

CALIFORNIA COASTAL COMMISSION

South Coast District Office
301 E Ocean Blvd., Suite 300
Long Beach, CA 90802-4302
(562) 590-5071



W15c

A-5-LGB-21-0060 (Highgate Hotels)

September 29, 2021

EXHIBITS

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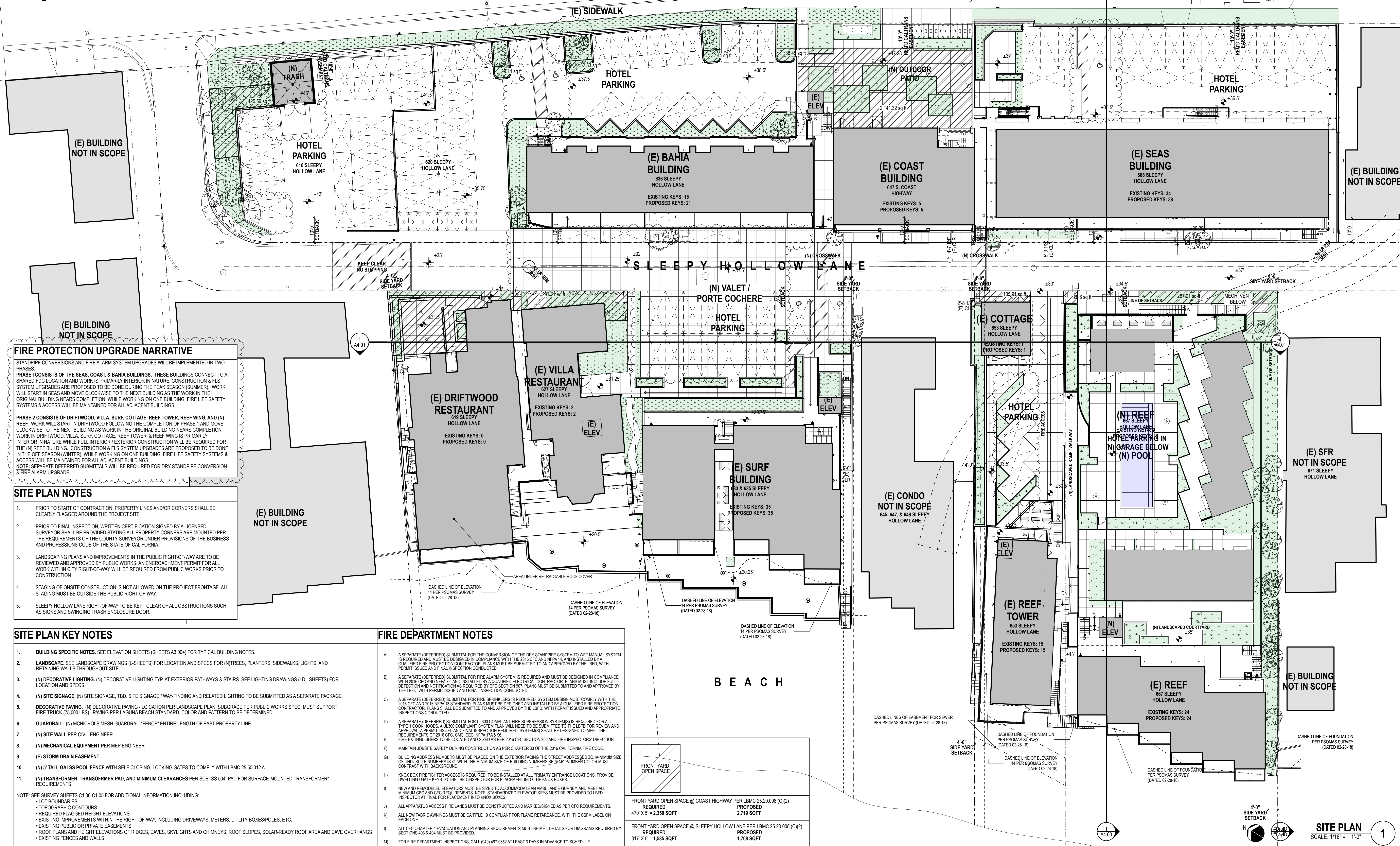
Exhibit 1: Project Location

Page 1 of 1



Photo credit: Google Maps

Page 1 of 5



ROCKEFELLER KEMPEL
ARCHITECTS



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El Segundo, California
90245

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DRAWING LOG

No.	Date	
7	07.25.19	Zoning Review Re-Submittal
8	09.24.19	Fire Dept Zoning Review Re-Submittal
10	11.19.19	Zoning Review Slip Sheets
13	02.18.2021	Additional Planning Corrections 3
14	05.28.2021	Additional Planning Corrections 4
15	07.16.2021	Additional Planning Corrections 5



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PROJECT NO.	37011 00
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DATE 7/16/21

SCALE AS SHOWN

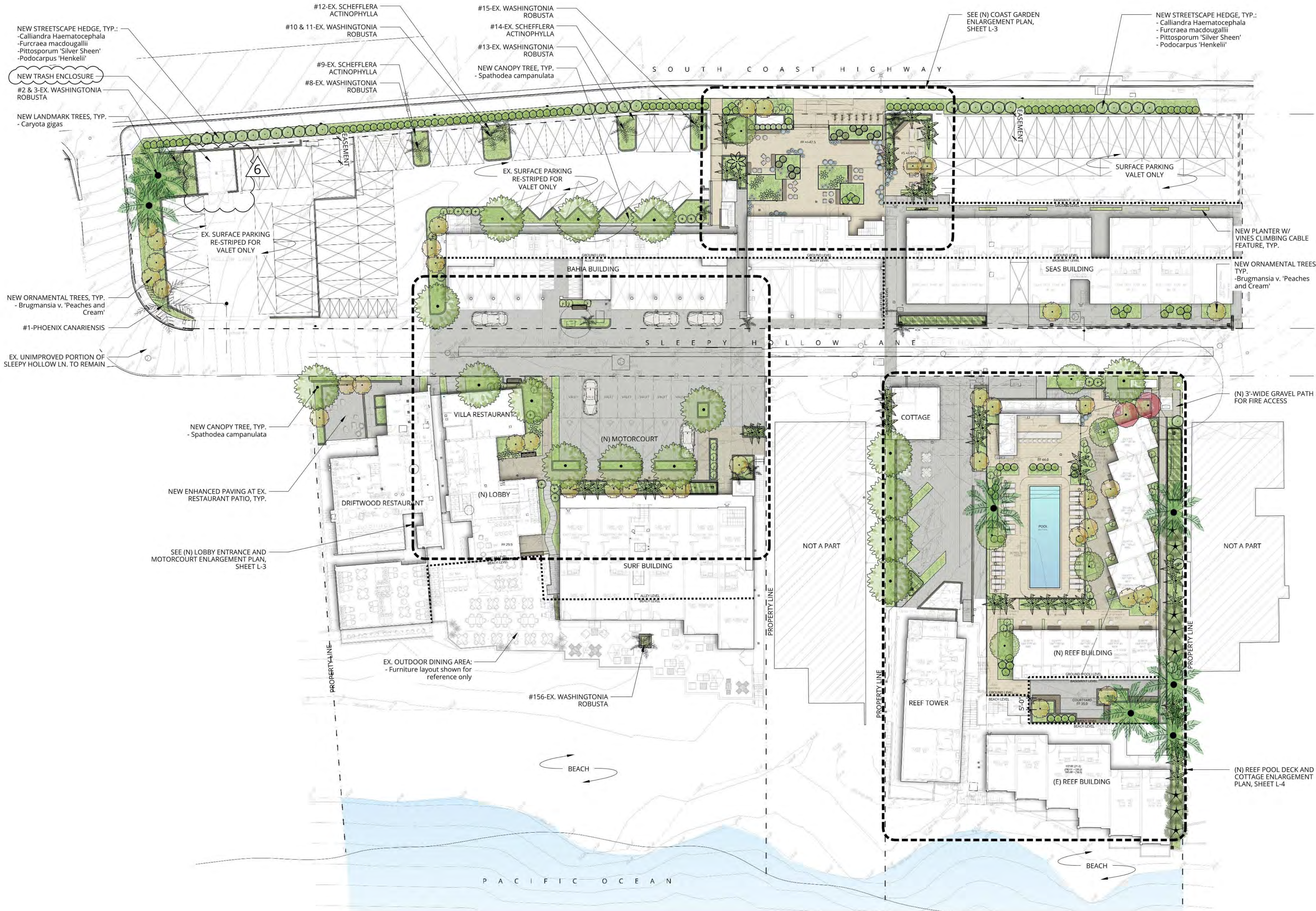
DRAWN BY EC, AA, BK

SHEET TITLE

PROPOSED SITE PLAN

SHEET NO

A1.01



PRELIMINARY PLAN - PLANTING AND DESIGN

CJM::LA STRIVES TO UPHOLD THE ARCHITECTURAL AND CULTURAL HERITAGE OF THE LAGUNA BEACH COMMUNITY THROUGH THE DEVELOPMENT OF ENGAGING SPACES. OUR APPROACH RESPONDS TO CONTEXT, HISTORY AND OUTLOOK IN ORDER TO PROVIDE OUTDOOR SPACES WHICH QUIET THE MIND AND ACTIVATE THE SENSES. THE BUILT ENVIRONMENT IS PARAMOUNT IN REPRESENTING THE IDENTITY OF A COMMUNITY, AND WE SEEK TO PROVIDE RESPONSIBLE DESIGN SOLUTIONS THAT RESPECT THE BALANCE OF PAST AND FUTURE. WE PRIDE OURSELVES IN DESIGN THAT IS UNIQUE AND SPECIFIC, ENDURING AND AUTHENTIC.

THIS PLAN ENGAGES BOTH SUSTAINABLE BUILDING PRACTICES AS WELL AS AESTHETIC AND FORWARD-THINKING DESIGN SOLUTIONS TO CREATE A UNIQUE ADDITION TO THE BUILT ENVIRONMENT.

- PEDESTRIAN, BICYCLE AND VEHICULAR CIRCULATION HAS BEEN STUDIED IN ORDER TO MAINTAIN APPROPRIATE CONNECTIVITY WITH THE SURROUNDING COMMUNITY, AS WELL AS WITHIN THE DEVELOPMENT.
- STORMWATER QUALITY WILL BE ADDRESSED WITH THE MOST APPROPRIATE BEST MANAGEMENT PRACTICES FOR THIS DEVELOPMENT.

EXISTING TREES ON SITE WILL BE PROTECTED TO THE MAXIMUM EXTENT FEASIBLE WITHIN THE PROJECT REQUIREMENTS.

THE PLANT PALETTE WILL BE MEDITERRANEAN IN CHARACTER AND SUITABLE TO THE LAGUNA REGIONAL CLIMATE. PLANT MATERIAL WILL BE LOW-WATER AND LOW-MAINTENANCE. ONLY ORGANIC FERTILIZERS AND SOIL AMENDMENTS WILL BE USED. REFER TO PRELIMINARY PLANT SCHEDULE FOR LIST OF PROPOSED PLANT SPECIES, SHEET L-5.

PRELIMINARY PLAN - EXISTING TREE NOTES

CJM::LA STRIVES TO PROTECT EXISTING TREES ON SITE TO THE MAXIMUM EXTENT FEASIBLE WITHIN THE PROJECT REQUIREMENTS.

MANY FACTORS ARE REVIEWED IN EVALUATING THE APPROPRIATENESS OF PROTECTING-IN-PLACE, RELOCATING, OR REMOVING EXISTING TREES AT EACH PROJECT SITE. IN GENERAL, THE FOLLOWING PARAMETERS ARE CONSIDERED:

- HEALTH AND LONG-TERM VIABILITY OF EXISTING TREES IS ASSESSED EITHER BY A REPRESENTATIVE OF CJM::LA OR BY THE PROJECT ARBORIST.
 - LOCATION OF EXISTING TREES IN RELATIONSHIP TO PROPOSED PROJECT ELEMENTS SUCH AS BUILDINGS, HARDSCAPE AND LANDSCAPE AMENITIES IS REVIEWED IN DEPTH.
 - APPROPRIATENESS OF EXISTING TREE SPECIES IN RELATIONSHIP TO PROJECT DESIGN AND ARCHITECTURAL STYLES IS CONSIDERED.
 - VALUE OF EXISTING TREES RELATED TO BIOLOGICAL HABITAT IS REVIEWED.
 - VISUAL AND AESTHETIC VALUE IS ASSESSED IN RELATIONSHIP TO NEIGHBORHOOD OR SITE CONTEXT.
 - HISTORIC VALUE IS REVIEWED, AND SPECIMEN TREES ARE NOTED.
- THE FOLLOWING TREES MAY REQUIRE SPECIFIC REVIEW AND ADDITIONAL REQUIREMENTS:
- STREET TREES
 - TREES ON CITY OR PUBLIC PROPERTY
 - SETBACK TREES
 - PARKING LOT TREES
 - HISTORIC OR SPECIMEN TREES

PRELIMINARY PLAN - IRRIGATION NOTES

ALL NEW AND EXISTING PLANTED AREAS WILL RECEIVE PERMANENT IRRIGATION. IRRIGATION WILL INCLUDE A COMBINATION OF LOW-VOLUME SPRAY HEADS, BUBBLERS AND DRIP SYSTEMS AS APPLICABLE. ALL IRRIGATION WILL BE CONTROLLED BY AN AUTOMATIC TIMER WITH A SEASONAL ADJUSTMENT CAPACITY (E.G. WEATHER SENSOR) TO APPLY LESS WATER DURING THE RAINY SEASON.

IRRIGATION AND LANDSCAPE CONSTRUCTION PLANS WILL BE PREPARED IN ACCORDANCE WITH THE CALIFORNIA MODEL WATER EFFICIENT LANDSCAPE ORDINANCE (MWELO).

POTS WILL BE HAND-WATERED OR WILL INCLUDE SELF-WATERING SYSTEMS.



CJM::LA

COURTNEY JANE MILLER

Office 805 698 2120 email INFO@CJM-LA.COM
1221 STATE STREET SUITE 208
SANTA BARBARA CA 93101

PRELIMINARY LANDSCAPE PLAN

PACIFIC EDGE HOTEL
647 S. COAST HIGHWAY
LAGUNA BEACH, CA 92651



REVISIONS	
06/12/18	Zoning Submittal 1
12/20/18	Zoning Submittal 2
04/24/19	Zoning Submittal 3
07/24/19	Zoning Submittal 4
11/02/20	PC/DRG Progress
02/18/21	PC/DRG Progress
05/27/21	Planning Progress

PROJECT NUMBER	1803
DRAWN BY	NH
DATE DRAWN	4/08/19
SCALE	1"=20'-0"
PRINT DATE	5/27/21

SHEET NUMBER
L-2

NOT FOR CONSTRUCTION



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12

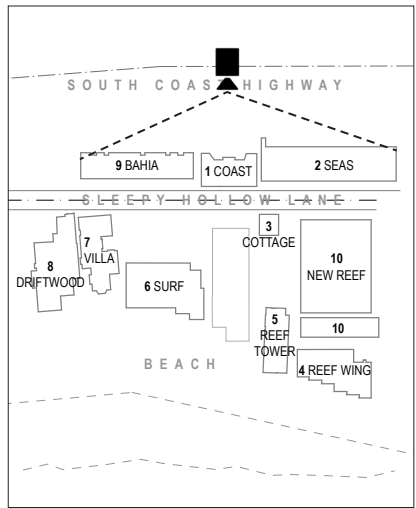
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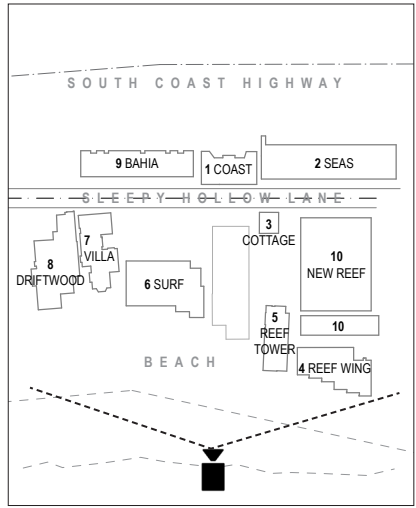
VIEW SOUTH FROM PCH



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ARCHITECTS

November 2, 2020 | 2

DESIGN REVIEW BOARD
PACIFIC EDGE HOTEL ON LAGUNA BEACH | 647 S COAST HWY, LAGUNA BEACH, 92651



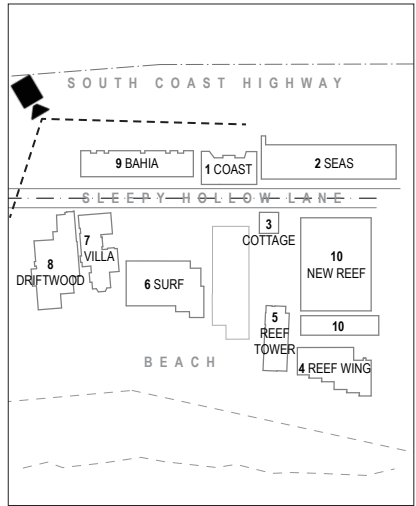
VIEW NORTH EAST FROM BEACH



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November 2, 2020 | 5

DESIGN REVIEW BOARD
PACIFIC EDGE HOTEL ON LAGUNA BEACH | 647 S COAST HWY, LAGUNA BEACH, 92651



08 03

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VIEW SOUTH WEST FROM PCH



**ROCKEFELLER
KEMPEL**
ARCHITECTS

November 2, 2020 | 1

DESIGN REVIEW BOARD
PACIFIC EDGE HOTEL ON LAGUNA BEACH | 647 S COAST HWY, LAGUNA BEACH, 92651

Development Review Application - Additional Information

647 S. Coast Highway, Laguna Beach, CA. 92651

COASTAL COMMISSION
 EXHIBIT # 3
 PAGE 1 OF 3

<u>Project Addresses:</u>	<u>A.P.N Numbers:</u>	<u>Building Name:</u>	<u>Lot Area:</u>
610 Sleepy Hollow Lane	644-021-01	Parking Lot	5,193 sf
619 Sleepy Hollow Lane	644-022-02	Driftwood	9,513 sf
620 Sleepy Hollow Lane	644-021-02	Parking Lot	4,027 sf
627 Sleepy Hollow Lane	644-022-16	Villa	9,624 sf
633 Sleepy Hollow Lane	644-022-17	Surf (North)	5,917 sf
635 Sleepy Hollow Lane	644-022-04	Surf (South)	10,000 sf
636 Sleepy Hollow Lane	644-021-03	Bahia	12,030 sf
647 S. Coast Highway	644-021-04	Lobby	5,406 sf
667 Sleepy Hollow Lane	644-022-07	Reef Wing	19,031 sf
668 Sleepy Hollow Lane	644-021-05	Seas	13,507 sf
*653 Sleepy Hollow Lane	644-022-06	Reef Tower / Cottage	8,250 sf

**653 Sleepy Hollow Lane (Reef Tower / Cottage) is under separate ownership with parking and use as approved under CUP #11-01. The Reef Tower / Cottage will be remodeled as indicated below under a separate building permit.*

Detailed Scope of Work:

1) General:

- a) New landscaping and lighting along PCH frontage.
- b) New landscaping and lighting along SHL.
- c) New paving / stripping and landscape in existing parking areas.
- d) New paving at SHL per City requirements.

2) 610/620 SHL (parking):

- a) Construct new trash enclosure.
- b) Repave and restripe parking lot.
- c) New landscaping / lighting.

3) 619 SHL (Driftwood Restaurant):

- a) Remodel street front patio wall and add landscaping.
- b) Legalize upper dining area with approved parking.

4) 627 SHL (Villa / Deck), restaurant and 2 existing hotel rooms:

- a) Interior / Exterior remodel to create new lobby / entry.
- b) Remodel of existing restaurant / bar and revise seating count.

5) 633 / 635 SHL (Surf), 35 existing hotel rooms:

- a) Interior / Exterior remodel, replacing MEP as required.
- b) Demolition of swimming pool and adjacent rooms.
- c) Construction of a new Port Cochere with storage / offices below grade.
 No floor area or room increase.

6) 636 SHL (Bahia), 15 existing hotel rooms:

- a) Interior / Exterior remodel replacing MEP as required. No area increase.
- b) Divide existing 15 hotel rooms to create additional 6 rooms.

Development Review Application – Additional Information

647 S. Coast Highway, Laguna Beach, CA. 92651.

Detailed Scope of Work (continued):

COASTAL COMMISSION

EXHIBIT # 3
PAGE 2 OF 3

- 7) 647 PCH (existing Lobby), 5 existing hotel rooms:
- a) Interior / Exterior remodel, replacing MEP as required.
 - b) Relocate existing lobby to Villa Building at 627 SHL.
 - c) Convert existing lobby to retail.
 - d) Convert existing lobby parking to public patio.
 - e) Remove driveway apron and curb and replace per Cal Trans.
- 8) 667 SHL (Reef Wing), 24 existing hotel rooms:
- a) Repairs to existing building façade, railings and decks.
 - b) Interior remodel to all rooms.
 - c) Add 10 new hotel rooms.
 - d) Construct new underground parking garage with swimming pool above.
 - e) New landscaping.
- 9) 668 SHL (Seas), 34 existing hotel rooms:
- a) Interior / Exterior remodel, replacing MEP as required. No floor area increase.
- 10) *653 SHL (Reef Tower / Cottage), 15 existing hotel rooms, 1 existing Cottage:
- a) Repairs to existing building façade, railings, decks, replace existing steel stairs.
 - b) Interior remodel to all rooms / bathrooms.
 - c) Minor landscape revisions, repave existing parking lot.

Project Valuations:

<u>Project Address / Area:</u>	<u>Property Owner</u>	<u>Project Valuation:</u>
General overall site work	Highgate	\$102,000
610 SHL (Parking)	Highgate	\$5,000
619 SHL (Driftwood)	Highgate	\$25,000
620 SHL (Parking)	Highgate	\$4,000
627 SHL (Villa)	Highgate	\$180,000
633 / 635 SHL (Surf)	Highgate	\$1,200,000
636 SHL (Bahia)	Highgate	\$1,000,000
647 SCH (Ex. Lobby)	Highgate	\$400,000
667 SHL (Reef Wing)	Highgate	\$1,500,000
668 SHL (Seas)	Highgate	\$1,000,000
Total Highgate owned property project valuation =		\$5,416,000
*653 SHL (Reef Tower/Cottage)	Nanja	\$650,000
Total Nanja owned property project valuation =		\$650,000
Total Overall Project valuation =		\$6,066,000

PACIFIC EDGE HOTEL - EXISTING FACILITY REMODEL ANALYSIS
647 SOUTH COAST HIGHWAY, LAGUNA BEACH, CA 92651

ATTACHMENT #1

CITY LAND USE ELEMENT MAJOR REMODEL INTERPRETATION

Community Development Department

(last updated March 13, 2020)

The City's Land Use Element defines "Major Remodel" as the alteration of or an addition to an existing building or structure that increases the square footage of the existing building or structure by 50% or more; or demolition, removal, replacement, and / or reconstruction of 50% or more of the existing structure; greater specificity shall be provided in the Laguna Beach Municipal Code (LBMC). As there is no certified language in the LBMC that further specifies the meaning of Major Remodel, the California Coastal Commission (CCC) and City staff have had differing interpretations of the term, which has led to numerous City-approved projects being appealed to the CCC.

While a Municipal Code amendment is in process to achieve a long-term resolution, City staff will begin interpreting "major remodel" in a manner similar to that of the CCC staff for properties located in the appealable area of the coastal zone. It should be emphasized that while City staff does not agree with the CCC staff's threshold for a major remodel, and specifically the CCC staff's interpretation of the elements that count toward demolition, the City staff desires to reduce the number of appeals and to minimize the number of appeals found to raise a substantial issue.

Provided below are the calculation methods that City staff believes the CCC staff uses for their assessment of projects in determining whether a project is a major remodel. Please note that the language below is City staff's best attempt in interpreting CCC staff's analysis based on their previous appeal reports. As such, these calculation methods have not been approved by the CCC staff; and therefore, the City cannot guarantee that the CCC staff will apply the identical interpretation.

Coastal Appealable Areas

- a. Foundation – (linear feet of foundation to be removed / reinforced) ÷ (linear feet of existing foundation) x 100. For caissons, use the diameter to calculate linear feet and include any associated grade beams.
- b. Interior and Exterior Walls – (linear feet of walls to be removed / reinforced for all floors) ÷ (linear feet of existing walls of all floors) x 100. Removal and / or reinforcement of load bearing interior walls count. Removal of non-bearing walls, drywall, stucco, etc. does not count. Window and door change-outs within the same window openings do not count towards removal. Filling in window and door openings do not count as demolition unless additional structural support is required / proposed.
- c. Roof – (square feet of roof area to be removed / reinforced, including roof eaves) ÷ (square feet of existing roof) x 100.

A Project is Considered a Major Remodel if:

- 1. Demolition or reinforcement of 50% or more of the exterior walls OR the combined roof / walls / foundation of the structure.
- 2. An addition to an existing primary dwelling unit or the construction of any detached structure that individually or when combined with prior additions, results in greater than a 50% expansion of the existing structure. "Existing structure" for the purposes of this section means the primary dwelling unit, the garage, and all enclosed detached structures that legally existed on the site up to January 13, 1993.
- 3. The construction and remodeling of accessory dwelling units are exempt.

% BUILDING STRUCTURAL MODIFICATION
AND AREA ADDITIONS

- 1. COAST - 647 South Coast Highway
Living / Habitable Addition = 3.9%
Combined Roof / Wall / Foundation Modifications = 1.7%
(See Attachments #3 thru #7 for calculations.)
- 2. SEAS - 668 Sleepy Hollow Lane
Living / Habitable Addition = 6.5%
Combined Roof / Wall / Foundation Modifications = 1.7%
(See Attachments #8 thru #12 for calculations.)
- 3. COTTAGE - 653 Sleepy Hollow Lane
Living / Habitable Addition = 0.0%
Combined Roof / Wall / Foundation Modifications = 9.2%
(See Attachments #13 thru #14 for calculations.)
- 4. REEF WING - 667 Sleepy Hollow Lane
Living / Habitable Addition = 0.0%
Combined Roof / Wall / Foundation Modifications = 3.7%
(See Attachments #15 thru #17 for calculations.)
- 5. REEF TOWER - 653 Sleepy Hollow Lane
Living / Habitable Addition = 0.0%
Combined Roof / Wall / Foundation Modifications = 3.4%
(See Attachments #18 thru #21 for calculations.)
- 6. SURF - 633 & 635 Sleepy Hollow Lane
Living / Habitable Addition = 30.4%
Combined Roof / Wall / Foundation Modifications = 4.0%
(See Attachments #22 thru #26 for calculations.)
- 7. VILLA - 627 Sleepy Hollow Lane
Living / Habitable Addition = 10.6%
Combined Roof / Wall / Foundation Modifications = 21.8%
(See Attachments #27 thru #30 for calculations.)
- 8. DRIFTWOOD - 619 Sleepy Hollow Lane
Living / Habitable Addition = 0.0%
Combined Roof / Wall / Foundation Modifications = 2.9%
(See Attachments #31 thru #34 for calculations.)
- 9. BAHIA - 636 Sleepy Hollow Lane
Living / Habitable Addition = 0.0%
Combined Roof / Wall / Foundation Modifications = 4.5%
(See Attachments #35 thru #39 for calculations.)



PROJECT INFORMATION

BUILDING AUTHORITY: California Building Code, Laguna Beach Municipal Code
BUILDING CODE: 2016

SITE ADDRESSES:	(E) Coast Building - 647 S. Coast Highway, Laguna Beach, CA 92651	Interior / exterior remodel, replace MEP as req'd, relocate lobby to Villa, convert (E) lobby to retail, convert (E) lobby parking to patio, remove (E) drive apron and curb per CalTrans
	(E) Seas Building - 668 Sleepy Hollow Lane, Laguna Beach, CA 92651	Interior / exterior remodel & replace MEP as req'd, add 4 (N) hotel rooms.
	(E) Reef Cottage Building - 653 Sleepy Hollow Lane, Laguna Beach, CA 92651	Interior / exterior remodel & replace MEP as req'd. No floor area increase.
	(E) Reef Wing Building - 667 Sleepy Hollow Lane, Laguna Beach, CA 92651	Interior / exterior remodel & replace MEP as req'd. No floor area increase.
	(N) Reef Building - 667 Sleepy Hollow Lane, Laguna Beach, CA 92651	Add 15 (N) hotel rooms, construct (N) underground parking garage w/ swimming pool / bar above, & add (N) landscaping.
	(E) Reef Tower Building - 653 Sleepy Hollow Lane, Laguna Beach, CA 92651	Interior / exterior remodel, replace MEP as req'd, repair (E) steel stairs, minor landscape revisions, & repave / regrade (E) parking lot. No floor area increase.
	(E) Surf Building - 633 & 635 Sleepy Hollow Lane, Laguna Beach, CA 92651	Interior / exterior remodel, replace MEP as req'd, demo (E) swimming pool, construct new Porte Cochere w/ storage and offices below.
	(E) Villa Building - 627 Sleepy Hollow Lane, Laguna Beach, CA 92651	Interior / exterior remodel to create (N) lobby / entry, remodel of (E) bar / restaurant, & revise seating count w/ approved parking.
	(E) Driftwood Building - 619 Sleepy Hollow Lane, Laguna Beach, CA 92651	Remodel street front patio / landscaping & legalize upper dining area w/ approved parking. No floor area increase.
	(E) Bahia Building - 636 South Coast Highway, Laguna Beach, CA 92651	Interior / exterior remodel, replace MEP as req'd, divide (E) 15 hotel rooms to create 6 additional rooms. No floor area increase.
	(E) Parking Lots - 610 & 620 Sleepy Hollow Lane, Laguna Beach, CA 92651	(N) trash enclosure, repave / stripe parking lot, & new landscape / lighting.
	(E) SHL & PCH	(N) landscaping / lighting along PCH & SHL, (N) paving / striping / landscape at (E) parking, & (N) paving at SHL per city.

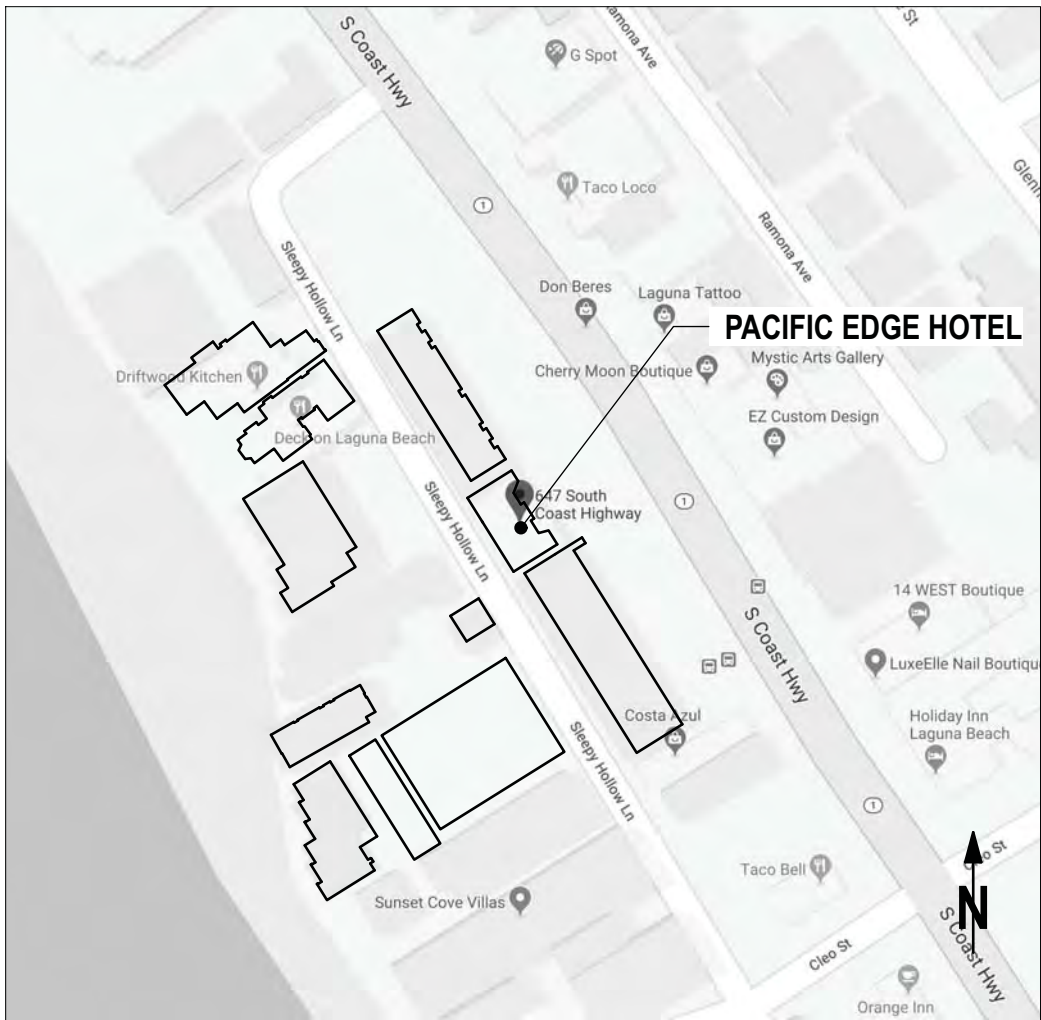
PROJECT DESCRIPTION

PARCEL DESCRIPTION	COAST	SEAS	COTTAGE	REEF WING	(N) REEF	REEF TOWER	SURF	VILLA	DRIFTWOOD	BAHIA	620	610
BUILDING:	416	416	416	416	416	416	935 & 9	Laguna Beach City	410	410	410	410
TRACT:	416	416	416	416	416	416	935 & 9	Laguna Beach City	410	410	410	410
BLOCK:	76	76	76	76	76	76	N/A & 76	-	76	76	76	76
LOT:	13	7	19	20	20	19	A & 14	21	22	17	16	14 & 15
PIN NUMBER:	5527	5528	5536	5537	5537	5536	5547 & 5535	5546	5534	5526	5525	5524
ASSESSOR PARCEL NO.:	644-021-04	644-021-05	644-022-06	644-022-07	644-022-07	644-022-06	644-022-17 & 644-022-04	644-022-16	644-022-02	644-021-03	644-021-02	644-021-01
LOT AREA:												

SHEET INDEX:

T 00	TITLE SHEET, ATTACHMENT #1
A 100	EXISTING SITE PLAN, ATTACHMENT #2
01-A 00	COAST BUILDING CALCULATIONS, ATTACHMENT #3
01-A200	COAST PLAN, ATTACHMENT #4
01-A201	COAST PLAN, ATTACHMENT #5
01-A202	COAST PLAN, ATTACHMENT #6
01-A203	COAST PLAN, ATTACHMENT #7
02-A 00	SEAS BUILDING CALCULATIONS, ATTACHMENT #8
02-A200	SEAS PLAN, ATTACHMENT #9
02-A202	SEAS PLAN, ATTACHMENT #10
02-A204	SEAS PLAN, ATTACHMENT #11
02-A205	SEAS PLAN, ATTACHMENT #12
03-A 00	COTTAGE BUILDING CALCULATIONS, ATTACHMENT #13
03-A200	COTTAGE PLANS, ATTACHMENT #14
04-A 00	REEF WING BUILDING CALCULATIONS, ATTACHMENT #15
04-A200	REEF WING PLAN, ATTACHMENT #16
04-A201	REEF WING PLAN, ATTACHMENT #17
05-A 00	REEF TOWER BUILDING CALCULATIONS, ATTACHMENT #18
05-A200	REEF TOWER PLAN, ATTACHMENT #19
05-A201	REEF TOWER PLAN, ATTACHMENT #20
05-A202	REEF TOWER PLAN, ATTACHMENT #21
06-A 00	SURF BUILDING CALCULATIONS, ATTACHMENT #22
06-A200	SURF PLAN, ATTACHMENT #23
06-A201	SURF PLAN, ATTACHMENT #24
06-A202	SURF PLAN, ATTACHMENT #25
06-A203	SURF PLAN, ATTACHMENT #26
07-A 00	VILLA BUILDING CALCULATIONS, ATTACHMENT #27
07-A200	VILLA PLAN, ATTACHMENT #28
07-A201	VILLA PLAN, ATTACHMENT #29
07-A202	VILLA PLAN, ATTACHMENT #30
08-A 00	DRIFTWOOD BUILDING CALCULATIONS, ATTACHMENT #31
08-A200	DRIFTWOOD PLAN, ATTACHMENT #32
08-A201	DRIFTWOOD PLAN, ATTACHMENT #33
08-A202	DRIFTWOOD PLAN, ATTACHMENT #34
09-A 00	BAHIA BUILDING CALCULATIONS, ATTACHMENT #35
09-A200	BAHIA PLAN, ATTACHMENT #36
09-A201	BAHIA PLAN, ATTACHMENT #37
09-A202	BAHIA PLAN, ATTACHMENT #38
09-A203	BAHIA PLAN, ATTACHMENT #39

VICINITY MAP



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DRAWING LOG

No.	Date	Description
2	07.23.18	Zoning Review Re-Submittal
3	12.20.18	Zoning Review Re-Submittal
5	03.29.19	Zoning Review Re-Submittal
7	07.25.19	Zoning Review Re-Submittal
8	09.24.19	Fire Dept Zoning Review Re-Submittal
9	10.10.19	Zoning & Fire Dept Review Slip Sheets



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PROJECT NO.	37011.00
DATE	12-22-2020
SCALE	AS SHOWN
DRAWN BY	EC, BK, AJK, AK, & KI
SHEET TITLE	

EXISTING FACILITY
REMODEL ANALYSIS
TITLE SHEET

SHEET NO.	T 00
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#5 Crystal Cove, Newport Coast, CA 92657
949.376.6200
www.crystalcove.org

Exhibit 4

Page 1 of 11

BOARD OF DIRECTORS

Gavin Herbert
Chair

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Laura Davick
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Alan Bedekar
Glenn Bozarth
Nathan Chiaverini
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Stephanie Quesada
Anie Robinson
Jerry Scheck
Caleb Silsby
Shelley Thunen

Kate Wheeler
President & CEO
Crystal Cove Conservancy

Daniel Gee
President
Crystal Cove Management
Company

September 17, 2021

Mr. Zach Rehm, District Supervisor
California Coastal Commission
Via email: Zach.Rehm@coastal.ca.gov




Dear Mr. Rehm,

I'm writing on behalf of Crystal Cove Conservancy, its Board of Directors, and the people we serve in support of the proposal to redevelop the Pacific Edge Hotel in Laguna Beach and direct in-lieu development fees to Crystal Cove Conservancy to support our North Beach restoration project.

Crystal Cove Conservancy is the nonprofit partner to Crystal Cove State Park providing rigorous STEM education programs based in ecological research, environmental monitoring, and habitat restoration in the Park to nearly 10,000 students, mostly from low-income Title 1 schools, each year. The Conservancy is also the concessionaire in the Park managing the overnight cottage rentals and food service at Crystal Cove through our wholly-owned subsidiary, Crystal Cove Management Company. This unique relationship allows us to direct revenue earned from the concessions, including the rental of 22 historically restored beach cottages, to support conservation and education initiatives that will cultivate the environmental scientists of tomorrow.

Background: The beach cottages of Crystal Cove State Park's Historic District are one of Southern California's most iconic destinations, giving visitors a glimpse into simpler times along the California coast. Today, twenty-nine of the forty-five cottages and the Japanese Language Schoolhouse – a structure built by Japanese American tenant farming families prior to World War II and those families' eventual incarceration in Poston, AZ – have been fully restored, are open to visitors, and are producing revenue to support The Conservancy's programs. The unique model created by The Conservancy as both the contracted nonprofit partner and the contracted concessionaire to Crystal Cove State Park which creates a sustainable revenue stream to support K-12 STEM education programs has become a national model for public-private partnership.



 #5 Crystal Cove, Newport Coast, CA 92657
 949.376.6200
 www.crystalcove.org

The North Beach restoration aims to restore the last 17 unrestored cottages in the Historic District at Crystal Cove State Park to their mid-century roots. These 17 cottages will create 22 new low-cost overnight rental units and more than quadruple the funds available to The Conservancy to support its STEM education programs.

Thanks to an endowment created with in-lieu fees from the New Home Project in Newport Beach, one of the North Beach cottages is designed to operate as our first hostel-style dorm and will host overnight coastal engineering programs for underserved high school students from around Southern California – adding an important overnight element to our programs. With our partners at University of California, Irvine, we will be educating and inspiring students from low-income inland communities about the challenges of sea level rise and future coastal change as they sleep mere feet from the ocean.

Project Status and Funding: The North Beach restoration received Coastal Development permits in 2018 and has been ongoing since that time. In November 2020 the infrastructure portion of the project was completed, and we began work on the restoration of the first five units. With modern utilities and lift stations installed, retaining and debris walls in place, and the installation of a 650-foot boardwalk and service path running the length of the project, the crew began the restoration work.




We expect the first phase of restoration to be complete around April 2022, at which time the construction fence will be moved North, and the first five units will opened the public while we continue on restoring and opening all 22 new units within the next four years.

The North Beach restoration is primarily funded. The total estimated cost of the project is \$45M. Of that, about \$26M has already been invested and all but the last \$5M has been secured through private donors, foundation funding including a substantial investment from The David & Lucile Packard Foundation and The Marisla Foundation, state funding, and an earlier allocation of in-lieu development fees of \$5M from the New Home Company through the California Coastal Commission. \$4M of those fees were used to support the infrastructure phase of the project and \$1M remains in an endowment which will support our Coastal Engineering Program which will operate out of North Beach Cottage #20.

With \$5M remaining to secure, we have a proposal on review with California State Coastal Conservancy which would allocate \$3.5M to the project from the Coastal Conservancy's Explore the Coast Overnight grants program. The award has been approved by staff and is on the consent agenda for the Coastal Conservancy's board meeting on Sept. 23, 2021. The in-lieu fees from the Pacific Edge project will go far toward filling the gap between secured funding and completion.

Affordability and Equity: Crystal Cove State Park sits of the traditional and unceded lands of the Acjachemen and Tongva Tribal Nations whose members remain an important part of our community today. Over the last 18 months, we have been in conversations with representatives of those nations through our partnership with Sacred Places Institute for Indigenous People (SPI). Our partnership with SPI is one borne from our belief that social, racial, and environmental justice are inextricably linked and that our mission must include an effort to promote access to all the resources at Crystal Cove for those people whose ancestral history on the land and waters of Crystal Cove State Park stretches back thousands of years.



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The Conservancy is in a unique position to move this work forward by serving as a bridge between Tribal Nations and California State Parks. Our aim is to create space for members of the Acjachemen and Tongva Tribal Nations to be the first to stay overnight in the North Beach cottages to gather in community before the cottages are officially available to the public. In addition, we are working in partnership to consider other ways to support Tribal members, provide access to natural spaces that are culturally significant, and begin to create a path toward shared leadership and shared decision-making including opportunities for Tribal elder fellowships within our organization to evaluate and better imbue our education and conservation with Tribal perspectives.

Our commitment to this work goes beyond our work to support access for Acjachemen and Tongva people. Equity and inclusion are core to our mission to protect access to natural spaces, restore degraded habitats, and educate and inspire our next generation of environmental leaders. There are more than 40 documented historic and cultural sites identified at Crystal Cove State Park including the Japanese Language Schoolhouse and important sites for the Acjachemen and Tongva people. We are committed to collective work that uplifts voices and perspectives that benefit the Earth, whether through offering affordable access to coastal accommodations, providing educational opportunities for underserved students, or creating an inclusive, welcoming experience for all park-goers, including those who are Black, Indigenous, and People of Color; Asian American and Pacific Islander; LGBTQ+; and Disabled and/or d/Deaf.

As part of that commitment, we are currently refining an equity marketing plan for the cottages. Rates to stay in the cottages are very affordable – the cottages currently in operation cost between \$39/night for a private room in a dorm-style cottage to \$277/night for a large cottage that sleeps up to 9 people making the rates as low as \$19 per night per person. Rates for the North Beach cottages will mirror this system. Rates are set in our contract with State Parks and can only be increased based on changes in the Consumer Price Index. While the cottages are affordable for most, many still don't know about them, or, if they do, they don't understand the reservation system. To address this, our equity plan will include the creation of screencasts and tutorials in multiple languages, giving diverse communities a step-by-step guide to reserving the cottages; targeted social media advertising focused on low-income zip codes; partnership development with organizations led by and serving people from historically excluded communities, and enhancements to the accessibility and useability of our website. While we don't know yet what the results of these efforts will be, we feel strongly that we must continue to prioritize equity and access and evaluate, iterate, and refine our strategies as we go along so we can make an impact on expanding opportunities for those who have been historically excluded from natural spaces like Crystal Cove State Park and the environmental cause itself.

At The Conservancy we take seriously our responsibility to understand the issues communities like those opposing this project face, and we are committed to creating opportunities for people from all backgrounds to stay at the coast and to feel welcome in our Park. The completion of the North Beach project not only doubles our overnight occupancy for those affordable stays but also creates jobs – in hospitality and in public service. Beyond that, it will create a sustainable revenue stream to support our work in STEM education for those students who have little opportunity to work hands-on side-by-side



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with scientists and researchers which will undoubtedly inspire the environmental stewards who will care for Crystal Cove and places like it for generations.

Given all of this, we encourage you to deny the appeal and approve the project as it has been presented. In lieu fees invested here at Crystal Cove State Parks will do more to create affordable coastal accommodations than perhaps in most other projects. In addition, the revenue created by these additional units will add a significant overnight component to our STEM education programs which are helping to cultivate the people who will carry on protecting our coast and our communities for generations.

Warm regards,

A handwritten signature in brown ink that reads "Kate Wheeler". The signature is fluid and cursive, with a long horizontal flourish at the end.

Kate Wheeler
President & CEO



CRYSTAL COVE
ALLIANCE

Coastal Dynamics Education Program Endowment



Immersing underserved youth in low-cost coastal sustainability and coastal engineering programming in Crystal Cove State Park's Historic District.

Coastal Dynamics Education Program Endowment Overview

Coastal environments around the world are experiencing extraordinary stresses from a combination of sea level rise and coastal development. These pressures have already begun to threaten economic prosperity, test the resilience of coastal ecosystems, and challenge stakeholders to develop policies and practices that strike rational balances between competing interests.

Crystal Cove State Park's Historic District, with overnight cottage accommodations located mere meters from the water's edge, offers an unparalleled opportunity to begin building public understanding of both the challenges created by sea level rise and the resulting opportunities for innovation. California State Parks and Crystal Cove Alliance will allocate \$1 million of the Coastal Commission mitigation funding to start an educational endowment, which will support the development and operation of unique educational programs and overnight experiences that immerse participants in the growing challenges faced on California's coast.

These programs will implement the Coastal Act §30213 by providing inland and/or Title 1 schools and non-profit groups with lower-cost access to coastal environments. Participants will deepen their understanding of coastal dynamics as they investigate the challenges that accelerated sea level rise, coastal use and preservation, and climate change pose locally at Crystal Cove State Park. Once Phase III construction is complete, the program will include an overnight component, with the dorm accommodations in Cottage #20 reserved for endowment-supported educational programs up to 36 nights per year.

The following items provide a framework for program development, which will undergo further refinement once program development is initiated.



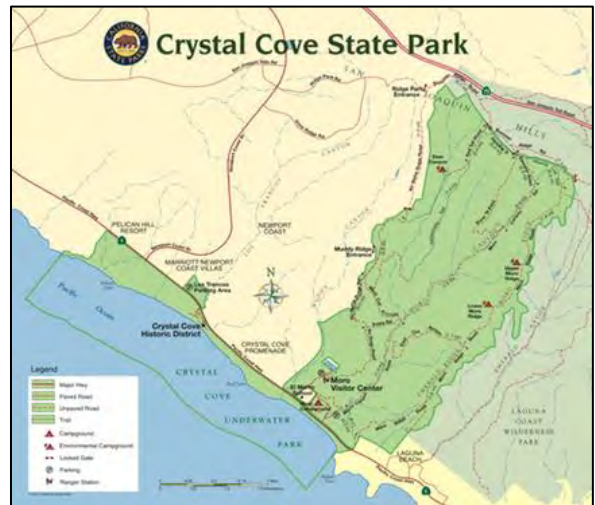
Endowment Establishment

1. Crystal Cove Alliance will establish an endowment with \$1,000,000, which will be designated the “Coastal Dynamics Education Program Endowment.” The creation of this endowment will assure the long-term viability of an educational program focused on coastal dynamics and coastal sustainability at Crystal Cove State Park. Additional endowment or scholarship funds will be necessary to sustain and grow the initiative over time.
2. The Endowment will be used to fund and support an educational program that engages inland and/or Title 1 high schools, junior high schools, and non-profit groups (i.e., Girls Inc.; Girl Scouts; Boys & Girls Club), primarily those serving disadvantaged or lower-income families who do not typically have access to the coast. The program supported by the Endowment will continue to operate depending on the availability of investment and supplementary income until, at minimum, the term of the existing concession agreement. Reasonable administrative expenses of the program operators may be expensed to the Endowment fund. The Endowment and interest income from the Endowment may not be used for any other purpose. Only a portion of the interest on earnings from the Endowment, typically 5%, may be spent on an annual basis in order to ensure that the original funds will grow over time.
3. The Endowment will be established within 6 months after the Coastal Development permit is issued for Phase III of the Crystal Cove Historic District. Crystal Cove Alliance will recruit additional scholarship support or contributions to the Endowment from California Coastal Commission sources, philanthropic foundations, and/or community partners, with the intent of supporting the full anticipated annual operating budget for the program.



Program Components

1. **Location.** The program will be based out of Crystal Cove State Park, located along Pacific Coast Highway between Newport Coast and Laguna Beach.
2. **Target Beneficiaries.** The program will be piloted with junior high and high school-aged groups, recruited from Title 1 and/or inland areas. Each program will involve up to 11 student participants and chaperones. After the initial pilot phase, the target audience may be altered depending on the



results of testing. If the overnight program is deemed successful, demand is sufficient, and sufficient funds are available, operation may expand beyond the initial 36 nights per amendment of the co-operation association and concession agreements with California State Parks.

3. **Educational Activities.** The program's educational component will focus on coastal dynamics and long-term coastal sustainability, exposing participants to the challenges that accelerated sea level rise, coastal development, and climate change pose locally at Crystal Cove State Park. The program may also incorporate opportunities for water-oriented data gathering and recreational activities into its investigations, such as kayaking, paddle-boarding, etc.

Example segments include:

- Introduction to coastal dynamics, long-term coastal challenges, and proposed interventions;
- Design-based engineering challenges;
- Data collection for ongoing coastal research and monitoring projects;
- Interpretation of coastal sustainability topics to the public.

4. **Overnight Group Accommodations.** Once Phase III restoration is complete, program participants and group leaders will be accommodated in Cottage #20, a historic cottage located in Crystal Cove's National Register-listed Historic District. All of the eleven beds in Cottage #20 will be reserved for Endowment-supported programs up to 36 nights annually, with visits distributed throughout the year. When the program is fully operating, approximately 360 students are expected to participate annually. Initial overnight testing could involve each group staying up to three nights, which may be split into two or more increments.



Cottage #20



5. **Meals.** Meals will be prepared on site in the Crystal Cove Historic District or brought in by contracted catering services.



6. **Transportation.** Groups will be responsible for arranging their own transportation to and from Crystal Cove State Park. Once at Crystal Cove, transportation will occur mainly on foot, although other forms of transportation may also be used and will be provided by Crystal Cove Alliance as part of the program.

7. **Initial Cost Estimate:** The initial cost estimate for each student, except for the transportation to and from Crystal Cove, is expected to be in the range of \$145 to \$165 per student. All of the cost will be funded by the

Endowment fund and supplementary funding raised by Crystal Cove Alliance.

8. **Local Partnerships.** The Department of Civil and Environmental Engineering at University of California, Irvine has expressed support in concept for the coastal sustainability educational program, and will advise during the development and pilot phase, providing support in the form of content knowledge expertise, consultation on the development of research and monitoring projects, and access to undergraduate interns. In addition, Crystal Cove Alliance and Crystal Cove State Park will provide technical and operational expertise and will seek out partnerships with other local schools, businesses, and non-profit groups to support the development and operation of the program.
9. **Other Considerations.** In order to reduce the overall cost of the program for participating groups, transportation costs, meals, and other forms of support may be provided on a case-by-case basis.

Program Commencement

The educational program's pilot phase will commence within 12 months of the date of the issuance of a Coastal Development Permit for Phase III of the Crystal Cove Historic District. Initially, program elements will be developed and operated for target beneficiaries as single-day field trips. The overnight iteration of the program will begin operation within 6 months of the completion of Cottage #20's restoration and its approval for public occupancy and use.

Program Administration

1. **Administration.** The program will be administered by Crystal Cove Alliance, in partnership with Crystal Cove State Park, a unit of the California Department of Parks and Recreation, the property owner and operator.



2. **Annual Report.** An annual report shall be prepared, which will include the program accomplishments, number of participants served, finances, and other relevant information. Upon completion of organizational review, the annual report will be transmitted to the Deputy Director of the California Coastal Commission.



RECEIVED

GAVIN NEWSOM, GOVERNOR

South Coast Region

SEP 07 2021



CALIFORNIA COASTAL COMMISSION

SOUTH COAST DISTRICT OFFICE
301 E. OCEAN BLVD., SUITE 300
LONG BEACH, CA 90802
(562) 590-5071
SOUTHCOAST@COASTAL.CA.GOV

APPEAL FORM CALIFORNIA COASTAL COMMISSION

Appeal of Local Government Coastal Development Permit

Filing Information (STAFF ONLY)

District Office: South Coast

Appeal Number: A-5-LGB-21-0060

Date Filed: 8/6/2021

Appellant Name(s): Jonah Breslau - UNITE HERE Local 11

APPELLANTS

IMPORTANT. Before you complete and submit this appeal form to appeal a coastal development permit (CDP) decision of a local government with a certified local coastal program (LCP) to the California Coastal Commission, please review the appeal information sheet. The appeal information sheet describes who is eligible to appeal what types of local government CDP decisions, the proper grounds for appeal, and the procedures for submitting such appeals to the Commission. Appellants are responsible for submitting appeals that conform to the Commission law, including regulations. Appeals that do not conform may not be accepted. If you have any questions about any aspect of the appeal process, please contact staff in the Commission district office with jurisdiction over the area in question (see the Commission's contact page at <https://coastal.ca.gov/contact/#/>).

Note regarding emailed appeals. Please note that emailed appeals are accepted ONLY at the general email address for the Coastal Commission district office with jurisdiction over the local government in question. For the North Coast district office, the email address is SouthCoast@coastal.ca.gov. An appeal emailed to some other email address, including a different district's general email address or a staff email address, will be rejected. It is the appellant's responsibility to use the correct email address, and appellants are encouraged to contact Commission staff with any questions. For more information, see the Commission's contact page at <https://coastal.ca.gov/contact/#/>.

Appeal of local CDP decision
Page 2

1. Appellant information¹

Name: UNITE HERE Local 11

Mailing address: 464 Lucas Ave. #201 Los Angeles, CA 90017

Phone number: 213-481-8530

Email address: jbreslau@unitehere11.org

How did you participate in the local CDP application and decision-making process?

☐ Did not participate ☒ Submitted comment ☒ Testified at hearing ☐ Other

Describe: Submitted comment letter dated July 9 and August 10
and appeared at City hearings

If you did *not* participate in the local CDP application and decision-making process, please identify why you should be allowed to appeal anyway (e.g., if you did not participate because you were not properly noticed).

Describe: Not applicable

Please identify how you exhausted all LCP CDP appeal processes or otherwise identify why you should be allowed to appeal (e.g., if the local government did not follow proper CDP notice and hearing procedures, or it charges a fee for local appellate CDP processes).

Describe: Appellants have exhausted all administrative remedies by
appearing at City hearings, submitting two protest letters
and filing appeal of final CDP approval

¹ If there are multiple appellants, each appellant must provide their own contact and participation information. Please attach additional sheets as necessary.

Appeal of local CDP decision
Page 3

2. Local CDP decision being appealed²

Local government name: City of Laguna Beach

Local government approval body: City Council

Local government CDP application number: 19-5507

Local government CDP decision: ☒ CDP approval ☐ CDP denial³

Date of local government CDP decision: 8/10/21

Please identify the location and description of the development that was approved or denied by the local government.

Describe: City approved an addition and remodel of an existing hotel,
resulting in 25 new hotel rooms (156 total), new subterranean
parking, a new motor court, a new cafe, a new elevator accessing the roof
and increased seating for existing restaurant. The project
is located at 647 South Coast Highway and 610-668
Sleepy Hollow Lane in the City of Laguna Beach. The Project
required a Coastal Development Permit.

² Attach additional sheets as necessary to fully describe the local government CDP decision, including a description of the development that was the subject of the CDP application and decision.

³ Very few local CDP denials are appealable, and those that are also require submittal of an appeal fee. Please see the appeal information sheet for more information.

Appeal of local CDP decision
Page 5

5. Identification of interested persons

On a separate page, please provide the names and contact information (i.e., mailing and email addresses) of all persons whom you know to be interested in the local CDP decision and/or the approved or denied development (e.g., other persons who participated in the local CDP application and decision making process, etc.), and check this box to acknowledge that you have done so.

☒ Interested persons identified and provided on a separate attached sheet

6. Appellant certifications

I attest that to the best of my knowledge, all information and facts in this appeal are correct and complete.

Print name Jonah Breslau


Signature

Date of Signature 9-6-2021

7. Representative authorization⁵

While not required, you may identify others to represent you in the appeal process. If you do, they must have the power to bind you in all matters concerning the appeal. To do so, please complete the representative authorization form below and check this box to acknowledge that you have done so.

☒ I have authorized a representative, and I have provided authorization for them on the representative authorization form attached.

⁵ If there are multiple appellants, each appellant must provide their own certification. Please attach additional sheets as necessary.

⁶ If there are multiple appellants, each appellant must provide their own representative authorization form to identify others who represent them. Please attach additional sheets as necessary.

CALIFORNIA COASTAL COMMISSION

455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2219
VOICE (415) 904-5200
FAX (415) 904-5400

**DISCLOSURE OF REPRESENTATIVES**

If you intend to have anyone communicate on your behalf to the California Coastal Commission, individual Commissioners, and/or Commission staff regarding your coastal development permit (CDP) application (including if your project has been appealed to the Commission from a local government decision) or your appeal, then you are required to identify the name and contact information for all such persons prior to any such communication occurring (see Public Resources Code, Section 30319). The law provides that failure to comply with this disclosure requirement prior to the time that a communication occurs is a misdemeanor that is punishable by a fine or imprisonment and may lead to denial of an application or rejection of an appeal.

To meet this important disclosure requirement, please list below all representatives who will communicate on your behalf or on the behalf of your business and submit the list to the appropriate Commission office. This list could include a wide variety of people such as attorneys, architects, biologists, engineers, etc. If you identify more than one such representative, please identify a lead representative for ease of coordination and communication. You must submit an updated list anytime your list of representatives changes. You must submit the disclosure list before any communication by your representative to the Commission or staff occurs.

Your Name Jonah Breslau on behalf of UNITE HERE Local 11

CDP Application or Appeal Number Appeal of 5-LGB-21-0779

Lead Representative

Name Jordan R. Sisson
Title Attorney, Law Office of Gideon Kracov
Street Address 801 S. Grand Ave. 11th Floor
City Los Angeles
State, Zip CA, 90017
Email Address jordan@gideonlaw.net
Daytime Phone 818.324.9752

Your Signature 

Date of Signature 9/6/21

Additional Representatives (as necessary)

Name _____
Title _____
Street Address. _____
City _____
State, Zip _____
Email Address _____
Daytime Phone _____

Name _____
Title _____
Street Address. _____
City _____
State, Zip _____
Email Address _____
Daytime Phone _____

Name _____
Title _____
Street Address. _____
City _____
State, Zip _____
Email Address _____
Daytime Phone _____

Name _____
Title _____
Street Address. _____
City _____
State, Zip _____
Email Address _____
Daytime Phone _____

Your Signature  _____

Date of Signature 9/6/2021 _____

ATTACHMENT: CALIFORNIA COASTAL COMMISSION APPEAL FORM

INTERESTED PERSONS

Steve Leonard
609 Sleepy Hollow
Laguna Beach, CA 92651

GROUNDNS FOR APPEAL

I. THE PROJECT'S RELIANCE ON IN-LIEU FEES VIOLATES AFFORDABLE HOTEL POLICIES

Both the California Coastal Act and Laguna Beach's Local Coastal Program ("LCP") require promotion of affordable access to the coast. Coastal Act Section 30213 mandates that "low-cost visitor facilities shall be protected, encouraged, and where feasible, provided." Laguna Beach LCP Policy 6.2 provides that the City must "preserve and encourage an increase of the City's stock of affordable motel and hotel rooms available for short-term visitors." LCP Action 6.2.2 encourages the City to "investigate and, if appropriate, amend the Municipal Code to ensure that affordable hotels and motels are maintained for short-term visitor occupancy." Generally, the City and the Coastal Commission have interpreted these requirements to include requiring mitigation for the addition of new high-cost hotel rooms.

The Pacific Edge Hotel in Laguna Beach is proposing a redevelopment with 25 new hotel rooms (15 in an entirely new building), "a remodel of nine existing buildings, relocation of the pool and spa, the construction of a subsurface parking garage and a new hotel building, restriping of the parking areas, new porte cochère, roadway improvements along Sleepy Hollow Lane, new office and conference areas, a new café with outdoor dining, air conditioning, and landscaping," and additional seats in the existing restaurants.¹ Unfortunately, the project does not do enough to provide affordable access to the coast

The Project is an addition and enlargement of an existing hotel which has historically offered low-cost accommodations. Despite an explicit Coastal Act policy requiring that local governments "shall" protect low-cost accommodations and "shall" provide low-cost accommodations where feasible, the City approved the Project merely requiring payment of an in-lieu fee of \$650,000 to mitigate the addition of new high-cost hotel rooms and the loss of existing affordable ones. *The payment of in-lieu fees fails to comply with the mandatory provisions of the Coastal Act requiring provision of low-cost visitor facilities where feasible.*

The proposed "in-lieu fees" to promote coastal access are inadequate to compensate for the addition of 25 new, luxury hotel rooms, the alleged "intensification" of this high-end resort (e.g. intensification of restaurant, new café, etc.), and the loss of affordability at the hotel over the last decade. A 2012 survey of hotels in the City showed rates as low as \$75 a night at the Pacific Edge,

¹ Pacific Edge Planning Commission Staff Report, [https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/854885/Item No. 4.3 - Staff Report.pdf](https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/854885/Item%20No.%204.3%20-%20Staff%20Report.pdf), pdf p. 1. For restaurant seats, see pdf p. 7-8, p. 22-23.

certainly an accessible rate for working families.² The project should account for this loss of affordability over the last decade that never received a Coastal Development Permit. In fact, just the addition of 25 new rooms would require the addition of six affordable rooms in the hotel, based on the Coastal Commission's recent actions at Cannon's Beach Resort³ or even the City of Laguna Beach's proposal for the Seven4One Hotel in Laguna, which was to provide 3 affordable rooms out of the entire 12 room hotel.⁴ Given the loss of affordability at the project overall, a minimum of 25% of the hotel's proposed 156 rooms should be at affordable rates, which would mean 39 affordable rooms.

At the City Council hearing, City staff asserted that requiring provision of on-site low-cost accommodations is not feasible for the Project for two reasons: first, because the City has no established process to determine how many guest rooms would need to be reserved for low-cost accommodations; and second, because the pricing policies for the various rooms at this Pacific Edge project is too complicated an algorithm to feasibly incorporate low-cost accommodations. Both responses are unsupported by record evidence.

The Coastal Act policy mandating provision of low-cost accommodations where feasible is not dependent on the City adopting an implementing ordinance. The City asserts its pilot program for determining the required affordable set-aside is only in its infancy, and that the pilot program would not be operational for six months. In its reply to comments, the City seems to interpret LCP Action 6.2.2 – encouraging the City to adopt an ordinance to protect affordable hotels – as a justification for failing to require *any* on-site affordable accommodations as mandated by the Coastal Act. This is incorrect; regardless of whether the City has adopted an implementing ordinance, the City must satisfy the mandates of the Coastal Act. Moreover, because its pilot program is scheduled to be operational within six months, the City would have ample time to refine the implementation details of a condition imposed by the Coastal Commission requiring on-site affordable accommodations.

Nor is Pacific Edge's complicated pricing algorithm a legal justification for the City to shirk its duty to provide affordable accommodations where feasible. It should be no surprise that a modern hotel has dynamic rates that change in response to demand, availability, season, room type and other factors. But a hotel's use of algorithms to maximize revenue per room has no logical connection to the City's ability to identify a number of guest rooms meeting certain criteria that must be maintained for affordable accommodation. The City of Laguna Beach has extensive experience processing hotel approvals pursuant to the Coastal Act and has access to staff as well as private consultants to demystify pricing policies. Rather than make a good-faith effort to meet its

² Staff Report: Major Amendment Request No. 1-12 (LGB-Maj-1-12), October 31, 2013. <https://documents.coastal.ca.gov/reports/2013/11/F21b-11-2013.pdf>, pdf p. 75.

³ "In this case, the applicant is proposing the construction of a new 100 room resort hotel with 25% of the rooms on site reserved at an identified low-cost rate, which is consistent with approaches taken in past projects the Commission has approved as adequately mitigating for the impact created by the high-cost rooms." <https://documents.coastal.ca.gov/reports/2021/2/W12a/W12a-2-2021-report.pdf>, p. 3.

⁴ Seven4One Hotel Planning Commission Staff Report, https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/926383/Item_No._4.3_-_Staff_Report.pdf, pdf p. 14.

obligations under the Coastal Act, the City is justifying in-lieu fees by failing to meaningfully investigate how to require on-site affordable accommodations.

The purpose of Coastal Act Section 30213 is to ensure the California public, including those who rely on affordable accommodations can enjoy access to the coast. The City, however, proposes to approve in-lieu fees for affordable accommodations while asserting that on-site affordable accommodations are not feasible, based on dubious assumptions and logically incoherent arguments from the hotel industry. This conduct violates the Coastal Act.

The City must require provision of affordable accommodations on-site unless it can demonstrate that it would be infeasible to do so. There is nothing about the proposed hotel – its size, location, its multiple structures, or its complicated pricing algorithm – that would prevent the feasible provision of on-site affordable accommodations. In this case, the proposed hotel will have 156 guest rooms in a variety of buildings and room types, which should afford sufficient flexibility to identify appropriate rooms for low-cost accommodations.

II. THE PROJECT REQUIRES ADDITIONAL MITIGATION MEASURES TO COMPLY WITH PUBLIC ACCESS POLICIES

The Coastal Act protects existing parking supplies within parking-impacted areas such as the Project vicinity.⁵ Here, the Project proposes valet service transferring vehicles from the Site to an off-site parking lot. The Project's off-site parking by the valet operator would displace other members of the public from parking spaces that are in short supply during the "surges in demand" when the valet operator uses the off-site lots. The Project's Initial Study/MND ("IS/MND") land use analysis disposes with the need for any meaningful analysis of public access impacts by asserting that the "peer-reviewed Parking Analysis demonstrates that the proposed 220 on-site parking spaces would be sufficient to accommodate typical parking demand."⁶ This statement, fails to account for the real parking impacts caused by valet operators inefficiently using on-site parking spaces and opting to use an off-site lot simply "to enhance the pace of vehicle delivery."⁷

The IS/MND's parking survey⁸ demonstrates that a significant percentage of parking demand is satisfied by using the off-site lot even when the on-site lot is not fully occupied. This survey counted 12 cars at the off-site lot out of 149 total occupied parking spaces at 5:00 p.m. (8.1% of total); 11 out of 166 at 6:00 p.m. (6.6% of total); 13 out of 162 parking spaces at 7:00 p.m. (8.0% of total); 10 out of 148 parking spaces at 8:00 p.m. (6.8% of total); and 7 out of 128 parking spaces at 9:00 p.m. (5.5% of total). The survey itself demonstrates that the operator is utilizing off-site parking spaces before the existing 220 on-site parking spaces are occupied – even on a typical Saturday evening. Therefore, it is reasonably foreseeable that the Project will increase demand for valets parking vehicles from the Site to off-site parking lots otherwise available to the public. Because these valet operations occur during "surges of demand" for coastal access, it is also reasonably foreseeable that the general public's surges of demand for coastal access will overlap with, and be displaced by, the Project's valet operations. Moreover, it is reasonable to presume that additional restaurant service area and guest rooms will make off-site valet operations even more

⁵ See California Coastal Act Sections 30211, 30212.5 and 30213.

⁶ IS/MND, p. 87.

⁷ Appendix H (Transportation Analysis), Attachment B (Revised Parking Analysis), p. 1.

⁸ Appendix H (Transportation Analysis), Attachment C (Existing Parking Surveys).

likely. What was previously an occasional surge on Saturday may occur every Thursday through Sunday – or even daily.

Therefore, new mitigation is required to require valet operators to occupy all 220 on-site spaces before using any off-site parking lot, in order to minimize displacement of other parking spaces available to the public. The project's current operations, including inefficiently using on-site parking "to enhance the pace of vehicle delivery," cannot be expanded without impacting public access. The Project must be conditioned to impose a new mitigation measure requiring the use of all on-site spaces before an off-site parking lot may be utilized.