

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



W20b

ADDENDUM

DATE: December 11, 2023

TO: Coastal Commissioners and Interested Parties

FROM: South Coast District Staff

SUBJECT: **ADDENDUM TO ITEM W20B, CDP APPLICATION NO. 5-22-0799 FOR THE COMMISSION MEETING ON WEDNESDAY, DECEMBER 13, 2023.**

This addendum is designed to achieve the following objectives. In Section I, Commission staff updates the record by supplementing it with correspondence that was received after publication of the staff report. In response to the correspondence received, Section II provides modifications to the staff report to incorporate additional changes and findings regarding the lower-cost overnight accommodation in-lieu fee, parking program and restrictions, water quality and stormwater management, bird strike prevention, public observation deck, and modifications to the exhibits.

I. CORRESPONDENCE FROM APPLICANTS, CITY, AND COMMUNITY

Since publication of the staff report on November 30, 2023, the Commission has received comment letters for this agenda item (20b) and a related but separate agenda item (18a). These comment letters are included under the “Correspondence” tab of both agenda items. Of the comment letters, the majority expressed support for the Ocean Avenue Mixed-Use Development Project (Item 20b). Letters of support were received from neighboring business owners, local non-profit organizations, government entities/representatives, and residents of Downtown Santa Monica. The primary project aspects discussed in these letters include: 1) the project’s community benefits, including affordable housing and visitor-serving recreational uses; 2) the length of the project’s local review process prior to CDP application; and 3) the potential for any project revisions to further delay or halt the project.

The Commission has also received correspondence from the applicants requesting minor revisions to the staff report. The applicants’ requests include clarification as to how the applicants may satisfy Option B of Special Condition 1 (i.e. payment of an in-lieu fee); elimination of minor requirements from the special conditions that would otherwise conflict with the development agreement; and revision of water quality conditions to allow compliance with the City’s “Clean Beaches Initiative” while still protecting surrounding water quality. Commission staff have developed the revisions below to address these

concerns. The below revisions also correct the misnumbering of special conditions in the staff report; add a new special condition ensuring that the public observation deck is adequately signed in multiple languages; and correct minor errors in the exhibits.

Commission staff's response to comments is incorporated by way of modifications to the staff report dated November 30, 2023 as outlined in Section II below.

II. REVISIONS TO THE STAFF REPORT

The following modifications and corrections are made to the staff report dated November 30, 2023. Language to be added is shown in underlined text, and language to be deleted is identified by ~~striketrough~~.

a) Modify Special Condition 1.B on page 9 as follows:

In-Lieu Fee. The applicants shall pay an in-lieu fee totaling \$4,342,500.00, including any increases or decreases due to inflation based on the Turner Building Cost Index from the date of Commission action up until the date of in-lieu fee payment. The in-lieu fee shall be paid per the following provisions:

b) Modify Special Condition 1.B.VI on page 9 as follows:

VI. The applicants shall provide evidence of payment to the Commission's Executive Director within 14 days of payment. After the applicants provide such evidence of payment, applicants' obligations under Special Condition 1.B are fully satisfied.

c) Modify Special Condition 7.B on page 12 as follows:

B. A public transit fare reimbursement program shall be offered to all employees onsite by the permittees or any successors-in-interest or tenants of the permittee, including provision of a "Daily Transportation Allowance" or "Parking Cash Out" to employees of the development who use a non-single occupancy vehicle to access work (such as the bus or train). The Daily Transportation Allowance shall be a daily, direct cash subsidy equal to 100% of the value of the applicable monthly regional transit pass divided by 20, to account for a 40-hour maximum work week (resulting in a maximum of 20 work days per month). The "Parking Cash Out" shall be an at least quarterly, direct cash subsidy available solely for employees of a commercial tenant of the subject development who do not use a single-occupancy vehicle at least 51% of their yearly work hours and do not ever park in the City. If an employee is eligible to receive both a Parking Cash Out and a Daily Transportation Allowance, the permittees or any successor(s)-in-interest or tenant(s) of the permittees shall offer the employee the greater of the two incentives, but is not required to provide both. ~~Onsite parking shall be free of charge for all employees of the subject development.~~ Posters, brochures and registration materials of the program shall be available to employees at all times. Employees shall be informed of the program upon orientation and annually thereafter.

d) Modify Special Condition 7.C on page 12 as follows:

C. Provision of a short-term bicycle parking area for the public on the property outside of the public right-of-way. Short-term bicycle parking may be located outside or inside the building with direct access to a public street, no farther than 50 ft. of walking distance from a main pedestrian entrance. For buildings with more than one main pedestrian entrance, short term bicycle parking shall be ~~split evenly~~ distributed among

all main pedestrian entrances. Adequate lighting shall be provided to ensure safe access to bicycle parking facilities.

e) Correct Special Condition 8 on page 13 as follows:

8. Parking Restrictions. With the acceptance of this permit, the applicants and all future assigns, owners, and successors acknowledge that any change in the number of parking spaces proposed under this permit, including, but not limited to, the provision of the leasing or selling of parking spaces to third parties other than onsite commercial and residential tenants and condominium owners, any proposed offsite parking leases that expire, or reserving parking spaces for other uses not approved under this permit, or change in the number of parking spaces, shall be submitted to the Executive Director to determine if an amendment to the permit is legally required.

f) Modify Special Condition 12.D.E on page 16 as follows:

D. Supporting calculations demonstrating that required BMPs have been sized and designed to infiltrate, retain, or treat, at a minimum, the runoff produced by the 85th percentile 24-hour storm event for volume-based BMPs, or two times the 85th percentile one-hour storm event for flow-based BMPs. Notwithstanding the foregoing, this Subsection D shall not apply in the event the City of Santa Monica requires storm runoff to be directed to a City storm drain for processing through the City's Clean Beaches Initiative.

E. A description and calculations demonstrating that the 85th percentile design storm runoff volume will be retained onsite, giving precedence to an LID approach. If the 85th percentile runoff volume cannot be retained on site using LID, an alternatives analysis shall demonstrate that no feasible alternative project design will substantially improve runoff retention. Notwithstanding the foregoing, this Subsection E shall not apply in the event the City of Santa Monica requires storm runoff to be directed to a City storm drain for processing through the City's Clean Beaches Initiative.

g) Modify Special Condition 14.B.I on page 18 as follows:

i. A French drain, underground cistern, or other similar drainage systems that collect and reduce the amount of runoff that leaves the site shall be installed and maintained on the project site. Notwithstanding the foregoing, this subsection B.I shall not apply in the event the City of Santa Monica requires storm runoff to be directed to a City storm drain for processing through the City's Clean Beaches Initiative;

h) Modify Special Condition 15 on page 18 as follows:

15. Bird Strike Prevention. Ocean-facing deck railing systems, fences, screen walls, gates, and windows subject to this permit shall use materials designed to minimize bird-strikes (except for the two City-designated landmark structures onsite, which may use materials as required by local and/or national historic standards but shall, to the maximum extent feasible, be consistent with this special condition.) Such materials may consist, all or in part, of frosted or partially-frosted glass, or other visually permeable barriers that are designed to prevent creation of a bird strike hazard. Clear glass or Plexiglass shall not be installed unless they contain UV-reflective glazing that is visible to birds, or unless the materials are provided by Ornilux™ glass or equivalent. All materials shall be maintained throughout the life of the development to

ensure continued effectiveness at addressing bird strikes and shall be maintained at a minimum in accordance with manufacturer specifications.

- i) Add Special Condition 19 to page 20 as follows:

19. Public Observation Deck Access Plan. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall submit for Executive Director review and approval a Public Observation Deck Access Plan (Access Plan). The Access Plan shall clearly describe the manner in which general access to the public observation deck within the hotel is to be provided and managed. The Access Plan shall at a minimum include the following:

A. The Access Plan shall identify all signs, handouts, brochures, social media and any other project elements in various languages, including, at a minimum, in English and Spanish, that will be used to facilitate access to the public observation deck, including the display of business hours and identification of any interpretation features that will be provided on the site (displays, interpretive signage, etc.). Sign details shall include showing the location, materials, design, and text of all public access signs. At a minimum, access signs shall be placed near the entrance to the hotel from Ocean Avenue and within the vicinity of the open-space walkway (referenced in the plans as "Pedestrian Mall") accessed from Santa Monica Boulevard. The signs shall be designed to provide clear information without impacting public views and site character. The signs shall indicate that the observation deck is available to the public at entry rates of no more than \$1 between 12 PM and 6 PM daily.

B. All signage directing the public to the observation deck shall be maintained in their approved state in perpetuity.

The permittees shall undertake development in conformance with the approved Access Plan unless the Commission amends this permit so as to relieve the permittee of this obligation, or the Executive Director issues a written determination that no amendment is legally required for any proposed minor deviations.

- j) Modify the third sentence of the second complete paragraph on page 43 as follows:

This in-lieu fee would be adjusted for any increases or decreases due to inflation based on the Turner Building Cost Index from the date of Commission action up until the date of in-lieu fee payment.

- k) Modify the second complete paragraph on page 53 as follows:

Additionally, the DA requires the applicants to contribute \$2,160,000 to a local fund designated in part for restoration of character-defining features in Palisades Park, such as the art installations and pedestrian pathways. The project provides publicly-accessible open space and architectural design, as well as new, visitor-serving retail and hotel development, a museum and new coastal views offered from the public observation deck, with a positive impact on visual resources. The proposed dwelling units will not impact the proposed visitor-serving uses, as all proposed units would be constructed on upper levels in structures separate from the hotel and museum (Exhibit 3). To ensure the project's proposed height and mass is consistent with the certified LUP, Special Condition 18 requires certification of LUP Amendment No. LCP-5-SNM-

22-0041-1 prior to issuance of the subject CDP. To ensure the proposed public observation deck remains meaningfully accessible to the public, Special Condition 19 requires the applicants to submit a Public Observation Deck Access Management Plan (Access Plan) for Executive Director review and approval prior to issuance of the CDP. The Access Plan must identify all signs in various languages, including at minimum English and Spanish, and locate at least two signs advertising the public observation deck to pedestrians and bicyclists on Ocean Avenue and Santa Monica Boulevard.

- l) Correct the fourth sentence of the third complete paragraph on page 55 as follows:

Thus, the Commission imposes Special Condition-~~8~~9 requiring the applicants to assume the risk of development.

- m) Correct the first sentence of the second incomplete paragraph on page 55 as follows:

Additionally, Special Condition-~~9~~10 requires the applicants to acknowledge that the new development approved by this permit is not entitled to shoreline protection and to waive rights to future shoreline protection.

- n) Correct the first sentence of the third complete paragraph on page 57 as follows:

To minimize the risk of marine debris, the Commission imposes Special Condition-~~10~~11 which requires the applicants to submit a Marine Debris Reduction Plan for Executive Director approval prior to CDP issuance.

- o) Modify the first incomplete paragraph on page 57 as follows:

The applicants have not submitted plans for the stormwater capture devices required by the DA. Thus, Special Condition-~~11~~12 requires the applicants to submit a Water Quality Management Plan for Executive Director approval prior to CDP issuance. The Water Quality Management Plan will include a description of all proposed BMPs, including the increase in onsite permeable area described above, and calculations demonstrating that required BMPs have been sized and designed to infiltrate, retain, or treat, at a minimum, the runoff produced by the 85th percentile 24-hour storm event for volume-based BMPs, or two times the 85th percentile one-hour storm event for flow-based BMPs. The applicants will also provide a map showing all Drainage Management Areas onsite, including the proposed rainwater retention tanks. In the past five years, the City has constructed a subterranean, 1.6 million gallon cistern located adjacent to the Santa Monica Pier. Under the Clean Beaches Initiative, the City runoff from Downtown Santa Monica will enter the cistern for subsequent treatment at the existing Santa Monica Urban Runoff Recycling Facility.¹ The treated runoff would then be conveyed to downtown development via a “Purple Pipeline” for non-potable uses, such as irrigation and bathroom facilities. In recent discussions, the City has requested that the applicants direct their stormwater runoff to City storm drains for use in the Clean Beaches Initiative. The applicants originally proposed the installation of retention structures to store stormwater runoff for non-potable uses onsite; under the Clean Beaches Initiative, the applicants would instead send the stormwater to the City’s cistern (via storm drains) for treatment and re-conveyance via the Purple Pipeline. The City has indicated this to be the preferred method. Therefore, Special Condition 12

¹ <https://www.santamonica.gov/blog/santa-monica-draws-line-in-the-sand-on-water-infrastructure-innovation>

allows the applicants to forgo installation of stormwater capture devices if required by the City for compliance with the City's Clean Beaches Initiative.

- p) Correct the first sentence of the first complete paragraph on page 58 as follows:

To ensure all landscaping onsite uses reclaimed water, Special Condition-~~12~~ 13 requires the applicants to adhere to the Landscaping Plans dated November 17, 2022.

- q) Correct the fourth sentence of the second complete paragraph on page 58 as follows:

Special Condition-~~13~~ 14 thus requires the applicants to adhere to construction BMPs.

- r) Modify the fourth sentence of the third complete paragraph on page 58 as follows:

Thus, the Commission imposes Special Condition-~~44~~ 15 requiring the applicants to use materials designed to minimize bird-strikes (such as opaque glass or UV-reflective glazing) for all ocean-facing structures, except the two City-designated historic landmark buildings onsite; the subject two structures are required by the City to adhere to national historic renovation guidelines with a specified range of allowable materials. However, if it is feasible for bird-safe windows to be installed on the two historic landmark buildings in a manner consistent with the national historic guidelines, then the applicants shall install bird safe windows on these structures.

- s) Correct the first sentence of the first complete paragraph on page 60 as follows:

To ensure that the proposed project is consistent with the protection of any found cultural deposits, the Commission imposes Special Condition-~~45~~ 16 requiring the applicants to submit plans for monitoring of ground disturbing activities by a qualified archaeologist, any Native American monitor that accepts the invitation to monitor, and a qualified paleontologist.

- t) Correct the second figure in [Exhibit 1](#) on page 2 to relocate the northern-most blue outline and exclude the parcel located at 1323 Ocean Avenue, which is not included in the project site.

- u) Correct [Exhibit 3](#) on page 13 to eliminate the landscaping plan dated July 14, 2022 and incorporate the applicants' revised landscaping plan dated November 17, 2022.