. The notification shall include information about the partial closure of a portion of the beach parking lot, the location of free parking lots during the event, parking for the event within the Hyatt and Hilton hotel parking lots, and shuttle maps and alternative routes to the beach.
  - b. Written notification to all City beach parking pass holders regarding the event. The notification shall include information about the partial closure of a portion of the beach parking lot, the location of free parking lots during the event, and shuttle maps and alternative routes to the beach.
6. Prior to the commencement of the use, the following shall be completed:
  - a. The Specific Events Permit shall be obtained.

- b. Two months prior to the first day of the scheduled event, signage and fencing shall be reviewed and approved by the Design Review Board (DRB).
- c. The applicant shall coordinate with the Hyatt and Hilton hotels for providing parking for event participants and spectators during the event. Written consent from the hotels for the provision of parking for event participants and spectators shall be submitted to the Planning Division.
- d. Event participants and spectators shall be notified of available parking at the Hyatt and Hilton hotel parking lots.
- e. Written authorization from Edison High School to reserve and utilize a minimum of 178 parking spaces for the event shall be submitted to the Planning Division.

7. The use shall comply with the following requirements:

- a. All conditions required under the Specific Events Permit issued for this event shall remain in effect.
- b. The event days including setup and takedown shall not exceed a period of 11 days in June, commencing on a Monday for setup and terminating on the following Thursday for takedown.
- c. The event shall not prohibit vehicular or pedestrian access into the beach parking lots.
- d. The hours of operation for the four-day main event shall be as follows:

	<u>OPEN</u>	<u>CLOSE</u>
Thursday	9:00 AM	10:00 PM
Friday	9:00 AM	11:00 PM
Saturday	9:00 AM	11:00 PM
Sunday	9:00 AM	4:00 PM

- e. Only the schedule of activities described in the project narrative received and dated July 24, 2012, shall be permitted.
- f. All five remote parking lots as proposed shall remain open and available for use during the event with shuttle operations per the approved program in Condition No. 2.
- g. The applicant shall maintain all remote parking lots clear of trash and debris during and after the event on Saturday and Sunday.
- h. No other events shall occur at proposed remote parking lots during the event on weekends.
- i. Use of amplifiers, speakers, and playing of recorded music shall be limited to the event area and shall be discontinued pursuant to the closing time under Condition No. 7d. Speakers shall not be directed toward any housing area.

- j. Any portable/fixed event lighting and theatrical lighting sets shall be positioned and aimed so that they do not shine towards or impair on-coming street traffic.
  - k. The applicant shall provide for clean-up of the subject site and adjacent streets of trash and debris after the closing of each day. Clean-up of the site between 10:00 PM and 7:00 AM shall not include the use of any machinery or equipment that may disturb the vicinity. All trash, debris and garbage, as well as special dumpsters, shall be removed from the site each day after the closing of each event.
  - l. An event liaison shall be permanently established and available to assist event attendees with issues regarding overall site operations. A sign shall be clearly posted on-site identifying the event contact and telephone number.
  - m. All construction and events activities shall comply with the noise thresholds as established by the City Noise Ordinance (Chapter 8.40 Noise Control).
8. CDP No. 12-05 shall become null and void unless exercised within two years of the date of final approval by the Planning Commission, or within one year of the date of final Coastal Development Permit approval by the Coastal Commission if the Coastal Development Permit is appealed, or such extension of time as may be granted by the Director pursuant to a written request submitted to the Planning & Building Department a minimum 30 days prior to the expiration date.
  9. The applicant and City shall monitor the 4-day event operations which may include beach parking lot observations, tracking of ridership for shuttles, parking capacity, and public complaints. A review of the use shall be conducted by the Planning Commission with a publically noticed hearing within one (1) year of operation to verify compliance with all conditions of approval, applicable Chapters of the Huntington Beach Zoning and Subdivision Ordinance, and the Municipal Code. At that time the Planning Commission may consider modifications to the conditions of approval. In the event that the City determines there is a parking deficiency or if all remote parking lots reach full capacity for two hours as a result of the event, a subsequent review of the use shall be conducted with a publically noticed hearing prior to commencement of the event the following year.
  10. In the event that there are any violations of the foregoing conditions or any violations of life safety codes, the event may be terminated by any Police Officer, Fire Inspector, or authorized personnel of the Departments of Community Services and Planning and Building.
  11. Minor modifications to the plans shall be reviewed and approved by the Departments of Planning and Building, Community Services, and Public Works for conformance with the intent of the Planning Commission's action. If the proposed changes are of a substantial nature, an amendment to the original entitlement reviewed by the Planning Commission may be required.
  12. The applicant and/or applicant's representative shall be responsible for ensuring the accuracy of all plans and information submitted to the City for review and approval.

**INDEMNIFICATION AND HOLD HARMLESS CONDITION:**

The owner of the property which is the subject of this project and the project applicant if different from the property owner, and each of their heirs, successors and assigns, shall defend, indemnify and hold harmless the City of Huntington Beach and its agents, officers, and employees from any claim, action or proceedings, liability cost, including attorney's fees and costs against the City or its agents, officers or employees, to attack, set aside, void or annul any approval of the City, including but not limited to any approval granted by the City Council, Planning Commission, or Design Review Board concerning this project. The City shall promptly notify the applicant of any claim, action or proceeding and should cooperate fully in the defense thereof.

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**CALIFORNIA COASTAL COMMISSION**

South Coast Area Office  
200 Oceangate, Suite 1000  
Long Beach, CA 90802-4302  
(562) 590-3071

**APPEAL FROM COASTAL PERMIT  
DECISION OF LOCAL GOVERNMENT****RECEIVED**  
South Coast Region**SECTION I. Appellant(s)**

OCT 25 2012

Name, mailing address and telephone number of appellant(s):

Coastal Commissioners: Dayna Bochco & Brian Brennan  
200 Oceangate, Suite 1000  
Long Beach, CA 90802 (562) 590-5071

CALIFORNIA  
COASTAL COMMISSION**SECTION II. Decision Being Appealed**

1. Name of local/port government: City of Huntington Beach
2. Brief description of development being appealed: To permit an annual automobile auction for a period of 11 days during the month of June for five years (2013-2017). The main event will take place for four days (Thursday thru Sunday 6/17-6/27 in 2013)) and include amplified music, auction announcements, food and alcohol sales. The event will be held with the beach parking lot located between Huntington Street and the Hyatt pedestrian bridge and will temporarily displace 588 public parking spaces. The request also includes a parking management plan to remote parking lots located at Rodgers Senior Center, City Hall, Edison Park, Edison High School and Newland Barn. Parking within the Hilton and Hyatt Hotel parking lots on the inland side of PCH will be available for event participants, attendees and staff. The event requires installation of temporary fencing to accommodate a vendor/sponsor area that is open free of charge to the public, and a vehicle display area for 300 cars in a 30,000 sq.ft. 26 ft. high tent. Paid admission will be required for spectators to preview the auction vehicles and participate in the auction within the tented area.
3. Development's location (street address, assessor's parcel no., cross street, etc.): City Beach Parking Lots on ocean side of Pacific Coast Highway between Huntington Street and Beach Blvd., Huntington Beach, Orange County
4. Description of decision being appealed:
  - a. Approval; no special conditions: \_\_\_\_\_
  - b. Approval with special conditions: XX
  - c. Denial: \_\_\_\_\_

**NOTE:** For jurisdictions with a total LCP, denial decisions by a local government cannot be appealed unless the development is a major energy or public works project. Denial decisions by port governments are not appealable.

**TO BE COMPLETED BY COMMISSION:**

APPEAL NO: \_\_\_\_\_

DATE FILED: OCT 25 2012DISTRICT: South Coast

5. Decision being appealed was made by (check one):
- a. Planning Director/Zoning Administrator: \_\_\_\_\_
  - b. City Council/Board of Supervisors: \_\_\_\_\_
  - c. Planning Commission: \_\_\_\_\_ X \_\_\_\_\_
  - d. Other: \_\_\_\_\_
6. Date of local government's decision: \_\_\_\_\_ 9/25/2012 \_\_\_\_\_
7. Local government's file number: \_\_\_\_\_ CDP No. 12-005 \_\_\_\_\_

**SECTION III.**

**Identification of Other Interested Persons**

Give the names and addresses of the following parties.  
(Use additional paper as necessary.)

1. Name and mailing address of permit applicant:
- Drew Alcazar, Russo & Steel Collector Automobile Auctions  
5230 S. 39<sup>th</sup> Street  
Phoenix, AZ 85040
2. Names and mailing addresses as available of those who testified (either verbally or in writing) at the city/county/port hearing(s). Include other parties which you know to be interested and should receive notice of this appeal.
- a. Mark Bixby  
17451 Hillgate Lane  
Huntington Beach, CA 92649-
  - b. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

#### SECTION IV. Reasons Supporting This Appeal

**Note:** Appeals of local government Coastal Permit decisions are limited by a variety of factors and requirements of the Coastal Act. Please review the appeal information sheet for assistance in completing this section, which continues on the next page. Please state briefly your reasons for this appeal. Include a summary description of Local Coastal Program, Land Use Plan, or Port Master Plan policies and requirements in which you believe the project is inconsistent and the reasons the decision warrants a new hearing. (Use additional paper as necessary.)

The event raises issues regarding consistency with the public access and recreation policies of the Coastal Act which serve to maximize public access to the coast (30210); protect lower cost visitor and recreational facilities and prioritize public recreational opportunities (30213); and reserve upland areas necessary to support coastal recreational uses (30223).

The City found the event consistent with the LCP policies that protect public access to the coast due to the fact that it is a "temporary" event and such events regularly occur throughout the year in the City. The City found this event is not anticipated to generate significant impacts above similar temporary uses. However, most temporary events held throughout the year do not usurp as much public beach parking or charge admission to attend the event. In this case, the general public is excluded from use of the auction area (tent location on 588 public parking spaces) without paid admission.

The event is also affiliated with the private hotel uses across PCH (Hyatt and Hilton) which will be prominently featured in the Russo and Steele promotional materials. It is expected approximately 450 event attendees (90%) will be staying and parking at the hotel sites.

Therefore, this venue raises an issue regarding private use of public beach recreational facilities as this event is more private in nature than the surfing competitions, outdoor retail sales, and parades which are open to the public and routinely held in the City, and represents exclusive use of a public beach parking lot for a private commercial event charging a fee for admission to the auction area.

The City did not analyze the cumulative impact of this event in the context of the number of additional weekends during the summer the Huntington Beach pier area will be impacted by other popular "temporary" events.

The City beach parking lots where the event is staged (Huntington Street to the pedestrian bridge) contains 740 spaces of which 348 will be used by the event during the 7 days of set up and take down, and 588 public spaces will be usurped during the 4 day event Thursday through Sunday. The remaining 152 spaces would be available for general public use.

A parking study was performed during a weekday and weekend in June to determine the current parking demand for the event site parking lot and, therefore, the number of vehicles that would be temporarily displaced by the auto auction event. The event would be held on one of the most desirable beach parking lots due to its proximity to the pier and Main Street commercial district and during the summer season when beach parking is at peak demand. Therefore, on the weekend, the study found the parking areas closest to the pier and downtown fill first, and the

demand then grows to the south as the day goes on. In Parking Area 1 (event site – 740 spaces) the lot was full by noon and remained high (over 700 vehicles) until 5:00 PM. Parking Area 2 (from pedestrian bridge to Beach Blvd. – 665 spaces) was virtually full until 4:00 PM. Parking Area 3 (from Beach Blvd. to Newland Street – 714 spaces) was also virtually full until 3:00 PM. The demand for Parking Area 4 (from Newland Street to Magnolia Street – 697 spaces) grew throughout the day and peaked mid afternoon, with 100 or more spaces available much of the day.

Therefore, the study determined 588 vehicles will be displaced during Saturday and Sunday of the event. To offset this loss, a parking management plan is proposed, for the weekend days only, for use by the general public which provides shuttle service from 5 remote lots from .5 to 2.5 miles from the beach and provides 795 parking spaces. The City found the implementation of the free shuttle services and remote parking lots will accommodate and provide adequate parking for the event and addresses the temporary loss of parking during times of peak parking demand. However, this system shifts the parking inconvenience from the event attendees (who may park at the hotel) to the general beach visitor, who must park up to 2.5 miles away. Additional road congestion and impacts on a major coastal access route (Coast Highway) are likely and the traffic impacts associated with this and the event itself do not appear to have been considered by the City. Finally, weekday impacts were not fully considered and there is no provision for a shuttle to address any weekday impacts that may arise.

As proposed, the event raises issues regarding the impact to the availability of beach parking for general public use in the prime beach season at this popular visitor-serving destination. Such events can be accommodated off-season on public beach parking facilities, or on private property during the summer, without these impacts. There is no analysis to conclude the City considered such options which are feasible and preferred alternatives to allowing such private exclusive events on public beach parking lots during the summer.

The proposed event requires installation of a 26 foot high, 30,000 sq.ft. tent on the public beach parking lot located seaward of Pacific Coast Highway, a major coastal access route and scenic corridor. The project raises issues regarding impacts to public views to the shoreline which was not analyzed in the City staff report.

The City permit would authorize the event for a five year period with a monitoring requirement which may include beach parking lot observations, tracking of ridership for shuttles, parking capacity, and public complaints. From the results of the monitoring, the Zoning Administrator may consider modifications to the conditions of approval. In the event the City determines there is a parking deficiency or if all remote parking lots reach full capacity for two hours as a result of the event, a subsequent review of the use shall be conducted prior to commencement of the event the following year. All of this subsequent review would occur outside the coastal development permit process.

Approval of a 5 year permit, subject to monitoring, raises an issue and question as to the ability to modify the event to address identified adverse impacts in the future. Such events should only be authorized for a one-year period to allow reassessment of impacts through a new public hearing process. In this particular case, there is a significant question as to the appropriateness of staging an exclusive private event on a public beach parking lot in the summer; however, any event that may be authorized should only receive authorization as a one-time event.

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT  
Page 3

State briefly your reasons for this appeal. Include a summary description of Local Coastal Program, Land Use Plan, or Port Master Plan policies and requirements in which you believe the project is inconsistent and the reasons the decision warrants a new hearing. (Use additional paper as necessary.)

Note: The above description need not be a complete or exhaustive statement of your reasons of appeal; however, there must be sufficient discussion for staff to determine that the appeal is allowed by law. The appellant, subsequent to filing the appeal, may submit additional information to the staff and/or Commission to support the appeal request.

SECTION V. Certification

The information and facts stated above are correct to the best of my/our knowledge.

Signed: \_\_\_\_\_

Appellant or Agent

Date: \_\_\_\_\_

OCT 25 2012

Agent Authorization: I designate the above identified person(s) to act as my agent in all matters pertaining to this appeal.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

(Document2)

**RECEIVED**  
South Coast Region

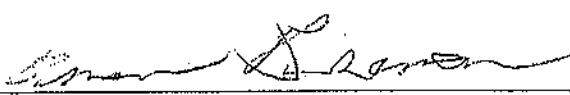
OCT 25 2012

CALIFORNIA  
COASTAL COMMISSION

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 4)

**SECTION V. Certification**

The information and facts stated above are correct to the best of my/our knowledge.

  
\_\_\_\_\_  
Signature of Appellant(s) or Authorized Agent

Date: 10/24/12

Note: If signed by agent, appellant(s) must also sign below.

**Section VI. Agent Authorization**

I/We hereby  
authorize \_\_\_\_\_

to act as my/our representative and to bind me/us in all matters concerning this appeal.

\_\_\_\_\_  
Signature of Appellant(s)

Date: \_\_\_\_\_

**RECEIVED**  
South Coast Region

OCT 25 2012

CALIFORNIA  
COASTAL COMMISSION

RECEIVED

JUL 26 2012

Dept. of Planning  
& Building

**PARKING STUDY  
FOR THE PROPOSED  
RUSSO AND STEELE AUTOMOBILE AUCTION EVENT  
IN THE CITY OF HUNTINGTON BEACH**

Prepared for:

**Russo and Steele**

Prepared by:

**Kimley-Horn and Associates, Inc.**

765 The City Drive, Suite 400

Orange, California 92868

(714) 939-1030

July, 2012

**PARKING STUDY  
FOR THE PROPOSED  
RUSSO AND STEELE AUTOMOBILE AUCTION EVENT**

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**ATTACHMENTS**

ATTACHMENT A – Breakdown of Parking Areas for Data Collection



**PARKING STUDY  
FOR THE PROPOSED  
RUSSO AND STEELE AUTOMOBILE AUCTION EVENT  
IN THE CITY OF HUNTINGTON BEACH**

**INTRODUCTION**

Russo and Steele, a firm specializing in collector automobile auctions, wishes to establish an annual Auto Auction event on a portion of the City Beach parking lot, between Huntington Street and the pedestrian overpass that connects the Hyatt Regency Hotel with the beach.

The Auto Auction event would result in the temporary loss of 348 to 588 beach parking spaces over the course of a week and a half in late June, starting in 2013. In addition to the loss of beach parking, the event itself will generate some level of additional parking demand. The applicant intends to address the temporary loss of parking and to accommodate the event parking demand through implementation of parking management measures, to be discussed later in this report.

This parking study has been prepared to:

- Determine the current parking demand in the event site lot, i.e., the number of vehicles that would be temporarily displaced by the Auto Auction event;
- Identify the number of available parking spaces in other beach parking lots where the displaced beach-goers would likely go;
- Identify other potential remote lots and the number of parking spaces available for beach and event parking;
- Identify other feasible measures to increase the parking supply during the temporary loss of parking.

**PROJECT DESCRIPTION**

**Existing Operations**

The Auto Auction event is proposed to be held on a portion of the City Beach parking lot across Pacific Coast Highway (PCH) from the Hyatt Regency Huntington Beach Resort & Spa, and the Waterfront Hilton Hotel. The project site is shown on **Figure 1**. This parking lot is owned by the City of Huntington Beach, and is part of the City Beach parking lot, which extends down to Beach Boulevard. The portion of the City Beach parking lot between Huntington Street and the pedestrian overpass provides a total of 740 surface parking spaces, including 12 handicap accessible spaces.

The City Beach parking lot is open to beach-goers for a flat rate of \$15.00 per day. Because it offers easy accessibility to the beach, and is close to downtown, the pier, and the hotels, this parking area is well-used on weekends and summer days, and often has a "Parking Full" sign posted by late morning on weekends.

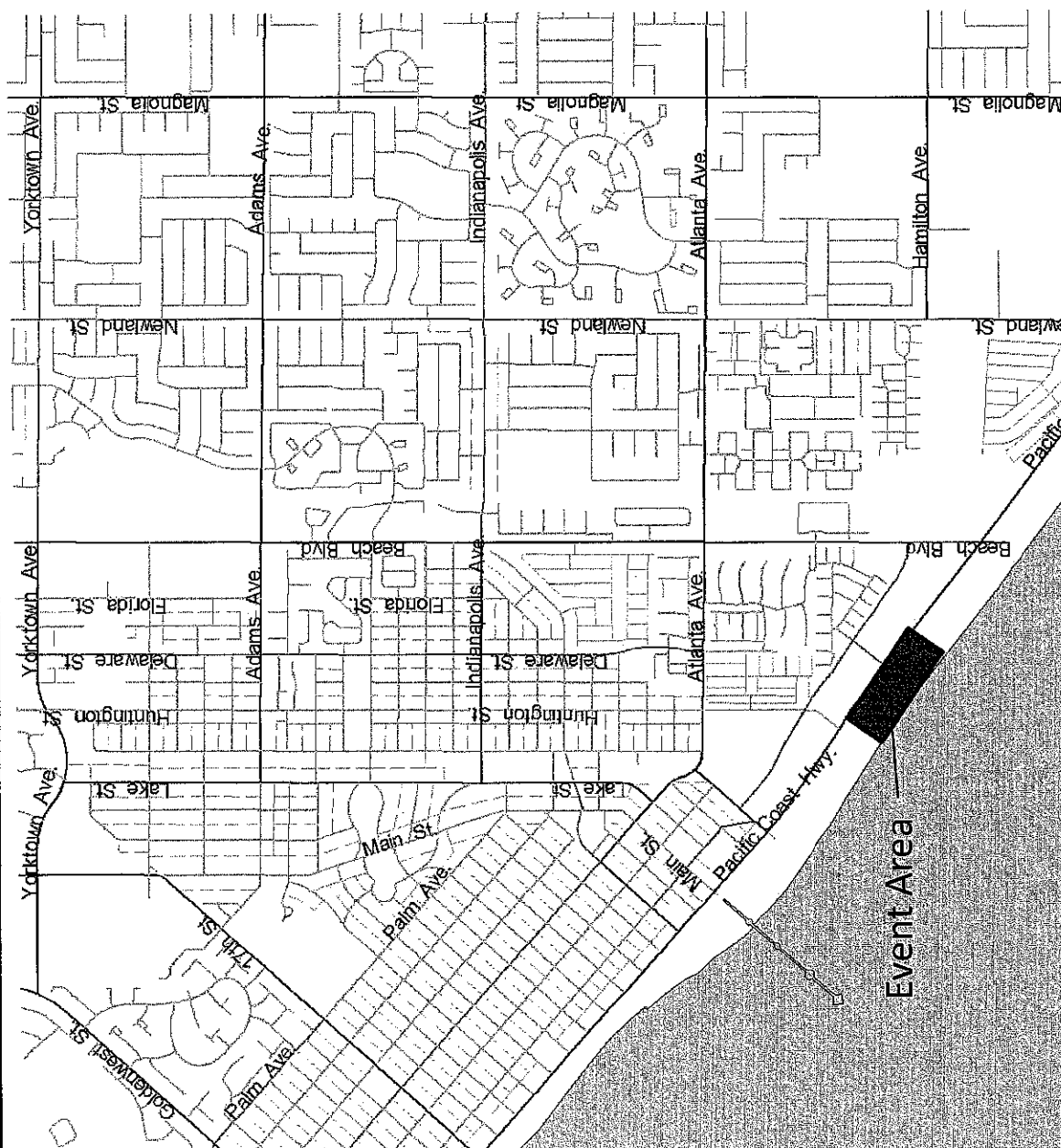


FIGURE 1  
AUTO AUCTION EVENT LOCATION

The beach parking lots south of Beach Boulevard are part of the Huntington State Beach, operated by the California Department of Parks and Recreation. State Beach is open from 6:00 AM to 10:00 PM, with entries to the park not allowed after 9:00 PM.

### **Proposed Project**

Russo and Steele proposes to occupy a portion of the City Beach parking lot to conduct an Automobile Auction event. The event is proposed to be an annual occurrence, taking place in June.

The entire event, including set-up and take-down, will last 11 days, from Monday to the following Thursday. During the event set-up and break-down, a total of seven days, the operation will occupy 348 parking spaces. During the main part of the event, when the auction vehicles are on display for preview, the Auto Auction operation will occupy an additional 240 spaces, for a total of 588 spaces.

The proposed layout for the event is provided on **Figure 2**. Of the approximately 740 spaces that are located in the portion of the parking lot between Huntington Street and the pedestrian overcrossing, the event would occupy 348 to 588 spaces, depending on the phase of the event. The 62-space area closest to Huntington Street would be available to the public throughout the entire event. In addition, a single row of parking (90 spaces) and the drive aisle along the edge of the parking lot closest to the ocean would also be open throughout the event, providing vehicular and pedestrian access through this part of the parking lot to the parking immediately adjacent, to the south.

The applicant will implement parking management measures, in order to offset the temporary loss of parking during the event, and to accommodate the additional parking demand that would be generated by the event.

### **PARKING ANALYSIS**

#### **Observed Existing Parking Demand**

The existing parking demand in the beach parking lots was surveyed to:

- Determine the current parking demand in the event site lot, i.e., the number of vehicles that would be temporarily displaced by the Auto Auction event;
- Identify the number of available parking spaces in other beach parking lots where the displaced vehicles and event-goers vehicles may go;
- Determine the adequacy of the available beach parking and the remote lot parking to accommodate the parking needs of the Auto Auction event, and offset the temporary loss of beach parking.

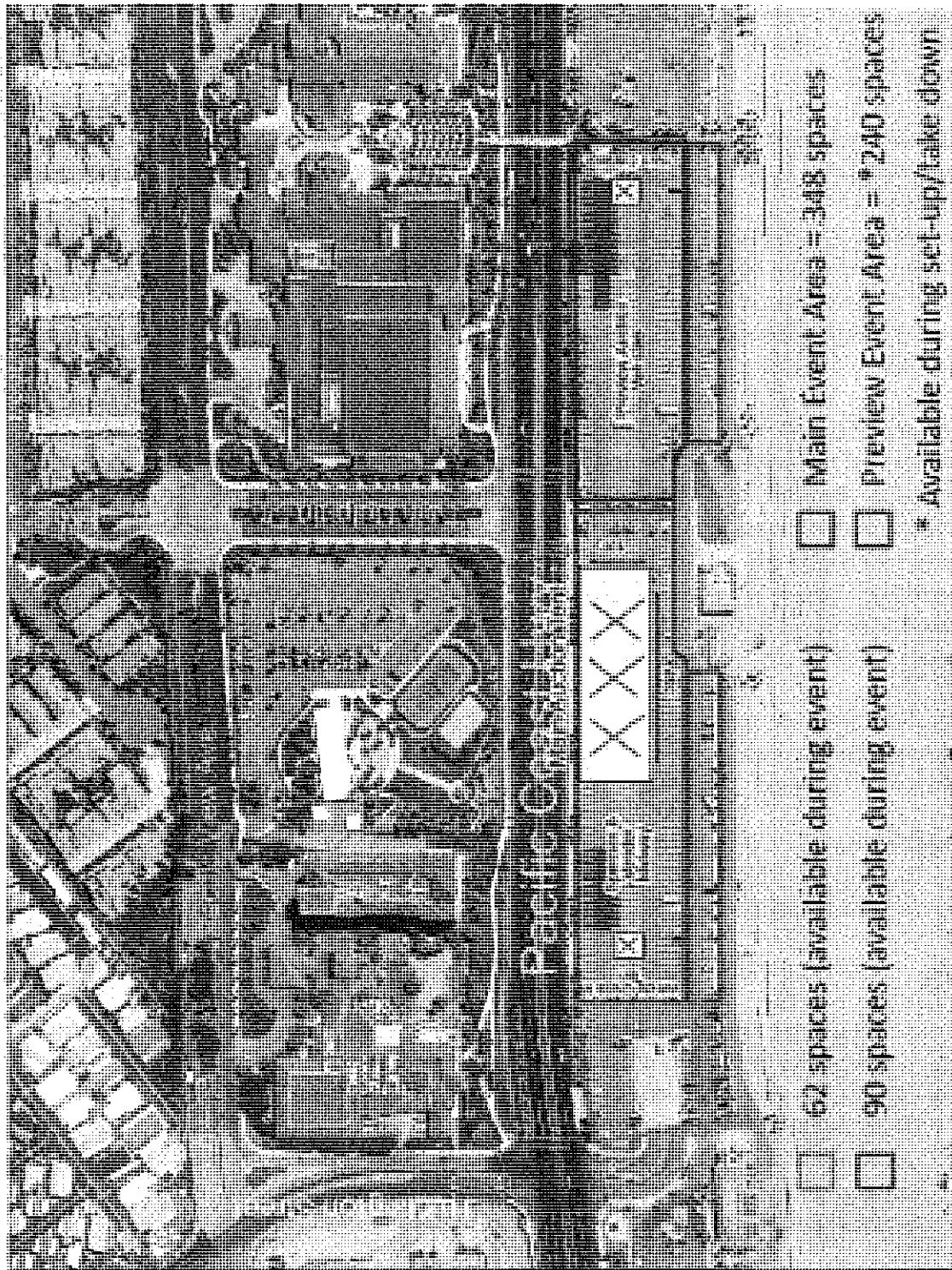


FIGURE 2  
AUTO AUCTION SITE LAYOUT

Parking data was collected in all of the beach parking lots from Huntington Street to Magnolia Street. There are a total of 2,816 parking spaces in this area, broken down into sub-areas as follows:

- *The City Beach parking area where the Auto Auction event would be held:*
  - Parking Area 1 – From Huntington Street to the pedestrian bridge at the Hyatt Hotel – 740 spaces.
  - The event will occupy 348 spaces during the 3 days prior to and the 4 days after the event for set-up and take-down.
  - The event will occupy 588 spaces during the 4 days of vehicle preview and auction.
- *City and State Beach parking areas south of the event site:*
  - Parking Area 2 – From the pedestrian bridge to Beach Boulevard – 665 spaces
  - Parking Area 3 – From Beach Boulevard to Newland Street – 714 spaces
  - Parking Area 4 – From Newland Street to Magnolia Street – 697 spaces
- *Sub-total three non-event areas – 2,076 spaces*
- *Total all areas – 2,816 spaces*

Aerial maps depicting the parking data collection areas are provided in **Attachment A**.

Parking data was collected on a Saturday, Sunday, and Wednesday in June, 2012. The weekend data collection times were designed to coincide with the times when the beach parking would be most impacted by the proposed project – specifically, at the times when:

- the beach parking demand would be at its peak; and
- the greatest number of parking spaces would be unavailable for beach parking;

Data was also collected on a typical weekday to determine what level of parking management measures, if any, would be needed for the weekday operation. It should be noted that the weather on all three data collection days was excellent beach-going weather. The results of the parking data collection are summarized on Tables 1 through 4.

#### Parking Area 1 – The Event Site

**Table 1** provides a summary of the number of vehicles parked in Parking Area 1– the parking area where the event would be held, between Huntington Street and the pedestrian overcrossing. Review of Table 1 indicates that, on Saturday, Parking Area 1 was virtually full by 12:00 noon and remained so through 2:00 PM. Parking demand in the lot remained high (over 700 vehicles) until 5:00 PM. On Sunday, the parking demand was over 700 vehicles until 2:00 PM, when the demand started to steadily decrease. These results indicate that, on Saturday and Sunday of the event weekend, when the event would take up 588 parking spaces, 588 vehicles would be displaced.

On Wednesday (a typical weekday), the peak parking demand in Parking Area 1 was 253 cars at 3:00 PM, leaving 487 spaces available.

- On the weekdays during set-up and take-down, the event would occupy 348 spaces in Parking Area 1, leaving 392 spaces available for beach parking. This would be enough available parking in Parking Area 1 outside the Auto Auction event to accommodate the typical weekday parking demand on the weekdays during set-up and take-down.
- On the Thursday and Friday following set-up, the preview and auction portion of the event would occupy 588 spaces, leaving roughly 150 spaces in Parking Area 1 available for beach parking. Since the typical weekday demand exceeds this number, some beach parking in Parking Area 1 would be displaced to adjacent beach parking lots as discussed in the next section.

#### Parking Areas 2, 3, and 4 – Non-Event Parking Areas

Parking data for the remaining Parking Areas (from Huntington Street to Magnolia Street) is summarized on **Table 2** for Saturday, **Table 3** for Sunday, and **Table 4** for Wednesday. The numbers in these three tables reflect the number of available (unoccupied) parking spaces, by area, for the beach parking areas outside the lot where the Auto Auction event would be held.

Review of these tables indicates that the highest beach parking demand occurred on Saturday, between 2:00 and 3:00 PM, when there were a total of 83 spaces available in Parking Areas 2, 3, and 4 – less than 5% of the total parking supply.

Parking patterns on Sunday were similar to Saturday, with the overall Sunday demand roughly 20% less than Saturday. The peak parking demand on Sunday occurred between 1:00 and 2:00 PM, when there were a total of 445 parking spaces available from Huntington Street to Magnolia Street.

Review of the weekend data indicates that the parking areas closest to the pier and downtown fill first, and the demand then grows to the south as the day goes on. Parking Area 2 (from the pedestrian overcrossing to Beach Boulevard) was virtually full until 4:00 PM, when the demand started to steadily decline. Parking Area 3 (from Beach Boulevard to Newland Street) was also virtually full until about 3:00 PM. The parking demand in Parking Area 4 (from Newland Street to Magnolia Street) grew throughout the day, and peaked mid-afternoon, with 100 or more spaces available in this area for much of the day.

Although formal parking data was not collected in the lots between Magnolia Street and the Santa Ana River (further south of the four areas studied), an informal observation of this parking on the following weekend indicated that there were several hundred parking spaces available during the peak afternoon period on both Saturday and Sunday.

On Wednesday (a typical weekday), parking demand was substantially less than on the weekend, with 1,200 or more parking spaces available in Parking Areas 2, 3, and 4 at all times.

**Table 1**  
**Summary of Parking Demand**  
**In Parking Area 1 - Event Site**

TIME	Saturday 6/23/2012	Sunday 6/24/2012	Wednesday 6/27/2012
Spaces	740	740	740
11:00 AM	--	<b>723</b>	---
12:00 PM	<b>739</b>	704	149
1:00 PM	738	715	199
2:00 PM	712	645	241
3:00 PM	733	624	<b>253</b>
4:00 PM	711	522	226
5:00 PM	585	--	---
6:00 PM	466	--	---

XXX = Peak parking demand in Parking Area 1 (the Event Site parking lot).

-- = Data collection was not conducted during this hour.

**Table 2**  
**Summary of Available Parking**  
**Parking Areas 2, 3, and 4 - Saturday**

**Location:** Beach Parking South of Event Site      **Day:** Saturday  
**City:** Huntington Beach      **Date:** 6/23/2012

TIME	Parking Area 2 Pedestrian Bridge to Beach Boulevard	Parking Area 3 Beach Boulevard to Newland Street	Parking Area 4 Newland Street to Magnolia Street	TOTAL
Spaces	66S	714	697	2,076
12:00 PM	9	1	203	213
1:00 PM	8	3	164	175
2:00 PM	8	15	60	83
3:00 PM	7	56	40	103
4:00 PM	50	121	112	283
5:00 PM	74	152	98	324
6:00 PM	126	154	167	447

XXX = Lowest level of parking availability.



**Table 3**  
**Summary of Available Parking**  
**Parking Areas 2, 3, and 4 - Sunday**

Location: Beach Parking South of Event Site      Day: Sunday  
City: Huntington Beach      Date: 6/24/2012

TIME	Parking Area 2 Pedestrian Bridge to Beach Boulevard	Parking Area 3 Beach Boulevard to Newland Street	Parking Area 4 Newland Street to Magnolia Street	TOTAL
Spaces	665	714	697	2,076
11:00 AM	14	127	521	662
12:00 PM	16	10	459	485
1:00 PM	24	27	394	445
2:00 PM	138	87	269	494
3:00 PM	164	148	139	451
4:00 PM	210	176	74	460

XXX = Lowest level of parking availability.

**Table 4**  
**Summary of Available Parking**  
**Parking Areas 2, 3, and 4 - Wednesday**

Location: Beach Parking South of Event Site      Day: Wednesday  
City: Huntington Beach      Date: 6/27/2012

TIME	Parking Area 2 Pedestrian Bridge to Beach Boulevard	Parking Area 3 Beach Boulevard to Newland Street	Parking Area 4 Newland Street to Magnolia Street	TOTAL
Spaces	665	714	697	2,076
12:00 PM	497	598	564	1,659
1:00 PM	465	534	543	1,542
2:00 PM	436	492	554	1,482
3:00 PM	433	483	365	1,281
4:00 PM	453	478	555	1,486

XXX = Lowest level of parking availability.

## Event Parking

In addition to offsetting the impact of the temporary loss of beach parking in Parking Area 1, event organizers will minimize the impact on beach parking of the additional parking demand generated by the event itself. Event participants, attendees, and staff will consist of the following:

Individual	Number
Vehicle owners / sellers	200
Registered Auction bidders	200
Spectators	Varies
Sponsors / Vendors	70
Russo & Steele Event Staff	32

Individuals associated with the event are not expected to have a noticeable impact on beach parking, based on the following:

- The Hyatt and Hilton hotels will be prominently featured in the Russo and Steele promotional materials, and it is expected that the majority (estimated to be 90%) of the vehicle owners / sellers and auction bidders will stay as guests at the Hilton or Hyatt hotel. The hotel parking supply would already accommodate parking demand generated by its own hotel guests.
- Any Auto Auction vehicle owners / sellers, and registered Auction bidders who are not staying at the hotels (estimated to be 10%) will be informed through the Auto Auction event promotional materials and event packets, and through the Russo and Steele website itself to park in the hotel parking.
  - This represents 40 additional event vehicles in the hotel parking, above and beyond event hotel guests.
- In addition, 90% of the event sponsors, vendors and staff will stay at the hotel. The hotel parking supply would already accommodate parking demand generated by its own hotel guests.
- Russo and Steele will require the remaining sponsors and vendors and their own support staff who are not staying at the hotels to use the hotel parking.
  - This represents 10 event vehicles in the hotel parking, above and beyond event hotel guests.

- Event spectators (individuals not participating as a seller or a bidder) will consist of local individuals interested in viewing the vehicles and visiting the sponsor / vendor tent. The number of spectators on site any one time will vary throughout the event and is estimated to peak at 300 on Saturday and Sunday.
  - Approximately 70% are assumed to be aware of the event through the event promotional materials. These people will be informed of the availability of parking at the hotel. Assuming 2 persons per car, this represents 105 event vehicles in the hotel parking, above and beyond event hotel guests.
  - Some event spectators (30%) could be individuals who are already downtown to go to the beach, walk the pier, and/or eat and shop in the downtown, and who choose to participate in the event out of curiosity and interest. These individuals would already be part of the typical beach / downtown parking demand.

This additional event parking demand using the hotel parking is estimated to be a maximum of 155 vehicles (40 owners and bidders, 10 vendors and staff, and 105 spectators). Hotel property management has provided hotel parking data that was collected in late June, 2012. The data indicates that excess (unoccupied) parking on the hotel properties exceeded 300 spaces at all times. Hotel records also indicate that the hotels were at 99.7% occupancy on Saturday, the peak event parking day. This data indicates that the hotel parking will adequately accommodate the event parking demand above and beyond the parking needed for hotel guests.

## **IMPACT ASSESSMENT**

### **Weekday**

#### *Set-up and Take-down Days*

The parking data results indicate that the loss of 348 parking spaces in Parking Area 1 on weekdays during event set-up and take-down will not cause an impact to parking for beach-goers. There would be enough available parking in Parking Area 1 to accommodate the weekday beach parking demand during the set-up and take-down days.

#### *Preview and Auction Days (Thursday and Friday)*

On Thursday and Friday, the Auto Auction even will occupy 588 spaces in Parking Area 1, leaving roughly 150 spaces in Parking Area 1 for beach parking. There would be over 1,200 available parking spaces in the remainder of the beach parking, in Parking Areas 2, 3, and 4 to offset the additional temporary loss of parking on the Thursday and Friday event days.

No parking management measures would be needed to offset the temporary loss of parking spaces for the weekday.

## Weekend

The temporary loss of 588 spaces during the preview and auction event on the weekend does represent a parking impact which will need to be addressed with a parking management program. The data indicates that, while there would be some available parking in the beach lots to the south, there would not enough to make up for all 588 parking spaces, unless the beach-goer continues past Magnolia Street.

People going to the beach, who first look for parking in the City Beach lot at the peak time (mid-afternoon on Saturday) would just have to “keep going” down PCH until they find a lot that’s open – an occurrence not untypical for a summer weekend. One group impacted by this shift southward to the State Beach would be people with an annual City Beach Parking Pass, which is valid in the City Beach lots (down to Beach Boulevard) but not in the State Beach lots. This is addressed in the next section.

## PARKING MANAGEMENT MEASURES

Replacement parking measures to accommodate beach parking demand will be implemented for Saturday and Sunday, to replace the parking taken up by the Auto Auction event.

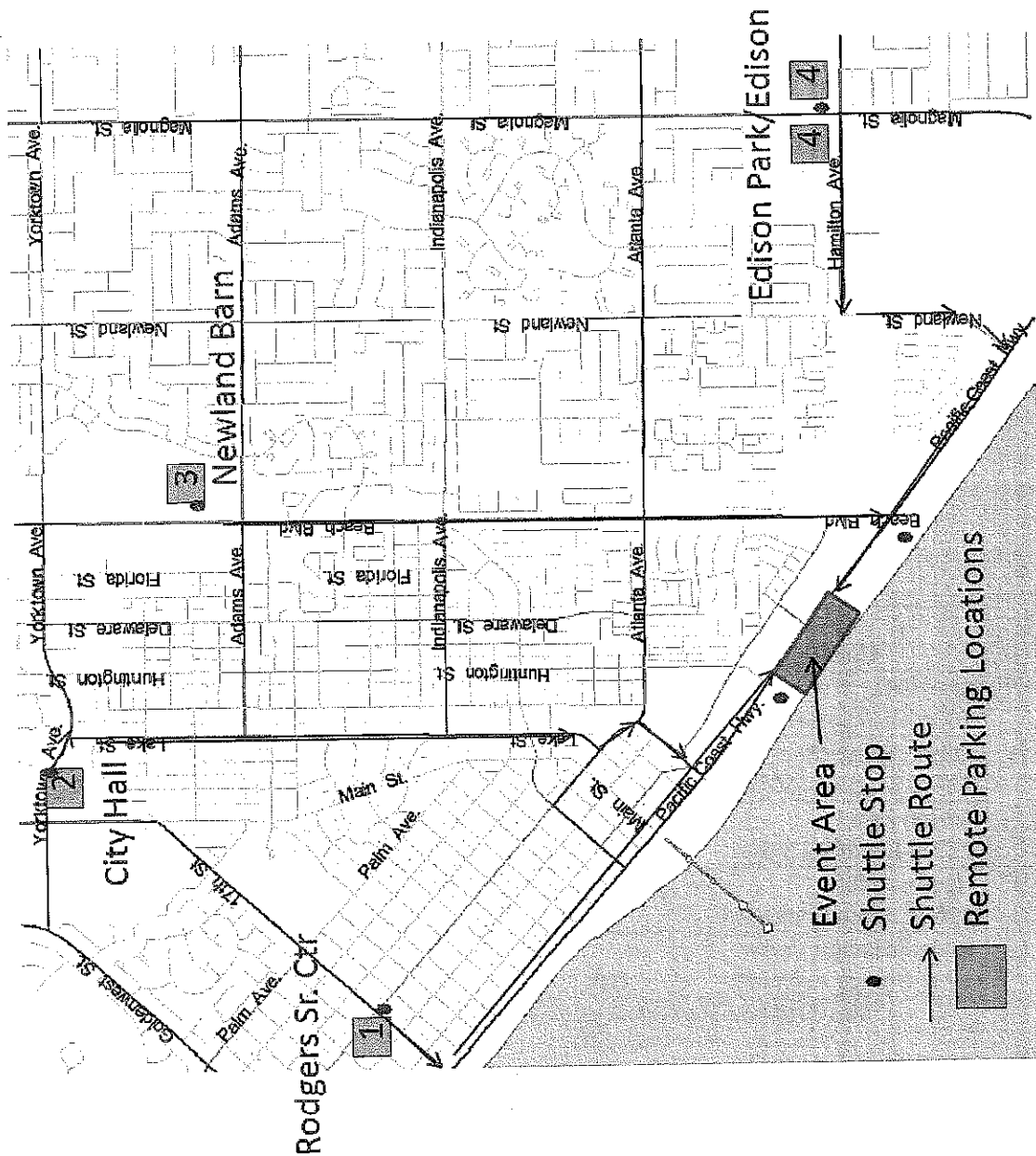
Five remote parking areas have been identified as candidates for replacement parking:

Location	Number of Spaces	Distance to Event Site (mi.)	Distance to the Beach (mi.) <sup>1</sup>
City Hall 2000 Main Street	400	2.6	2.6
Edison High School 21400 Magnolia Street	178	2.2	0.75
Edison Park 21377 Magnolia Street	53	2.2	0.75
Newland Barn 19822 Beach Boulevard	60	2.3	1.9
Rodgers Senior Center 1706 Orange Avenue	104	1.1	0.5

<sup>1</sup> Measured from the remote lot to the closest entrance to the beach.

The location of each of these lots is shown on **Figure 3**.

In total, the five remote lots would provide 795 replacement parking spaces, which, in combination with the available parking in other beach parking lots, would more than offset the temporary loss of 588 parking spaces on the Auto Auction event weekend.



**FIGURE 3**  
**REMOTE PARKING LOCATIONS**

Review of the remote parking lot chart indicates that The City Hall and the two Edison lots (the High School and Edison Park) alone would provide a total of 631 spaces, which would be enough to offset the temporary loss of parking. It is recommended that the remote lot and shuttle operation focus on the City Hall and two Edison lots, since City Hall and the Edison High School and Edison Park areas are well-known facilities and easy to find.

The parking at Edison High School and Edison Park would be very convenient replacement parking for beach-goers, since it is less than a mile from the Magnolia Street entrance to the State Beach. The shuttle route should be designed to provide a stop not only near the Auto Auction event site, but also at the nearest entrance to the beach itself (Magnolia Street), since most of the people taking advantage of the remote parking and shuttle will be beach-goers.

The City Hall parking would build on the current shuttle operation provided by the City on weekends and Tuesday nights for Surf City Nights. Residents have become very familiar with this free parking and shuttle operation.

In both cases, one shuttle vehicle would be able to complete a circuit each half-hour.

Based on the empirical data, the remote parking lots and shuttle operation at City Hall and Edison would only be needed for Saturday and Sunday midday, when the beach parking demand is at its peak, and the Auto Auction event is occupying all 588 parking spaces.

The availability of nearby free parking and the convenience of not searching for a parking spot in the crowded beach parking lots will be an enticement to use the remote lots and shuttle. To enhance the awareness of and promote the utilization of the remote parking lots, advance promotion and point-of-entry signage would be employed, such as:

- Promote free parking and shuttle with maps and routes:
  - In all advance promotional advertising and brochures for the Auto Auction event;
  - On the City website;
  - On the Russo and Steele event website;
  - Signs and maps at the City Hall shuttle lot for the alternate Edison remote lots (in the event the City Hall lot is full)
  - Signs and maps at the entrances to the beach parking.
  - Signs and maps at or near the remote parking lots themselves.

Other recommended parking measures include:

- Communication and coordination between beach parking personnel and the remote lots to avoid sending beach parkers to a remote lot that is full.
- If needed, coordinate with Edison High School officials to expand the designated shuttle parking area to include additional parking to the north, along Magnolia Street (approximately 100 spaces).

- To minimize the impact to people with City Beach Parking Passes, the applicant and City will work with City and State Beach officials to allow vehicles with a City Beach Parking Pass to park in the State Beach parking lots, subject to parking availability.

## **SUMMARY**

Implementation of a remote parking and shuttle program using the City Hall and Edison facilities on Saturday and Sunday afternoons, in combination with the available parking in the other beach parking lots, would more than offset the temporary loss of 588 parking spaces in Parking Area 1 during the preview and auction portion of the Auto Auction event.

Event organizers will use promotional materials, the internet, and signage and coordination to promote awareness and utilization of the remote lots.

The parking demand generated by the event participants, attendees, and staff will be accommodated by guest parking at the hotel and excess available parking for all other event participants who are not guests of the hotel.

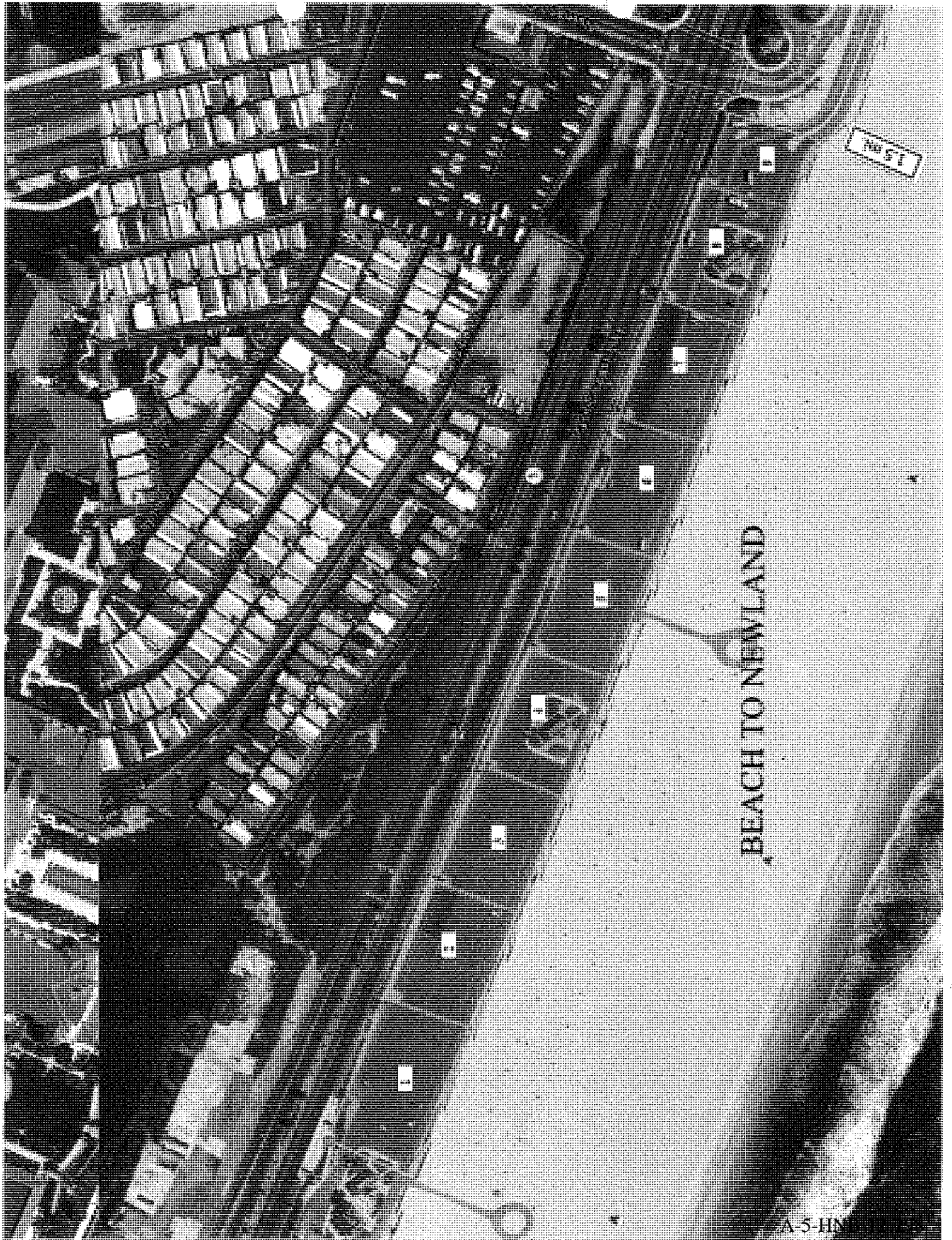


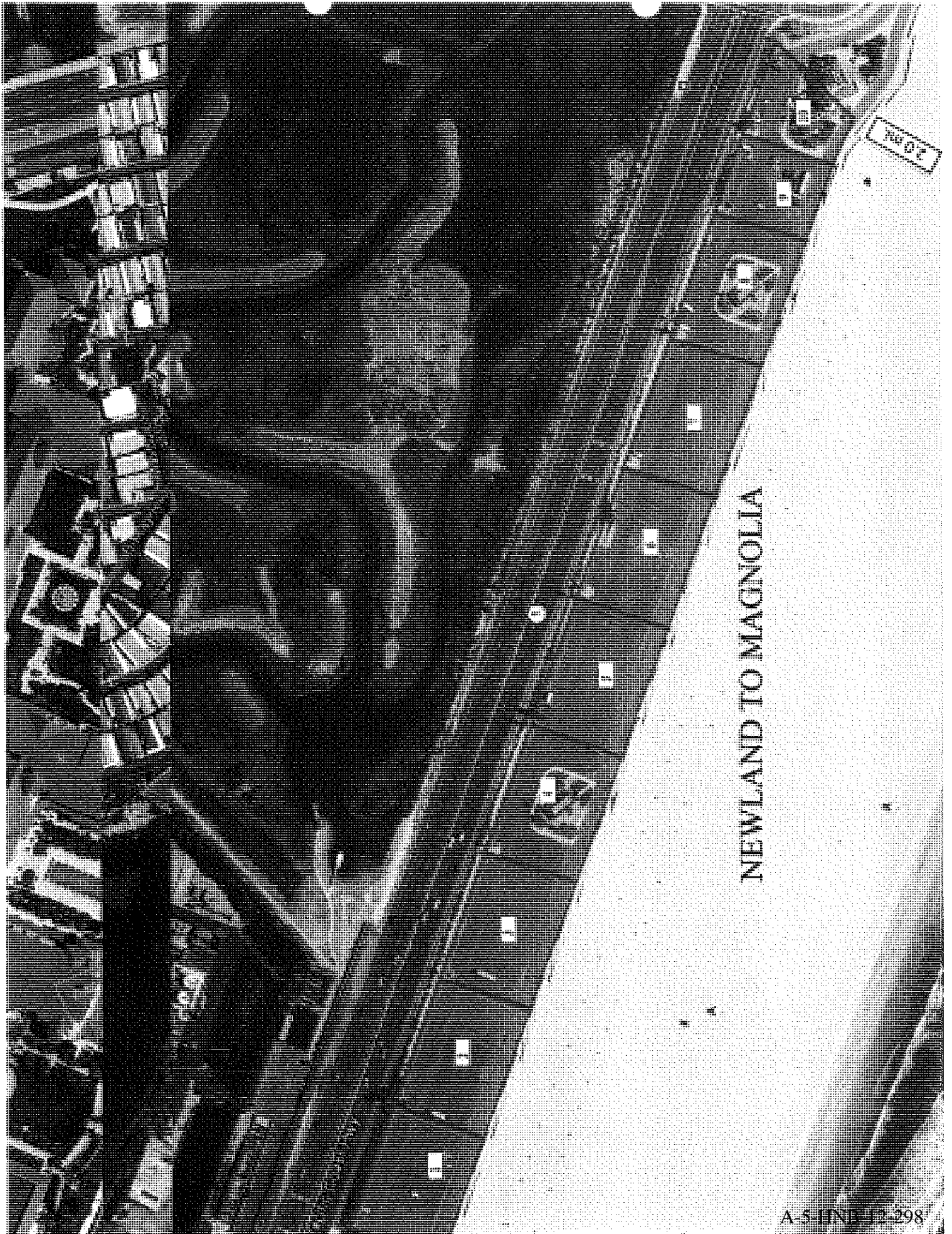
**ATTACHMENT A**  
**BREAKDOWN OF PARKING AREAS**  
**FOR DATA COLLECTION**













**From:** Schwing, Karl@Coastal [<mailto:Karl.Schwing@coastal.ca.gov>]  
**Sent:** Friday, June 21, 2013 12:20 PM  
**To:** Arabe, Jill  
**Cc:** Sarb, Sherilyn@Coastal; Henry, Teresa@Coastal  
**Subject:** RE: Auto Auction - CDP

Hi Jill,

In January we had a meeting that included the applicant's representative and City staff to discuss the issues raised by the proposed project. In that meeting we talked about a number of clarifications and/or changes to the project that would make steps toward addressing the issues. These included the following:

1. Changing the time of year the event would be held to be outside the peak beach use/summer season
2. Changing the location of the event, perhaps moving it to an inland site or private venue
3. Reducing the duration of the City's approval down to 1 year, as a trial; with the idea that additional years could be added to the approval through the amendment process if the first year trial didn't reveal any major problems
4. Adding a weekday remote parking shuttle to augment the proposed weekend only shuttle
5. Possibly reduce the overall size of the event footprint for the first year, again as a trial to monitor and address issues; incremental expansion in the future with accompanying monitoring/reporting requirements and adaptive management of issues
6. Clarification that the tent and bar area would be open throughout the day, and only closed off to general public entry during the evening during the actual auction
7. Clarification that the vehicle preview area would be open to the public without a fee
8. Clarification that the fee area is only in place during the evening hours/auction
9. Consider providing closed circuit tv screens on the outside of the fee-only area so the general public, located outside the tent, could view the auction without paying a fee

The above list isn't meant to be comprehensive, just an idea of the things we spoke about.

Mr. Alcazar's letter from February, and your statements below, indicate that the applicant isn't willing to give further consideration to any of the ideas noted above. Before we schedule this matter for hearing, I just want to reach out one final time to invite the applicant to reconsider their stance and choose to work with staff toward a proposal we could potentially support.

*Karl Schwing*  
*California Coastal Commission*  
*South Coast Area Office/Long Beach*  
[KARL.SCHWING@COASTAL.CA.GOV](mailto:KARL.SCHWING@COASTAL.CA.GOV)

**From:** Cathy Edman [<mailto:cathyedman@hotmail.com>]  
**Sent:** Monday, August 19, 2013 2:44 PM  
**To:** Hess, Scott  
**Cc:** Arabe, Jill; Dominguez, David; drew alcazar; Mike Adams  
**Subject:** Russo and Steele Auto Auction

Dear Scott:

Russo and Steele have committed to a number of Conditions of Approval attempting to adequately identify all impacts and address the communities' concerns. It is now up to the City to stand behind its action of approval and work with the Coastal Commission to clarify any outstanding concerns and issues.

To address the specific questions raised in the Coastal Commission staff correspondence (June 21, 2013) we offer the following comments:

1. Changing the Event to a different time of year will not allow Russo and Steele the benefit of building on the other related auto auction activities in Orange County in late June. The synergy of multi similar functions benefits all participants. Monterey, CA (in August each year) is a prime example of how otherwise competing activities can co-mingle to create a much more significant Event. The Auto Auctions Circuit is currently scheduled to devote specific locales annual segments of the calendar year; Southern California's activities have become late June, with an increasing number of Events over the past several years.
2. Changing the location of the Event to an inland site would lose some of the prestige of staging on the beach and would not allow for the opportunity to truly showcase Huntington Beach to a potentially new segment of the world population. Primarily the proposed site has all the necessary infrastructure and resources.
3. The existing approval by the City requires annual reviews in order to make any necessary adjustments to the Event activities and details. Russo and Steele intend to spend a significant amount of money promoting both the Event and the City and must be able to amortize those costs over several years. We fully intend to cooperate with the City to make any adjustment to the event annually to address issues from the previous year.
4. Adding a weekday remote parking shuttle to the Event can be easily done if that is important.
5. The Event size for the first year will likely use somewhere between 350-400 parking spaces, much less than the anticipated peak impacting 588 parking spaces when the Event reaches maturity. However we thought it was more appropriate to address the potential impacts, year one, as if the ultimate capacity were possible.
- 6-8. The activities under the tent will be primarily scheduled late afternoon and evening. The tent area and the car preview area will require an admission fee.
9. Setting up a free screening area for the public may be possible and we are certainly open to further exploring the possibility.



There has apparently been little further discussion between City staff and Coastal staff to truly look at ways the Event can go forward and provide the City and the State the assurances necessary to address all concerns. The Coastal resources of the Community are there to be enjoyed by a vast variety of people in many ways. We believe that we are providing an opportunity for this tremendous resource to be shared with a potentially new audience, with all becoming richer for the experience. The coastal vista from the Event will become the iconic image for all future Orange County Auto Events.

Russo and Steele are committed to staging a world class auto auction in Orange County. Our recent Newport Beach Event proved that Southern California is definitely the place to be in June. We believe that future Events could be even stronger and more successful at the Huntington Beach site. It is always difficult with pioneering ventures to anticipate all concerns and impacts, however, we will provide the necessary resources to meet the unknown challenges and make the City proud of their action to approve the Russo and Steele Auto Auction at the beach.

Sincerely,

Drew Alcazar

RECEIVED

FEB 20 2013

Dept. of Planning  
& Building

February 19, 2013

Jill Arabe, Assistant Planner  
City of Huntington Beach  
2000 Main Street  
Huntington Beach, CA 92648

Dear Jill,

Over the past nearly two years Russo and Steele has worked with the various City of Huntington Beach Departments to bring a world class collectible automobile auction to the City. The site was purposely selected because of the great proximity to public and commercial amenities along with the spectacular coastal setting. The Event will attract a new group of people to the area to appreciate the tremendous coastal resources the City provides.

The Event is proposed for the third week in June, because that is the time of year when the various car auction houses focus on Southern California. The car auction circuit moves around the country and creates a cluster of activities in various communities; Scottsdale Arizona and Monterey California have become world famous for car auctions. Southern California including Dana Point, Costa Mesa and Newport a Beach is developing as the next big area. Huntington Beach has the potential to be the most outstanding site in the venue.

The Event size and scope analyzed in the City's Coastal Development Permit assumed maximum capacity for the site. The Event will likely be smaller than detailed in the City approval the first year, however over the course of five years it is very likely to become the Event described in the City approved Coastal Development Permit.

The Event is open to the public with a nominal charge. The auction activities and VIP functions are primarily in the evenings and will be televised to reach a larger audience. Although the Event will impact a portion of the City's beach parking facilities, alternative parking options have been identified and will be secured for the Event. We look forward to working with the City's Specific Events Committee to finalize all of the details well in advance of any activity.

Russo and Steele needs the approval for a five year period of time in order to amortize the building up and promotional cost associated with developing and growing a new activity in a new venue. Limiting the Event approval to one year, with

5230 south 39th street \* phoenix, arizona 85040  
602.252.2697 \* fax 602.252.6260 \* [www.russoandsteele.com](http://www.russoandsteele.com)

A-5-H  
Exhibit 7,

RUSSEO AND STEELE

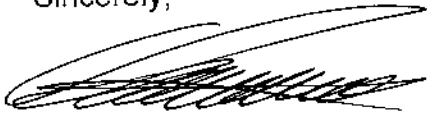
the ability to reapply annually will greatly restrict the extent of the marketing effort Russo and Steele intends for promotion of the Event and the City.

We believe the current Condition of Approval calling for an annual review in order to modify the Event to address any concerns which developed from the previous Event, will accomplish the same thing as an annual Coastal Development Permit. We are constantly making adjustments and modifications to all of our Events and Huntington Beach will have our full attention.

Russo and Steele are very excited about bringing an event to Southern California, and we really want to have an opportunity to be in Huntington Beach. The process has taken nearly two years and a tremendous cost to get to this point. The proposal has come so far in addressing all of the public and City's concerns, that any arbitrary reduction in the scope of the Event seems premature. We believe it is not in the best interest of the City or Russo and Steele to significantly alter the scope of the Event, unless or until the California Coastal Commission imposes changes to the City's approval.

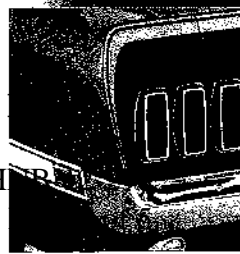
Provided the opportunity Russo and Steele, along with the City of Huntington Beach will create an annual event that will become known around the world and provide the City with one additional element that celebrates the incredible community of Huntington Beach. We look forward to achieving this goal with the City.

Sincerely,



Drew Alcazar

cc: Dave Dominguez, Community Services



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**CALIFORNIA COASTAL COMMISSION**

45 FREMONT, SUITE 2000

SAN FRANCISCO, CA 94105-2219

VOICE AND TDD (415) 904-5200



TO: Local Governments and Interested Persons

FROM: Coastal Commission Staff

SUBJECT: Guidelines For the Exclusion of Temporary Events from Coastal  
Commission Permit Requirements - Adopted 5/12/93

I. Purpose and Authority.

The purpose of these guidelines is to identify the standards the Coastal Commission staff, under the direction of the Executive Director, will use in determining whether a temporary event is excluded from coastal development permit requirements pursuant to Public Resources Code Section 30610 (i) (as amended by SB 1578, Ch. 1088, Stats. 1992). The guidelines are for use in areas where the Coastal Commission retains coastal development permit authority. These guidelines may be utilized by local governments for reference in developing Local Coastal Programs or in processing LCP amendments, if required, to address coastal development permit jurisdiction over temporary events.

II. Criteria for Exclusion from Permit Requirements.

Except as provided in Section III. below, the Executive Director shall exclude from coastal development permit requirements all temporary events except those which meet all of the following criteria:

- a) Are held between Memorial Day weekend and Labor Day; and,
- b) Occupy all or a portion of a sandy beach area; and,
- c) Involve a charge for general public admission or seating where no fee is currently charged for use of the same area (not including booth or entry fees).

Only temporary events meeting all of the above criteria shall require coastal development permit review, however,

The Executive Director may also exclude from permit requirements temporary events meeting all of the above criteria when:

- d) The fee is for preferred seating only and more than 75% of the provided seating capacity is available free of charge for general public use; or,

e) The event is held on sandy beach area in a remote location with minimal demand for public use, and there is no potential for adverse effect on sensitive coastal resources; or,

f) The event is less than one day in duration; or,

g) The event has previously received a coastal development permit and will be held in the same location, at a similar season, and for the same duration, with operating and environmental conditions substantially the same as those associated with the previously-approved event.

### III. Executive Director or Commission Discretion to Require a Permit.

The Executive Director, or the Commission through direction to the Executive Director, may determine that a temporary event shall be subject to Commission coastal development permit review, even if the criteria in Section II. are not met, if the Executive Director or the Commission determines that unique or changing circumstances exist relative to a particular temporary event that have the potential for significant adverse impacts on coastal resources. Such circumstances may include the following:

a) The event, either individually or together with other temporary events scheduled before or after the particular event, precludes the general public from use of a public recreational area for a significant period of time;

b) The event and its associated activities or access requirements will either directly or indirectly impact environmentally sensitive habitat areas, rare or endangered species, significant scenic resources, or other coastal resources as defined in Section V. of these guidelines;

c) The event is scheduled between Memorial Day weekend and Labor Day and would restrict public use of roadways or parking areas or otherwise significantly impact public use or access to coastal waters;

d) The event has historically required a coastal development permit to address and monitor associated impacts to coastal resources.

### IV. Modifications to Guidelines by the Commission.

The Commission may amend these guidelines at any time if it is determined such modification is necessary to more effectively implement Section 30610(i) of the Coastal Act, and provide Coastal Commission coastal development permit review of any category of temporary events having the potential for significant impacts to coastal resources; or, eliminate such review of any category of temporary events having no such potential.

V. Definitions.

For purposes of these guidelines, the following definitions shall apply:

a) "Temporary event(s)" means an activity or use that constitutes development as defined in Section 30106 of the Coastal Act; and is an activity or function of limited duration; and involves the placement of non-permanent structures; and/or involves exclusive use of a sandy beach, parkland, filled tidelands, water, streets or parking area which is otherwise open and available for general public use;

b) "Limited duration" means a period of time which does not exceed a two week period on a continual basis, or does not exceed a consecutive four month period on an intermittent basis;

c) "Non-permanent structures" include, but are not limited to, bleachers, perimeter fencing, vendor tents/canopies, judging stands, trailers, portable toilets, sound/video equipment, stages, platforms, movie/film sets, etc., which do not involve grading or landform alteration for installation.

d) "Exclusive use" means a use that precludes use in the area of the event for public recreation, beach access or access to coastal waters other than for or through the event itself.

e) "Coastal resources" include, but are not limited to, public access opportunities, visitor and recreational facilities, water-oriented activities, marine resources, biological resources, environmentally sensitive habitat areas, agricultural lands, and archaeological or paleontological resources.

f) "Sandy beach area" includes publicly owned and privately owned sandy areas fronting on coastal waters, regardless of the existence of potential prescriptive rights or a public trust interest.

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