

CALIFORNIA COASTAL COMMISSION

SAN DIEGO DISTRICT OFFICE
7575 METROPOLITAN DRIVE, SUITE 103
SAN DIEGO, CA 92108-4402
VOICE (619) 767-2370
FAX (619) 767-2384



Th12a

6-13-022-A2 (Orange Avenue Real Estate Holdings, LLC)

June 10, 2021

EXHIBITS

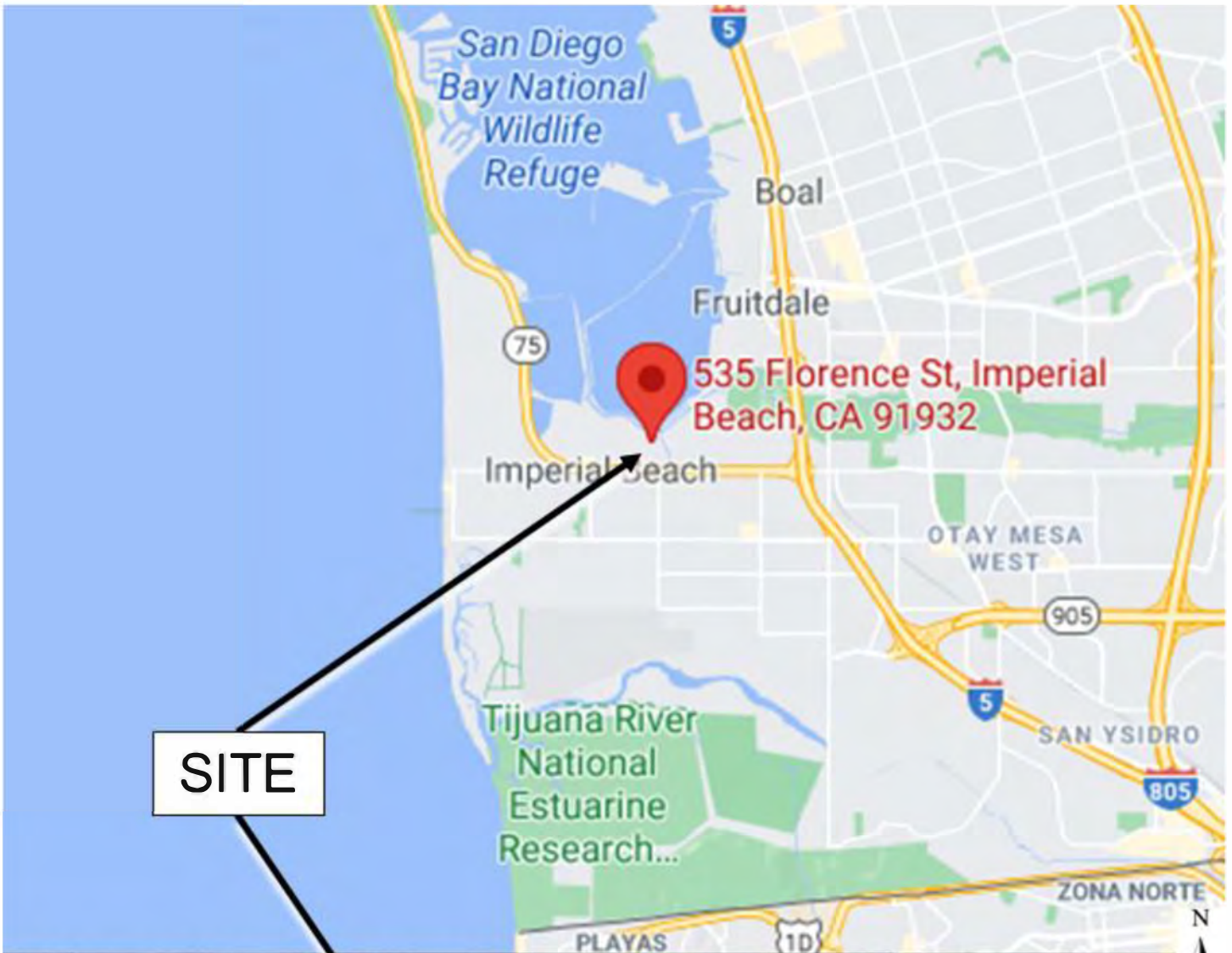
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EXHIBIT 1: Vicinity Map

EXHIBIT 2: Site Plan, CDP No. 6-13-022

EXHIBIT 3: 2016 Hostel Outreach

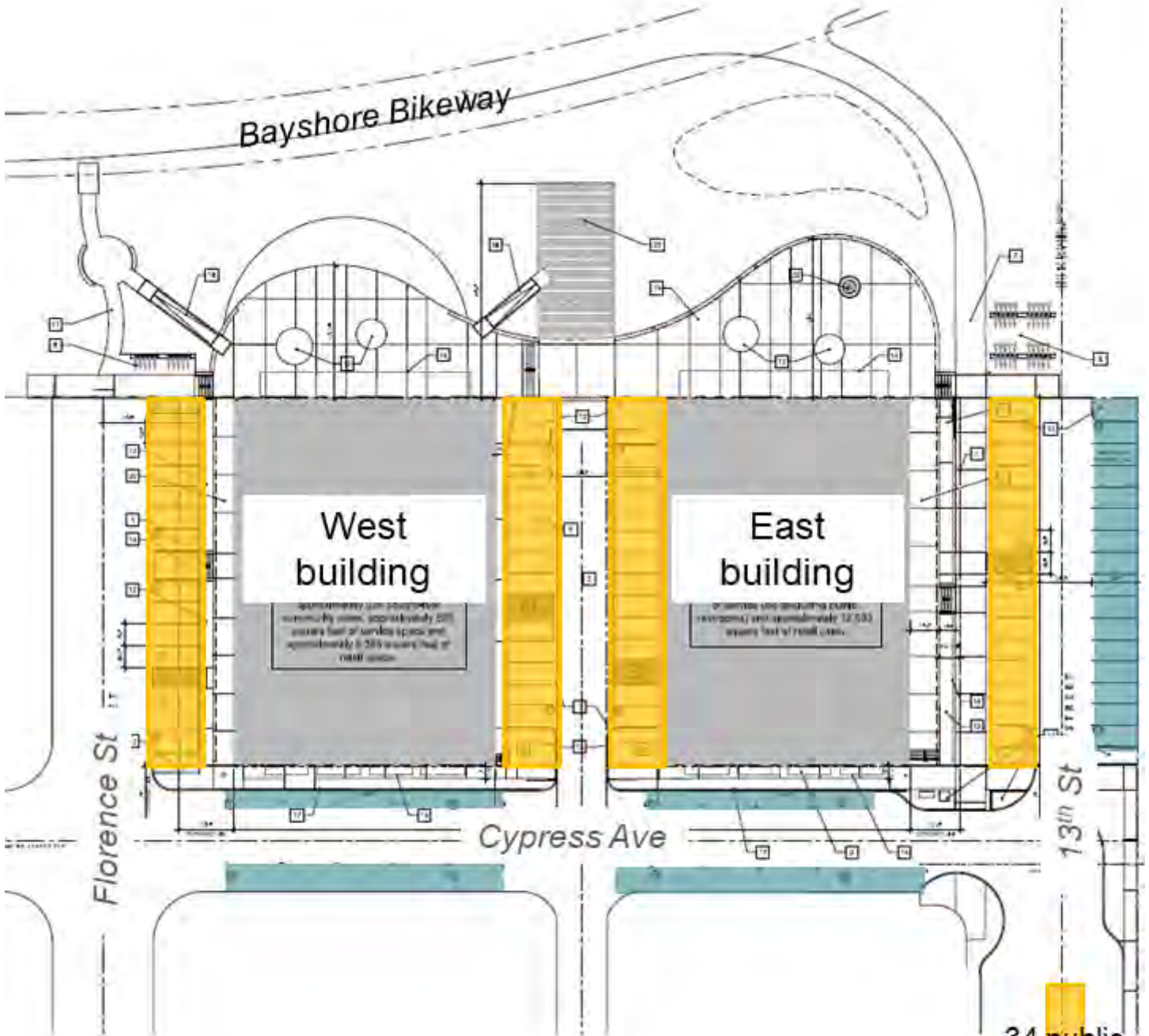
EXHIBIT 4: 2020 Hostel Outreach



SITE



EXHIBIT NO. 1
APPLICATION NO. 6-13-022-A2
Vicinity Map
 California Coastal Commission



86 parking spaces credited towards development

Other public parking spaces

34 public spaces created by project

EXHIBIT NO. 2
APPLICATION NO.
6-13-022-A2
Site Plan, 6-13-022
California Coastal Commission



**Surf 2 Summit Properties
300 Carlsbad Village Dr.
Suite 108A
Carlsbad, CA 92008**

October 31, 2016

RE: Bikeway Village Hostel
Imperial Beach, CA
Our search to find an owner operator for a 50- bed hostel

Dear Cynthia,

We met with John Pani, July 2013, and discussed an upscale hostel. John owns and operates boutique hotels in San Diego. His thoughts were, the hostel was too small and far from public transportation.

We made phone contacts with nine other operators in the San Diego area and asked them these questions:

1. Do you plan on moving? Answer, No
2. Do you plan on opening another location? Answer, two said, Maybe
3. Do you think Imperial Beach is a viable area for a hostel?
Answer, No, too far from attractions, shopping and transportation.

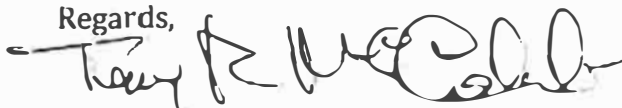
The small hostels operate on a very tight budget, with little to no capital backing.

In July 2015, we had meetings with Sue Schaffner, Vice President of Hostelling International, USA. Sue operates 2 large hostels in Point Loma and downtown San Diego. Her company has an outstanding reputation in the community. Sue's comments regarding Bikeway Village location are, it's too far removed from public transportation, airport, shops and attractions.

Located on the Bay Shore Trail, we believe Bikeway Village will be a successful stopping point for bikers, walkers and the general public.

It does not appear that Bikeway Village would be a successful location for a hostel.

Regards,



Terry R. McCaleb,
Property Manager / Bikeway Village

- Hostel contact list attached

EXHIBIT NO. 3
APPLICATION NO. 6-13-022-A2
2016 Hostel Outreach
 California Coastal Commission

Hostel Contacts

USA Hostels 726 5th, San Diego, CA 619 232-3100

Zoo Hostel 3785 6th Street, San Diego, CA 855 546-3693

Luck D's Hostel 615 8th Ave, San Diego, CA 595-0000

Beach Bungalow Hostel 707 Reed Street, San Diego, CA 858 412-5878

Hostel on 3rd 542 3rd Ave, San Diego, CA 619 595-1440

Hostel Habibi 416 University Ave, San Diego, CA 619 220-4880

R K Hostel 642 Hawthorn, San Diego, CA 619 564-6914

Pacifica Hostel 551 4th, San Diego, CA 619 235-9240

Adventure Hostel 1658 Front Street, San Diego, CA 619 228-9234



HOSTELLING INTERNATIONAL USA

SOUTHWEST REGION 739 4TH AVENUE, SUITE 203, SAN DIEGO, CA 92101 (619) 338-9981 HIUSA.ORG

November 17, 2016

Rex Butler
Owner
Bikeway Village
PO Box 181069
Coronado Ca 92178

RECEIVED

NOV 18 2016

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

RE: Bikeway Village Location for Hostel

Dear Rex,

This letter supplements the previous correspondence I sent you on January 19, 2016. That correspondence relayed that Hostelling International declined your request to submit a Letter of Interest in operating a hostel at Bikeway Village.

Hostelling International appreciates and welcomes opportunities to expand hostelling in new locations. However, as I stated when I toured the site in July, 2015, Bikeway Village's location in Imperial Beach is not an ideal location for a hostel. I have over twenty years of experience operating hostels and there is a formula for success. That formula is the same formula used by all successful real estate ventures: location, location, location. While I do not want to be disrespectful to Bikeway Village, it simply is not the right location for a successful hostel to flourish. The most successful hostels exist near mass transit, shopping, nightlife, and other attractions and unique locations that attracts a youthful clientele. Bikeway Village is located in a quiet and serene location that will not be ideal for the young and young-at-heart traveler. Furthermore, the location is hard to get to and from due to Imperial Beach's remote location. The best hostel locations are close to airports or heavily used transit that make it convenient for the hostel traveler to spend a day or two in many different locations. If you move forward with a hostel at Bikeway Village, I think it will struggle and not be successful.

I am happy to answer any further questions you may have. I wish you the best of luck with your endeavor.

Sue Schaffner
Vice President Southwest Region
Hostelling International USA
(619) 338-9981 ext. 3201

RE: CDP Amendment Application 6-13-022-A2

Jim Walsh <jwalsh@walshpropertygroup.com>

Fri 9/11/2020 3:48 PM

To: Boyle, Carrie@Coastal <carrie.boyle@coastal.ca.gov>; cbcmlink@gmail.com <cbcmlink@gmail.com>

Cc: 'Cynthia Morgan-Reed' <cynthiam@vanstlaw.com>

📎 1 attachments (111 KB)

2020 Hostelling Intl Letter on Hostel viability.pdf;

Carrie,

I attached a copy of a letter from Hostelling International confirming their lack of interest in developing a hostel at Bikeway Village. The current pandemic has made matters even more bleak for a hostel use at Bikeway Village. Hostelling International operates a network of hostels worldwide and is a leader in the industry. Hostelling International operates two hostels in San Diego: Gaslamp Hostel: 521 Market Street, San Diego, CA 92101, and the Ocean Beach/Sea World Hostel: 3790 Udall Street, San Diego, CA 92107

I have contacted several other hostel providers in San Diego including:

1. International Travelers House
 - a. ITH Downtown: 230 W. Cedar Street, San Diego, CA 92101
 - b. ITH Balboa Park: 3751 6th Avenue, San Diego, CA 92103
 - c. ITH Pacific Beach: 707 Reed Street, San Diego, CA 92109
2. Gaslamp Hostel: 726 5th Avenue, San Diego, CA 92101
3. Hostel on 3rd: 542 3rd Avenue, San Diego, CA 92101
4. Lucky D's Hostel:, 615 8th Avenue, San Diego, CA 92101
5. Pacifica Hotel/Hostel: 551 4th Avenue, San Diego, CA 92101
6. RK Hostel: 642 Hawthorn Street, San Diego, CA 92101
7. Samesun Hostel Ocean Beach: 4961 Newport Avenue, San Diego, CA 92107

We were able to identify 11 hostel operations within San Diego. Of these, 7 are located in downtown San Diego, 1 serves Balboa Park, just north of downtown and 3 serve beach areas. These locations confirm the importance of location for hostel travelers. Hostel operators indicated that their guests stated a primary preference to be downtown. The downtown market is well-served by airport, train, trolley, and bus transportation options. Downtown offers plentiful dining and entertainment options, an active bayfront, the Convention Center and Petco Park. The proximity to the museums in Balboa Park is another amenity for downtown locations. A secondary destination preference is a beach location offering easy access to the beach, dining/entertainment options, and convenient public transportation.

None of the hostel operators expressed interest in the Bikeway Village location. These operators indicated that Bikeway Village does not meet the locational criteria established by current hotel travelers. These comments reinforce the research that was done on this subject 3 years ago which concluded that Bikeway Village is not a suitable location for a hostel.

Sincerely,

Jim Walsh | President



WALSH PROPERTY GROUP

2521 "B" Street, Suite 101 | San Diego | CA | 92102

DRE #00848043 | jwalsh@walshpropertygroup.com

619-234-6675 Office | 619-234-6676 Facsimile | 619-920-6675 Cellular





HOSTELLING INTERNATIONAL USA

8401 COLESVILLE ROAD, SUITE 600, SILVER SPRING, MARYLAND 20910 (240) 650-2100 HIUSA.ORG

September 11, 2020

RE: Bikeway Village Location for Hostel

To Whom It May Concern:

This letter supplements previous correspondence about the Bikeway Village location in 2015 and 2016. That correspondence confirmed that Hostelling International USA declined a request to submit a Letter of Interest in operating a hostel at Bikeway Village.

Hostelling International USA typically welcomes opportunities to appropriately expand hostelling in new locations. However, as previously mentioned the Bikeway Village location in Imperial Beach is not an ideal location for a hostel. Price and location are still the primary demand drivers for hostels globally. Bikeway Village is not an ideal location for the young and young-at-heart traveler and demand will reflect this factor. If a hostel is developed at Bikeway Village, we believe it will struggle and not be self-sustaining.

As you know, the Covid-19 pandemic has greatly impacted the US economy and the hostelling industry has suffered significantly with many hostels closed temporarily or permanently. The travel impact of this crisis is expected to even reach out to 2025 and will be even more challenging for hostels not extremely well placed.

We express our gratitude for the interest in the expansion of hostelling but do not believe this to be a good location choice.

Aaron Chaffee

Vice President, Hostel Development

aaron.chaffee@hiusa.org

301.525.6751 cell