

CALIFORNIA COASTAL COMMISSION

SOUTH COAST DISTRICT OFFICE
301 E. OCEAN BLVD, SUITE 300
LONG BEACH, CA 90802-4325
VOICE (562) 590-5071
FAX (562) 590-5084



F10a

ADDENDUM

DATE: August 11, 2021

TO: Coastal Commissioners and Interested Parties

FROM: South Coast District Staff

SUBJECT: **ADDENDUM TO ITEM F10A, COASTAL DEVELOPMENT PERMIT APPLICATION NO. A-5-LGB-20-0050 FOR THE COMMISSION MEETING OF FRIDAY, AUGUST 13, 2021.**

I. CORRESPONDENCE FROM APPELLANTS

Since publication of the staff report on July 28, 2021, the Commission has received a comment letter from Mark and Sharon Fudge, two of the three appellants for Appeal No. A-5-LGB-20-0050. The letter opposes the staff recommendation of de novo project approval, as summarized below and included in the Public Correspondence for this item.

The letter identifies concerns with the project characterization as less than a major remodel and questions the scope of staff review. The contentions raised by the appellants (in bold) and staff's responses are detailed below:

- 1) Commission staff did not consider the full scope of work in the absence of final foundation plans and plans for all historic work.** Regarding the currently proposed work, the staff report includes findings on Page 19 discussing the specific scope of alterations proposed for each major structural component. The proposed foundation work is discussed on Page 20, with analysis of the previous foundation plans and how the degree of alteration will decrease with the currently proposed project. **Special Condition 1** also requires the submittal of final plans for Executive Director written approval prior to permit issuance. Staff address historic work in relation to the currently proposed project on Page 18 of the staff report.
- 2) The project will intensify existing uses and exacerbate site parking deficiencies.** The staff report includes findings on Page 30 indicating that the project does not propose intensification of use. These findings also discuss the lack of onsite parking.

- 3) **The site has had multiple unpermitted changes in use, including conversion of three apartments to hotel rooms.** The appellants reference a letter from the City of Laguna Beach, dated 1987, which indicates the approved use included three apartments with kitchens. The letter was a clarification from the Zoning Administrator unrelated to any City or Commission coastal development permit application (CDP). The appellants' also provide a "Real Property Report" from the Department of Community Development, dated 1992, which also lists three apartments and is unrelated to any CDP.

The appellants contend that these documents show an unpermitted conversion from residential use to hotel rooms between 1987 and 1992. The applicant has disputed this claim and has not found evidence of previous residential use onsite, other than property owners or staff staying in the development. The applicant's submitted historic assessment, published by a qualified firm in 2015, also does not include any description of apartments existing onsite. The historic record provides multiple sources (including advertisements from the 1920s and building permits from the 1960s) which describe the development as supporting hotel, restaurant, and bar use. Additionally, the original Coast Inn owner's granddaughter, Carolyn Burris, maintains a public website¹ with a timeline and photographs of the site history from 1920s construction to the present: this resource also does not describe any apartments onsite. In a site visit on August 9, staff observed that there is little evidence kitchens could fit in any of the current hotel rooms, considering each room is fairly limited in size.

In the absence of further records, it seems possible that the apartments referenced in the City letter were used by the hotel staff or owners rather than serving as independent residential units. Regardless, Commission staff were not able to find further information on the alleged residential use.

II. CORRESPONDENCE FROM COMMUNITY MEMBER

Commission staff have also received a letter from a community member, Cathy Jurca, contending that the proposed signage does not reflect historic conditions. The letter opposes Commission staff's recommendation that the signage be approved as a special circumstance uniquely applicable to the site, despite its nonconformance with height and signage policies of the City's certified Local Coastal Program.

The postcard dated 1935 (included as Figure 1 in [Exhibit 3](#)), does appear to differ slightly from the photograph dated 1945 (Figure 2, [Exhibit 3](#)). Specifically, the photograph shows a single-sided sign facing Mountain Road and a separate sign facing South Coast Highway, rather than the three-sided, rectangular sign shown in the postcard. The applicant's historic consultant reviewed the historic signage and described it as "streamline period font neon signage," further stating:

"The overall intent of the work is to maintain the existing scale, proportions, and massing of the Coast Inn envelope as seen from the exterior, as well as its use and

¹ <http://www.coastinnhistory.com/coast-inn-timeline/>

spatial configuration, while upgrading the interior spaces and rehabilitating much of the exterior of the structure to its 1935-1940s appearance.”

The Laguna Beach Heritage Committee’s decision to approve the signage is discussed in the staff report on Page 21. The staff report also includes findings on Page 34 analyzing the lack of significant impact to coastal resources posed by the proposed signage.

The letter also makes a correction to staff’s definition of a historic “E-rating,” which is reflected in the revisions below.

III. REVISIONS TO THE STAFF REPORT

Commission staff recommends changes to the staff report dated July 28, 2021 to make the following modifications and corrections. These changes are necessary to accurately reflect existing conditions on-site, but do not result in any changes to the proposed project. Language to be added is shown in underlined text, and language to be deleted is identified by ~~strikethrough~~.

a) Modify the third sentence of the ‘Summary of Staff Recommendation’ on Page 1 as follows:

The subject development includes a 24-room hotel (the Coast Inn), a 54-seat restaurant/~~bar~~, a 67-seat bar, and four office suites solely for hotel staff use.

b) Modify the first sentence of the first complete paragraph on Page 3 as follows:

Staff recommends APPROVAL of the proposed project with ~~eight (8)~~ nine (9) special conditions requiring: 1) submittal of final revised plans; 2) submittal of construction staging plans; 3) the use of lighting and materials to avoid bird impacts; 4) implementation of construction best management practices; 5) assumption of risk; 6) acknowledgement that a new CDP will be required for all work not described in the subject application; 7) waiver of rights to future shoreline protective device; ~~and 8) deed restriction,~~ and 9) liability for cost and attorneys’ fees .

c) Add Special Condition 9 on Page 10 as follows:

9. Liability for Costs and Attorneys’ Fees. The permittee shall reimburse the Coastal Commission in full for all Coastal Commission costs and attorneys’ fees—including (1) those charged by the Office of the Attorney General, and (2) any court costs or attorneys’ fees that the Coastal Commission may be required by a court to pay—that the Coastal Commission incurs in connection with the defense of any action brought by a party other than the permittee against the Coastal Commission, its officers, employees, agents, successors and assigns challenging the approval or issuance of this permit, the interpretation and/or enforcement of permit conditions, or any other matter related to this permit. The Coastal Commission retains complete authority to conduct and direct the defense of any such action against the Coastal Commission.

d) Modify the third sentence of the fourth complete paragraph on Page 10 as follows:

The development was originally built in 1927 and currently contains a 24-room hotel, 54-seat restaurant/~~bar~~, and ~~four commercial office spaces~~ and 67-seat bar; four office suites also exist onsite that are solely for hotel staff use and not rented or leased independent of the hotel.

- e) Correct the third sentence of the first incomplete paragraph on Page 11 as follows:**

Regardless, the subject hotel, restaurant, and bar,~~and office~~ uses are consistent with the land use designation and zoning for the subject site.

- f) Correct the second sentence of the ‘Proposed Work’ section on Page 12 as follows:**

Specifically, the project includes: interior renovation and reconfiguration of existing hotel rooms; cosmetic exterior work to restore historic architectural features; addition of a new 1,102 sq. ft. utility vault landward of the bluff setback and within the existing building footprint (not habitable space); addition of a new 320 sq. ft. interior area landward of the bluff setback and within the existing footprint (habitable space); removal of a 1,433 sq. ft. portion of roof on the ~~third~~ fourth floor to open an existing courtyard; and construction of three new turrets and one rooftop sign consistent with the historic condition.

- g) Correct the first sentence of the second complete paragraph on page 21 as follows:**

These features have been determined necessary by the Heritage Committee—a City Council-appointed committee—for the development to obtain an E-rating (“~~Excellent~~ Exceptional”).

- h) Correct the fourth sentence of the second complete paragraph on page 21 as follows:**

The Heritage Committee required revisions to increase the amount of historic restoration for a C-rating (“Contributive”, the lowest of three possible scores) and encouraged the applicant to restore more architectural features for the highest E-rating (“~~Excellent~~ Exceptional”, the highest of three possible scores).

- i) Correct the third sentence of the fifth complete paragraph on Page 22 as follows:**

The current uses (hotel, ~~and restaurant/bar~~, ~~and office~~) have not changed since prior to LCP certification, although the restaurant and bar have not been operational for at least 12 years.

- j) Correct the second sentence of the first incomplete paragraph on Page 30 as follows:**

The Coast Inn has served ~~office~~, restaurant, bar, and hotel uses since at least 1956 and does not propose any intensification in use.