

**CALIFORNIA COASTAL COMMISSION**

SAN DIEGO COAST DISTRICT OFFICE  
7575 METROPOLITAN DRIVE, SUITE 103  
SAN DIEGO, CALIFORNIA 92108-4402  
(619) 767-2370 FAX (619) 767-2384  
WWW.COASTAL.CA.GOV



# TH17

**Prepared December 7, 2018 (for the December 13, 2018 Hearing)**

**To:** Commissioners and Interested Parties  
**From:** Karl Schwing, San Diego Coast District Deputy Director  
**Subject:** San Diego Coast District Deputy Director's Report for December 2018

The following coastal development permit (CDP) waivers, immaterial CDP amendments, CDP extensions, and emergency CDPs for the San Diego Coast District Office are being reported to the Commission on December 13, 2018. Pursuant to the Commission's procedures, each item has been appropriately noticed as required, and each item is also available for review at the Commission's San Diego Coast District Office in San Diego. Staff is asking for the Commission's concurrence on the items in the San Diego Coast District Deputy Director's report, and will report any objections received and any other relevant information on these items to the Commission when it considers the report on December 13th.

With respect to the December 13th hearing, interested persons may sign up to address the Commission on items contained in this report prior to the Commission's consideration of this report. The Commission can overturn staff's noticed determinations for some categories of items subject to certain criteria in each case (see individual notices for specific requirements).

**Items being reported on December 13, 2018 (see attached)**

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**Waivers**

- 6-18-1015-W, Becker demo SFR & construct 3 SFRs (Imperial Beach)
- 6-18-1141-W, Caccavo New Solar Panels (Solana Beach)
- 6-18-1166-W, Ward Condominium Remodel (Solana Beach)

**Immaterial Amendments**

- 6-16-0500-A1, Szekeres Pool Addition (Solana Beach)

**Immaterial Extensions**

- 6-14-1033-E3, Hitzke Affordable Housing (Solana Beach)
- 6-16-0132-E1, Oceanus GHAD Seawall (San Diego)

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November 7, 2018

## Coastal Development Permit De Minimis Waiver Coastal Act Section 30624.7

Based on the project plans and information provided in your permit application for the development described below, the Executive Director of the Coastal Commission hereby waives the requirement for a Coastal Development Permit pursuant to Section 13238.1, Title 14, California Code of Regulations. If, at a later date, this information is found to be incorrect or the plans revised, this decision will become invalid; and, any development occurring must cease until a coastal development permit is obtained or any discrepancy is resolved in writing.

**Waiver:** 6-18-1015-W

**Applicant:** Scott Becker

**Location:** 575 8th St, Imperial Beach (San Diego County). (APN(s): 626-141-30)


**Proposed Development:** Demolition of an existing 1-story 1,100 sq. ft. single-family residence with an attached garage on an approximately 9,600 sq. ft. lot, and construction of three new approximately 2,570 sq. ft., 2-story detached single-family residences each with attached garages on the existing lot.

**Rationale:** The proposed development is located on an existing lot within an established residential neighborhood consisting of single and multi-family residential units similar in size and scale to the proposed development; therefore the project will not be out of character in the existing community. =The project is consistent with the density and other requirements of the certified City of Imperial Beach LCP, and the proposed development will not adversely impact coastal resources, public access, or public recreation opportunities consistent with the Chapter Three policies of the Coastal Act.

This waiver will not become effective until reported to the Commission at its December 2018 meeting and the site of the proposed development has been appropriately noticed, pursuant to 13054(b) of the California Code of Regulations. The Notice of Pending Permit shall remain posted at the site until the waiver has been validated and no less than seven days prior to the Commission hearing. If four (4) Commissioners object to this waiver of permit requirements, a coastal development permit will be required.

Sincerely,

John Ainsworth  
Executive Director

  
Cort Hitchens  
Coastal Program Analyst

cc: File

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December 6, 2018

**Coastal Development Permit Waiver**  
**Improvements to Existing Structures or Repair and Maintenance**  
**Coastal Act Section 30610**

Based on the project plans and information provided in your permit application for the development described below, the Executive Director of the Coastal Commission hereby waives the requirement for a Coastal Development Permit pursuant to Section 13250(c), Section 13252(e), or Section 13253(c), Title 14, California Code of Regulations. If, at a later date, this information is found to be incorrect or the plans revised, this decision will become invalid; and, any development occurring must cease until a coastal development permit is obtained or any discrepancy is resolved in writing.

**Waiver:** 6-18-1141-W**Applicants:** James and Kimberly Caccavo**Location:** 417 Pacific Avenue, Solana Beach (San Diego County) (APN(s): 263-051-09)

**Proposed Development:** Addition of a roof-mounted solar system containing 38 photovoltaic panels to an existing 2-story, single-family bluff-top residence. All of the solar panels will be located greater than 25 ft. from the existing edge of the coastal bluff and will be located lower than the highest point of the existing roof line. No structural alterations to the existing roof are proposed.

**Rationale:** The project requires a permit because it involves improvements to a structure located within 50 ft. of the bluff edge. The proposed improvements will not alter the structure of the existing roof or other major structural components of the home. The proposed development is located on an existing developed lot within an established residential neighborhood consisting of single-family residences similar in size and scale to the proposed development; therefore, the project will not be out of character with the existing community. The project is not subject to any relevant special overlays in the City of Solana Beach's certified Land Use Plan and is consistent with the Medium Density Residential designation. The proposed development will not adversely impact coastal resources, public views, public access, or public recreational opportunities, and is consistent with Chapter 3 policies of the Coastal Act.

This waiver will not become effective until reported to the Commission at its December 2018 meeting. If three (3) Commissioners object to this waiver of permit requirements, a coastal development permit will be required.

Sincerely,

John Ainsworth  
Executive Director

Dennis Davis  
Coastal Program Analyst

cc: Commissioners/File

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December 3, 2018

## **Coastal Development Permit Waiver Improvements to Existing Structures or Repair and Maintenance Coastal Act Section 30610**

Based on the project plans and information provided in your permit application for the development described below, the Executive Director of the Coastal Commission hereby waives the requirement for a Coastal Development Permit pursuant to Section 13250(c), Section 13252(e), or Section 13253(c), Title 14, California Code of Regulations. If, at a later date, this information is found to be incorrect or the plans revised, this decision will become invalid; and, any development occurring must cease until a coastal development permit is obtained or any discrepancy is resolved in writing.

**Waiver:** 6-18-1166-W**Applicant:** Cynthia M. Ward**Location:** 233 South Helix Avenue, Unit 12, Solana Beach (San Diego County) (APN(s): 298-520-01-12)**Proposed Development:** Replacement of exterior doors and windows of an existing, approximately 1,425 sq. ft., 1-story condominium unit; interior remodeling.

**Rationale:** The existing condominium building is located within 50 ft. of the coastal bluff, and thus the development requires a permit. The proposed development will not increase the size of the structure or impact geologic stability. The project is consistent with the High Density Residential designation. The proposed development will not adversely impact coastal resources, public views, public access, or public recreational opportunities, and is consistent with Chapter 3 policies of the Coastal Act.

This waiver will not become effective until reported to the Commission at its December 2018 meeting. If three (3) Commissioners object to this waiver of permit requirements, a coastal development permit will be required.

Sincerely,

John Ainsworth  
Executive Director

Dennis Davis  
Coastal Program Analyst

cc: Commissioners/File

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## **NOTICE OF PROPOSED IMMATERIAL PERMIT AMENDMENT**

Coastal Development Permit Amendment No. **6-16-0500-A1**

December 4, 2018

**To:** All Interested Parties

**From:** John Ainsworth, Executive Director

**Subject:** Permit No. **6-16-0500-A1** granted to **Jeff and Amy Szekeres** for: Construction of a 2-story, 5,141 sq. ft. single-family residence and a 705 sq. ft. attached garage on a vacant 0.32-acre lot.

**Project Site:** 525 San Julio, Solana Beach (San Diego County) (APN(s): 298-371-27)

The Executive Director of the California Coastal Commission has reviewed a proposed amendment to the above referenced permit, which would result in the following change(s):

Construction of a pool, fence, and fire pit in the rear yard of the new 2-story, single-family residence. No development will encroach into the ESHA buffer.

### **FINDINGS**

Pursuant to 14 Cal. Admin. Code Section 13166(b) this amendment is considered to be IMMATERIAL and the permit will be amended accordingly if no written objections are received within ten working days of the date of this notice. If an objection is received, the amendment must be reported to the Commission at the next regularly scheduled Commission hearing. This amendment has been considered "immaterial" for the following reason(s):

ESHA is located west of the southwestern property line of the subject property. In CDP #6-16-0500, the Commission required a buffer be provided from the delineated ESHA in the rear yard of the property. No development is permitted within the buffer except for restoration and maintenance of native plants. The proposed pool, fence, and fire pit will be sited outside of the ESHA buffer. Additionally, the Solana Beach Fire Department determined that the fuel modification zone would not be extended for the pool, fence, or fire pit. Therefore, the rear yard additions can be found consistent with the policies of Chapter 3 of the Coastal Act.

If you have any questions about the proposal or wish to register an objection, please contact Dennis Davis at the phone number provided above.

cc: Commissioners/File



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## NOTICE OF EXTENSION REQUEST FOR COASTAL DEVELOPMENT PERMIT

October 18, 2018

Notice is hereby given that Hitzke Development Corporation (Ginger Hitzke) has applied for a one year extension of 6-14-1033 granted by the California Coastal Commission on October 8, 2018.

for: Construction of a 17,089 sq. ft., 3-story, 35-ft, tall mixed-use building including 759 sq. ft. of commercial office space, 10 low-income housing residential units, 53 subterranean and ground level public/private parking spaces, landscaping, sidewalk improvements, and 5,100 CY of grading on an existing 14,721 sq. ft. paved public parking lot with 31 parking spaces.

at: 500 South Sierra Ave, Solana Beach (San Diego County) (APN(s): 298-211-81)

Pursuant to Section 13169 of the Commission Regulations, the Executive Director has determined that there are no changed circumstances affecting the proposed development's consistency with the Coastal Act. The Commission Regulations state that "if no objection is received at the Commission office within ten (10) working days of publishing notice, this determination of consistency shall be conclusive... and the Executive Director shall issue the extension." If an objection is received, the extension application shall be reported to the Commission for possible hearing.

Persons wishing to object or having questions concerning this extension application should contact the district office of the Commission at the above address or phone number.

Sincerely,

John Ainsworth  
Executive Director

A handwritten signature in black ink, appearing to read "Cort Hitchens", is written over a horizontal line.

Cort Hitchens  
Coastal Program Analyst

cc: Commissioners/File



## CITY OF SOLANA BEACH

635 SOUTH HIGHWAY 101 • SOLANA BEACH, CA 92075 • (858) 720-2400 • Fax (858) 720-2455

[www.cityofsolanabeach.org](http://www.cityofsolanabeach.org)

OCT - 3 2018

CALIFORNIA  
COASTAL COMMISSION  
SAN DIEGO COAST DISTRICT

*Letter from City of SSB*

September 26, 2018

California Coastal Commission  
c/o John Ainsworth, Executive Director  
San Diego District Office  
7575 Metropolitan Drive, Suite 103  
San Diego, CA 92108-4402

**SUBJECT: EXTENSION OF COASTAL DEVELOPMENT PERMIT 6-14-1033 FOR A 10-UNIT AFFORDABLE HOUSING PROJECT AT 500 SOUTH SIERRA AVENUE IN SOLANA BEACH, CA (APN 298-21-810)**

Dear Mr. Ainsworth,

This letter is written in support of the extension of Coastal Development Permit (CDP) 6-14-1033 issued to Hitzke Development Corporation ("Applicant") for a proposed 10-Unit Affordable Housing Project located at 500 South Sierra Avenue in Solana Beach (APN 298-21-810). On December 9, 2015, the City Council unanimously adopted Resolution 2015-138 (attached) granting a time extension of the project entitlements including a Development Review Permit and a Structure Development Permit (City of Solana Beach Case File #17-11-05).

After the project approval on April 23, 2014, Seascope Surf Estate Management Corporation filed a Writ of Mandate Petition to challenge the approvals by the City of Solana Beach. The City and the Applicant diligently and successfully defended the challenge in Superior Court. On August 17, 2015, the Superior Court ruled in favor of the City and the Applicant and the judgment was entered by the Court on September 7, 2015. Subsequently, Seascope Surf Management Corporation filed an appeal on September 28, 2015. The Appellate Court again ruled in favor of the City on December 13, 2016.

The City of Solana Beach respectfully requests that the California Coastal Commission approve the requested time extension of CDP 6-14-1033, which will help the City meet its affordable housing obligations and its Regional Housing Needs Allocation (RHNA) goals.

If you have any questions, please feel free to contact City Manager Greg Wade at (858) 720-2431 or by email at [gwade@cosb.org](mailto:gwade@cosb.org).

Sincerely,

David A. Zito, Mayor  
City of Solana Beach

**RESOLUTION 2015-140**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CONDITIONALLY APPROVING DEVELOPMENT REVIEW PERMIT, AN ADMINISTRATIVE STRUCTURE DEVELOPMENT PERMIT TIME EXTENSION TO CONSTRUCT A MIXED-USE DEVELOPMENT ON CITY-OWNED PROPERTY IN THE 500 BLOCK OF SOUTH SIERRA AVENUE IN SOLANA BEACH**

**APPLICANT: Hitzke Development Corporation**  
**CASE NO.: 17-11-05 DRP/SDP Time Extension**

**WHEREAS**, Hitzke Development Corporation (hereinafter referred to as "Applicant") has submitted a request for a time extension of the original approved Development Review Permit (DRP), administrative Structure Development Permit (SDP) for a mixed use project on the 500 block of South Sierra Avenue, pursuant to Title 17 (Zoning), of the Solana Beach Municipal Code (SBMC); and

**WHEREAS**, the original project was approved at the regularly scheduled April 23, 2014 City Council meeting; and

**WHEREAS**, Seascope Surf Estate Management Corporation filed a petition to challenge the approvals by the City of Solana Beach and the Superior Court ruled in favor of Solana Beach and the Real Party- Hitzke Development Corporation and the judgement was entered by the Court on September 8, 2015; and

**WHEREAS**, Seascope Surf Estate Management Corporation subsequently filed an appeal and the Court of Appeals has yet to issue a briefing schedule on the matter, therefore, delaying construction of the project; and

**WHEREAS**, on December 9, 2015, the City Council held a duly noticed Public Hearing to consider the time extension request; and

**WHEREAS**, the Public Hearing was conducted pursuant to the provisions of SBMC 17.72.030 of the Solana Beach Zoning Ordinance; and

**WHEREAS**, at the Public Hearing, the City Council received and considered evidence concerning the proposed Time Extension Request; and

**WHEREAS**, the City Council of the City of Solana Beach found that a Time Extension Request is not a project according to the State California Environmental Quality Act (CEQA) Guidelines, however, the City Council found that the original project application request for a DRP/SDP was exempt from the CEQA Guidelines pursuant to Class 32, Section 15332 of the State CEQA Guidelines, which exempts infill development within urbanized areas; and

**WHEREAS**, this decision is based upon the evidence presented at the hearing, and any information the City Council gathered by viewing the site and the area as disclosed



at the hearing.

**NOW THEREFORE**, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the foregoing recitations are true and correct.
2. That the request for a time extension of the approved Development Review Permit (DRP) and administrative Structure Development Permit (SDP) to construct a mixed-use development on a City-owned site in the 500 block of South Sierra Avenue, setting the expiration date to 24 months from the date of the entry of the final judgment in the case is approved based on the following Findings, and all terms and conditions of Resolution 2014-039 and are in effect along with the Time Extension;
3. FINDINGS:
  - A. In accordance with Section 17.72.110 (Lapse of Approval and Extensions) of the City of Solana Beach Municipal Code, the City Council finds the following:
    - I. The Applicant has presented facts which establish that the Applicant has timely and diligently pursued issuance of a building permit during the current extension period;
    - II. Circumstances beyond the Applicant's control have intervened and prevented the Applicant from obtaining the issuance of a building permit for the project prior to expiration of the current extension period;
    - III. The application for the extension sets forth a reasonable and substantial factual basis for issuance of the time extension;
    - IV. There is a substantial factual basis to determine that the Applicant will be able to perform the actions necessary to obtain issuance of a building permit prior to expiration of the requested extension;
    - V. The duration of the time extension requested by the Applicant is not longer than is reasonably necessary to perform the actions necessary to obtain the issuance of a building permit;
    - VI. There have not been any significant changes in the general plan, applicable specific plan, if any, zoning, or character of the area within which the project is located that would cause the approved project to become inconsistent, incompatible, or nonconforming therewith; and

- VII. The granting of an extension shall not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.

4. CONDITIONS

Prior to use or development of the property in reliance on this permit, the Applicants shall provide for and adhere to the conditions of the original project approval of Resolution 2014-039.

5. ENFORCEMENT: Pursuant to SBMC 17.72.120(B) failure to satisfy any and all of the above-mentioned conditions of approval is subject to the imposition of penalties as set forth in SBMC Chapters 1.16 and 1.18 in addition to any applicable revocation proceedings.
6. EXPIRATION: The Development Review Permit and Structure Development Permit for the project will expire 24 months from the date of the entry of the final judgment in the case, unless the Applicants have obtained building permits and have commenced construction prior to that date, and diligently pursued construction to completion. An extension of the application may be granted by the City Council.

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7. INDEMNIFICATION AGREEMENT: The Applicant shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify the Applicant of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, the Applicant shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Applicant regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Applicant shall not be required to pay or perform any settlement unless such settlement is approved by the Applicant.

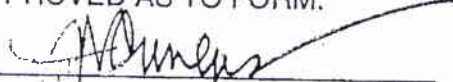
NOTICE TO APPLICANT: Pursuant to Government Code Section 66020, you are hereby notified that the 90-day period to protest the imposition of the fees, dedications, reservations or other exactions described in this Resolution commences on the effective date of this resolution. To protest the imposition of any fee, dedications, reservations or other exactions described in this Resolution you must comply with the provisions of Government Code Section 66020. Generally the Resolution is effective upon expiration of the tenth day following the date of adoption of this Resolution, unless the resolution is appealed or called for review as provided in the Solana Beach Zoning Ordinance.

**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Solana Beach, California, held on the 9<sup>th</sup> day of December 2015, by the following vote:


AYES: Councilmembers – Zito, Nichols, Marshall, Heepner  
NOES: Councilmembers – None  
ABSENT: Councilmembers – Zahn  
ABSTAIN: Councilmembers – None

  
DAVID A. ZITO, Mayor

APPROVED AS TO FORM:

  
JOHANNA N. CANLAS, City Attorney

ATTEST:

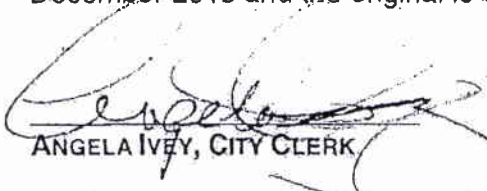
  
ANGELA IVEY, City Clerk



## RESOLUTION CERTIFICATION

STATE OF CALIFORNIA }  
COUNTY OF SAN DIEGO } §  
CITY OF SOLANA BEACH }

I, ANGELA IVEY, City Clerk of the City of Solana Beach, California, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of **Resolution 2015-140** conditionally approving a time extension of a Development Review Permit (DRP), and an administrative Structure Development Permit (SDP) at 500 block of South Sierra Ave., Case No. 17-11-05, Applicant: Hitzke Development Corporation as duly passed and adopted at a Regular Solana Beach City Council meeting held on the 9<sup>th</sup> day of December 2015 and the original is on file in the City Clerk's Office.

  
ANGELA IVEY, CITY CLERK

CERTIFICATION DATE: December 14, 2015





October 2, 2018

Erin Prahl  
California Coastal Commission  
7575 Metropolitan Drive, Suite 103  
San Diego, CA 92108

RECEIVED

OCT - 3 2018

CALIFORNIA  
COASTAL COMMISSION  
SAN DIEGO COAST DISTRICT

RE: EXTENSION OF COASTAL DEVELOPMENT PERMIT 6-14-1033

Dear Ms. Prahl:

We are formally requesting the Coastal Commission extend the expiration of CDP 6-14-1033 beyond the current expiration date of October 8, 2018. The Pearl is a 100% affordable housing development for very-low income households, seeking competitive funding from a variety of sources. Due to the competitive nature of financing for affordable housing developments like The Pearl and our inability to control the availability of funds, we are requesting the longest extension the Coastal Commission can make available for the project.

Since the project's initial approval by the Coastal Commission in October of 2014, the development team has been working diligently to get the project to a point where construction can begin. A series of events have occurred which have led to delays in securing the funding necessary to commence construction. These events center on lawsuits that were filed against the project. The history of those lawsuits and approvals for the project is as follows:

- April 2014 - Entitlements approved at City of Solana Beach
- May 2014 - Opponents file lawsuit against Developer and City of Solana Beach
- October 2014 - Coastal Commission Approval
- December 2014 - Opponents file lawsuit against Developer and Coastal Commission
- August 2015 - Court ruled in favor of Developer and City of Solana Beach
- September 8, 2015 - Coastal Commission Lawsuit is withdrawn by Plaintiff (Opponents)
- September 28, 2015 - Opponents file an appeal to ruling in favor of Developer and City of Solana Beach
- December 22, 2016 - Court ruled in favor of Developer and City of Solana Beach

These lawsuits caused The Pearl to miss out on funding opportunities and to surrender funds that had already been committed to the project. In the time since the lawsuits have been resolved and since the last CDP extension, the team has applied for and been awarded funding from the California Debt Limit



Allocation Committee (CDLAC) as well as 4% Tax Credits. However, due to rising construction costs there remains a funding gap that must be resolved before construction can begin.

We will continue to aggressively pursue sources of financing and apply for them as they become available. Unfortunately, we do not control the funding rounds for these sources and therefore cannot guarantee when the team will be able to secure these funds.

It is important to note that The Pearl is not sitting idle. The team continues to aggressively research financing sources and work to secure funds as soon as possible so that The Pearl can move forward. County of San Diego Staff and Supervisors have commented favorably about The Pearl and have indicated they would like to see the project move forward. The Pearl will provide much needed affordable housing in an underserved area of San Diego County.

The project has not materially changed since our original application and we expect to comply with all of the conditions that were included in the original approval. We appreciate your consideration of this matter and look forward to the extension of the CDP. Should you have any questions please do not hesitate to contact me via phone at 619-846-3532 or via email at [mike@hitzkeconsulting.com](mailto:mike@hitzkeconsulting.com).

Sincerely,



Michael VanBuskirk

Attachments:

- Application for Extension of Permit
- Disposition Development and Loan Agreement
- Copy of Original CDP
- Copy of CDP Extensions
- Letter from City of Solana Beach
- Noticing Package
- Notice of Pending Permit

Donna Levi  
597 S. Seirra Ave. 63  
Solana Beach, Ca 92075

November 15, 2018

California Coastal Commission  
7575 Metropolitan Drive  
San Diego, CA 92108-442

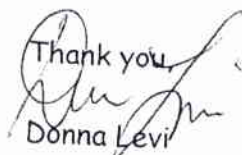
*Transmitted Via Email November 15, 2018*  
*Email Address: [cort.hitchens@coastal.ca.gov](mailto:cort.hitchens@coastal.ca.gov).*

Attn: John Ainsworth, Executive Director and Cort Hitchens, Coastal Program Analyst  
Re: October 8, 2014 Commission Meeting, Item 12b: **Application No. 6-14-1033**

Dear Executive Director, Program Analyst and California Coastal Commission:

I am writing to express my objection to the third extension filed on behalf of the application above.

Subsequent to the City of Solana Beach and the Coastal Commission approval of the 500 South Sierra Avenue housing development, the City of Solana Beach LCP/LUP removed 500 South Sierra Avenue as a named beach access parking lot. This is inconsistent with the basis for both the City of Solana Beach and the Coastal Commission approval of the housing development which required maintaining the parking for the Seascape Surf (Cherry Hill) beach access stairway.

Thank you,  
  
Donna Levi

Dear California Coastal Commission,

11/15/2018


Re: Hitzke Dev. Corp, 1 year extension of 6-14-1033, for construction of a 17,089 SF, 3 story, 35 ft tall, mixed used building (mostly parking lot), at 500 South Sierra Ave, Solana Beach CA (San Diego County, APN 298-211-81).

I just received the attached letter yesterday, postmarked November 9, 2018. I would like to ask that you please revoke the extension for this project, or hold a hearing to revoke the extension, for the following reasons:

- 1) The proposed large subterranean parking garage, considering the location relative to the 80 ft sand stone beachfront cliffs only 200 ft west, will further destabilize the fragile beachfront, and increase the likelihood of a catastrophic failure of the beachfront bluff. Has a detailed civil engineering structural study been done on the land between the proposed subterranean structure and the beachfront cliffs, considering both the stability at rest, and under expected earthquake loads? Digging a large hole that close to the beachfront cliffs seems like a bad idea even without any detailed analyses.
- 2) A larger parking lot will lead to more traffic, more noise, and more congestion, in a beachfront resort area. There appears to be adequate surfer parking on the street any day of the week, all summer long. And there is lots of public transportation within a couple blocks of the proposed project: The Solana Beach train station (~3 blocks), the 101 bus (1 block), and the 308 bus (1 block). A larger parking lot, where public transit abounds, seems like a crazy waste of valuable coastal land, just adjacent to the beach, where it will be a detriment to the enjoyment of the beach, and disturb the resort residents on all sides of the proposed project.
- 3) The development plan calls for ten "low income housing units," but low income housing should not be at the beach. Low income housing should be on the other side of the I-10 freeway at the closest. Furthermore, I have inquired at the city of Solana Beach about the "low income housing" and asked that my name or one of my local poverty-stricken family (like my 80 year-old very-poor aunt living in Escondido) be added to the list for consideration for the housing, more than 2 years ago. The city representatives at the city offices were not sure how the housing was to be distributed, and took my name and phone number, but never contacted me again. My guess is that some friend or relative of the developer will be living in the "low income housing." Regardless of who benefits from a low income housing boondoggle, low income housing should not be located in a beachside resort area.
- 4) This project has floundered for several years already – as it should, considering the wisdom of the land use proposed. Great work putting off this crazy proposal to date! How many extensions have been granted? Too many. Please reject this project and its permitting.
- 5) The project has a tiny 759 SF of commercial office space. What is the proposed use for this tiny office? Is that for the parking lot attendant booth? Or is it a food stamp office for the low income housing? It's too small for any useful retail.

In summary, I would like to ask you to reject the extension of the coastal development permit, or at least hold a hearing to reject it. Please be sure to notify me of any hearing, as I would like to attend.

Thank you,

  
Ernest Kurschat, owner at Sand Pebbles Resort, abutting the east side of the proposed project  
Sand Pebbles Resort, 535 S Hwy 101, Solana Beach CA 92075  
Permanent mailing address: 7734 S 38<sup>th</sup> St, Phoenix AZ 85042  
Tel. 480-643-0734

**RECEIVED**

NOV 19 2018

CALIFORNIA  
COASTAL COMMISSION  
SAN DIEGO COAST DISTRICT

**CALIFORNIA COASTAL COMMISSION**

SAN DIEGO COAST DISTRICT OFFICE  
7575 METROPOLITAN DRIVE, SUITE 103  
SAN DIEGO, CALIFORNIA 92108-4402  
PH (619) 767-2370 FAX (619) 767-2384  
[WWW.COASTAL.CA.GOV](http://WWW.COASTAL.CA.GOV)



## NOTICE OF EXTENSION REQUEST FOR COASTAL DEVELOPMENT PERMIT

October 18, 2018

Notice is hereby given that Hitzke Development Corporation (Ginger Hitzke) has applied for a one year extension of 6-14-1033 granted by the California Coastal Commission on October 8, 2018.

for: Construction of a 17,089 sq. ft., 3-story, 35-ft, tall mixed-use building including 759 sq. ft. of commercial office space, 10 low-income housing residential units, 53 subterranean and ground level public/private parking spaces, landscaping, sidewalk improvements, and 5,100 CY of grading on an existing 14,721 sq. ft. paved public parking lot with 31 parking spaces.

at: 500 South Sierra Ave, Solana Beach (San Diego County) (APN(s): 298-211-81)

Pursuant to Section 13169 of the Commission Regulations, the Executive Director has determined that there are no changed circumstances affecting the proposed development's consistency with the Coastal Act. The Commission Regulations state that "if no objection is received at the Commission office within ten (10) working days of publishing notice, this determination of consistency shall be conclusive... and the Executive Director shall issue the extension." If an objection is received, the extension application shall be reported to the Commission for possible hearing.

Persons wishing to object or having questions concerning this extension application should contact the district office of the Commission at the above address or phone number.

Sincerely,

John Ainsworth  
Executive Director

A handwritten signature in black ink, appearing to read "Cort Hitchens", written over a horizontal line.

Cort Hitchens  
Coastal Program Analyst

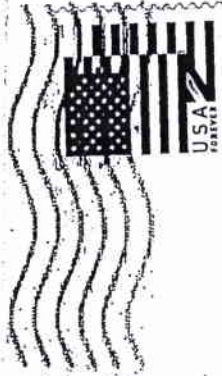
cc: Commissioners/File

California Coastal Commission  
San Diego Coast Area  
7575 Metropolitan Drive, Suite 103  
San Diego, CA 92108-4402

298-213-27-51  
ERNEST KURSCHAT  
7734 S 38TH ST  
PHOENIX, AZ 85042

SAN DIEGO CA 920

09 NOV 2013 PM 2 1



I just  
got your  
letter.

65042-966134





Mr. Jack Ainsworth  
Executive Director  
California Coastal Commission

RE: PEARL PROJECT DEVELOPER

Dear Sir

The 500 South Sierra Ave developer's most recent financing application, now close to \$10 million dollars for 10 units, was presented to CMFA stating that the housing would be for farmworkers while the City of Solana Beach based its decision on settlement of the "Perl" lawsuit requiring that the displaced residents under the "Perl" lawsuit would have first rights to the available new housing units. The city argued in the April 2014 hearing at which the approved the housing development that it was not subject to Article 34 as the 500 South Sierra Avenue development would be used for the Perl lawsuit settlement.

The Kalnel Gardens LLC vs City of Los Angeles decision in 2016 held that the Coastal Act trumps both the Density Bonus Act and the Mello Act. Accordingly projects in the stat's coastal zone cannot be approved unless they are consistent with the Coastal Act and local coastal programs that implement the Act. Like the affordable housing project addressed in the Kalnel Gardens decision, the Hitzke housing development project included more units greater mass and scale, and a parking space reduction using the Density Bonus Act that were and are inconsistent with the Solana Beach LCP/LUP. These waivers/incentives conflict with the Kalnel Garden's decision and the Coastal Act's policies.

Subsequent to the City of Solana Beach and the Coastal Commission approval of the 500 South Sierra Avenue housing development the City of Solana Beach removed 500 South Sierra Avenue as a named beach access parking lot. This is

inconsistent with the basis for both the City of Solana Beach and the Coastal Commission approval of the housing development which required maintaining the parking for the Seascape Surf (Cherry Hill) beach access stairway.

On November 13, 2018 the City of Solana Beach accepted the Coastal Commission's modifications to its draft LUP which requires a doubling of the recreation impact fee for bluff reinforcement devices. This creates a public safety issue in the Cherry Hill Beach where bluff reinforcement is on private property and the depth of the bluff is substantial so while property is protected beach goers are not. The residents in the 500 South Sierra Avenue housing development may have to rely entirely on an unsafe Seascape Surf (Cherry Hill) Beach area for recreational activity as the development was approved with no on-site recreational area.

Gary Garber

Solana Beach, California

CH

17 November 2018

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NOV 21 2018

CALIFORNIA  
COASTAL COMMISSION  
SAN DIEGO COAST DISTRICT

California Coastal Commission  
7575 Metropolitan Drive  
San Diego, CA 92108-442

Attn: John Ainsworth, Executive Director and Cori Hitchens, Coastal  
Program Analyst

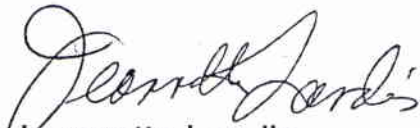
Dear Sir/Madam:

I am writing to protest the extension request by the Pearl Developer, Hitzke Corporation for the following reasons:

1. The 500 South Sierra Avenue developer's most recent financing application, now close to \$10 million for 10 units, was presented to CMFA stating that the housing would be for farmworkers while the City of Solana Beach based its decision on settlement of the "Perl" lawsuit requiring that the displaced residents under the "Perl" lawsuit would have first rights to the available new housing units. The City argued in the April 2014 hearing at which they approved the housing development that it was not subject to Article 34 as the 500 South Sierra Avenue development would be used for the Perl lawsuit settlement.
2. The *Kalnel Gardens, LLC v. City of Los Angeles* decision in 2016 held that the Coastal Act trumps both the Density Bonus Act and the Mello Act. Accordingly, projects in the state's coastal zone cannot be approved unless they are consistent with the Coastal Act and local coastal programs that implement the Act. Like the affordable housing project addressed in the Kalnel Gardens decision, the Hitzke housing development project included more units, greater mass and scale, and a parking space reduction using the Density Bonus Act that were and are inconsistent with the Solana Beach LCP/LUP. These waivers/incentives conflict with the Kalnel Garden's decision and the Coastal Act's policies.

3. Subsequent to the City of Solana Beach and the Coastal Commission approval of the 500 South Sierra Avenue housing development, the City of Solana Beach LCP/LUP removed 500 South Sierra Avenue as a named beach access parking lot. This is inconsistent with the basis for both the City of Solana Beach and the Coastal Commission approval of the housing development which required maintaining the parking for the Seascape Surf (Cherry Hill) beach access stairway.

Thank you for your consideration.

A handwritten signature in cursive script, appearing to read "Jeannette Landis".

Jeannette Landis

527 S. Sierra Avenue, Unit 186  
Solana Beach, CA 92075

CH

Joseph J. Arias  
3715 West 226<sup>th</sup> Street  
Torrance, CA 90505-2503

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NOV 21 2018

CALIFORNIA  
COASTAL COMMISSION  
SAN DIEGO COAST DISTRICT

NOVEMBER 17, 2018

California Coastal Commission  
7575 Metropolitan Drive, Suite 103  
San Diego, CA 92108-4402

In Regards to: 500 South Sierra Ave, Solana Beach (San Diego County) (APN: 298-211-81)

Please note that I object to the one year extension that was granted to Hitzke Development Corporation for constructing a mixed use office space and low income housing at the above address.

As stated earlier in a previous correspondence, I object to the above project as it is not compatible to this community, the building will infringe on the easement and overshadows the adjacent buildings. Any construction will disrupt the community and will damage the existing building.

I urge the Commission to reconsider the extension.

Warm regards,



Joseph J. Arias



**From:** Joni Shepard  
**To:** [Hitchens.Cort@Coastal](mailto:Hitchens.Cort@Coastal)  
**Date:** Wednesday, November 14, 2018 5:57:31 PM

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California Coastal Commission

*Transmitted Via Email November 2018*

7575 Metropolitan Drive

*Email Address:* [cort.hitchens@coastal.ca.gov](mailto:cort.hitchens@coastal.ca.gov).

San Diego, CA 92108-442

Attn: John Ainsworth, Executive Director and Cort Hitchens, Coastal Program Analyst

Re: October 8, 2014 Commission Meeting, Item 12b: Application No. 6-14-1033

Dear Executive Director, Program Analyst and California Coastal Commission:

The 500 South Sierra Avenue developer's most recent financing application, now close to \$10 million for 10 units, was presented to CMFA stating that the housing would be for farmworkers while the City of Solana Beach based its decision on settlement of the "Perl" lawsuit requiring that the displaced residents under the "Perl" lawsuit would have first rights to the available new housing units. The City argued in the April 2014 hearing at which they approved the housing development that it was not subject to Article 34 as the 500 South Sierra Avenue development would be used for the Perl lawsuit settlement.

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decision and the Coastal Act's policies.

Subsequent to the City of Solana Beach and the Coastal Commission approval of the 500 South Sierra Avenue housing development, the City of Solana Beach LCP/LUP removed 500 South Sierra Avenue as a named beach access parking lot. This is inconsistent with the basis for both the City of Solana Beach and the Coastal Commission approval of the housing development which required maintaining the parking for the Seascape Surf (Cherry Hill) beach access stairway.

On November 13, 2018, the City of Solana Beach accepted the Coastal Commission's modifications to its draft LUP which requires a doubling of the recreation impact fee for bluff reinforcement devices. This creates a public safety issue in the Cherry Hill Beach area where bluff reinforcement is on private property and the depth of the bluff is substantial so while property is protected, beach goers are not. The residents in the 500 South Sierra Avenue housing development may have to rely entirely on an unsafe Seascape Surf (Cherry Hill) Beach area for recreational activity as the development was approved with no on-site recreational area.

Joni Shepard

503 south sierra unit 155

Solana Beach

4155193213

Joni Shepard

[shepard.joni@gmail.com](mailto:shepard.joni@gmail.com)

415.519.3213

## Hitchens, Cort@Coastal

---

**From:** Marilyn Jones <marilynj108@gmail.com>  
**Sent:** Saturday, November 24, 2018 9:17 AM  
**To:** Hitchens, Cort@Coastal; Ainsworth, John@Coastal  
**Subject:** Application No. 6-14-1033 Request for third one-year extension  
**Attachments:** Attachment 1 PS\_ParkingLots from LUP.pdf; Attachment 2 Hitzke Request for extension.pdf; Attachment 3 Support Letter from City of Solana Beach.pdf; Attachment 4 CA-18-729.pdf

California Coastal Commission  
7575 Metropolitan Drive  
San Diego, CA 92108-442

*Transmitted Via Email November 24, 2018*  
*Email Address: [cort.hitchens@coastal.ca.gov](mailto:cort.hitchens@coastal.ca.gov).*

Attn: John Ainsworth, Executive Director and Cort Hitchens, Coastal Program Analyst

Re: October 8, 2014 Commission Meeting, Item 12b: Application No. 6-14-1033

Dear Executive Director, Program Analyst and California Coastal Commission:

This email summarizes my objection to a third one-year extension (requested by the Hitzke Development Corporation – the “Developer”) of 6-14-1033 CDP granted by the California Coastal Commission (the “Commission”) on October 8, 2014. The objection is based on changes in circumstances that impact the development being consistent with the California Coastal Act and the City of Solana Beach LCP/LUP (including its most recent draft requiring the Commission’s approval).

As a reminder, this development is on South Sierra Ave, a small beach access street in the City of Solana Beach (the “City”) that provides the only access to the beaches in the City from Via de La Valle to Lomas Santa Fe. This development replaces the 535 South Sierra Ave beach access parking lot (see Attachment 1 - #7 is the Seascape Sur (Cherry Hill) Beach access parking lot and location of the development). The beach access staircases are noted on the ocean side of the map in Attachment 1.

In the application for extension submitted by the Developer (see Attachment 2) and the letter of support provided by the City Mayor, David Zito (see Attachment 3), both seem to argue that no progress has been made on the development due to a lawsuit settled by the courts on December 22, 2016 (almost two years ago). The responsibility for the delay resides entirely with the City and the Developer who fail to acknowledge when you design and approve a project that violates so many local ordinances, argue that it’s “affordable” housing to give variances for almost every development standard and then get push back from local residents, you need to plan for “what ifs”.

This project was introduced in 2011 with the City holding 3 public workshops (one at which the City would not allow public comments from citizens/residents). During the other 2 public workshops both the City and the Developer heard issues and concerns but decided anyone with objections was a “NIMBY”. After the public workshops, they pulled the project, reintroduced it again in 2014 with 10-day notice for the public hearing, denied the required view assessments applied for by changing the definition of “person” (even though defined in their ordinances), and made the project less compatible for shared public beach parking and residential units. These were all actions and decisions made by

the City, City staff and the Developer. They all had legal counsel and other advisers (all being paid by public funds) who assisted them with their actions and presumably assessed their risks.

The political and legal process for objection by the public does include the right to sue. Every public official has a fiduciary responsibility to assess the cost/benefit of their actions prior to taking their action. Unlike the City, the City staff and the Developer (who works for profit), Solana Beach citizens/residents had to take time away from their work, their families and any money spent had to come out of their individual pockets.

Another reason the City and the Developer did not make the project more suitable for shared parking and residential housing is they had to claim this a mixed-use project; otherwise the public would need to vote to re-zone the property from commercial to residential. It's interesting that the Developer's application for the Commission's extension states that this is a 100% affordable housing development – if true, the City needs to take it to the vote of Solana Beach residents. Also, if true, this is a material change in the development that needs to be presented to the Commission. The City has had several opportunities for that vote since 2011 and has opted not to take it.

At the hearing in 2014, the Developer acknowledged that the financial feasibility for the 10 housing units was tight because in order to be mixed-use there is a small office which will likely not generate a lot of revenue and may need a "friend" to rent it out.

One can't help but point out to all involved public fiduciaries (the City, the County and the Coastal Commission), you would only need \$4 million of principal to generate interest from purchasing 10-year treasury bonds to provide a comparable level of rent subsidy (approximately \$126K under the May 16, 2018 financing) for 10 families. This approach saves an open space beach parking lot, saves \$4 million to \$5 million of public funds for other families needing affordable housing. It is also important to note that the City had the opportunity to use these funds to purchase Solana Beach condominium foreclosures in 2011 and 2012 in the \$300,000 range. This approach would also have yield saving public funds, provided on-site recreational facilities to the families renting the housing units and saved an open space beach parking lot. As a reminder the City is leasing the property to the Developer for \$1 per year for 55 years. Finally, the City continues to allow developers to pay in the \$300K per unit range in lieu of providing integrated affordable housing in new developments.

It's a little hard to believe that the County of San Diego is highly supportive of spending what is approaching \$10 million dollars of mostly taxpayer money for 10 housing units when they just announced (August 2018) \$25 million for 7 projects with 503 affordable housing units. Maybe the Commission should ask the City and the Developer for a letter from the County Board of Supervisors for the County's current commitment to the project. If you ask a group of County citizens needing "affordable" housing if they think this is a good use of \$10 million dollars, they would say no.

The financial feasibility is also a very important factor as to whether or not beach access will be interrupted or in fact harmed in the long term. If the financing is so tight now as represented by the Developer there is also risk after demolition begins that the project could be stalled. Once demolition begins, South Sierra Avenue will have a major loss in parking for this beach access area. In addition to the parking lot site being under construction, there will have to be a loss of street parking during construction. It sounds like the Developer and the City are chasing a better financing environment while costs continue to go up at a faster rate. It's worth noting that the developer fee has increased roughly 50% since the 2014 financing proposal (over 10% per year and representing over 10% of the costs). By comparison, inflation was averaging in the 2% range.

To have this project start and then have financing issues is not a risk the Commission should take. The City has already missed opportunities to use their \$2 million contribution to leverage other projects: Solana 101 (soon to come before the Commission) and in their request for proposals to develop affordable housing at City Hall. If the goal of the City and Commission is to have 10 families live at the beach – these 2 projects are both on South Sierra Avenue – one approximately one block North and one approximately one block South.

I believe that the lack of any progress towards this development in 4 years (almost 2 years since the final court ruling on the litigation) should result in a denial by the Commission. The City has not even put a deed restriction of 31 public parking spaces (condition of the Commission) which presumably will be required regardless of what gets build on the property.

Sincerely,  
Marilyn Jones  
567 S. Sierra Ave #84  
Solana Beach, CA 92075





## Public Parking Lots

1.	Transit Parking (106 North Cedros Ave)	= 319
2.	Plaza Street North Parking Lot (116 North Highway 101)	= 24
3.	Plaza Street South Parking Lot (116 North Highway 101)	= 23
4.	Fletcher Cove Parking Lot (101 South Sierra Avenue)	= 33
5.	Distillery Parking Lot (140 South Sierra Avenue)	= 82
6.	423 South Sierra Avenue	= 37
7.	535 South Sierra	= 31
8.	City Hall Parking Lot (635 South Highway 101)	= 66
9.	Del Mar Shores North (721 South Sierra Avenue)	= 20
10.	Del Mar Shores South (733 South Sierra Avenue)	= 21
11.	740 South Sierra Avenue	= 20
<b>Total</b>		<b>= 676</b>

### ON STREET PARKING

All public streets from Cedros Avenue, West to the ocean  
= 1384

**Grand Total** (Includes Parking Lots and On-Street Parking)  
= 2060

### Legend

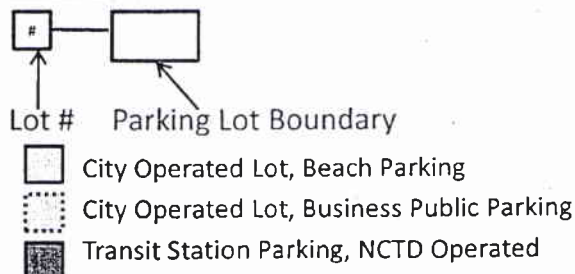


EXHIBIT 2-2 PUBLIC PARKING INVENTORY

Draft

Local Coastal Program Land Use Plan  
City of Solana Beach, April 13, 2011







RECEIVED

OCT - 3 2018

CALIFORNIA  
COASTAL COMMISSION  
SAN DIEGO COAST DISTRICT

October 2, 2018

Erin Prahl  
California Coastal Commission  
7575 Metropolitan Drive, Suite 103  
San Diego, CA 92108

RE: EXTENSION OF COASTAL DEVELOPMENT PERMIT 6-14-1033

Dear Ms. Prahl:

We are formally requesting the Coastal Commission extend the expiration of CDP 6-14-1033 beyond the current expiration date of October 8, 2018. The Pearl is a 100% affordable housing development for very-low income households, seeking competitive funding from a variety of sources. Due to the competitive nature of financing for affordable housing developments like The Pearl and our inability to control the availability of funds, we are requesting the longest extension the Coastal Commission can make available for the project.

Since the project's initial approval by the Coastal Commission in October of 2014, the development team has been working diligently to get the project to a point where construction can begin. A series of events have occurred which have led to delays in securing the funding necessary to commence construction. These events center on lawsuits that were filed against the project. The history of those lawsuits and approvals for the project is as follows:

- April 2014 - Entitlements approved at City of Solana Beach
- May 2014 - Opponents file lawsuit against Developer and City of Solana Beach
- October 2014 - Coastal Commission Approval
- December 2014 - Opponents file lawsuit against Developer and Coastal Commission
- August 2015 - Court ruled in favor of Developer and City of Solana Beach
- September 8, 2015 - Coastal Commission Lawsuit is withdrawn by Plaintiff (Opponents)
- September 28, 2015 - Opponents file an appeal to ruling in favor of Developer and City of Solana Beach
- December 22, 2016 - Court ruled in favor of Developer and City of Solana Beach

These lawsuits caused The Pearl to miss out on funding opportunities and to surrender funds that had already been committed to the project. In the time since the lawsuits have been resolved and since the last CDP extension, the team has applied for and been awarded funding from the California Debt Limit

Allocation Committee (CDLAC) as well as 4% Tax Credits. However, due to rising construction costs there remains a funding gap that must be resolved before construction can begin.

We will continue to aggressively pursue sources of financing and apply for them as they become available. Unfortunately, we do not control the funding rounds for these sources and therefore cannot guarantee when the team will be able to secure these funds.

It is important to note that The Pearl is not sitting idle. The team continues to aggressively research financing sources and work to secure funds as soon as possible so that The Pearl can move forward. County of San Diego Staff and Supervisors have commented favorably about The Pearl and have indicated they would like to see the project move forward. The Pearl will provide much needed affordable housing in an underserved area of San Diego County.

The project has not materially changed since our original application and we expect to comply with all of the conditions that were included in the original approval. We appreciate your consideration of this matter and look forward to the extension of the CDP. Should you have any questions please do not hesitate to contact me via phone at 619-846-3532 or via email at [mike@hitzkeconsulting.com](mailto:mike@hitzkeconsulting.com).

Sincerely,



Michael VanBuskirk

Attachments:

- Application for Extension of Permit
- Disposition Development and Loan Agreement
- Copy of Original CDP
- Copy of CDP Extensions
- Letter from City of Solana Beach
- Noticing Package
- Notice of Pending Permit



## CITY OF SOLANA BEACH

635 SOUTH HIGHWAY 101 • SOLANA BEACH, CA 92075 • (858) 720-2400 • Fax (858) 720-2455

[www.cityofsolanabeach.org](http://www.cityofsolanabeach.org)

OCT - 3 2018

CALIFORNIA  
COASTAL COMMISSION  
SAN DIEGO COAST DISTRICT

*Letter from City of SB*

September 26, 2018

California Coastal Commission  
c/o John Ainsworth, Executive Director  
San Diego District Office  
7575 Metropolitan Drive, Suite 103  
San Diego, CA 92108-4402

**SUBJECT: EXTENSION OF COASTAL DEVELOPMENT PERMIT 6-14-1033 FOR A 10-UNIT AFFORDABLE HOUSING PROJECT AT 500 SOUTH SIERRA AVENUE IN SOLANA BEACH, CA (APN 298-21-810)**

Dear Mr. Ainsworth,

This letter is written in support of the extension of Coastal Development Permit (CDP) 6-14-1033 issued to Hitzke Development Corporation ("Applicant") for a proposed 10-Unit Affordable Housing Project located at 500 South Sierra Avenue in Solana Beach (APN 298-21-810). On December 9, 2015, the City Council unanimously adopted Resolution 2015-138 (attached) granting a time extension of the project entitlements including a Development Review Permit and a Structure Development Permit (City of Solana Beach Case File #17-11-05).

After the project approval on April 23, 2014, Seascape Surf Estate Management Corporation filed a Writ of Mandate Petition to challenge the approvals by the City of Solana Beach. The City and the Applicant diligently and successfully defended the challenge in Superior Court. On August 17, 2015, the Superior Court ruled in favor of the City and the Applicant and the judgment was entered by the Court on September 7, 2015. Subsequently, Seascape Surf Management Corporation filed an appeal on September 28, 2015. The Appellate Court again ruled in favor of the City on December 13, 2016.

The City of Solana Beach respectfully requests that the California Coastal Commission approve the requested time extension of CDP 6-14-1033, which will help the City meet its affordable housing obligations and its Regional Housing Needs Allocation (RHNA) goals.

If you have any questions, please feel free to contact City Manager Greg Wade at (858) 720-2431 or by email at [gwade@cosb.org](mailto:gwade@cosb.org).

Sincerely,

David A. Zito, Mayor  
City of Solana Beach

**RESOLUTION 2015-140**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CONDITIONALLY APPROVING DEVELOPMENT REVIEW PERMIT, AN ADMINISTRATIVE STRUCTURE DEVELOPMENT PERMIT TIME EXTENSION TO CONSTRUCT A MIXED-USE DEVELOPMENT ON CITY-OWNED PROPERTY IN THE 500 BLOCK OF SOUTH SIERRA AVENUE IN SOLANA BEACH**

**APPLICANT: Hitzke Development Corporation**  
**CASE NO.: 17-11-05 DRP/SDP Time Extension**

**WHEREAS**, Hitzke Development Corporation (hereinafter referred to as "Applicant") has submitted a request for a time extension of the original approved Development Review Permit (DRP), administrative Structure Development Permit (SDP) for a mixed use project on the 500 block of South Sierra Avenue, pursuant to Title 17 (Zoning), of the Solana Beach Municipal Code (SBMC); and

**WHEREAS**, the original project was approved at the regularly scheduled April 23, 2014 City Council meeting; and

**WHEREAS**, Seascape Surf Estate Management Corporation filed a petition to challenge the approvals by the City of Solana Beach and the Superior Court ruled in favor of Solana Beach and the Real Party- Hitzke Development Corporation and the judgement was entered by the Court on September 8, 2015; and

**WHEREAS**, Seascape Surf Estate Management Corporation subsequently filed an appeal and the Court of Appeals has yet to issue a briefing schedule on the matter, therefore, delaying construction of the project; and

**WHEREAS**, on December 9, 2015, the City Council held a duly noticed Public Hearing to consider the time extension request; and

**WHEREAS**, the Public Hearing was conducted pursuant to the provisions of SBMC 17.72.030 of the Solana Beach Zoning Ordinance; and

**WHEREAS**, at the Public Hearing, the City Council received and considered evidence concerning the proposed Time Extension Request; and

**WHEREAS**, the City Council of the City of Solana Beach found that a Time Extension Request is not a project according to the State California Environmental Quality Act (CEQA) Guidelines, however, the City Council found that the original project application request for a DRP/SDP was exempt from the CEQA Guidelines pursuant to Class 32, Section 15332 of the State CEQA Guidelines, which exempts infill development within urbanized areas; and

**WHEREAS**, this decision is based upon the evidence presented at the hearing, and any information the City Council gathered by viewing the site and the area as disclosed



at the hearing.

**NOW THEREFORE**, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the foregoing recitations are true and correct.
2. That the request for a time extension of the approved Development Review Permit (DRP) and administrative Structure Development Permit (SDP) to construct a mixed-use development on a City-owned site in the 500 block of South Sierra Avenue, setting the expiration date to 24 months from the date of the entry of the final judgment in the case is approved based on the following Findings, and all terms and conditions of Resolution 2014-039 and are in effect along with the Time Extension:

3. FINDINGS:

- A. In accordance with Section 17.72.110 (Lapse of Approval and Extensions) of the City of Solana Beach Municipal Code, the City Council finds the following:
  - I. The Applicant has presented facts which establish that the Applicant has timely and diligently pursued issuance of a building permit during the current extension period;
  - II. Circumstances beyond the Applicant's control have intervened and prevented the Applicant from obtaining the issuance of a building permit for the project prior to expiration of the current extension period;
  - III. The application for the extension sets forth a reasonable and substantial factual basis for issuance of the time extension;
  - IV. There is a substantial factual basis to determine that the Applicant will be able to perform the actions necessary to obtain issuance of a building permit prior to expiration of the requested extension;
  - V. The duration of the time extension requested by the Applicant is not longer than is reasonably necessary to perform the actions necessary to obtain the issuance of a building permit;
  - VI. There have not been any significant changes in the general plan, applicable specific plan, if any, zoning, or character of the area within which the project is located that would cause the approved project to become inconsistent, incompatible, or nonconforming therewith; and



- VII. The granting of an extension shall not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.

4. CONDITIONS

Prior to use or development of the property in reliance on this permit, the Applicants shall provide for and adhere to the conditions of the original project approval of Resolution 2014-039.

5. ENFORCEMENT: Pursuant to SBMC 17.72.120(B) failure to satisfy any and all of the above-mentioned conditions of approval is subject to the imposition of penalties as set forth in SBMC Chapters 1.16 and 1.18 in addition to any applicable revocation proceedings.
6. EXPIRATION: The Development Review Permit and Structure Development Permit for the project will expire 24 months from the date of the entry of the final judgment in the case, unless the Applicants have obtained building permits and have commenced construction prior to that date, and diligently pursued construction to completion. An extension of the application may be granted by the City Council.

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7. INDEMNIFICATION AGREEMENT: The Applicant shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify the Applicant of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, the Applicant shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Applicant regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Applicant shall not be required to pay or perform any settlement unless such settlement is approved by the Applicant.

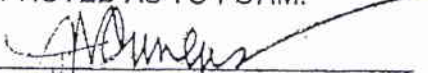
NOTICE TO APPLICANT: Pursuant to Government Code Section 66020, you are hereby notified that the 90-day period to protest the imposition of the fees, dedications, reservations or other exactions described in this Resolution commences on the effective date of this resolution. To protest the imposition of any fee, dedications, reservations or other exactions described in this Resolution you must comply with the provisions of Government Code Section 66020. Generally the Resolution is effective upon expiration of the tenth day following the date of adoption of this Resolution, unless the resolution is appealed or called for review as provided in the Solana Beach Zoning Ordinance.

**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Solana Beach, California, held on the 9<sup>th</sup> day of December 2015, by the following vote:

AYES: Councilmembers – Zito, Nichols, Marshall, Heebner  
NOES: Councilmembers – None  
ABSENT: Councilmembers – Zahn  
ABSTAIN: Councilmembers – None

  
DAVID A. ZITO, Mayor

APPROVED AS TO FORM:

  
JOHANNA N. CANLAS, City Attorney

ATTEST:

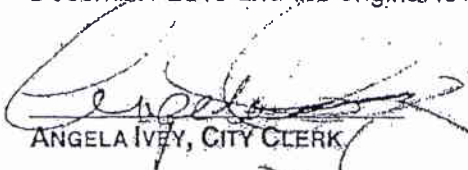
  
ANGELA IVEY, City Clerk



## RESOLUTION CERTIFICATION

STATE OF CALIFORNIA }  
COUNTY OF SAN DIEGO } §  
CITY OF SOLANA BEACH }

I, ANGELA IVEY, City Clerk of the City of Solana Beach, California, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of **Resolution 2015-140** conditionally approving a time extension of a Development Review Permit (DRP), and an administrative Structure Development Permit (SDP) at 500 block of South Sierra Ave., Case No. 17-11-05, Applicant: Hitzke Development Corporation as duly passed and adopted at a Regular Solana Beach City Council meeting held on the 9<sup>th</sup> day of December 2015 and the original is on file in the City Clerk's Office.

  
ANGELA IVEY, CITY CLERK

CERTIFICATION DATE: December 14, 2015

**CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE**

**Project Staff Report**

**Tax-Exempt Bond Project**

**May 16, 2018**

**REVISED**

The Pearl, located on the east side of the 500 block of South Sierra Avenue, in Solana Beach, requested and is being recommended for a reservation of \$352,846 in annual federal tax credits and \$2,570,475 in total state farmworker credit to finance the new construction of 10 units of housing serving large families with rents affordable to households earning 50% of area median income (AMI). The project will be developed by Hitzke Development Corporation and will be located in Senate District 39 and Assembly District 78.

**Project Number** CA-18-729

**Project Name** The Pearl

**Site Address:** East Side of the 500 Block of South Sierra Avenue  
Solana Beach, CA 92075 County: San Diego

**Census Tract:** 173.04

<b>Tax Credit Amounts</b>	<b>Federal/Annual</b>	<b>State Farmworker/Total *</b>
Requested:	\$352,846	\$2,570,475
Recommended:	\$352,846	\$2,570,475

\* The applicant made an irrevocable election not to sell (Certificate) any portion of the state credits.

**Applicant Information**

**Applicant:** The Pearl Solana Beach, L.P.  
**Contact:** Ginger Hitzke  
**Address:** 44036 Sheldon Court  
Temecula, CA 92592  
**Phone:** 760-798-9809  
**Email:** ginger@hitzkedevlopment.com

<b>General Partner(s) or Principal Owner(s):</b>	Hitzke Development Corporation Cascade Housing Association
<b>General Partner Type:</b>	Joint Venture
<b>Parent Company(ies):</b>	Hitzke Development Corporation Cascade Housing Association
<b>Developer:</b>	Hitzke Development Corporation
<b>Investor/Consultant:</b>	Boston Capital
<b>Management Agent:</b>	Cambridge Real Estate Services, Inc.

**Project Information**

Construction Type: New Construction  
 Total # Residential Buildings: 1  
 Total # of Units: 10  
 No. / % of Low Income Units: 10 100.00%  
 Federal Set-Aside Elected: 40%/60%  
 Federal Subsidy: Tax-Exempt

**Bond Information**

Issuer: California Municipal Finance Authority  
 Expected Date of Issuance: August 2018

**Information**

Housing Type: Large Family  
 Geographic Area: San Diego County  
 TCAC Project Analyst: Jack Waegell

**55-Year Use / Affordability**

<u>Aggregate Targeting Number of Units</u>	<u>Percentage of Affordable Units</u>
At or Below 50% AMI: 10	100%

**Unit Mix**

3 1-Bedroom Units  
 3 2-Bedroom Units  
 3 3-Bedroom Units  
 1 4-Bedroom Units  
10 Total Units

<u>Unit Type &amp; Number</u>	<u>2017 Rents Targeted % of Area Median Income</u>	<u>2017 Rents Actual % of Area Median Income</u>	<u>Proposed Rent (including utilities)</u>
3 1 Bedroom	50%	50%	\$853
3 2 Bedrooms	50%	50%	\$1,023
3 3 Bedrooms	50%	50%	\$1,181
1 4 Bedrooms	50%	50%	\$1,318

TCAC-confirmed Projected Lifetime Rent Benefit: \$9,705,300



**Project Cost Summary at Application**

Land and Acquisition	\$225,000
Construction Costs	\$4,989,640
Rehabilitation Costs	\$0
Construction Contingency	\$428,000
Relocation	\$0
Architectural/Engineering	\$696,800
Const. Interest, Perm. Financing	\$592,750
Legal Fees, Appraisals	\$350,000
Reserves	\$50,000
Other Costs	\$569,877
Developer Fee	\$1,000,000
Commercial Costs	\$225,000
<b>Total</b>	<b>\$9,127,067</b>

**Residential**

Construction Cost Per Square Foot:	\$580
Per Unit Cost:	\$890,207
True Cash Per Unit Cost*:	\$828,199

**Construction Financing**

Source	Amount
Citibank	\$6,750,000
City of Solana Beach	\$700,000
Tax Credit Equity	\$605,067

**Permanent Financing**

Source	Amount
Citibank	\$860,000
City of Solana Beach	\$2,057,000
Deferred Developer Fee-Hitzke	\$590,100
Deferred Developer Fee-Cascade	\$252,900
Tax Credit Equity	\$5,367,067
<b>TOTAL</b>	<b>\$9,127,067</b>

\*Less Fee Waivers, Seller Carryback Loans, and Deferred Developer Fee

**Determination of Credit Amount(s)**

Requested Eligible Basis:	\$8,300,317
130% High Cost Adjustment:	Yes
Applicable Fraction:	100.00%
Qualified Basis:	\$10,790,412
Applicable Rate:	3.27%
Total Maximum Annual Federal Credit:	\$352,846
Total State Farmworker Credit:	\$2,570,480
Approved Developer Fee (in Project Cost & Eligible Basis):	\$1,000,000
Investor/Consultant:	Boston Capital
Federal Tax Credit Factor:	\$0.88000
State Tax Credit Factor:	\$0.88000

Per Regulation Section 10327(c)(6), the "as if vacant" land value and the existing improvement value established at application, as well as the eligible basis amount derived from those values, will be used during all subsequent reviews including the placed in service review, for the purpose of determining the final award of Tax Credits.

**Eligible Basis and Basis Limit**

Requested Unadjusted Eligible Basis:	\$8,300,317
Actual Eligible Basis:	\$8,300,317
Unadjusted Threshold Basis Limit:	\$3,329,128
Total Adjusted Threshold Basis Limit:	\$8,381,842

**Adjustments to Basis Limit**

Required to Pay State or Federal Prevailing Wages/Financed by labor-affiliated organization employing construction workers paid at least state or federal prevailing wages

Parking Beneath Residential Units or On-Site Parking Structure of Two or More Levels

One or more Energy Efficiency/Resource Conservation/Indoor Air Quality Features:

- New construction: project buildings are at least 15% more energy efficient than 2016 Energy Efficiency Standards (California Code of Regulations, Title 24, Part 6) as indicated in TCAC Regulations.

- Install bamboo, stained concrete, cork, salvaged or FSC-Certified wood, natural linoleum, natural rubber, or ceramic tile in all common areas where no VOC adhesives or backing is used

Local Development Impact Fees

Highest or High Resource Opportunity Area

55-Year Use/Affordability Restriction – 1% for Each 1% of Low-Income and Market Rate Units are Income Targeted between 50% AMI & 36% AMI: 100%

**Cost Analysis and Line Item Review**

Staff analysis of project costs to determine reasonableness found all fees to be within TCAC's underwriting guidelines and TCAC limitations. Annual operating expenses exceed the minimum operating expenses established in the Regulations, and the project pro forma shows a positive cash flow from year one. Staff has calculated federal tax credits based on 3.27% of the qualified basis. Applicants are cautioned to consider the expected federal rate when negotiating with investors. TCAC's financial evaluation at project completion will determine the final allocation.

**Significant Information / Additional Conditions**

This project's is estimated to be over \$828,199 per unit. It is a small 10-unit family project with large units, parking beneath the units, an elevator, and energy efficient construction that contribute to the project's relatively high cost.

The proposed rents do not include any utility allowance. The owner will pay for all utilities.

The project is only 10 units and does not have an on-site manager's unit.

**Local Reviewing Agency**

The Local Reviewing Agency has not yet completed a site review of this project. Any negative comments in the LRA report will cause this staff report to be revised to reflect such comments.

**Standard Conditions**

If applicant is receiving tax-exempt bond financing from other than CalHFA, the applicant shall apply for a bond allocation from the California Debt Limit Allocation Committee's next scheduled meeting, if not previously granted an allocation; shall have received an allocation from CDLAC; and, shall issue bonds within time limits specified by CDLAC.

The applicant anticipates financing more than 50% of the project aggregate basis with tax-exempt bond proceeds as calculated by the project tax professional. Therefore, the federal credit reserved for this project will not count against the annual ceiling.

The IRS has advised TCAC that the amount of tax-exempt bonds issued, equivalent to at least 50% of aggregate basis, must remain in place through the first year of the credit period or until eligible basis is finally determined.

TCAC makes the preliminary reservation only for the project specified above in the form presented, and involving the parties referred to in the application. No changes in the development team or the project as presented will be permitted without the express approval of TCAC.

The applicant must pay TCAC a reservation fee calculated in accordance with regulation. Additionally, TCAC requires the project owner to pay a monitoring fee before issuance of tax forms.

As project costs are preliminary estimates only, staff recommends that a reservation be made in the amount of federal credit and state credit shown above on condition that the final project costs be supported by itemized lender approved costs and certified costs after the buildings are placed in service.

All unexpended funds in reserve accounts established for the project must remain with the project to be used for the benefit of the property and/or its residents, except for the portion of any accounts funded with deferred developer fees.

All fees charged to the project must be within TCAC limitations. Fees in excess of these limitations will not be considered when determining the amount of credit when the project is placed-in-service.

The applicant/owner shall be subject to underwriting criteria set forth in Section 10327 of the regulations through the final feasibility analysis performed by TCAC at placed-in-service.

Credit awards are contingent upon applicant's acceptance of any revised total project cost, qualified basis and tax credit amount determined by TCAC in its final feasibility analysis.

**CDLAC Additional Conditions:** None.

November 20, 2018

California Coastal Commission  
7575 Metropolitan Drive  
San Diego, CA 92108-442  
Attn: John Ainsworth, Executive Director  
and Cort Hitchens, Coastal Program Analyst

*Transmitted Via Email November 20, 2018*  
*Email Address: [cort.hitchens@coastal.ca.gov](mailto:cort.hitchens@coastal.ca.gov).*

Re: October 8, 2014 Commission Meeting, Item 12b: Application No. 6-14-1033

Dear Executive Director, Program Analyst and California Coastal Commission:

The 500 South Sierra Avenue developer's most recent financing application, now close to \$10 million for 10 units, was presented to CMFA stating that the housing would be for farmworkers while the City of Solana Beach based its decision on settlement of the "Perl" lawsuit requiring that the displaced residents under the "Perl" lawsuit would have first rights to the available new housing units. The City argued in the April 2014 hearing at which they approved the housing development that it was not subject to Article 34 as the 500 South Sierra Avenue development would be used for the Perl lawsuit settlement.

The *Kalnel Gardens, LLC v. City of Los Angeles* decision in 2016 held that the Coastal Act trumps both the Density Bonus Act and the Mello Act. Accordingly, projects in the state's coastal zone cannot be approved unless they are consistent with the Coastal Act and local coastal programs that implement the Act. Like the affordable housing project addressed in the Kalnel Gardens decision, the Hitzke housing development project included more units, greater mass and scale, and a parking space reduction using the Density Bonus Act that were and are inconsistent with the Solana Beach LCP/LUP. These waivers/incentives conflict with the Kalnel Garden's decision and the Coastal Act's policies.

On November 13, 2018, the City of Solana Beach accepted the Coastal Commission's modifications to its draft LUP which requires a doubling of the recreation impact fee for bluff reinforcement devices. This creates a public safety issue in the Cherry Hill Beach area where bluff reinforcement is on private property and the depth of the bluff is substantial so while property is protected, beach goers are not. The residents in the 500 South Sierra Avenue housing development may have to rely entirely on an unsafe Seascape Surf (Cherry Hill) Beach area for recreational activity as the development was approved with no on-site recreational area.

Subsequent to the City of Solana Beach and the Coastal Commission approval of the 500 South Sierra Avenue housing development, the City of Solana Beach LCP/LUP removed 500 South Sierra Avenue as a named beach access parking lot. This is inconsistent with the basis for both the City of Solana Beach and the Coastal Commission approval of the housing development which required maintaining the parking for the Seascape Surf (Cherry Hill) beach access stairway.

Please remember that one of the main purposes of the California Coastal Commission is to provide beach access. By approving this project you are not only working against that goal, but also contradicting the rules you yourself have put into place along with the City of Solana Beach.

Marjorie Petre

535 S. Sierra Ave.  
Solana Beach, CA 92075



CH

November 16, 2018

RECEIVED

NOV 21 2018

CALIFORNIA  
COASTAL COMMISSION  
SAN DIEGO COAST DISTRICT

Ray Del Pilar  
8931 ~~Wald Rd.~~  
Houston, TX. 77034

California Coastal Commission  
San Diego County District Office  
7575 Metropolitan Drive, Suite 103  
San Diego, CA. 92108-4402

RE: Extension of 6-14-1-33 Hitzke Development Corporation

I am responding to a "Notice of Extension Request For Coastal Development Permit" received this November 18<sup>th</sup>, 2018. I hereby object to the extension granted by the California Coastal Commission on October 8, 2018. I do not agree with the extension granted and have grave concerns with granting of such.

Respectfully,

Ray Del Pilar

Ray Del Pilar

**CALIFORNIA COASTAL COMMISSION**

SAN DIEGO COAST DISTRICT OFFICE  
7575 METROPOLITAN DRIVE, SUITE 103  
SAN DIEGO, CALIFORNIA 92108-4402  
PH (619) 767-2370 FAX (619) 767-2384  
[WWW.COASTAL.CA.GOV](http://WWW.COASTAL.CA.GOV)



## NOTICE OF EXTENSION REQUEST FOR COASTAL DEVELOPMENT PERMIT

October 18, 2018

Notice is hereby given that Hitzke Development Corporation (Ginger Hitzke) has applied for a one year extension of 6-14-1033 granted by the California Coastal Commission on October 8, 2018.

for: Construction of a 17,089 sq. ft., 3-story, 35-ft, tall mixed-use building including 759 sq. ft. of commercial office space, 10 low-income housing residential units, 53 subterranean and ground level public/private parking spaces, landscaping, sidewalk improvements, and 5,100 CY of grading on an existing 14,721 sq. ft. paved public parking lot with 31 parking spaces.

at: 500 South Sierra Ave, Solana Beach (San Diego County) (APN(s): 298-211-81)

Pursuant to Section 13169 of the Commission Regulations, the Executive Director has determined that there are no changed circumstances affecting the proposed development's consistency with the Coastal Act. The Commission Regulations state that "if no objection is received at the Commission office within ten (10) working days of publishing notice, this determination of consistency shall be conclusive... and the Executive Director shall issue the extension." If an objection is received, the extension application shall be reported to the Commission for possible hearing.

Persons wishing to object or having questions concerning this extension application should contact the district office of the Commission at the above address or phone number.

Sincerely,

John Ainsworth  
Executive Director

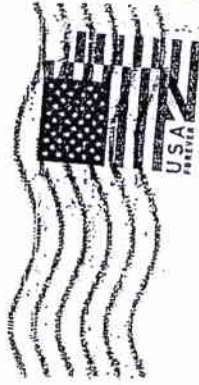
A handwritten signature in black ink, appearing to read "Cort Hitchens", written over a horizontal line.

Cort Hitchens  
Coastal Program Analyst

cc: Commissioners/File

California State and Commission  
San Francisco  
P.O. Box 103  
San Francisco, CA 94112

298-213-06-75  
RAY DELPILAR  
8931 WALD RD.  
HOUSTON, TX 77034



SAN DIEGO CA 920  
NO POSTAGE  
NECESSARY  
IF MAILED  
IN THE  
UNITED STATES

77034-362631



CHK

Regina Rossi  
535 South Highway 101  
Solana Beach, CA. 92075

RECEIVED

NOV 15 2018

CALIFORNIA  
COASTAL COMMISSION  
SAN DIEGO COAST DISTRICT

In response to: Notice of extension request for coastal development permit, Hitzke Development Corporation (Ginger Hitzke)

November 11, 2018

I Regina Rossi, hereby **object** to the construction of: 500 South Sierra Ave,  
Solana Beach, San Diego APN(s): 298-211-81

This letter is to inform you that I, Regina Rossi, property owner address 535 South Highway 101 Solana Beach, CA. 92075 object to purposed construction: 500 South Sierra Ave, Solana Beach, San Diego 17,089 sq. ft., 3 story, 35- ft. tall mixed-use building including 759 sq ft. of commercial office space, low income housing residential units, landscaping, sidewalk improvements and 5,100 CY of grading on existing 14,721 sq ft. paved public parking lot with 31 parking spaces purposed by Hitzke Development Corporation.

Construction of this magnitude would greatly reduce property value, congest through way traffic, and obstruct views.

Sincerely,

Regina Rossi

Regina Rossi  
1625 Kingston Dr.  
Escondido, Ca 92027

**RICHARD BUSHEY**

*539 South Sierra Avenue, Unit #107, Solana Beach, California, 92075*

November 22, 2018

California Coastal Commission  
7575 Metropolitan Drive, Suite 103  
San Diego, CA 92108-4402

Transmitted Via Email

Attn: Cort Hitchens, Coastal Program Analyst

RE: Application 6-14-1033, Hitzke Corporation's Request for a Third One-Year Extension

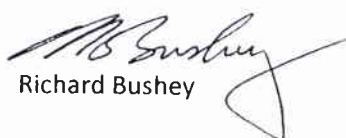
Ladies and Gentlemen:

I have owned property in Solana Beach for more than 35 years and have previously expressed my concerns to the Solana Beach City Council regarding the unsuitability of this project. Nevertheless, the City Council approved the project in certain limited respects years ago. The proposed developer, Hitzke Corporation, recently requested yet another one-year extension, its third such request, from the Coastal Commission (the "Commission").

**I object to the Commission granting Hitzke's request for the following reasons:**

- The *Kalnel Gardens, LLC v. City of Los Angeles* decision in 2016 held that the Coastal Act trumps both the Density Bonus Act and the Mello Act. Accordingly, projects in the state's coastal zone cannot be approved unless they are consistent with the Coastal Act and local coastal programs that implement the Act. Like the affordable housing project addressed in the *Kalnel Gardens* decision, the Hitzke housing development project includes more units, greater mass and scale, and a parking space reduction using the Density Bonus Act that were and are inconsistent with the Solana Beach LCP/LUP. These waivers/incentives conflict with the *Kalnel Garden's* decision and the Coastal Act's policies.
- Hitzke Corporation has failed to obtain timely approvals and financing, evidenced by its third request for an extension from the Commission. The Commission should require developers to move forward with projects in the coastal zone on a timely basis. The need for the developer to request a third extension is *prima facie* evidence of changed circumstances and I object to the Executive Director's determination otherwise.
- The developer has failed to meet a reasonable standard of performance and, hence, the Commission should deny this request as a matter of equity to the many interested parties in the immediate project area.

Sincerely,

  
Richard Bushey



RECEIVED

NOV 19 2018

CALIFORNIA  
COASTAL COMMISSION  
SAN DIEGO COAST DISTRICT

CH

Nov. 16, 2018

12412 Fox Hollow Ct

Bakersfield, CA 93312

California Coastal Commission

I have been a member of Sand pebbles  
time share since 1983.

This is a family <sup>place</sup> where we come with  
our grandchildren to enjoy a quiet time  
without excess noise from apartments.

I do not want apartments or any  
building in the parking lot, blocking access  
to the beach or our view.

This parking lot is also used by young  
life guards who meet their coaches there  
gathering together to go for training.

Please consider these things I have  
spoken of. I'm sure others owners have  
shown their concern.

This is also a parking area for others  
visiting the beach which is a lovely area.

I did not receive your notice until  
a few days ago. Not in October. I have  
written before concerning the project of  
building on the parking lot.

My family and I are there each  
summer. We also enjoy the fall.

Thank you.

Sincerely  
Wilma Cox

**CALIFORNIA COASTAL COMMISSION**

SAN DIEGO COAST DISTRICT OFFICE  
7575 METROPOLITAN DRIVE, SUITE 103  
SAN DIEGO, CALIFORNIA 92108-4402  
PH (619) 767-2370 FAX (619) 767-2384  
[WWW.COASTAL.CA.GOV](http://WWW.COASTAL.CA.GOV)



## **NOTICE OF EXTENSION REQUEST FOR COASTAL DEVELOPMENT PERMIT**

December 3, 2018

Notice is hereby given that Oceanus Geologic Hazard Abatement District (GHAD) & Rick Nolan has applied for a one-year extension of 6-16-0132 granted by the California Coastal Commission on December 7, 2016.

for: Follow up to an emergency permit for construction of an approximately 70 ft. long, 34 ft. 6 in. high, 28 in. wide colored and textured concrete tied-back seawall; new construction of an additional 57 ft. feet of seawall.

at: 4848 Bermuda Avenue, San Diego (San Diego County) (APN(s): 448-242-27-01 through -13, 448-242-02 & -03 )

Pursuant to Section 13169 of the Commission Regulations, the Executive Director has determined that there are no changed circumstances affecting the proposed development's consistency with the Coastal Act. The Commission Regulations state that "if no objection is received at the Commission office within ten (10) working days of publishing notice, this determination of consistency shall be conclusive... and the Executive Director shall issue the extension." If an objection is received, the extension application shall be reported to the Commission for possible hearing.

Persons wishing to object or having questions concerning this extension application should contact the district office of the Commission at the above address or phone number.

Sincerely,

John Ainsworth  
Executive Director

A handwritten signature in cursive script, appearing to read 'Dennis Davis'.

Dennis Davis  
Coastal Program Analyst

cc: Commissioners/File