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Hearing Date:	05/13/21

STAFF REPORT: REGULAR CALENDAR

Application No.:	**5-20-0485**
Applicant:	**Johnny Lopez**
Agent:	Srour and Associates
Location:	2654-2666 The Strand, Hermosa Beach, Los Angeles County (APNs: 4181-037-009; 4181-037-010)
Project Description:	1) Lot merger of two contiguous lots at 2654 and 2666 The Strand, each developed with a single-family residence; 2) demolition of an existing 3,180 sq. ft. single-family residence at 2654 The Strand; and 3) construct an addition to the existing 7,002 sq. ft. single-family residence at 2666 The Strand, resulting in a 11,328 sq. ft. single-family residence with a 798 sq. ft. attached ADU across two lots.
Staff Recommendation:	Denial

SUMMARY OF STAFF RECOMMENDATION

The applicant proposes to demolish a 3,180 sq. ft. residence at 2654 The Strand, merge the lots at 2654 The Strand and 2666 The Strand into one 6,977 sq. ft. lot, and construct additions to the existing 4,380 sq. ft. residence at 2666 The Strand. The project would result in an 11,328 sq. ft. single-family residence that would span both 2666 The Strand and 2654 The Strand. The single-family residence would include a 798 sq. ft. attached

accessory dwelling unit (ADU). The project also includes 575 cubic yards of grading and drought-tolerant, non-invasive landscaping.

The project site is designated in the certified LUP as a Low-Density Residential lot, which corresponds to the R-1 zone in the City's uncertified Zoning Code. The R-1 zone limits development to single-family residences and associated accessory structures, which includes accessory dwelling units (ADUs). However, the proposed project is not consistent with Sections 30250 and 30253 of the Coastal Act. Coastal Act Section 30250 provides that new residential development shall be located in or in close proximity to existing developed areas that are able to accommodate it, or in other areas with adequate public services and where it will not have significant, cumulative adverse effects on coastal resources. Section 30253 requires new development to minimize energy consumption and vehicle miles traveled. These policies, together, encourage concentrating development in existing developed areas that are able to accommodate it in order to minimize impacts on coastal resources.

The project site currently consists of two legal residentially zoned lots, each of which is developed with a legally conforming single-family residence. The proposed lot merger and demolition of one of the single-family residences would remove one independent housing unit from the existing housing supply. The applicant has proposed a 798 sq. ft. ADU to offset the removal of the single-family residence at 2654 The Strand. The proposed ADU for the residence at 2666 The Strand would not adequately mitigate for the demolition of the residence at 2654 The Strand. The existing residence at 2654 the Strand is a full housing unit. It can be rented or sold at will, which would not be the case for the proposed ADU. Given the difficulty of enforcing the continuous rental of the ADU, it is uncertain whether the proposed ADU would be used a second unit. Furthermore, the removal of a legal residential lot through a lot merger permanently removes the legal ability to construct a new full housing unit at 2654 The Strand. If 2654 The Strand is retained as a separate lot, for instance, the homeowner could construct a new single-family residence on site. ADUs and JADUs could also be constructed in conjunction with the single-family residence, which could further boost the existing housing stock if they are rented out. Thus, the removal of this residential lot not only eliminates the opportunity to maintain a full housing unit onsite, but it also eliminates the possibility to further supplement housing opportunities in the area through the development of ADUs and JADUs that can be rented out.

Therefore, the proposed project will contribute to a trend in development in Hermosa Beach's coastal zone of reducing density by converting multi-unit structures to single-family residences. In fact, the lot merger will permanently lock in a reduced development potential for the two lots by merging them into one lot. Given the development pattern in Hermosa Beach, the project is inconsistent with Coastal Act Sections 30250 and 30253, which encourage concentrating development in existing development areas. By reducing the development potential in this already developed area of the coastal zone, this project, if approved by the Commission, would do the opposite.

The proposed project also raises issues with regard to community character under Section 30251 of the Coastal Act. The proposed demolition of the residence at 2654 The Strand, lot merger of 2654 The Strand and 2666 The Strand, and additions to the residence at 2666 The Strand would result in an 11,380 sq. ft. residence on a 6,287 sq. ft. lot. The proposed structure would be more than twice as large as 19 of the 20 remaining ocean-front structures within two blocks of the project site, including those that are developed with multi-unit structures. Most residences in the project vicinity are between 2,200 sq. ft. to 5,000 sq. ft. in size and are developed on single lots. The size of the proposed structure, the use of the two sites for one single family residence, and the resulting large lot size would be inconsistent with the community character as it would facilitate a larger, less dense development pattern than what is intended in the certified LUP. Thus, the use of the two lots for one single-family residence, and the resulting large lot is not consistent with Coastal Act Section 30251 regarding community character.

The Commission certified the City's LUP in 1982. However, the City does not yet have a certified Local Coastal Program (LCP). Therefore, the Chapter 3 policies of the Coastal Act constitute the standard of review for the project, with the certified LUP used as guidance.

Therefore, Commission staff recommends that the Commission **DENY** coastal development permit application 5-20-0485 as submitted by the applicant. The motion is on Page 5.

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EXHIBITS

I. MOTION AND RESOLUTION

Motion:

I move that the Commission approve Coastal Development Permit No. 5-20-0485 for the development proposed by the applicant.

Staff recommends a **NO** vote. Failure of this motion will result in denial of the permit and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

Resolution:

The Commission hereby denies a coastal development permit for the proposed development on the grounds that the development will not conform with the policies of Chapter 3 of the Coastal Act, and will prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3. Approval of the permit would not comply with the California Environmental Quality Act because there are feasible mitigation measures or alternatives that would substantially lessen the significant adverse impacts of the development on the environment.

II. FINDINGS AND DECLARATIONS

A. Project Description

The project site consists of two rectangular-shaped ocean-fronting residential lots located at 2654 and 2666 The Strand in Hermosa Beach **(Exhibit 1)**. Both lots are designated as Low-Density residential in the City's certified Land Use Plan (LUP), which corresponds to the R-1 zone in the City's zoning code. The lot located at 2654 The Strand is 2,597 sq. ft. in size and is developed with a three-story, 3,180 sq. ft. single-family residence. The lot located at 2666 The Strand is 4,380 sq. ft. in size and is developed with a 7,008 sq. ft. single-family residence. The applicant proposes to demolish the 3,180 sq. ft. residence at 2654 The Strand, merge the lots at 2654 The Strand and 2666 The Strand into one 6,977 sq. ft. lot, and construct additions to the existing 7,008 sq. ft. residence at 2666 The Strand. The project would result in an 11,328 sq. ft. single-family residence that would span both lots. The single-family residence would include a 798 sq. ft. attached accessory dwelling unit (ADU). The project also includes 575 cubic yards of grading and drought-tolerant, non-invasive landscaping **(Exhibit 2)**.

The residence at 2654 The Strand was constructed in 1932, prior to passage of the Coastal Act. There is no known CDP history for this lot, but it does appear that the residence has always functioned as a single-family residence. The residence at 2666 The Strand was constructed in 2013 pursuant to CDP No. 5-11-233. There is no further permit history on this site.

The Commission certified the City's LUP in 1982. However, the City does not yet have a certified Local Coastal Program (LCP). Therefore, the Chapter 3 policies of the Coastal Act constitute the standard of review for the project, with the certified LUP used as guidance.

B. Development

Section 30250 of the Coastal Act states, in pertinent part:

> (a) New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. In addition, land divisions, other than leases for agricultural uses, outside existing developed areas shall be permitted only where 50 percent of the usable parcels in the area have been developed and the created parcels would be no smaller than the average size of surrounding parcels.

Section 30251 of the Coastal Act states, in pertinent part:

> The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

Section 30253 of the Coastal Act states, in pertinent part:

> New development shall do all of the following:
>
> (a) Minimize risks to life and property in areas of high geologic, flood, and fire hazard.
>
> (b) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs…
>
> (d) Minimize energy consumption and vehicle miles traveled…

LUP Section IV.B states:

Goals and Objectives

1. To preserve the City's existing diversified mix of age and income groups.

2. To preserve the City's existing diversified neighborhoods.

3. To promote and encourage the conservation, rehabilitation, and maintenance of the City's existing housing stock.

LUP Section IV.C.1 states, in relevant part:

Policy: To continue the current mix of low, moderate, and high housing densities.

Program: The Land Use Element of the General Plan shall continue to define low, medium, and high density residential areas within the City. (See Appendix I.)

Program: The Zoning Code shall continue to define the different building standards for each of the residential zones.

Coastal Act Section 30250 provides that new residential development shall be located in or in close proximity to existing developed areas that are able to accommodate it, or in other areas with adequate public services and where it will not have significant, cumulative adverse effects on coastal resources. Section 30253 requires new development to minimize energy consumption and vehicle miles traveled. These policies together encourage "smart" growth by locating new development in appropriate areas that minimizes impacts on coastal resources and discourages residential sprawl in more rural or sparsely populated areas that are not adequately developed to support new residential development and where coastal resources could be threatened. The certified LUP identifies the preservation of existing housing stock as an important objective. Furthermore, the LUP also states the need to continue the *current* mix of low, moderate, and high housing densities (refer to LUP Sections IV.B and IV.C.1 above).

Concentrating development in existing developed areas provides more opportunities for people to live near places they work and recreate, such as the beach, and, thereby, reduces impacts to coastal resources. Impacts to roads and vehicle miles traveled would be reduced by having a more intense stock of housing located closer to employment and recreational opportunities within the coastal zone. Also, by having a higher density in an existing developed area, more people are placed in a shared location encouraging the utility of public transit service, which further aids in reducing the number of cars on streets, thus reducing impacts to coastal resources and public access. Siting dense development in urbanized areas reduces urban sprawl, and furthermore reduces the pressure to extend development into adjacent undeveloped areas, which may contain sensitive coastal resources, such as the nearby Santa Monica Mountains.

Maintaining the existing housing density or even increasing the housing density in areas with a public multi-modal transit system will help to reduce greenhouse gases that contribute to climate change and sea level rise. The project site is located in a dense,

residentially-zoned area where numerous residential opportunities are available. Grocery stores, shops, restaurants, and entertainment facilities are located within ½ a mile of the subject property, and can easily be accessed by walking, taking local buses, or by bicycle. In terms of regional public transit, the project site is located approximately 0.1 mile. (an approximately three-minute walk) from a bus stop on the intersection of Hermosa Avenue and 25th Street. This bus stop is served by the Beach Cities Transit 109 line, which connects the three "Beach Cities (Redondo Beach, Hermosa Beach, and Manhattan Beach)" to El Segundo and LAX. This bus stop also serves The Commuter Express 438 Bus, which connects the South Bay Area to Downtown Los Angeles. Thus, the project site is in an area that is appropriate to maintain density because it is located in an already densely developed area that contains a multi-modal transit system that connects to the greater Los Angeles region.

Although this project proposes a loss of one residential unit, mitigated to some extent by a proposed ADU, discussed more fully below, the cumulative effect of the loss of residential housing in areas able to accommodate such density likely would increase pressure to develop housing in other areas that do not have adequate public transit and/or public services in the long run, thereby increasing reliance on automobiles (and, potentially, production of greenhouse gases), and in areas that are not appropriate for concentrated development, such as areas vulnerable to coastal hazards and sea level rise. Given the existing housing shortages throughout the state, there is tremendous economic and political pressure to develop more housing opportunities; therefore, in the coastal zone, it is important to maintain density in already developed and appropriate areas to ensure protection of coastal resources.

In this case, the project site currently consists of two legal residentially zoned lots, each of which is developed with a legally conforming single-family residence. The proposed lot merger and demolition of the single-family residence would remove one independent housing unit from the existing housing supply. The applicant has proposed a 798 sq. ft. ADU to offset the removal of the single-family residence at 2654 The Strand. However, as it will be explained in further detail below, the ADU is not an adequate mitigation for a 3,150 sq. ft. single-family residence that can be rented or sold as an independent unit. Furthermore, the lot merger would permanently remove a legal residentially zoned lot and the potential to develop an additional independent housing unit with supplemental ADUs/JADUs.

Housing Density and ADU/JADUs

Given that the existing single-family residences are conforming structures under the certified LUP that have historically provided two full housing units on separate lots, the re-development of a single-family residence across two lots would result in not only the loss of one existing residential unit, but also the loss of a residential lot. In previous projects, the Commission has encouraged the development of an ADU or JADU as a means to mitigate for lost residential units. However, in light of a persisting lack of housing supply across the state (particularly in the coastal zone), it has become apparent that replacement of a full housing unit with an ADU/JADU is likely an insufficient approach to preserving housing density in the Coastal Zone. ADUs/JADUs

are important mechanisms to increase the potential number of independent housing units that can be rented out separately from the primary residence. Although ADUs are typically designed to function separately from the single-family residence, the ADU is dependent on the single-family residence to serve as a housing unit. The ADU typically shares utility lines (power, water) with the single-family residence. Furthermore, ADUs cannot be sold separately from the primary residence. In addition, it is more difficult to enforce the continuous provision of an ADU as compared to two separate single-family residences. The Commission, for instance, does not have the authority to require that an ADU/JADU be rented out for the life of the structure. In addition, due to their size, ADUs are more easily left vacant or used by the residents of the primary single-family residence, rather than rented out. Therefore, in this case there is a low degree of confidence that an ADU will be used or rented as a second unit. In this case, the applicant is proposing an attached 798 sq. ft. ADU that would be located on the lowest floor of the single-family residence at 2666 The Strand. The ADU is designed as a studio unit and features a combined bedroom and living room area, full kitchen, full bathroom, and several windows. Although the proposed ADU would have a separate exterior entrance (pursuant to the state's ADU requirements), the ADU can easily be incorporated into the primary residence, and is less likely to be rented out as a separate unit than if a detached ADU was proposed on site.

There is an apparent trend of development in Hermosa Beach of converting multi-family residential developments into single-family homes. The Commission approved 41 projects within the last five years that converted multi-family units to single-family residences (a total loss of 47 residential units).[1] While the subject project does not propose to convert a multi-family home into a single-family home, it would have a similar outcome—loss of housing density in the City's coastal zone. In the past, the Commission's approval of projects that would reduce housing density typically relied on Chapter 3 policies or certified LUP policies relating to the individual project sites; however, many decisions did not look at the cumulative impacts of loss of housing density in coastal areas or the importance of concentrating development in areas capable of supporting it for purposes of protecting coastal resources on a broader scale. In response to California's persisting housing crisis, however, the Commission has become increasingly concerned about the cumulative impacts of development trends that reduce housing density and increase development pressure in other, potentially sensitive, or hazardous areas in the coastal zone.[2]

The Commission has, in the past, considered the development of ADUs/JADUs as mitigation for projects that propose to convert duplexes to single-family residences in Hermosa Beach on small R-2 or R-3 lots that can only be redeveloped with a single-family residence under the certified LUP (refer to the table, derived from Appendix G of

[1] Refer to Appendix B

[2] Refer to the staff report for CDP Application No. 5-18-0380 (S.M. Star, LLC)

the certified LUP).[3] The past Commission approvals of these types of projects were often a compromise approach because there was no other option for a property owner to redevelop a site with an aging residential structure while maintaining the same number of residential units consistent with the LUP. This is not the case for the subject project, where the applicant could retain the existing single-family homes on each site or construct a new single-family home on each site, consistent with the certified LUP and the City's zoning provisions.

New housing laws that took effect on January 1, 2020 seek to address the statewide housing crisis by encouraging the maintenance of existing multifamily residential density (SB330) and provision of additional accessory dwelling units (Government Code §§ 65852.2, 65852.22). The Housing Crisis Act, in particular, prohibits local governments from approving residential projects that would demolish more "dwelling units" than are created by the project (no net loss). The Housing Crisis Act does not apply to the Commission or modify the Coastal Act, and the Commission is not applying the law as the standard of review for this project. Nevertheless, it appears that the City has taken the position that an ADU satisfies the no net loss requirement of the Housing Crisis Act. Therefore, the housing trend in Hermosa identified above, to which this project, if approved, would contribute, is likely to continue, as the City's approval of recent projects suggests that it will not deny projects, such as this one, that reduce legal residentially-zoned lots and associated full housing units through lot mergers if an ADU is constructed on a single-family residence that spans both lots.

In this case, the proposed ADU for the residence at 2666 The Strand would not adequately mitigate for the demolition of the residence at 2654 The Strand. For one, the existing residence at 2654 the Strand is a single-family residence on its own lot. It can be rented or sold at will, which would not be the case for the proposed ADU at 2666 The Strand. As described above, it is difficult to enforce the use of an ADU as a second unit because the Commission cannot require the ADU to be rented out in perpetuity. Therefore, it is uncertain whether the proposed ADU would be used a second unit. Furthermore, the removal of a legal residential lot through a lot merger permanently removes the legal ability to construct a new full housing unit at 2654 The Strand. If 2654 The Strand is retained as a separate lot, for instance, the homeowner could construct a new single-family residence on site. ADUs and JADUs could also be constructed in conjunction with the single-family residence, which could further boost the existing housing stock if they are rented out. Thus, the removal of this residential lot not only permanently eliminates the opportunity to maintain a full housing unit onsite, but also eliminates the possibility to further supplement housing opportunities in the area through the development of ADUs and JADUs that can be rented out. This runs counter to Coastal Act policies that encourage concentrating development in existing developed areas, such as Hermosa Beach, because it would continue a trend in development that cumulatively is reducing housing density and opportunities in Hermosa Beach. Thus,

[3] Refer to CDP Nos. 5-19-1244; 5-20-0142; 5-20-0223.

the project as proposed with only one residential unit and an ADU is not consistent with Sections 30250 and 30253 of the Coastal Act and is denied.

C. Community Character

Section 30251 of the Coastal Act states, in pertinent part:

> The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

Section VI.C states, in relevant part:

> Policy: That the City should restrict building height to protect overview and viewshed qualities and to preserve the City's existing low-rise profile.
>
> Program: zoning and building codes limit the height of all structures, depending on zone. The maximum height in each residential R-1, R-2, and R-3 zones are 25 ft., 30ft., and 35 ft. respectively. The maximum height in the City is 45 ft. or three stories and is in the commercial zone. (See Appendix G,Table XIII.)

The proposed project is not compatible with the character of this neighborhood, as required by Section 30251. In this case the applicant is proposing to merge two legal residential lots, demolish one single-family residence on one of the lots, and construct an addition to the second single-family residence to create an approximately 11,000 sq. ft. residence on a 6,977 sq. ft. lot. The size, scale, and visual appearance of the proposed residence is in stark contrast to homes in the surrounding neighborhood.

The project site is located in an urbanized neighborhood developed with two- and three-story residential structures up to 30 ft. in height. Of the 21 ocean-fronting parcels along The Strand between 26th and 29th Streets (including the two subject lots), there are 16 single-family residences, 3 duplexes, and two triplexes ranging 1,384 sq. ft. to 9,713 sq. ft. in size. Most of the surrounding structures in the immediate vicinity are single-family structures, consistent with the permitted uses in the City's R-1 zone. Although multi-family developments have been developed on these R-1 zoned lots, it is evident that the policies in the certified LCP intended for the area surrounding the project site to accommodate single-family residential development. The lot sizes surveyed ranged from 2,597 sq. ft. to 6,595 sq. ft. in size, with the average lot approximating 4,000 sq. ft **(Exhibit 3)**.

The proposed demolition of the residence at 2654 The Strand, lot merger of 2654 the Strand and 2666 The Strand, and additions to the residence at 2666 The Strand would result in a 11,380 sq. ft. residence on a 6,287 sq. ft. lot. The proposed structure would be twice as large as 18 of the 19 remaining ocean-fronting structures within two blocks of the project site, including those that are developed with multi-unit structures. In addition, the Staff's community character analysis did identify one single-family residence at 2909 The Strand that is approximately 9,700 sq. ft. in size and is constructed on a double lot. However, it appears that this residence may have been constructed prior to passage of the Coastal Act, and is not indicative of the overall pattern of development in this area. Most residences in the project vicinity are between 2,200 sq. ft. to 5,000 sq. ft. in size and are developed on singular lots. The size of the proposed structure, the use of the two sites for one single family residence, and the resulting large lot size would be inconsistent with the community character of the area as it would be keenly out of step with the current development pattern. Thus, the use of the two lots for one single-family residence, and the resulting large lot is not consistent with the Coastal Act Section 30251 regarding community character and is denied.

D. Hazards

Section 30253 of the Coastal Act states, in pertinent part:

> "New development shall do all of the following:
>
> (a) Minimize risks to life and property in areas of high geologic, flood, and fire hazard.
>
> (b) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs."

Section 30253 of the Coastal Act requires that new development minimize risks to life and property in hazardous areas, including areas subject to flooding. New development must also not significantly contribute to erosion or destruction of the site or surrounding area or require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs. The proposed project raises potential hazards concerns related to the project site's location on an oceanfront lot, as well its location in a low-lying area that is inherently vulnerable to flooding. Thus, potential hazards issues that must be addressed include the potential for erosion, flooding, wave runup, and storm hazards associated with oceanfront development, as well as the risks of locating development in an area that is currently vulnerable to flooding. Both of these hazards concerns may be exacerbated by sea level rise that is expected to occur over the coming decades. These hazards issues are discussed more fully below.

Sea Level Rise

Sea level has been rising for many years. Several different approaches have been used to analyze the global tide gauge records in order to assess the spatial and temporal variations, and these efforts have yielded sea level rise rates ranging from about 1.2 mm/year to 1.7 mm/year (about 0.5 to 0.7 inches/decade) for the 20th century, but since 1990 the rate has more than doubled, and the rate of sea level rise continues to accelerate. Since the advent of satellite altimetry in 1993, measurements of absolute sea level from space indicate an average global rate of sea level rise of 3.4 mm/year or 1.3 inches/decade – more than twice the average rate over the 20th century and greater than any time over the past one thousand years. Recent observations of sea level along parts of the California coast have shown some anomalous trends; however, there is unequivocal evidence that the climate is warming, and such warming is expected to cause sea levels to rise at an accelerating rate throughout this century.

The State of California has undertaken significant research to understand how much sea level rise to expect over this century and to anticipate the likely impacts of such sea level rise. On November 7, 2018, the Commission adopted a science update to its Sea level Rise Policy Guidance. This document provides interpretive guidelines to ensure that projects are designed and built in a way that minimizes sea level rise risks to the development and avoids related impacts to coastal resources, consistent with Coastal Act Section 30253. These guidelines state, “to comply with Coastal Act Section 30253 or the equivalent LCP section, projects will need to be planned, located, designed, and engineered for the changing water levels and associated impacts that might occur over the life of the development.” The most recent projections in the statewide sea level rise guidance indicate that sea levels in this area may rise between 5.5 feet and 6.8 feet by the year 2100, though there is a risk of much more significant sea level rise depending on various uncertainties, including the dynamics of ice sheet loss. The projection is given in a range largely because researchers cannot know exactly how much greenhouse gases we will continue to emit over the coming decades – large-scale curtailment of greenhouse gas emissions would keep sea level rise towards the lower end of the projections, while business as usual emissions scenarios would result in the higher end of the projections. Because the world has continued along the “business as usual” scenario (and data suggests temperatures and sea level rise are tracking along the higher projections), the Ocean Protection Council and the Natural Resources Agency have continued to recommend that we avoid relying on the lower projections in planning and decision-making processes.

As our understanding of sea level rise continues to evolve, it is possible that sea level rise projections will continue to change as well (as evidenced by the recent updates to best available science). While uncertainty will remain with regard to exactly how much sea levels will rise and when, the direction of sea level change is clear and it is critical to continue to assess sea level rise vulnerabilities when planning for future development. Importantly, maintaining a precautionary approach that considers high or even extreme sea level rise rates and includes planning for future adaptation will help ensure that decisions are made that will result in a resilient coastal California.

On the California coast, the effect of a rise in sea level will be the landward migration of the intersection of the ocean with the shore, which will result in increased flooding,

erosion, and storm impacts to coastal areas. For fixed structures on the shoreline, such as a seawall, an increase in sea level will increase the inundation of the structure. More of the structure will be inundated or underwater than is inundated now and the portions of the structure that are now underwater part of the time will be underwater more frequently. Accompanying this rise in sea level will be an increase in wave heights and wave energy. Along much of the California coast, the bottom depth controls the nearshore wave heights, with bigger waves occurring in deeper water. Since wave energy increases with the square of the wave height, a small increase in wave height can cause a significant increase in wave energy and wave damage. Combined with the physical increase in water elevation, a small rise in sea level can expose previously protected back shore development to increased wave action, and those areas that are already exposed to wave action will be exposed more frequently, with higher wave forces. Structures that are adequate for current storm conditions may not provide as much protection in the future.

The City of Hermosa Beach completed an initial sea level rise vulnerability assessment in 2014. The report indicates that the City's shoreline is highly vulnerable to change due to the very soft substrate (sand dunes) that were built upon, and the reduced influx of sediment to the littoral cell. The report also indicates that Hermosa Beach has gained significant beach width due to past sand replenishment projects, including replenishment needed to protect Los Angeles' Hyperion Sewage Treatment Plant, and that the structures protecting King Harbor in Redondo Beach, just to the south, serve as a sediment trap that benefits Hermosa's beach area. The report concludes on page 18 that:

> "To the extent future coastal erosion increases as a result of sea level rise and related changes in sediment dynamics, and if future beach replenishment is not maintained, Hermosa Beach should expect a reduction of the protective beach buffer in front of the city. As a result, future flooding and storm surge could have a more destructive and farther-inland reaching impact than if the beach remains stable. In the absence of having [such] a detailed engineering study, the estimates of inland flooding under the higher sea level rise scenario used here thus may not fully capture the extent of potential risks to the city."

Therefore, there is a high degree of uncertainty regarding future impacts of sea level rise within the City and at the project site, which is adjacent to The Strand, not only caused by the uncertainty of global sea level rise projections, but also by uncertainty related to the long-term effectiveness and feasibility of sand replenishment, as well as the potential for changes in coastal management approaches within the littoral cell, which could significantly impact sediment transport in the area. Future impacts from sea level rise may include not only increased hazards at the project site, but also loss of public beach area within the City. These impacts will be further evaluated and addressed in the City's LCP planning process, which is currently underway.

Coastal Hazards and Shoreline Protection

The Coastal Act strongly discourages shoreline protective devices to protect oceanfront development because such structures generally cause adverse impacts to coastal resources and can constrain the ability of the shoreline to respond to dynamic coastal processes. As a sandy beach erodes, the shoreline will generally migrate landward toward the structure, resulting in a reduction and/or loss of public beach area with no increase of the landward extent of the beach. A beach that rests either temporarily or permanently at a steeper angle, under natural conditions, will have less horizontal distance between the mean low water and mean high water lines, which narrows the beach sandy area available for public access. Shoreline protective devices also result in a progressive loss of sand because shore material is not available to nourish the nearshore sand bar. The lack of an effective sand bar can allow such high wave energy on the shoreline that sand materials may be lost offshore, where it is no longer available to nourish the beach. This also affects public access through a loss of sandy beach area. Shoreline protection devices such as revetments, seawalls, and bulkheads cumulatively affect shoreline sand supply and public access by causing accelerated and increased erosion on adjacent beaches. Such a protective structure is often placed on public land rather than on the private property it is intended to protect, resulting in a physical loss of beach area formerly available to the general public. In general, shoreline protection devices are not attractive, can detract from a natural beach experience, and adversely impact scenic public views. Shoreline protective devices can also prevent the natural inland migration of public lands (whether submerged lands, tidelands, or public state lands) in areas where they are not adjacent to adjudicated property lines. Shoreline protective devices, by their very nature, tend to conflict with Chapter 3 policies because shoreline structures can have a variety of adverse impacts on coastal resources, including adverse effects on sand supply, public access, coastal views, natural landforms, and overall shoreline beach dynamics on and off site, ultimately resulting in the loss of beach.

Because shoreline protection devices, such as seawalls, revetments, and groins, can create adverse impacts on coastal processes, Coastal Act Section 30253 specifically requires that new development minimize risk to life and property in areas of high flood hazards and prohibits development that would "…create [or] contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs." . This limitation is particularly important when considering new development, such as in this case, because if it is known that a new development may need shoreline protection in the future, it would be unlikely that such development could be found to be consistent with Section 30253 of the Coastal Act. Therefore, the Commission's action on this project must consider the effects of wave uprush, flooding, and storm events (with sea level rise considerations) on public access and recreation.

For this project, the applicant has submitted a Coastal Hazard and Wave Runup Study dated August 5, 2020 prepared by Geosoils, Inc. for the subject project. The study concludes that because there is a wide sandy beach (approximately 500 feet wide) between the subject property and the Pacific Ocean, wave runup and overtopping will not significantly impact this site over the life of the proposed improvements. The report

finds that this holds true even for an estimated sea level rise up to 5.7 feet. However, as stated above, the most recent projections in the statewide sea level rise guidance indicate that sea levels in this area may rise between 5.5 and 6.8 feet by the year 2100, and 6.8 feet of sea level rise was not analyzed in the applicant's hazards analysis. In addition, these projections have a level of uncertainty, as beaches are dynamic areas and our understanding of climate change and sea level rise is constantly evolving. Therefore, the proposed new development, as a beachfront property, may be threatened by sea level rise at some point in the future if the rate of erosion and wave uprush accelerates faster than projected or if there are changes in the frequency or effectiveness of beach nourishment activities or changes to sediment management in the area, which has been the general trend in sea level rise.

In order to analyze the project site for sea level rise impacts consistent with the Coastal Commission's Sea Level Rise Guidance, staff first followed the methodology outlined in the OPC's 2018 Sea level Rise document to establish a projected sea level range for the new development. The 2018 OPC guidance uses NOAA tide gauges, a projected project lifespan, and risk aversion scenario to estimate a sea level rise range. The sea level rise analysis assumed a 75-year projected lifespan for the project, consistent with the Commission's Sea level Rise Policy Guidance for residential development. According to the 2018 OPC update, the projected sea level rise range for the project site is tied to the Santa Monica NOAA Tide Gauge. This tide gauge estimates a range between 5.5 and 6.8 feet of sea level rise by 2100 (which falls within the 75-year projected lifespan for the project). With regard to the risk-aversion scenario, both the Commission's Sea level Rise Policy Guidance and the OPC documents recommend a medium-high risk scenario for residential developments. Under a 75-year projected lifespan, a medium-high risk scenario, and the project's location within the Santa Monica NOAA tide gauge, staff estimated 6.8 feet of sea level rise within the project vicinity.

Using the sea level rise estimates listed above, staff used CoSMoS to analyze the project site's vulnerability to sea level rise impacts. Staff ran the CoSMoS model using a 6.6-foot sea level rise scenario (the closest available option that was within the determined sea level range) and a 100-year storm scenario to represent the worst-case scenario. Under an estimated 6.6-foot sea level rise and 100-year storm scenario, the project site is not anticipated to be subject to coastal erosion or wave uprush; however, as discussed, coastal areas are dynamic environments and it is difficult to predict with certainty how any particular project site will be impacted. However, in this case the project site does not appear susceptible to coastal flooding, wave uprush, or coastal erosion under the OPC sea level rise projections. This is consistent with the hazards analysis provided by the applicant's coastal engineering consultant, which maintains that the proposed development is not expected to be threatened by coastal hazards with pending sea-level rise and is not expected to need shoreline protection over the life of the development. However, given the dynamic nature of coastal beaches, as well as the long-term uncertainty of sea level rise models, it is important that the risks of developing on this beachfront lot are borne by the applicant who will benefit from the private development, and not the public. In addition, the proposed development is located in an area where dynamic and unpredictable coastal hazards exist that could

adversely impact the development should the applicant's predictions of flooding and sea level rise prove to be inaccurate.

The Commission would typically impose special conditions that require the applicant to assume the risks of developing in a hazardous area and to waive future rights to shoreline protection in order to find the project consistent with Coastal Act Section 30253. However, the Commission finds that the project, as proposed by the applicant, is inconsistent with the development policies found in Chapter 3 of the Coastal Act (as discussed above). Therefore, the project should be denied.

E. Marine Resources and Water Quality

Section 30230 of the Coastal Act states:

> Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Section 30231 of the Coastal Act states:

> The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

Section 30232 of the Coastal Act states:

> Protection against the spillage of crude oil, gas, petroleum products, or hazardous substances shall be provided in relation to any development or transportation of such materials. Effective containment and cleanup facilities and procedures shall be provided for accidental spills that do occur.

Construction Impacts to Water Quality

The above policies of the Coastal Act require protection of marine resources, including the protection of coastal waters by controlling runoff and preventing spillage of hazardous materials.

Storage or placement of construction materials, debris, or waste in a location subject to erosion and dispersion or which may be discharged into coastal water via rain or wind would result in adverse impacts upon the marine environment that would reduce the biological productivity of coastal waters. For instance, construction debris entering coastal waters may cover and displace soft bottom habitat. Sediment discharged into coastal waters may cause turbidity, which can shade and reduce the productivity of foraging avian and marine species' ability to see food in the water column.

Post-Construction Impacts to Water Quality

The proposed project has the potential to adversely impact the water quality of the nearby Pacific Ocean. Much of the pollutants entering the ocean come from land-based development. The Commission finds that it is necessary to minimize to the extent feasible within its jurisdiction the cumulative adverse impacts on water quality resulting from incremental increases in impervious surface associated with additional development. In order to address post construction water quality impacts, the applicant has submitted a drainage and runoff control plan that minimizes impacts to water quality the proposed project may have after construction. Roof and surface runoff will be managed onsite through the use of drain pipes, area drains, trench drains, and a catch basin to direct water flow to the municipal storm drain system.

For water conservation, any plants in the landscape plan shall be drought tolerant to minimize the use of water (and preferably native to coastal Los Angeles County). The applicant has stated that all landscaping will consist of low water use and non-invasive plants.

The Commission would typically require conditions requiring the applicant to adhere to construction best practices, utilize drought-tolerant, noninvasive landscaping, and treat/manage stormwater runoff onsite in order to find that the proposed project is consistent with Sections 30230, 30231 and 30232 of the Coastal Act regarding protection of marine resources and water quality. However, the Commission finds that the project, as proposed by the applicant, is inconsistent with the development policies found in Chapter 3 of the Coastal Act (as discussed above). Therefore, the project should be denied.

F. Local Coastal Program (LCP)

Coastal Act Section 30604(a) states that, prior to certification of a local coastal program ("LCP"), a CDP can only be issued upon a finding that the proposed development is in conformity with Chapter 3 of the Act and that the permitted development will not prejudice the ability of the local government to prepare an LCP that is in conformity with Chapter 3. The LUP for Hermosa Beach was effectively certified on April 21, 1982; however, because Hermosa Beach does not have a certified LCP, the Coastal Act is the standard of review for this project.

As proposed by the applicant, the proposed development is not consistent with Chapter 3 of the Coastal Act and with the certified Land Use Plan for the area. Approval of the

project, as conditioned, would prejudice the ability of the local government to prepare an LCP that is in conformity with the provisions of Chapter 3 of the Coastal Act. Therefore, the project must be denied.

G. Project Alternatives

Denial of the proposed project will neither eliminate all economically beneficial or productive use of the applicant's property, nor unreasonably limit the owner's reasonable investment-backed expectations of significant economic value on the property. Alternatives to the proposed development exist. Among the possible alternative developments are the following (though this list is not intended to be, nor is it, comprehensive of all possible alternatives):

1. No project

The applicant could retain the existing single-family residences without structural renovations that would require a CDP. No changes to the existing site conditions would result from the "no project" alternative. The extent to which these units would be affordable is unclear, as the owner could choose to rent or sell the residences at market rate. However, if rented or sold, the two units would provide more housing opportunities for more people as compared to one single-family residence with an ADU. In addition, development would continue to be concentrated in an already developed area that is well-served by public transportation and public amenities and does not appear to be threatened by sea level rise, thus, avoiding adverse impacts to coastal resources.

Under Section 30612 of the Coastal Act, if the Commission denies a permit to demolish a structure, the Commission must find, based on a preponderance of the evidence, that retaining the structure is "feasible." The project, as proposed by the applicant, includes demolition of single-family residence on one and additions to another single-family residence on the neighboring lot to span two lots. The house proposed to be demolished was constructed in 1932. The 89-year old residence has surpassed the expected lifespan for residences. However, the applicant has not provided information to demonstrate that retention of the residence is infeasible. Based on the available information, therefore, it is feasible to maintain the residence pursuant to Section 30612 of the Coastal Act.

2**. Construct New Single-Family Residences**

Alternatively, the applicant could demolish the existing residences and construct new single-family residences on one or both lots. This alternative would retain two residential units, each on one of the two lots. As stated previously, the project sites are currently developed with a 7,008 sq. ft. single family residence on a 4,500 sq. ft. lot (2666 The Strand) and a 3,180 sq. ft. single-family residence on a 2,500 sq. ft. lot (2554 The Strand) consists of a 3,300 sq. ft. lot that is located in the R-1 zone.

3. **Construct an Addition to the Residence at 2666 The Strand; Retain the Residence at 2654 The Strand**

Alternatively, the applicant could retain the existing residence at 2654 The Strand and construct a modest addition to the residence at 2666 The Strand, consistent with the Coastal Act policies and the certified LUP with regard to height, setbacks, and overall community character. This option would maintain two single-family residences on two residential lots, maintain the overall community character of the area, and allow the applicant to enjoy a larger residence.

H. California Environmental Quality Act

Section 13096 of Title 14 of the California Code of Regulations requires Commission approval of Coastal Development Permit applications to be supported by findings showing the approval, as conditioned, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment. The Commission's regulatory program for reviewing and granting CDPs has been certified by the Resources Secretary to be the functional equivalent of CEQA. (14 CCR § 15251(c).)

In this case, the City of Hermosa Beach is the lead agency and the Commission is a responsible agency for the purposes of CEQA. The City of Hermosa Beach determined that the proposed development is exempt under Section 15303(a), which exempts construction of a single-family residence in a residential zone from CEQA requirements.

As a responsible agency under CEQA, the Commission has determined that the proposed project is not consistent with the development policies of the Coastal Act. As described above, the proposed project would have adverse environmental impacts. There are feasible alternatives or mitigation measures available, such as maintaining the existing single-family residences or developing two new single-family residences on the two subject lots. Therefore, the proposed project is not consistent with CEQA or the policies of the Coastal Act because feasible alternatives exist which would lessen significant adverse impacts that the proposed project would have on the environment. Therefore, the Commission denies the proposed project because of the availability of environmentally preferable alternatives.

In any event, CEQA does not apply to private projects that public agencies deny or disapprove. Pub. Res. Code § 21080(b)(5). Accordingly, because the Commission denied the proposed project, it is not required to adopt findings regarding mitigation measures or alternatives.

APPENDIX A – SUBSTANTIVE FILE DOCUMENTS

Coastal Development Permit Application No. 5-20-0485 and associated file documents.

City of Hermosa Beach Certified Land Use Plan.