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**F7b**

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Action Deadline: None  
Staff: Stephanie Rexing - SF  
Staff Report: 6/25/2026  
Hearing Date: 7/10/2026

**STAFF REPORT  
CDP APPLICATION**

**Appeal Number:** A-2-HMB-25-0003

**Applicant:** RGJC South LLC

**Project Location:** Between Highway 1 and Main Street at the southern end of the City of Half Moon Bay's downtown and made up of a roughly 5-acre undeveloped property to the south, and a roughly 2.5-acre developed property (occupied by an automobile sales dealership) to the north and spanning Seymour Street.

**Project Description:** Lot-line adjustment between the undeveloped and developed properties to create a roughly 4.5-acre undeveloped property, and roughly 3-acre developed property; construction of a roughly 70,000 square-foot, one-to three-story, 110-room hotel and associated site improvements (e.g., parking, meeting rooms, bar/lounge, etc.), as well as landscaping and bike and pedestrian paths, on the undeveloped property; and subdivision of a roughly 1-acre portion of the developed property located north of Seymour Street into four lots.

**Staff Recommendation:** Approval with Conditions

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**SUMMARY OF STAFF RECOMMENDATION**

The City of Half Moon Bay approved a CDP for a slightly different version of the proposed project (then a 102-unit hotel); that decision was appealed to the Commission; and in May 2025 the Commission found substantial issues with the City's approval (related primarily to public view concerns) and took jurisdiction over the CDP application for the project. In the time since, the Applicant has modified the proposed project to try

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to address the Commission's concerns, in which the modified project includes 8 more hotel units, but in a different configuration intended to limit view impacts, and a more full-fledged commitment to providing lower cost rooms, with 22 such rooms currently proposed.

The proposed project is located between Highway 1 and Main Street at the southern end ("Southern Gateway") of the City of Half Moon Bay's downtown and is made up of a roughly 5-acre undeveloped property to the south, and a roughly 2.5-acre developed property (occupied by an automobile sales dealership) to the north and spanning Seymour Street. The subject site is within the LCP-designated Highway 1 scenic corridor, which extends 200 yards from either side of the highway and provides views inland of the Santa Cruz Mountain Range foothills and ridgelines, a visual resource the LCP aims to protect by requiring obstructions into such ridgeline views by new development be minimized. As originally approved by the City, the proposed hotel development consisted of two structures, a 36-foot tall and 3-story north building and a 34-foot tall and 2-story south building, separated by a 32-foot-long single-story enclosed walkway. As revised, the proposed hotel development has been broken up into 3 smaller (and 2 lower height) buildings, with modified and more articulated rooflines designed to help to break up the project massing. In addition, the gap between the buildings has increased – more than doubling – opening more inland mountain/ridgeline views from the highway. The buildings are also set back from the closest Highway 1 travel lane by about 40 to 118 feet (the largest building being the furthest set back), with landscaping and public trails in this foreground view area (occupying about 2 acres, or about half the site) helping to soften the perception of massing as well (including because site parking is accommodated inland of the hotel structures and not in this foreground view). With the proposed additional landscaping nearer the buildings, and design criteria intended to create visual interest and avoid blocky structures, staff believes that the Commission can find the project consistent with LCP public view provisions.

As to the lower cost hotel rooms, the Applicant proposes to provide 22 such rooms (based on the Commission's methodology for identifying such rates), which means that 25% of the hotel rooms as measured against the number of higher cost rooms will be lower cost, which is the LCP requirement as it applies to this case.<sup>1</sup> Special conditions of approval codify the Applicant's lower cost room proposal, and require several complementary provisions in an attempt to ensure that they are used as much as possible by those of lesser means and most in need of the lower rate, including through outreach and marketing efforts (including specifically to underserved communities such as lower income communities, communities of color, and other communities that have been historically marginalized and face greater barriers to coastal access) and a notice on the project's booking website to alert customers that the lower cost rooms are intended to be utilized by lower income visitors to the coast (even though there would be no income verification requirement, and the rooms could be rented by anyone,

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<sup>1</sup>The Commission has typically required 25% of the total number of rooms to be lower cost but has also applied a methodology at times where 25% of the number of higher cost rooms at lower-cost rates (here, 88 such rooms are proposed, and thus 25% of 88 is 22). In this case, the LCP explicitly applies the latter methodology, and this project is consistent with that LCP requirement.

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regardless of income level). Altogether, including via conditions that ensure that the hotel operates as a standard hotel available to all, the project can also be found consistent with the applicable LCP visitor-serving provisions.

In addition, the project also includes significant native landscaping between the hotel and Highway 1, and includes a series of public access enhancements throughout, including a public loop trail system between the hotel and the highway, as well as public access to various site amenities (including to public pathways, benches, and restrooms, and also bike rental facilities). These features would be subject to a deed restriction codifying their protection in their approved state, and public access would be guided by a Public Access Management Plan. These provisions appropriately ensure that the project can be found to be consistent with the LCP's public recreational access provisions. Further, the CDP would be subject to several other conditions to address other LCP requirements (including appropriate construction parameters intended to protect coastal resources during construction, a transportation demand management program intended to lessen hotel visitor and employee reliance on vehicles, and a plastic reduction program).<sup>2</sup>

In sum, the project should result in the development of a higher priority visitor-serving hotel use – with both free (public access features) and lower cost (rooms, bike rental, etc.) visitor-serving facilities – at a location capable of accommodating it. Although the hotel structures are fairly large, they also sit on a large site that the LCP targets for this use, and the project has been modified from the version that the Commission last reviewed to better spread-out massing and to increase articulation in a way that helps to limit view impacts. The land division also helps to increase potential residential densities in a location where it appears that such development could be appropriately accommodated, albeit in the future, and staff has encouraged the Applicant to follow through on its idea that these units would be at least partially below market rate housing for site employees.

Thus, staff recommends that the Commission approve the CDP as conditioned, and the single motion necessary to implement this recommendation is found on **page 4** below.

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<sup>2</sup> In terms of the proposed land division portion the proposed project, that land division would result in four residential lots north of Seymour Street, where each of the four lots could potentially accommodate up to four residential units, all of which is consistent with the LCP. The proposed project itself does not include any such development past the subdivision itself, and any such future development at this site would be subject to a separate CDP process. The Applicant indicates that it is its intention to develop up to 16 housing units on the lots in the future and to offer a portion of such future housing as below market rate housing for employees of the auto dealership and hotel, but the project itself does not include or require any such housing.

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**EXHIBITS**

- Exhibit 1 – Project Location
- Exhibit 2 – Site Photos
- Exhibit 3 – Proposed Project Plans
- Exhibit 4 – Proposed Project Visual Simulations
- Exhibit 5 – Proposed Lower Cost Room Provisions
- Exhibit 6 – LCP Scenic and Visual Resource Areas
- Exhibit 7 – Required Coastal Resource Conservation Area
- Exhibit 8 – Notice to New Owners re: CDP A-2-HMB-25-0003

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### **1. MOTION AND RESOLUTION**

Staff recommends that the Commission, after public hearing, **approve** a CDP with conditions for the proposed development. To implement this recommendation, staff recommends a **yes** vote on the following motion. Passage of this motion will result in approval of the CDP as conditioned and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

***Motion to approve CDP:** I move that the Commission **approve** Coastal Development Permit Number A-2-HMB-25-0003 pursuant to the staff recommendation, and I recommend a **yes** vote.*

***Resolution to approve CDP:** The Commission hereby approves Coastal Development Permit Number A-2-HMB-25-0003 and adopts the findings set forth below on grounds that the development as conditioned will be in conformity with the policies of the Half Moon Bay certified Local Coastal Program. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.*

### **2. STANDARD CONDITIONS**

This permit is granted subject to the following standard conditions:

- 1. Notice of Receipt and Acknowledgment.** The permit is not valid, and development shall not commence until a copy of the permit, signed by the Permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
- 2. Expiration.** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
- 3. Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
- 4. Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
- 5. Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the Permittee to bind all future owners and possessors of the subject property to the terms and conditions.

### **3. SPECIAL CONDITIONS**

- 1. Revised Final Plans.** PRIOR TO ISSUANCE OF THE CDP, the Permittee shall submit two full size paper sets and one electronic set of Revised Final Plans to the Executive Director for review and written approval. The Plans shall be prepared by a licensed professional or professionals (i.e., architect, surveyor, geotechnical engineer, etc.), shall be based on current professionally surveyed topographic elevations for the entire site, shall include a graphic scale, and shall be accompanied by documentation clearly demonstrating compliance with all aspects of this condition. The Revised Final Plans shall be substantially in conformance with the proposed plans, including the changes incorporated in the time since the Commission took jurisdiction (see **Exhibit 3**), and shall be modified to meet the following requirements and incorporate all of the following special conditions:
  - a. Configuration.** The 110-room hotel shall be spread over three buildings; two connected north and south structures, in the northern half of the property, and a smaller detached structure in the southern portion of the site. The two connected buildings would consist of one 36-foot tall, 253-foot long, and three-story “North Structure” that would be 49,270 interior square and a 25.5-foot tall, 185-foot long, and one-story “South Structure” that would be 12,009 square feet. The two structures shall be connected by a 15-foot tall and one-story enclosed walkway extending some 67 feet between the two structures. The third building would be a 22-foot tall and one-story detached 9,746 square-foot structure.
  - b. Rooms.** The total number of hotel rooms shall be 110, where no more than 88 may be market rate and at least 22 shall be lower cost (see also **Special Condition 6**).
  - c. Parking.** The parking lot shall be sized to accommodate 114 total parking spaces, where at least 5 spaces shall be ADA spaces, and where 7 spaces shall be equipped to provide electric vehicle charging.
  - d. Design.** All development shall incorporate architectural details, varied materials, building offsets, and other such building elements to avoid a box-like appearance, including as seen from pedestrian scale. Variations in wall planes, detailing, materials, and siding shall be used to create interest and promote variations, including between adjacent buildings. Roof styles and roof lines shall match, unless differences better protect public views. Exterior development shall complement building development and help provide visual transition to taller shapes. All surfaces shall use/effectively mimic natural materials and colors and be sited and designed to help reduce perceived mass and scale, and to best integrate seamlessly into the surrounding coastal and agricultural environment and required landscaping at maturity; garish and/or bright colors shall be prohibited.
  - e. Coastal Resource Protection Area.** No development shall occur in the Coastal Resource Protection Area, generally located between the hotel structures and Highway 1 (see **Exhibit 7**, and see **Special Condition 4**) other than (1) non-native and/or invasive plant species removal, (2) native landscaping, (3) public

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pathways and related public amenities (e.g., benches, tables, etc. – see also **Special Condition 3**), and (4) development intended to maintain landscaping and public access features in their approved and/or required state.

- f. Landscaping.** All existing landscaping on the site shall be removed, and new landscaping shall be planted and maintained in all site areas not covered in hardscape, where the landscaping shall use species (at maturity) and topographic relief that can provide for screening and softening of all development in public views as much as possible. All landscaping shall consist of low-water-using, locally sourced, native, non-invasive species appropriate to the Half Moon Bay coastal area, and shall be maintained in a litter-free, weed-free, and healthy growing condition (including through replanting and/or remediation to achieve consistency with this condition). No plant species listed as problematic and/or invasive by the California Native Plant Society, the California Invasive Plant Council, or as may be so identified from time to time by the State of California, and no plant species listed as a “noxious weed” by the State of California or the U.S. Federal Government shall be planted or allowed to naturalize or persist on the site.
- g. Irrigation.** All irrigation systems shall limit potable water use to the maximum extent feasible, including via using greywater as much as possible and using irrigation measures designed to facilitate reduced water use overall (e.g., microspray and drip irrigation, weather-based irrigation controllers, etc.). Irrigation system components shall be hidden from view as much as possible.
- h. Lighting.** Exterior lighting shall be wildlife-friendly, shall use bulbs/lamps that minimize the blue end of the visible spectrum (i.e., use correlated color temperatures  $\leq 3000$  K), and shall be limited to the minimum lighting necessary for pedestrian and safety purposes. All lighting (exterior and interior) shall be sited and designed so that it limits the amount of light or glare visible from above (i.e.,  $\geq 90$  degrees above nadir) from public viewing areas to the maximum extent feasible (including through uses of lowest luminosity possible (e.g., no more than 1,000 lumens near natural areas), warm temperature lighting, prohibiting lighting that blinks or flashes, directing lighting downward, etc.). All light fixtures shall be Dark Sky International approved or equivalent. Lighting that does not meet the aforementioned parameters shall be prohibited. The Revised Final Plans shall be submitted with documentation demonstrating compliance with these lighting requirements.
- i. Windows and Other Surfaces.** All windows shall be non-glare glass, all other surfaces shall be similarly treated to avoid reflecting light, and all windows on building exteriors shall be bird-safe (i.e., windows shall be frosted, partially frosted, or otherwise treated with visually permeable barriers that are designed to prevent bird strikes).
- j. Utilities.** All utilities (e.g., sewer, water, stormwater, gas, electrical, telephone, data, etc.) shall be clearly identified (including the manner in which they will

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connect to offsite distribution networks) and shall be located underground, and any existing overhead utilities on the site shall be removed.

- k. **Stormwater and Drainage.** All stormwater, drainage, and related water quality infrastructure (e.g., pervious pavements, etc.), with preference given to natural BMPs (e.g., bioswales, vegetated filter strips, etc.), shall be clearly identified. All project area stormwater and drainage shall be filtered and treated to remove expected pollutants prior to discharge and/or direction to offsite areas; shall retain runoff from the project onsite to the maximum extent feasible (e.g., through the use of pervious areas, percolation pits, engineered storm drain systems, etc.); shall be sized and designed to accommodate runoff from the site produced from each and every storm event up to and including the 85th percentile 24-hour runoff event; shall, in extreme storm situations (i.e., greater than the 85th percentile 24-hour runoff event storm) where such runoff cannot be adequately accommodated on-site through the project's stormwater and drainage infrastructure, ensure that any excess runoff is conveyed off-site in a non-erosive manner; and shall be permanently operated and maintained (where all maintenance parameters for such infrastructure, including based on manufacturers recommendations, shall be provided), where all such operation and maintenance activities shall be documented and shall be provided upon Executive Director request.
- l. **Signs.** All signs and related project components shall be identified (including details showing their location, materials, design, and text), and all sign development shall be sited and designed: (1) to limit the number and visibility of all signs; (2) to minimize visibility in public views; (3) to seamlessly integrate into the surrounding environment to the maximum extent feasible (e.g., using natural materials, earth tone colors and graphics, etc.); (4) to limit lighting as much as possible (and be consistent with the lighting requirements specified in **Special Condition 1(h)** at a minimum); and (5) to be subordinate to the project setting, all to the maximum extent feasible.
- m. **Site Access.** Any areas of the site for which specific requirements for access are necessary shall be identified (i.e., employee only, paying customers only, overnight guests only, etc.), where other areas shall be allowed general public access (see also **Special Condition 3** for additional details).
- n. **Property Owner Consent.** Clear evidence shall be provided indicating that the owners of any properties on which development is to take place, including properties to be crossed in accessing the site, consent to such use of their properties and subject to the terms and conditions of this CDP.
- o. **Public Access Requirements.** All public access areas (including but not limited to general public access to the pathways, public bathroom, etc.) and amenities (e.g., bench seating, bike racks, signs, educational kiosk, bike share/rentals, etc.) associated with the approved Public Access Management Plan (see **Special Condition 3**) shall be identified.

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- p. **Construction Requirements.** All construction requirements associated with the approved Construction Plan (see **Special Condition 2**) shall be identified as “Required Construction Measures”.

All requirements above and all requirements of the approved Revised Final Plans shall be enforceable components of this CDP, and the Permittee shall undertake development in accordance with this condition and the approved Revised Final Plans.

2. **Construction Plan.** PRIOR TO COMMENCEMENT OF CONSTRUCTION, the Permittee shall submit two copies of a Construction Plan to the Executive Director for review and written approval. The Construction Plan shall, at a minimum, include the following:
- a. **Construction Areas.** All construction activity, staging, storage, and access corridor areas shall be clearly identified in site plan view, where construction areas shall be minimized to the maximum extent feasible, and shall be sited and designed to have the least impact on coastal resources (including by using on-site areas for these purposes unless it is impossible to do so). Construction, including but not limited to construction activities and materials and equipment storage, shall be prohibited outside of such defined construction areas.
  - b. **Construction Methods.** All construction methods to be used, including all methods to be used to keep the construction areas separate from public recreational use areas as much as possible (including using unobtrusive temporary fencing or equivalent measures to delineate construction areas), and including verification that operation and storage of equipment and materials will not, to the maximum extent feasible, significantly degrade public views during construction, shall be clearly identified.
  - c. **Construction Timing/Lighting.** All work shall take place during daylight hours (i.e., from one-hour before sunrise to one-hour after sunset), except for interior work, and nighttime work (other than interior work) and lighting of the exterior work area are prohibited, unless due to extenuating circumstances the Executive Director authorizes such work or lighting in writing, and subject to all measures determined by the Executive Director to be necessary to ensure maximum coastal resource protection.
  - d. **Construction Best Management Practices (BMPs).** All erosion control/water quality BMPs that will be implemented during construction to protect coastal resources shall be clearly identified, including at a minimum all of the following:
    - 1. **Runoff Protection.** Silt fences, straw wattles, or equivalent apparatus shall be installed at the perimeter of the construction areas to prevent construction-related runoff and sediment from discharging from the construction areas or entering storm drains or otherwise offsite. Special attention shall be given to appropriate filtering and treating of all runoff, and all drainage points, including storm drains, shall be equipped with appropriate construction-related containment, filtration, and treatment equipment.

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- 2. Equipment Provisions.** Equipment washing, refueling, and servicing shall take place at an appropriate on-site (or offsite and more inland, if more protective of coastal resources), hard-surfaced, level location where collection of materials is facilitated to help contain leaks and spills of hazardous materials to the project site.
  - 3. Good Housekeeping.** The construction site shall maintain good construction housekeeping controls and procedures at all times (e.g., clean up all leaks, drips, and other spills immediately; keep materials covered and out of the rain, including covering exposed piles of soil and wastes; dispose of all wastes properly, place trash receptacles on site for that purpose, and cover open trash receptacles during wet weather; remove all construction debris from the site; establish a hazardous materials spill response protocol, and maintain appropriate materials to address spills; etc.).
  - 4. Erosion and Sediment Controls.** All erosion and sediment controls shall be in place prior to the commencement of construction as well as at the end of each workday.
- e. Construction Site Documents.** Copies of the signed CDP and the approved Construction Plan shall be maintained in a conspicuous location at the construction job site at all times, and such copies shall be available for public review on request. All persons involved with the construction shall be briefed on the content and meaning of the CDP and the approved Construction Plan, as well as the public review requirements applicable to them, prior to commencement of construction.
  - f. Construction Coordinator.** A construction coordinator shall be designated to be the main point of contact during construction should questions arise regarding the construction (in case of both regular inquiries and emergencies), and the coordinator's contact information (i.e., address, phone numbers, email address, etc.) including, at a minimum, a telephone number and an email that will be made available 24 hours a day for the duration of construction, shall be conspicuously posted at the job site where such contact information is readily visible from public viewing areas while still minimizing impacts to public views, along with indication that the construction coordinator should be contacted in the case of questions regarding the construction (in case of both regular inquiries and emergencies). The construction coordinator shall record the contact information (i.e., address, email, phone number, etc.) and nature of all complaints received regarding the construction, and shall investigate complaints and take remedial action, if necessary, within 24 hours of receipt of the complaint or inquiry. All complaints and all actions taken in response shall be summarized and provided to the Executive Director on at least a weekly basis during construction.
  - g. Construction Specifications.** All construction specifications and materials shall include appropriate penalty provisions that require remediation for any work done inconsistent with the terms and conditions of the CDP.

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- h. Notification.** The Permittee shall notify planning staff of the Coastal Commission's North Central Coast District Office at least 3 working days in advance of commencement of construction, and immediately upon completion of construction.

All requirements above and all requirements of the approved Construction Plan shall be enforceable components of this CDP, and the Permittee shall undertake construction in accordance with this condition and the approved Construction Plan.

- 3. Public Access Management Plan.** PRIOR TO COMMENCEMENT OF CONSTRUCTION, the Permittee shall submit two copies of a Public Access Management Plan to the Executive Director for review and written approval. The Plan shall clearly describe the manner in which general public access associated with the approved development is to be provided and managed onsite, with the objective of maximizing public access and recreational use of all available general public access areas and amenities (including pathways, benches, restrooms, and adjacent areas, etc.) and all related areas and public access amenities as described in this condition. The Plan shall be consistent with the approved Revised Final Plans, and shall at a minimum include the following:

- a. Public Access Areas and Amenities.** All public access areas and amenities, including all of the areas and amenities described above and, in this condition, shall be clearly identified as public (including with hatching and closed polygons so that it is clear what areas are available for public access use). At least one public restroom with easy, well-signed, and direct access from the public path area shall be provided. The areas adjacent to the public path and other appropriate access areas shall provide publicly available amenities, such as picnic tables, viewing benches/sitting areas, enclosed trash and recycling receptacles, doggie mitt stations, and/or other publicly available amenities commensurate with expected use and in a manner that maximizes their public utility and enjoyment. All public access areas and amenities shall be sited, designed, and operated to facilitate general public use and enjoyment, and appropriate measures shall be identified and applied to ensure that these areas appear as public, and do not appear as private and/or as areas/amenities that require one to be a paying hotel customer to use.
- b. Public Access Signs/Materials.** All signs and any other project elements that will be used to facilitate, manage, and provide public access to the approved development shall be clearly identified. Sign details showing the location, materials, design, and text of all public access signs shall be provided. The signs shall be sited and designed to provide clear information without impacting public views and site character. Signs shall include the California Coastal Commission emblems and recognition of the Coastal Commission's role in providing public access at this location. All signs shall be sited and designed to maximize their utility and minimize their impacts on public views.
- c. Public Access Disruption Prohibited.** No development or use of the property governed by this CDP may disrupt and/or degrade public access or recreational

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use of any public access areas and amenities associated with the approved development, such as by setting aside areas for private uses or installing barriers to public access (e.g., furniture, planters, temporary structures, private use signs, fences, barriers, ropes, etc.). The public use areas shall be maintained consistent with the approved Plan and in a manner that maximizes public use and enjoyment.

- d. Public Access Use Hours/Fees.** All public access areas and amenities shall be available for general public access use at all times. All public access areas and amenities shall be provided free of charge.
- e. Public Access Provided.** All public access areas and amenities shall be constructed/provided and made available for public use as soon as possible, and at least prior to hotel occupancy.
- f. Public Access Areas and Amenities Maintained.** All public access areas and amenities shall be constructed in a structurally sound manner, shall be sited and designed to maximize public use and enjoyment, and shall be maintained consistent with the terms and conditions of this CDP, including through ongoing repair and maintenance of all such public access improvements.

All requirements above and all requirements of the approved Public Access Management Plan shall be enforceable components of this CDP, and the Permittee shall undertake development in accordance with this condition and the approved Public Access Management Plan.

- 4. Coastal Resource Conservation Area.** PRIOR TO HOTEL OCCUPANCY, the Permittee shall execute and record a document in a form and content acceptable to the Executive Director, restricting the use and enjoyment of the property, and providing public recreational access and view protection, including as described in **Special Conditions 1 and 3** (Deed Restriction). The Deed Restriction shall apply to the Coastal Resource Conservation Area identified below, which Area shall be subject to the objectives, restrictions, and management provisions that follow.
  - a. Coastal Resource Conservation Area.** The Coastal Resource Conservation Area shall include all areas generally located between the hotel structures and Highway 1, as well as all areas identified for public recreational access (see **Exhibit 7**).
  - b. Conservation Area Objectives.** The objectives for the Coastal Resource Conservation Area are to maximize public access and recreational opportunities (including in conformance with the Public Access Management Plan required by **Special Condition 3**) and public view protection within the Area in perpetuity.
  - c. Conservation Area Restrictions.** No development, as defined in Public Resources Code Section 30106, shall occur within the Coastal Resource Conservation Area except for (1) non-native and/or invasive plant species removal, (2) native landscaping, (3) public pathways and related public amenities (e.g., benches, tables, etc., and (4) development intended to maintain

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landscaping and public access features in their approved and/or required state, including in accordance with the approved Public Access Management Plan (see also **Special Conditions 1 and 3**).

- d. Conservation Area Management.** The Permittee shall be responsible for ensuring the Coastal Resource Conservation Area is appropriately managed in perpetuity to ensure compliance with the terms and conditions of this CDP, including related to ongoing obligations related to public recreational access and public views (see also **Special Conditions 1 and 3**). The Permittee may make arrangements for a third party to perform some or all of such activities, subject to Executive Director approval of any contracts, agreements, or similar such instruments with such third party (which may also include monitoring reports documenting the effectiveness of third party management and any necessary changes to better protect coastal resources and comply with this CDP's objectives). Even with a third-party arrangement of this type, it continues to be the Permittee's responsibility to ensure compliance with the terms and conditions of this CDP.

The deed restriction: (1) shall include a legal description and corresponding graphic depiction of the legal parcels subject to this CDP and a metes and bounds legal description and a corresponding graphic depiction, drawn to scale, of the designated Coastal Resource Conservation Area prepared by a licensed surveyor based on an on-site inspection of such Area; (2) shall be recorded free of prior liens and any other encumbrances that the Executive Director determines may affect the interest being conveyed; and (3) shall run with the land in favor of the People of the State of California, binding all successors and assigns of the Permittee in perpetuity.

- 5. Hotel Units.** By acceptance of this CDP, the Permittee acknowledges and agrees, on behalf of itself and all successors and assigns, that:
- a. General Occupancy Requirements.** All hotel units shall be open and available to the general public. No individual ownership or long-term occupancy of the hotel units shall be allowed.
  - b. Length-of-Stay Provisions.** The hotel units shall not be rented to any individual, family, or group for more than 29 consecutive days, and not for more than 14 days between the Friday of Memorial Day weekend and Labor Day (inclusive of those two dates).
  - c. Conversion Prohibited.** The conversion of any of the hotel units to limited-use overnight visitor accommodation units (e.g., timeshare, fractional ownership, etc.) or to full-time occupancy condominium units or to any other units with use arrangements that differ from the approved project shall be prohibited.
- 6. Lower Cost Hotel Units.**
- a. Number and Rate.** The Permittee has proposed 22 lower cost units and a plan to ensure that such lower cost units remain lower cost over time. Specifically, the Permittee proposed to offer 22 units at no more than the lower cost rate as

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shown in **Exhibit 5** (with allowed upward adjustments to no more than the peak-season statewide average daily rate (based on 75% of the peak summer (July/August) rates for standard double-occupancy (2-person) rooms at hotels with the equivalent of AAA one- and two-diamond ratings, not more than once annually, with notice to the Executive Director). The Permittee may provide more than 22 lower cost units under these same parameters as long as the overall number of units remains 110. The identified rates shall be inclusive of all services and other fees (e.g., parking, cleaning, resort, administrative) but may be exclusive of any government-mandated fees (e.g., sales tax, transient occupancy taxes). The Permittee shall provide such lower cost units consistent with the Permittee's proposed rates, and as described herein.

- b. Siting/Configuration.** Each lower cost unit shall be at least 250 square feet and shall have either one or two beds sized at least as large as a queen or two twins, respectively; a full-sized bathroom; and at least a mini-fridge and microwave. All such lower cost units and related facilities (e.g., entrances, common areas, etc.) shall be effectively integrated into the overall hotel layout in a way that maximizes their utility, shall be clearly identified on the Revised Final Plans (see **Special Condition 1**), and all lower cost unit guests shall have access to all the same hotel amenities as all other hotel guests.
- c. Marketing and Engagement Plan.** The Permittee shall actively promote and publicize the availability of the lower cost units, including specifically to lower income communities, communities of color, and other communities that have been historically marginalized and face greater barriers to coastal access. PRIOR TO HOTEL OCCUPANCY, the Permittee shall provide a Marketing and Engagement Plan designed to accomplish the above-stated objectives to the Executive Director for review and written approval, where the Plan shall at a minimum provide for the following:

  - 1. Outreach.** All measures and avenues to be used to advertise, increase awareness of, and facilitate use of the lower cost units shall be clearly identified. Promotional methods shall include, but are expected to not be limited to: hotel websites, press releases, and calendar listings; local media and ads on radio (e.g., local radio stations and others); print ads; social media (e.g., Facebook, Twitter/X, Instagram, TikTok); and contacts with community organizations who may be able to help facilitate awareness (e.g., non-profits, environmental justice groups, labor unions, recipients of public benefits programs (by coordinating with local program administrators)), as well as schools. The Plan shall identify sample language to be used in describing the availability and price for the lower cost units (where said language shall be required to be consistent with the terms and conditions of this CDP), and shall provide a schedule for each type of outreach, with the goal being to reach as many potential users as possible, including audiences beyond Half Moon Bay that might not normally be reached through traditional and local means. The Plan shall also include a notice or disclaimer to be included on the project's booking website, where the notice shall alert customers that the lower cost rooms are intended to be utilized by lower income visitors to the coast

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(though there shall be no income verification requirement, and they can be rented by anyone, regardless of income level). All materials shall acknowledge the California Coastal Commission's and City of Half Moon Bay's role in providing the lower cost units.

- 2. Non-English Languages Provided.** All outreach described in this condition shall include a language-access element inclusive of non-English languages spoken in the targeted communities, including but not limited to Spanish, tailored to be culturally relevant, and written in plain language to help prevent educational and cultural barriers to access to the lower cost units.
- 3. Monitoring.** The Plan shall describe how the Permittee will monitor and track the Plan's execution so that the Permittee and the Coastal Commission can note the effectiveness of the Plan and make changes as needed.
- 4. Reporting.** The Permittee shall provide an annual report (with the first report due on or 14 days before December 31st of the first year of hotel occupancy, and subsequent reports due on or 14 days before December 31st of every subsequent year the hotel is operational) to the Executive Director for review and written approval that provides clear evidence of compliance with all aspects of this condition, including providing sufficient detail to demonstrate occupancy of and rates charged for the identified on-site rooms, and implementation of the approved Marketing and Engagement Plan (where the latter shall at least describe all outreach efforts, with samples of outreach materials; all implementation challenges and successes; and all feedback and public comments received, and any responses to same), and providing recommendations for additional and/or modified measures to enhance awareness, use, and public utility of all required measures specified in this condition. Every third such annual report shall also include an audit performed by an independent auditing company evaluating compliance with this condition.

All requirements above and all requirements of all above Executive Director approved plans/materials shall be enforceable components of this CDP, and the Permittee shall undertake development in accordance with this condition and all such approved plans/materials.

- 7. Transportation Demand Management Program.** PRIOR TO HOTEL OCCUPANCY, the Permittee shall submit to the Executive Director for review and written approval a Transportation Demand Management Program (TDMP). The TDMP shall include, but not be limited to, the following: (a) an agreement to work with the SamTrans to encourage increased bus service for visitors, residents, and employees; (b) participation in shuttle systems to the San Francisco, Oakland, and San Jose Airports, as well as to area attractions; (c) adequate bicycle storage for visitors, residents, and employees; (d) adequate on-site shower facilities and lockers available to all employees; (e) creation and implementation of a carpool plan for employees, with notices of the carpool program posted in employee work areas; and (f) information regarding the aforementioned components of the TDMP shall be

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provided to all employees (and visitors as applicable) and included in any employment paperwork for new employees. The Permittee shall undertake the development in accordance with this special condition and the approved TDMP.

- 8. Plastics Reduction Program.** PRIOR TO COMMENCEMENT OF CONSTRUCTION, the Permittee shall submit two copies of a Plastics Reduction Program to the Executive Director for review and written approval. The Program shall minimize, to the maximum extent possible, the use of single-use plastics in all aspects of hotel operations, including as part of hotel room occupancy, conferences, restaurant/bar operations, etc. At a minimum, the Program shall meet any City of Half Moon Bay and San Mateo County plastics reduction requirements, and shall additionally identify/include at least the following provisions: educational signage for staff and guests promoting and encouraging reusable items instead of single-use plastics; maximizing use of reusable food ware for all dining purposes (for dinnerware, drinkware, silverware, and ramekins/containers), and prohibiting the following items: plastic straws (and allowing only reusable straws, paper straws, or straws made from naturally occurring materials, and only upon request), Styrofoam, plastic bags, plastic bottles, and plastic single-use shampoo/conditioner/lotion bottles in hotel rooms. The Program shall also provide water bottle refill stations (at a minimum in the lobby, conference area, and any other high-use areas). To the maximum extent possible, only biodegradable or compostable materials for single-use products shall be employed.
- 9. Public Rights.** By acceptance of this CDP, the Permittee acknowledges and agrees, on behalf of itself and all successors and assigns, that the Coastal Commission's approval of this CDP shall not constitute a waiver of any public rights that may exist on the properties involved. The Permittee shall not use this CDP as evidence of a waiver of any public rights that may exist on the properties now or in the future.
- 10. Other Authorizations.** PRIOR TO COMMENCEMENT OF CONSTRUCTION, the Permittee shall provide to the Executive Director evidence of other required authorizations for, or alternatively evidence that no such authorizations are needed, for the development authorized by this CDP (e.g., from U.S. Army Corps of Engineers, City of Half Moon Bay, etc.). The Permittee shall inform the Executive Director of any changes to the project required by other agencies/entities, and such changes shall not be incorporated into the project until the Permittee obtains a Commission-approved amendment to this CDP, unless the Executive Director determines that an amendment is not legally required.
- 11. City of Half Moon Bay Conditions.** This CDP has no effect on conditions imposed by the City of Half Moon Bay pursuant to an authority other than the Coastal Act, except as provided in this condition. The Permittee is responsible for compliance with all terms and conditions of this CDP in addition to any other requirements imposed by the City pursuant to the City's non-Coastal Act authority (e.g., the City's Design Permit, Building Permit, CEQA determination, etc.). In the event of conflicts between terms and conditions imposed by the City and those of this CDP, the terms and conditions of this CDP shall prevail.

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- 12. Future Permitting.** With the exclusion of future residential development north of Seymour Street, all future proposed development related to this project, this project site, and/or this CDP shall require a CDP amendment that is processed through the Coastal Commission, unless the Executive Director determines a CDP amendment is not legally required. This CDP authorizes limited future repair, maintenance, and/or improvement development that is determined by the Executive Director to: 1) fall within the overall scope and intent of this CDP; 2) be consistent with the City of Half Moon Bay LCP; and 3) not have any significant adverse impacts to coastal resources. Any development that the Executive Director determines does not meet such criteria shall require a separate CDP or a CDP amendment, as directed by the Executive Director.
- 13. Minor Modifications.** Minor adjustments to the terms and conditions of this CDP may be allowed by the Executive Director if, in the Executive Director's opinion, such adjustments: (1) are deemed reasonable and necessary; (2) do not adversely impact coastal resources; and (3) do not legally require a CDP amendment.
- 14. Successors and Assigns.** Prior to completing a sale or other transfer by the Permittee of a leasehold and/or any other interest in the property governed by this CDP, the Permittee shall (1) provide the "Notice to New Owner of Property Interest Regarding Coastal Development Permit No. A-2-HMB-25-0003" ("Notice") (see **Exhibit 8**) and a copy of the executed CDP to the purchaser or potential purchaser or transferee ("Purchaser"), and (2) include in any purchase and sale agreements a condition to require the Purchaser to comply with the terms and conditions of this CDP. On the completion of the sale or transfer, the Purchaser, as successor in interest, becomes the Permittee responsible for fulfilling the terms and conditions of the CDP. Both parties shall execute the Notice as part of any transfer or sale. By taking ownership in the property and by signing the Notice, the Purchaser agrees to comply with the terms and conditions of this CDP. The Permittee shall deliver the executed Notice to the Executive Director at least ten days prior to the completion of the sale or transfer. The Executive Director upon receipt of the Notice shall confirm that (1) the executed Notice is legally adequate, and (2) the sale or transfer of property interest is complete. Failure to deliver the fully executed Notice within the timeframe required by this condition is a violation of the CDP.
- 15. Liability for Costs and Attorneys' Fees.** The Permittee shall reimburse the Coastal Commission in full for all Coastal Commission costs and attorneys' fees (including but not limited to such costs/fees that are: (1) charged by the Office of the Attorney General; and/or (2) required by a court 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/or enforcement of CDP terms and conditions, or any other matter related to this CDP. The Permittee shall reimburse the Coastal Commission within 60 days of being informed by the Executive Director of the amount of such costs/fees. The Coastal Commission retains complete authority to conduct and direct the defense of any such action against the Coastal Commission, its officers, employees, agents, successors and/or assigns. By acceptance of this CDP and its terms and conditions, the Permittee irrevocably agrees to this obligation, which shall

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be continuing in nature and remain in full force and effect regardless of whether this CDP approval is invalidated as the result of the litigation contemplated by this condition or otherwise changed in any way.

**16. Deed Restriction.** PRIOR TO HOTEL OCCUPANCY, the Permittee shall submit to the Executive Director for review and approval documentation demonstrating that the landowners have executed and recorded against the parcels governed by this CDP, a deed restriction, in a form and content acceptable to the Executive Director: (1) indicating that, pursuant to this CDP, the Coastal Commission has authorized development on the subject property, subject to the terms and conditions that restrict the use and enjoyment of that property; and (2) imposing the terms and conditions of this CDP as covenant, conditions and restrictions on the use and enjoyment of the property. The deed restriction shall include a legal description of all the parcels governed by this CDP. The deed restriction shall also indicate that, in the event of an extinguishment or termination of the deed restriction for any reason, the terms and conditions of this CDP shall continue to restrict the use and enjoyment of the subject property so long as either this CDP or the development it authorizes – or any part, modification, or amendment thereof – remains in existence on or with respect to the subject property.

## **4. FINDINGS AND DECLARATIONS**

### **A. Project Location**

The proposed project is located between Highway 1 and Main Street at the southern end of the City of Half Moon Bay's downtown, and is made up of a roughly 5-acre undeveloped property to the south (APN 065-012-030), and a roughly 2.5-acre developed property (occupied by an automobile sales dealership) to the north and spanning Seymour Street (APNs 065-012-020 and 064-352-150) (see **Exhibit 1** for a location map, and see **Exhibit 2** for site area photos).

### **B. Project Description**

The proposed project is made up of three primary components:

- **Land Divisions.** A lot-line adjustment between the undeveloped and developed properties to create a roughly 4.5-acre undeveloped property south of Seymour Street, and roughly 3-acre developed property north of Seymour Street. Then a land division of the 3-acre site to create one larger lot (of about 2 acres to retain car dealership uses) and 4 smaller lots (of about 12,500 square feet each) north of Seymour Street. The 4 smaller lots are also currently occupied by the car dealership, but they are designated Residential-Medium Density per the LUP and zoned Two Family Residential (R-2) per the IP, where each of the four lots could potentially accommodate up to four residential units.<sup>3</sup>

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<sup>3</sup> Although the proposed project does not include any such development past the subdivision itself, and any such future development at this site would be subject to a separate CDP process, the Applicant indicates that it is its intention to develop up to 16 housing units at this site in the future, and to offer a

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- **Hotel.** Construction of a 110-room hotel, spread over three buildings; two connected north and south structures, in the northern half of the property, and a smaller detached structure in the southern portion of the site. The two interconnected buildings would consist of one 36-foot tall, 253-foot long, and three-story “North Structure” that would be 49,270 interior square feet and would accommodate 88 market rate hotel rooms and related amenities; and a 25.5-foot tall, 185-foot long, and one-story “South Structure” that would be 12,009 square feet and would accommodate various hotel functions and amenities (i.e., front desk, meeting rooms, restaurant/bar, gym, etc.). The two structures would be connected by a 15-foot tall and one-story enclosed walkway extending some 67 feet between the two structures. The third building would be a 22-foot tall and one-story detached 9,746 square-foot structure that would accommodate the 22 lower cost hotel rooms and related amenities. The hotel would also include an ancillary one-story structure along Main Street, housing maintenance facilities and bike rental shop. All told, the proposed hotel structures would cover approximately 44,500 square feet of the site and provide some 70,000 interior square feet of room and other space.
- **Other Improvements.** Other improvements include (1) a 114-space parking lot (with 102 standard spaces, 5 ADA spaces, and 7 EV charging spaces) located between the hotel structures and Main Street, with all vehicular ingress and egress from Main Street; (2) removal of non-native and invasive species and new native landscaping throughout the site; (3) a public bike/pedestrian path extending from Main Street to the Highway 1 frontage side of the hotel, and then down to the Southern Gateway; (4) public amenities (including a public restroom, public benches, interpretive signage, bike rentals, bike racks, etc.); (5) irrigation and undergrounded utility connections; and (6) related development (e.g., signs, exterior lighting, etc.).

See **Exhibit 3** for project plans see **Exhibit 4** for visual simulations of the project.

The proposed hotel portion of the property is currently vacant, mostly flat, and covered with ruderal vegetation. The LCP Land Use Plan (LUP) land use designation for the hotel property is Commercial-General, which allows for a variety of commercial activities (including visitor-serving facilities), and is currently zoned Planned Unit Development (PUD) in the LCP Implementation Plan (IP). However, the IP’s PUD zoning designation is outdated inasmuch as the LUP was updated in 2020, and the LUP identifies that this property is to be rezoned Commercial-General (C-G), and the City therefore applied C-G zoning standards to the hotel property.<sup>4</sup> The IP’s C-G zoning district allows for a

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portion of such future housing as below market rate housing for employees of the auto dealership and hotel.

<sup>4</sup> When the LUP was updated in 2020, it included a provision that indicates that the LUP governs in a case of conflict between the updated LUP and the yet to be updated IP (LUP Policy 1-2). LUP Appendix A (“Land Use Plan Implementation”) Table A-1 (“Zoning Map Amendments”) summarizes some of the necessary IP changes, where the anticipated zoning for the hotel property (formerly referred to as the “L.C. Smith Estate PD”) is listed as C-G (Commercial-General). As a result, the conflict between the current IP zoning of PUD and the existing certified LUP Table A-1 designation of the site as C-G is resolved in favor of the LUP’s C-G designation.

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range of retail, service, commercial, office, and residential uses, including specifically allowing for hotels and motels.

The Applicant indicates that the hotel would be a Hyatt Place Hotel, and that the Hyatt Place brand is included in the “Essentials” tier of the Hyatt product portfolio, which the Applicant indicates serves as a more budget-friendly option relative to other Hyatt hotel brands. The hotel would be designed in a “modern farmhouse” style of architecture, with a low pitch standing seam metal roof, and other design choices that echo the agricultural and “coastal heritage” style of the surrounding architecture. The Applicant proposes that 22 hotel rooms would be lower cost,<sup>5</sup> and that the remaining 88 rooms would be set at market rates (see Applicant’s proposed rates in **Exhibit 5**).

Again, see **Exhibit 1** for a location map, **Exhibit 2** for site area photos, **Exhibit 3** for proposed project plans, and **Exhibit 4** for visual simulations of the proposed project.

### **C. Standard of Review**

The proposed project is located entirely within the CDP jurisdiction of the City of Half Moon Bay, and thus the standard of review for the proposed project that is the subject of this CDP application is the certified Half Moon Bay LCP, which itself is together made up of a certified Land Use Plan (LUP) and a certified Implementation Plan (IP).

### **D. CDP Determination**

#### **1. Public Views**

##### ***Applicable LCP Provisions***

The LCP includes multiple provisions designed to protect and minimize impacts to the City’s scenic resources, including with respect to views of the hills and ridgelines along the City’s eastern boundary, as viewed from designated scenic corridors. Applicable provisions include:

***LUP Policy 9-1: Scenic and Visual Resource Areas.*** *Identify and protect scenic and visual resource areas in Half Moon Bay, including but not limited to the scenic corridors, natural resource areas, and built environment resources as defined in this chapter and designated on Figure 9-1.*

***LUP Policy 9-2: Scenic Resource Protection.*** *New development shall be sited and designed to protect views to and along the ocean, to minimize the alteration of natural land forms, to be visually compatible with the character of its setting,*

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<sup>5</sup> The 22 rooms (or 20% of the hotel rooms overall) would be standard double-occupancy hotel rooms similar to others in the hotel, and they would be offered at a rate of no more than 75% of the peak season average rate, where that rate is inclusive of all service and other fees (e.g., parking, cleaning, resort, administrative, etc.) but may be exclusive of any government-mandated fees (e.g., sales tax, transient occupancy taxes, etc.), and which may be adjusted no more than once per year to reflect any increases or decreases in the peak-season statewide average daily rate (based on 75% of the peak summer (July/August) rates for standard double-occupancy (2-person) rooms at hotels with the equivalent of AAA one- and two-diamond ratings.

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and, where feasible, to restore and enhance visual quality in visually degraded areas.

**LUP Policy 9-3: Visual Quality.** Preserve and enhance the unique visual quality that contributes to Half Moon Bay's coastal and small-town character, including its open, expansive views from the coastal terrace to the beaches, bluffs, ocean and upland slopes.

**LUP Policy 9-5: Visual Impact Evaluation.** Where any development is proposed within a scenic and visual resource area, including as designated on Figure 9-1, a site-specific visual impact evaluation shall be required and may include visual simulations, story poles, and/or other means of visual assessment as appropriate based on the type and location of development.

**LUP Policy 9-6: Site Planning and Design for New Development.** Require new development to be subject to design review to ensure it is sited and designed to protect public views of scenic and visual resource areas and to be visually compatible with the character of the surrounding area. Measures to be considered may include, but are not limited to the following: A. Siting development in the least visible portion of the site; B. Breaking up the mass of new structures; C. Designing structures to blend into the surrounding natural landscape; D. Restricting building maximum size and height; E. Clustering or distributing development; F. Incorporating landscape elements and screening; and G. Conformance with any adopted design guidelines.

**LUP Policy 9-12: Town Boulevard and Scenic Corridor.** Require that new development in close proximity to or easily visible from the Town Boulevard scenic corridor, including Highways 1 and 92: A. Protects views of visual resource areas as seen from the Town Boulevard, including views to the ocean, upland slopes (i.e. minimizes intrusions into the ridgeline), and the historic Johnston House; B. Incorporates design standards such as screening of commercial parking areas and landscaping provisions; and C. Is visually compatible with the surrounding land and development. Update the IP with additional standards for new development along the Town Boulevard based on additional study of the scenic corridor. Assessment should, at minimum, consider views of visual resource areas from the perspective of existing and potential development along the Town Boulevard and identify scenic segments along Highway 1 and 92, including views of the ridgelines and other visual resource areas. Development standards should address, at a minimum, appropriate building heights and setbacks, longest wall lines, minimum space between buildings, and street scape design.

**LUP Policy 9-23: Upland Slopes and Ridgelines.** Protect broad views of upland slopes, prominent ridgelines and other intervening ridgelines as viewed from scenic corridors and the beach and shoreline through the following means: A. Prohibiting new development above the 160-foot contour line and on slopes greater than 30 percent, including grading and subdivisions but excluding public trails and critical facilities or public infrastructure that cannot be located

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elsewhere; B. Ensuring new development below the 160-foot contour line is sited and designed to minimize intrusions into the ridgeline through the application of appropriate height and setback restrictions; and C. Establishing standards for the Town Boulevard, other streetscapes, and large-scale landscaping projects to highlight and frame, but not block, views of visual resource areas.

**IP Section 18.37.010: Purpose and Intent.** The specific purpose and intent of these visual resource protection standards are to: A. Protect the scenic and visual qualities of coastal areas as a resource of public importance. B. Ensure that new development is located so as to protect views to and along the ocean and scenic coastal areas. C. Minimize the alterations of natural land forms. D. Restore and enhance visual quality in visually degraded areas. E. Allow development only when it is visually compatible with the character of the surrounding areas (1996 zoning code (part)).

**IP Section 18.37.020: Visual Resource Areas.** The community development director shall prepare and maintain maps of all designated visual resource areas within the city, based upon the visual resources overlay map contained in the city's local coastal program land use plan. Visual resource areas within the city are defined as follows:

- A. **Scenic Corridors.** Visual resource areas along the Highway One corridor and scenic beach access routes, defined as following: a. Highway One Corridor. Located on both sides of Highway One, for a distance of two hundred yards in those areas where Highway One is designated as a scenic highway by the state of California and in those areas shown on the visual resources overlay map in the city's local coastal program land use plan. ...
- B. **Upland Slopes.** Scenic hillsides which are visible from Highway One and Highway 92, as indicated on the visual resources overlay map. These areas occur include hillside areas above the one hundred sixty foot elevation contour line which are located: a. East of the proposed Foothill Boulevard, comprising portions of Carter Hill and Dykstra Ranch properties. b. Southeast Pilarcitos Creek and east of Arroyo Leon, comprising a portion of land designated as open space reserve in the land use plan. c. East of the Sea Haven Subdivision, being a portion of the Gravance property designated urban reserve in the land use plan. d. East of the Nurseryman's Exchange properties and lower Hester-Miguel lands, comprising all of the upper Hester-Miguel lands designated as open space reserve in the land use plan. ...

**IP Section 18.37.030: Scenic Corridor Standards.** Public views within and from scenic corridors shall be protected and enhanced, according to the following standards: ...

- B. **Development within the Highway One corridor and scenic corridors** along all designated shoreline access routes as indicated on the visual resources overlay map where existing permits or development does not exist. In general, structures shall be: a. Situated and designed to protect any views of the ocean and scenic coastal areas. Where appropriate and feasible, the site

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*plan shall restore and enhance the scenic quality of visually degraded areas. b. Located where least visible from the public view. Development shall not block views of the shoreline from scenic road turnouts, rest stops or vista points. c. Designed to be compatible with the environment, in order to maintain the natural features such as streams, major drainage, mature trees, and dominant vegetative communities. d. Set back as an appropriate distance from Highway One right-of-way and from scenic beach access routes in accordance with the intent of this chapter. e. Designed to maintain a low height above natural grade, unless a greater height would not obstruct public views.*

*C. Access Roads and Vegetation. a. Removal of existing vegetation within roadway right-of-ways is prohibited, except where permitted for new landscaping or fire protection and in those areas required for road and shoulder alignment or as required for reasons of safety. b. The number of access roads to a scenic corridor shall be minimized wherever possible. Access roads serving new development shall be combined with the intent of minimizing intersections with scenic roads, prior to junction with a scenic corridor unless severely constrained by topography. Traffic loops shall be used to the maximum extent possible so that dead-end roads may be minimized. c. Curved approaches to scenic corridors shall be used in conjunction with native planting to screen access roads from view wherever practical. Additional planting may be required where existing planting is considered insufficient. Planting shall be placed so that it does not constitute a safety hazard. d. Screening as required under this section should not consist of solid fencing, rather it should be of natural materials of the area, preferably natural vegetation in conjunction with low earth berms. e. Selective clearing of vegetation which allows the display of important public views may be permitted. f. Landscaping and screening suitable to the site and compatible with the surrounding area shall be used to soften the visual effect of development within a scenic corridor. g. Landscaping which established scenic gateways and corridors is encouraged to enhance the scenic quality of scenic corridors*

*D. Signs. No off-premises outdoor advertising shall be permitted. Other permitted signs shall be carefully designed and reviewed so that any negative visual impacts are minimized.*

*E. Parking Lots. All commercial or public parking lots shall be landscaped and screened with berms, if necessary, to minimize visual intrusion within scenic corridors (1996 zoning code (part))*

It is important to note that all the cited LCP policies derive from the authority of Chapter 3 of the Coastal Act, which is the guiding policy document that dictates the LUP

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provisions.<sup>6</sup> The Coastal Act includes scenic and visual resource provisions, including Section 30251 which states, in relevant part:

**Section 30251.** *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.*

### **Analysis**

The LUP identifies the scenic views of the upland slopes of the Santa Cruz Mountain Range foothills inland of the City as an important feature of the City's visual character, where the City's IP defines upland slopes as scenic hillsides above the 160-foot elevation contour line that are visible from Highway 1 and 92. These upland slope areas are also identified in LUP Figure 9-1 (Scenic and Visual Resource Areas, see **Exhibit 6**). The LCP contains several provisions, as detailed above, clearly intended to protect the scenic and visual qualities of coastal areas, including the foothills and ridgelines. The LCP also recognizes the need to accommodate growth, including visitor-serving uses, while maintaining the City's unique scenic characteristics.

Though no portion of Highway 1 running through Half Moon Bay city limits is designated as a State Scenic Highway, the project site is within the LCP-designated Town Boulevard Scenic Corridor (which encompasses Highway 1 and Highway 92 within the City limits), and the Highway 1 Scenic Corridor (which extends 200 yards on either side of Highway 1). LUP Policies 9-1 and 9-12 call for the protection of views from such scenic corridors including, in part, by minimizing intrusions into the inland ridgeline views. The LUP also requires new development to be sited and designed to protect public views and be visually compatible with the surrounding area character via measures to: assure development is located in the least visible portion of the site; break up the mass of new structures; and blend into the surrounding natural landscape. IP Section 18.37.030 identifies a series of more specific standards that generally apply within such scenic corridors, where these standards require that development within the Highway 1 Scenic Corridor generally be designed and situated so as to protect scenic views, to be the least visible from public view, to be set back appropriately from Highway 1, and to maintain a low enough height above natural grade so as not to

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<sup>6</sup> Courts have held that LCP provisions must be understood in relation to the relevant Coastal Act section or sections from which LCP provisions derive their authority. See, for example, *McAllister v. Cal. Coastal Com'n* (2008) 169 Cal.App.4th 912, 930-932, which held that: "Although local governments are responsible for drafting the 'precise content' of their local coastal programs, those subdivisions must, at a minimum, conform to and not conflict with the resource management standards and policies of the [Coastal] Act," and as such, any ambiguities must be interpreted as being consistent with the Coastal Act standards. This legal point can be traced to Section 30512(c) of the Coastal Act, which requires that an LUP "meet the requirements of, and is in conformity with, the policies of Chapter 3."

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obstruct public views. Thus, the LCP's public view protections that apply to the proposed development site are a mix of broadly applicable requirements in terms of views, but also some more specific requirements that are applicable to views of inland slopes and ridgelines. In terms of the latter, the IP indicates that, in general, these views must be protected, intrusions into the ridgeline views should be minimized, and allowable development must be located where least visible from the public view (see IP Section 18.37.030(B)).

The Applicant has submitted many visual simulations of the proposed hotel from multiple different perspectives: looking west from the northeast corner of the project site on Main Street (Viewpoint 1);<sup>7</sup> looking northeast from Highway 1, just south of the intersection of Higgins Canyon Road, Main Street, and Highway 1 (Viewpoint 2); looking northeast from Highway 1, approximately 270 feet north of Viewpoint 2 (Viewpoint 3); looking east from the Naomi Partridge Trail across Highway 1 from the project site, at the approximate mid-point of the project site (Viewpoint 4); looking east from further south down the Naomi Partridge Trail (about 500 feet south of Viewpoint 4) across Highway 1 (Viewpoint 5); looking southeast toward the project site from the intersection of Seymour Street (northern border of the hotel site) with Highway 1 (Viewpoint 6); and looking east toward the site from the Wavecrest Trail, west of Highway 1, at about the halfway point of the project site (Viewpoint 7) (see **Exhibit 4** for a map of these viewpoints and the associated simulations). The visual simulations all show different portions of the public views of inland slopes and hillsides, and it is clear from the Viewpoint 4 simulation that the hotel as originally designed extended above the ridgeline along a good portion of the Highway 1 frontage as seen from the west.

Since the Commission initially took jurisdiction over the CDP, the proposed project's intrusions into the ridgeline views from Highway 1 have been reduced. The distance between the two larger structures in the northern half of the property has been more than doubled, opening more visual space in that area. In addition, the Applicant has proposed to remove one story and to modify the rooflines of the "South Structure" to create a graded, step-down effect, both to minimize intrusions of the upper levels into the ridgeline views, and to create a visually interesting design. With these two design modifications, the proposed space between the two main structures is now about 35 feet wider (i.e., it's now about 67 feet when the space between the two buildings was initially proposed to be only 32 feet). This design helps to lessen visual intrusions into the ridgeline across the frontage of the site when viewed from a vehicle on Highway 1 (for example, the Highway 1 view from directly in front of the hotel frontage leaves more than three-quarters of all ridgeline views unblocked when the revised design is implemented). Put another way, when driving the speed limit on Highway 1 heading north past the site, ridgeline views are now only obstructed for about 3.5 seconds for each the North Structure only, and unobstructed for the remaining nearly 10 seconds. The hotel structures are also set back from Highway 1 between about 40 to 118 feet (with the largest building being the furthest set back), or so from the travel lanes, with about 2 acres of the site (or about half the hotel site) in open and landscaped space in between Highway 1 travelers and hotel structures, helping to reduce perceived impacts.

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<sup>7</sup> Viewpoint 1 is outside of the Town Boulevard and Highway 1 scenic corridors and does not include views of the hills to the east. Therefore, it is not discussed further in this report.

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In addition, the project's proposed installation of bike and pedestrian paths, as well as vegetated areas, spanning the highway frontage helps to provide a replacement public view towards the ocean to offset views to the west from Main Street that would be mostly blocked by the project (see **Exhibit 6**). Finally, the proposed structures are not dissimilar from others nearby, each of which extends into ridgeline views in various ways but are generally only fleetingly perceptible by drivers on Highway 1, where the posted speed limit is 50 miles per hour and most views toward development are inland while drivers are looking forward.<sup>8</sup>

The Applicant has also submitted a feasibility analysis regarding whether the structures' massing and height could be even further reduced, and/or whether the buildings could be rearranged onsite to cluster them along Seymour Road in the northernmost part of the property, perpendicular to Highway 1, in alignment with the most developed portion of the site (i.e., the existing car dealership), while still maintaining enough onsite rooms and amenities to support an economically viable hotel development. This analysis found that in order to not obtrude into ridgeline views at all as viewed from Highway 1, the north structure would need to be reduced to 24 feet tall above grade (from 36 feet), removing two stories from the north building and a loss of about 66 rooms from that structure,<sup>9</sup> and removing upper articulations from the south building (this building has no guest rooms and houses only hotel amenities). In sum, the Applicant's analysis asserts that a loss of this many guest rooms from this lower height design alternative (losing at least 21 but likely up to 66 rooms) would render the project economically infeasible, including in terms of providing lower cost rooms as the balance of rooms required to offset the higher market rate could not be accommodated at this ratio. The alternative to cluster the buildings perpendicular to Highway 1 along Seymour Street to situate development against an already developed backdrop was also ruled out, as that area is more constrained and could not accommodate as much development, leading to similar conclusions.

While the project necessarily alters public views compared to the undeveloped nature of the site currently, the degree of such view impacts has been minimized in the ways the LCP suggests (set back from the highway, separated buildings of different sizes and no one monolith, articulation and architectural interest, landscaping to help soften perceived massing, etc.) consistent with the applicable LCP scenic and visual resource policies and standards. The proposed hotel property is currently vacant and undeveloped, offering largely unobstructed views of the hills and ridgeline to the east, save for slight obstructions from the existing fire training tower and fire station roof from certain perspectives from both the north and south bound lanes of Highway 1. So, just about any development at this site of any scale relative to its large size (i.e., roughly 4.5 acres) would, of course, change the aesthetics of the site and its surroundings, which change is perhaps exaggerated given the site is yet to be developed. However, the LCP is not structured to require avoidance of all view impacts, rather it is structured so that

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<sup>8</sup> This includes a residential development at 555 Poplar Street, a residential development at 453 Filbert Street, and the Coastside Fire Protection District training tower located at 1191 Main Street.

<sup>9</sup> It is possible that with a flat roof and no building gradation or articulation, a second floor could be included, meaning that this building would lose only 21 guestrooms; however, such a flat roof design would likely be incompatible with the rest of the project and surrounding architecture.

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proposed development is sited and designed to minimize impacts, including via setting back from Highway 1 as far as feasible, using landscaping to help screen and soften massing, breaking up massing to provide view gaps, and providing articulation and architectural interest, all of which is (and can be via terms and conditions of this CDP) the case here.

Specifically, **Special Condition 1** requires submittal of a revised final plan set that formalizes the three-building design the Applicant now proposes since the Commission took jurisdiction, where massing of the hotel is more spread across the site, roof line articulations are illustrated, and design materials reflecting the coastal agriculture nature of the proposal are formalized. **Special Condition 1** also lays out the landscaping and public access area requirements of the project and codifies assurances that the hotel buildings' massing is setback from Highway 1 behind a more open space, vegetated area, lessening the development's impacts to the Highway 1 scenic corridor. In addition, **Special Condition 4** requires that the area in the foreground between the hotel buildings and Highway 1 be protected as a coastal resource conservation area, where this area is limited to landscaping and public access improvements, all intended to ensure that Highway 1 views remain protected in these ways over time, including by prohibiting other forms of development in that area (e.g., hotel expansion).

As to other potential visual issues, IP Section 18.37.010 requires development to be visually compatible with the character of the surrounding area. Similarly, LUP Policy 9-2 requires new development to be visually compatible with the surrounding setting. Here, the siting, massing, and architectural treatments of the project are comparable with newer development in the South Downtown portion of the Town Center, which features residential (including multi-family residential), public facility, and commercial development. Given the "modern farmhouse" style of the proposal, which takes design cues from Half Moon Bay's historical agricultural characteristics, the proposed hotel, while fairly large, is in similar architectural style to the surrounding development. Furthermore, almost half of the undeveloped hotel site (about 2 acres) would be retained as open space with public access amenities such as bike and pedestrian trails, which can serve as transition from the undeveloped areas to the west and south to the City's more densely developed Town Center area. Areas directly east and north of the project site are also within the Town Center, and feature existing development that, while perhaps not as large as the proposed hotel, present a similar developed scheme in the immediate area, such as the Coastside Fire Protection District Station, the Coastal Repertory Theater, the James Ford Auto Dealership, and residential development. In addition, an existing, large crescent-shaped monument sign directly adjacent to the southern end of the project site marks the Southern Gateway to the City's downtown, marking a transition from a more rural undeveloped environment south of downtown as you travel northward, into the Town Center, which is defined by the LCP as a more densely developed, clustered downtown area that prioritizes infill of residential, commercial, public services, and other types of development. The project fits within this established LCP objective for a more densely developed Town Center versus other areas of the City. To assure the proposed hotel development is consistent with the surrounding Town Center aesthetic, **Special Condition 1** requires that the revised final plans for this hotel reflect that aesthetic by requiring that the building's design and materials, as well as the proposals' public access areas, access amenities,

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landscaping, and signage are designed to fit in with the surrounding area and link up the City's Southern Gateway in a manner that blends in with the coastal agriculture character of the area and facilitates use of the public areas.

Therefore, the proposed project as conditioned can be found consistent with LCP public view and compatibility provisions.

### **2. Public Access and Lower Cost Overnight Accommodations**

#### ***Applicable LCP Provisions***

The LCP tracks the Coastal Act in terms of requiring that public recreational opportunities be provided, protected, and maximized. The LCP states:

***LUP Policy 5-1: Maximum Coastal Access and Recreational Opportunities.*** Provide maximum coastal access and recreational opportunities for all people consistent with public safety needs and the need to protect public rights, rights of property owners, and natural resource areas from overuse.

***LUP Policy 5-7: Public Access Maximized in New Development.*** New development shall ensure that public access opportunities are maximized by including measures to offset any temporary and potentially permanent impacts to public access caused by the project. To the extent possible, development shall provide public access improvements, including within the private development project (e.g. visitor-serving development), where appropriate.

The LCP also includes specific provisions that assure that new overnight accommodations consider visitor demand for a range of accommodation rates, that lower cost accommodations be prioritized over higher cost lodging, and specifically that any new proposed higher cost overnight accommodations also provide lower cost options. Such lower cost options provided may be onsite or offsite, or through payment of an in-lieu fee. If lower cost options are provided onsite, the LCP requires that they be provided at 15-25% of the number of approved higher cost accommodations and/or through the provision of other lower cost public access and recreation benefits.

Applicable provisions include:

***LUP Policy 5-70: New Overnight Accommodations.*** Consider the carrying capacity of the coast visitor demand over a range of affordability levels for various accommodation types, and consistency with all applicable LCP and General Plan policies before approving any new overnight accommodation development proposals. Prioritize lower-cost visitor-serving accommodations over higher-cost lodging.

***LUP Policy 5-71: Inclusion of Lower-Cost Accommodations.*** Require new development of higher-cost accommodations and/or new development that would fail to provide lower-cost accommodations on land where that use is allowed and suitable to provide lower-cost accommodations (e.g. a lower-cost bank of rooms in a hotel, a hostel, campground, cabins, etc.). The lower-cost accommodations may be provided as listed in order of priority as follows: on-site, off-site, or through payment of an in-lieu fee fund to support establishment of new lower-

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*cost accommodations in the coastal zone. The provision of lower-cost accommodations shall equate to 15 to 25 percent of the number of approved high-cost accommodations in consideration of the price range of the proposed lodging options and provision by the development of other low-cost public access and recreation benefits such as airport shuttles, bicycle rentals, or trail connections. Require full replacement of any existing low-cost rooms proposed for conversion to high-cost rooms.*

These provisions evince a strong intent to ensure that lower cost visitor and recreational facilities are protected and provided along the Half Moon Bay coast, including as it relates to lower cost overnight visitor accommodations, so as to ensure that the coastal zone is as accessible as possible to all, including those not fortunate enough to live near the shoreline. When understood in relation to the Coastal Act's directives to ensure that such facilities are meant to serve the diverse California populace as well as visitors to the State, it becomes clear that the LCP requires new hotels to provide amenities and accommodations that are affordable enough for those of lesser means.<sup>10</sup> The question then becomes how to do so, which is explained subsequently.

### **Analysis**

The lower cost requirements in the LCP stem from Coastal Act Section 30213,<sup>11</sup> which has its origins in the 1975 California Coastal Plan (the precursor to the 1976 Coastal Act). Based on extensive public input in the early 1970s, the Coastal Plan found that few tourist facilities for persons of low and moderate income were being built in many parts of the coastal zone, and that many such lower cost and moderate cost facilities were being replaced by facilities that had higher costs, particularly in terms of overnight accommodations. The Coastal Act addressed these findings in part by including the specific Section 30213 mandate to protect, encourage and, where feasible, provide lower-cost visitor and recreational facilities. When LCPs were first certified and since, they incorporated similar policies towards this end as well, as was and is the case in the City LCP.

Over the years, ensuring the provision of lower cost overnight accommodations in the coastal zone has been especially important because market pressures have led developers to seek construction and operation of higher cost overnight accommodations on land zoned for visitor-serving uses (in some instances through the conversion of already existing lower cost accommodations), rather than pursuing construction, operation, and/or maintenance of new and existing lower cost

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<sup>10</sup> Courts have held that LCP provisions must be understood in relation to the relevant Coastal Act section or sections from which LCP provisions derive their authority. See, for example, *McAllister v. Cal. Coastal Com'n* (2008) 169 Cal.App.4th 912, 930-932, which held that: "Although local governments are responsible for drafting the 'precise content' of their local coastal programs, those subdivisions must, at a minimum, conform to and not conflict with the resource management standards and policies of the [Coastal] Act," and as such, any ambiguities must be interpreted as being consistent with the Coastal Act standards. This legal point can be traced to Section 30512(c) of the Coastal Act, which requires that an LUP "meet the requirements of, and is in conformity with, the policies of Chapter 3."

<sup>11</sup> Section 30213 states in applicable part "Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred."

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accommodations, such as economy hotels. This trend has resulted in the loss of either potential or existing lower cost overnight accommodations in the coastal zone. Overall, the Commission's history of permitting overnight accommodations in the coastal zone confirms the need to safeguard against the loss or preclusion of lower cost overnight accommodations along the coast, as recognized both in the Coastal Act and the LCPs that implement it.

As higher cost hotels are developed at an increasing rate, the remaining lower cost to moderate cost hotel accommodations in the coastal zone tend to be older structures that become less economically viable as time passes. Further, as more redevelopment occurs, the stock of lower cost overnight accommodations tends to be reduced, since it is more economically lucrative for developers to replace these structures with higher cost accommodations or to build new higher end facilities on parcels that historically have not included visitor accommodations. Commission staff prepared a study for a 2016 Commission workshop on lower cost accommodations, which reviewed statewide data about such lower cost units in the coastal zone since 1989. In its report to the Commission in 2016, staff found that out of six "cost" categories ranging from "economy" to "luxury," a total of 24,720 economy rooms had been lost<sup>12</sup> since the late 1980s, compared to a loss of a combined 11,247 rooms in the remaining five classes. In other words, economy rooms were lost over the same time period at over twice the rate of all other cost categories combined. Thus, all told, nearly 70% of all overnight rooms that were lost in the coastal zone between 1989 and 2016 were attributable to lost economy rooms, whereas less than 10% of the rooms lost have been in the upscale and luxury categories, and less than 0.2% have been lost in the luxury category. Such trends have made it much more difficult for lower-cost visitors to access the coast.

Such reduction in lower cost and moderate cost overnight accommodations in the coastal zone is also an environmental justice issue. Section 30604(h) of the Coastal Act provides that when acting on a coastal development permit, the issuing agency "may consider environmental justice, or the equitable distribution of environmental benefits." As defined in Section 30107.3(a) of the Coastal Act, "environmental justice" means "the fair treatment and meaningful involvement of people of all races, cultures, incomes and national origins, with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies." Pursuant to Coastal Act Section 30013, the Commission and all public agencies are charged with advancing environmental justice principles when implementing the Coastal Act. Thus, environmental justice considerations are also relevant to the Commission's review of new overnight accommodation proposals, like this one.

The Commission's Environmental Justice Policy, adopted in March 2019, indicates that the Commission shall "strive for a no-net-loss of lower cost facilities in the coastal zone, while implementing a longer-term strategy to increase the number and variety of new

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<sup>12</sup> "Loss" includes demolition of lower cost accommodations (without replacement), demolition of lower cost accommodations and replacement with high-cost, and simple conversion of lower cost accommodations to high-cost through simple site improvements (or sometimes, even by just charging a higher rate where market demand could support such higher rates).

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lower cost opportunities.”<sup>13</sup> In California, equitable coastal access and recreation opportunities for all populations has not been realized to date due to historic and social factors, such as discriminatory land use and economic policies and practices, with greater barriers to access experienced by lower income communities, communities of color, and underserved communities.<sup>14</sup> Spatial analysis of 2010 Census data shows a majority of Californians (70.9%) live within 62 miles of the coast, but populations closest to the coast are disproportionately white, more affluent, and older than those who live farther inland,<sup>15</sup> meaning that more economically disadvantaged communities and communities of color are significantly underrepresented in terms of living in coastal areas compared to statewide population demographics. This holds true for Half Moon Bay as well.<sup>16</sup> Put another way, while those who live nearest the coast in Half Moon Bay can have relatively easy access to coastal public recreational opportunities, those who aren’t fortunate enough to live near the coast in Half Moon Bay, and by definition more economically disadvantaged communities and communities of color, can’t have those same sorts of coastal opportunities.<sup>17</sup> Further, when a trip to the coast involves a longer

<sup>13</sup> See California Coastal Commission Environmental Justice Policy, published by the Commission on March 8, 2019.

<sup>14</sup> See “Free the Beach! Public Access, Equal Justice, and the California Coast”, Robert Garcia & Erica Flores Baltodano, 2 Stanford Journal of Civil Rights and Civil Liberties. 143 (2005); Report on Coastal Act Affordable Housing Policies and Implementation, published by the Commission on February 10, 2015; Report on the Historical Roots of Housing Inequity and Impacts on Coastal Zone Demographic Patterns, published by the Commission on June 9, 2022.

<sup>15</sup> See Coastal Access Equity and the Implementation of the California Coastal Act, Reineman, et al., (2016) Stanford Environmental Law Review Journal, v. 36. Pages 96-98.

<sup>16</sup> Per most recent United States Census data, the City of Half Moon Bay is indeed wealthier, whiter, and older than the rest of California, and is ‘better off’ in other ways as well. For example:

	City of Half Moon Bay	California (Statewide)
Percent white	61.1%	33.8%
Median household income	\$157,884	\$100,149
Age 65 or older	23.1%	16.5%
Home ownership rate	71.1%	55.8%
Below poverty line	5.6%	11.8%
Lack healthcare	5.1%	5.9%
Disabled	5.7%	12.1%
Bachelor’s degree or higher	52.4%	38.1%

<sup>17</sup> See, for example, the previously referenced *Reineman et al* (2016) study, as well as “Unequal Access: Protecting Affordable Accommodations Along the California Coast,” by Dr. Philip G. King and Sarah Jenkins (2020). To this point, *King/Jenkins* states as follows: “Rising housing costs have displaced many middle- and low-income residents inland. This means that many Californians, including nurses, police, teachers, and service workers, cannot afford to live where they work and must suffer long commutes. This displacement often results in a concentration of exclusive wealth and resources along the accessible only by the wealthy... Several key studies by the California Coastal Conservancy, the Coastal Commission, and others have highlighted this access issue and all point out that the increased cost of coastal access falls disproportionately on low- and moderate- income households as well as communities that have been historically excluded or discouraged from going to the coast, such as Latino residents and people of color. Latino Californians in particular desire to visit the coast but are especially sensitive to the high costs of travel and accommodation... For many inland families, the cost of a necessary overnight stay is a major impediment to visiting the beach. Indeed, California’s coast has become increasingly inaccessible—with

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transit time from these more inland communities, the cost to make such a trip is increased as compared to those who can afford to live near the coast, and it can also require and/or be facilitated by overnight stays. But if there aren't affordable overnight options, then those more inland residents are only further deterred from equitable access. All of which means that the environmental benefits and burdens of a lack of lower cost options are being borne more acutely by economically disadvantaged communities and/or communities of color, which is a classic environmental injustice. As succinctly stated in the *King/Jenkins* study:

*As the California population continues to grow, especially inland where summer temperatures are increasingly hot, beach trips will likely become even more popular, but only if Californians can afford to visit. Access to the coast is threatened by rising costs. A 2017 study found that 62% of California families felt that a visit to the coast is simply too expensive (Christensen & King 2017, 3). These families are primarily concerned with the high costs of parking and lodging along the coast, a problem which is especially concerning for minority residents and residents of inland counties (Christensen & King 2017, 3). The high cost of a coastal visit can mean that middle- and low-income families cannot afford coastal access at all. ...*

*Despite the California Coastal Act's promise of access for all, inequity persists and is perhaps more pervasive than in recent decades. The high cost of living in coastal counties has pushed lower and moderate-income Californians inland. This has resulted in longer drives and in many cases, requires an overnight stay if families wish to visit the coast. Desire to visit the coast is relatively high among all of California's diverse demographics, yet important barriers to access persist which make visits to the coast too costly for lower income communities. In fact, one study found 62% of California voters perceive coastal access as a problem (Christensen & King 2017, 3). Historically, public access has been unequally distributed among different groups. High land costs and explosive economic growth on and near the coast have exacerbated this situation. While the Coastal Act aimed to remedy these issues, it has fallen short.*

King/Jenkins goes on to state:

*Minority populations historically have faced both cultural and legal barriers to beach access. These barriers have carried over into feelings of marginalization and being unwelcome, resulting in a lower desire to visit. Medford (2018, 1) found evidence of this phenomenon, noting that Black and Asian populations on average visit the beach less. More significant than race alone, however, was "travel cost." Minority groups were on average more responsive to high travel costs. Higher sensitivity to travel cost suggests these populations derive a lower*

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the majority of areas far more affluent, less diverse, and older than the state overall. This exclusivity produces an inequity that runs counter to the aims of the California Coastal Act. Access to the resources and opportunities associated with California's coast is not distributed fairly among California's diverse population. Often, those who can afford to spend the least to visit the coast must spend the most as lower-income communities inland face the highest travel costs and accommodation burdens."

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*consumer surplus, or benefit, from their visits. In order to ensure access for all Californians, these preferences need to be taken into account.*

*Latino residents in particular consider the cost of accommodation as a major barrier to visiting the coast. Christensen and King (2017) found that Latino voters rated affordable accommodation a major issue and were on average able to pay \$16 less per night than respondents overall. This is especially significant during the summer holidays when demand for coastal recreation is at its peak and prices are the highest. Latino populations are especially vulnerable to the lack of affordable coastal accommodations given that Latinos in California have a 52% lower median income, at \$51,853 in 2017, compared to the median income for white, non-Latino residents of \$78,903 according to the latest numbers (US American Community Survey, 2017).*

Studies such as the ones above bolster what is already fairly obvious to most: those who live closer to the coast have an easier time accessing the coast and thus have more and easier coastal public recreational access opportunities, and those who live further away have a more difficult time and less opportunities, relatively speaking. These studies also show that those who are fortunate to live nearer to the coast are relatively wealthier, whiter, and older than those who live further away; and in comparison to the demographics of the state as a whole. All of which holds true in Half Moon Bay, and all of which points to the fact that more economically disadvantaged communities and communities of color have less – and more difficult – coastal public recreational access opportunities. All of which means that the LCP requirement to provide lower cost facilities where feasible to do so is only amplified when also considered through an environmental justice lens.

Given hotel developers predominantly pursue higher cost and luxury hotels, including in many cases where such higher cost offerings take the place of existing lower cost options along the coast, it is becoming increasingly important to focus on protecting and providing lower cost overnight accommodations in the coastal zone as required by the Coastal Act and LCPs. Absent an adequate number and type of lower cost lodging facilities, a large segment of the population will be effectively excluded from overnight stays at the coast. To this point, “financial reasons” was listed as the number one barrier to staying overnight at the coast, as identified by respondents to a State Coastal Conservancy-commissioned survey in 2017.<sup>18</sup> By forcing this more limited means economic group to lodging out of the coastal zone (or forcing them to stay at home), there is an adverse impact on the general public’s ability to access the beach and coastal recreational areas, and a disproportionate impact on those least able to afford higher rates. Such trends have thus made it more difficult for visitors of more limited means to access the coast; with many of these visitors traveling from fairly far inland locations where they cannot easily make the trip to the coast and back home again in a single day. Therefore, by protecting and providing lower cost lodging for the price sensitive visitor, the Commission and its local government partners, here the City of Half Moon Bay, can help to remove barriers and increase access to a segment of the

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<sup>18</sup> See “Explore the Coast Overnight - An Assessment of Lower Cost Accommodations”, published by the California Coastal Conservancy on January 8, 2019.

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population facing inequities when visiting the coast. This in turn enhances access to our collective public coastal commons, helping to ensure true access for all.

While the Commission has taken various approaches to implement Coastal Act Section 30213 and corresponding LCP provisions, absent a specific LCP definition or requirement, it has generally, and on a case by case basis, identified lower cost overnight accommodations as those with rates of 75% or less of the statewide average daily rate,<sup>19</sup> higher cost accommodations as those with rates of 125% or greater than the statewide average daily rate, and moderate-cost as those with rates falling in between. To obtain data inputs for the formula, statewide ADRs are collected monthly by Smith Travel Research and are available on the “Visit California” webpage. Once such rates are identified, the Commission has typically required that lower cost accommodations, again on a case-by-case basis for Coastal Act and LCP consistency, be provided at an amount equal to 25% of the total number of proposed units.<sup>20</sup> This can be in the form of providing on-site or off-site lower cost accommodations and/or an in-lieu fee commensurate with the cost of constructing and operating such units elsewhere, where in some cases the Commission has considered some combination of these options. The Commission has in the past not typically required mitigation in the form of lower cost rooms or a corresponding in-lieu fee for lower or medium/moderate cost rooms, but instead has ensured the project includes other forms of public access enhancements and amenities (e.g., bike rentals, public plazas, etc.) so as to ensure an array of such enhancements/amenities, including focusing on lower cost or free enhancements/amenities in such an exercise. By protecting and providing lower and moderate cost lodging for the price-sensitive visitor, a broader segment of the population will have the opportunity to visit the coast.

Using the Commission’s typical methodology to define the cost thresholds described above, the statewide average daily rate (ADR) for standard, double occupancy rooms during the peak-season (July/August 2025 is the most recent datapoint) was \$196.70. Thus, 75% of this amount (i.e., the lower cost threshold) would be \$147.52, and 125% of this amount (i.e., the higher cost threshold) would be \$245.88. In the time since the Commission took jurisdiction over the CDP application, the Applicant has revised its project description to provide 22 rooms capped at lower cost rates (see Applicant’s

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<sup>19</sup> The statewide hotel average is determined by collecting statewide peak season (summer) average daily room rates for standard, double occupancy rooms. To ensure that the lower cost hotels and motels surveyed meet a minimally acceptable level of quality, including safety and cleanliness, this determination uses only AAA Auto Club-rated properties that are rated one- or two-diamond.

<sup>20</sup> The genesis for the 25% goal is two-fold: 1) for consistency with the Commission’s affordable housing requirements when the Coastal Act provided the Commission the direct authority to require affordable housing units (i.e., the Commission typically required 25% of proposed units to be affordable, until the Coastal Act was amended to remove this affordable housing requirement); and 2) since roughly 25% of the total hotel mix across the state is comprised of lower cost economy hotels, the idea is to have that same mix be present in the coastal zone. See, for example, CDPs A-3-PGR-22-0004 (American Tin Cannery Hotel Resort), A-3-STC-24-0016 (Cruz Hotel), and 3-24-0149 (801 Embarcadero Restaurant/Hotel).

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proposal in **Exhibit 5**),<sup>21</sup> which is 25% of the 88 rooms proposed to be offered at market rates, and presumed here to be higher cost.<sup>22</sup> These rates could be adjusted annually using the same metric. The Applicant's proposal would be codified by **Special Condition 6**.

It is of note that the Commission in the past has more typically approached offsetting the impacts of higher cost accommodations via providing lower cost rooms at a rate of 25% of the total rooms (which here would be 27.5 rooms), and in this case the Applicant is proposing lower cost rooms at a rate of 25% of the higher cost rooms (which here would be 22 rooms),<sup>23</sup> where the latter is the way that the LCP specifies such accounting is to be done (see LUP Policy 5-71), and thus 22 lower cost rooms achieves consistency with the upper bound requirements stated in the LCP. At the same time, the Applicant is cognizant of the Commission's more typical accounting practice, and to help offset any perceived limitations associated with the LCP's prescribed methodology, the Applicant proposes a robust package of public amenities (e.g., public trails, restrooms, benches, bike racks, bike rentals, etc.). In particular, the Applicant proposes a system of public bike and pedestrian trails that will be developed in the hotel property's open space, where native landscaping will also occur. These public pathways will link up the hotel's open space to the Southern Gateway to the City area and will also provide public amenities such as park benches and interpretive signage to guide and inform the public. All of which helps to address any perceived methodological accounting issues in that respect.

To assure the Applicant's proposal to offset the impacts of the proposed higher cost accommodations, **Special Condition 6** codifies the lower cost accommodations proposal and includes important requirements to ensure that these provisions are effectively carried out over time. Among other things, the condition specifies that the lower cost thresholds for the 22 lower cost rooms are caps, and that all hotel fees, including parking, resort fees, and administrative fees, with the exception of government-imposed fees/taxes, are required to be reflected/included in that price. The condition also specifies some minimum standards for the lower cost units, including that such hotel rooms must be at least 250 square feet (with a queen size bed or two twins) and all users of the lower cost hotel units are required to have access to the same amenities in the rest of the hotel as would any other paying guest, including those in the higher cost rooms. This condition also requires a "Marketing and Outreach Plan" to assure lower income communities are aware of the lower cost options provided on site and will require a notice or disclaimer to be included on the hotel's booking website, which will alert customers that the lower cost rooms are intended to be utilized by lower income visitors to the coast (even though such rooms may be rented by anyone, and there would be no income verification requirements). The condition also requires annual monitoring reports that identify program effectiveness, and a third-party audit every third

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<sup>21</sup> In this case, the Applicant used the 2024 statewide average peak summer daily rate \$197.01 for a double-occupancy room, reducing that to the standard 75% of peak season average daily rate for a lower cost rate of \$147.76 per day.

<sup>22</sup> The Applicant determined higher cost rates at 125% of the peak season average, which, using 2024 data results in a higher cost rate of \$246.26 per day.

<sup>23</sup> Applying 25% to 88 higher cost rooms is 22 rooms.

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year to help measure effectiveness of the lower cost provisions overall, including in terms of outreach to market such rooms to inland communities, including in Spanish and other appropriate languages.

As the Commission typically requires for overnight accommodations projects, **Special Condition 5** requires that all overnight accommodations be open and available to the general public, that rooms not be rented to any individual, family, or group for more than 29 consecutive days and that no individual ownership or long-term occupancy of hotel rooms shall be allowed. To further ensure that the hotel operates as proposed and approved, **Special Condition 5(c)** prohibits the conversion of any of the hotel overnight rooms to limited-use overnight visitor accommodation units (e.g., timeshare, fractional ownership, etc.) or to full-time occupancy condominium units or to any other units with use arrangements that differ from the approved project, as well as requires annual monitoring reports to ensure same. In addition, to assure the lower cost options provided through this permit remain, even if the property is sold or otherwise transferred, **Special Condition 14** requires such purchase, or transfer agreement includes a provision that the new owner agrees to all the terms and conditions of this permit and notifies the Commission's Executive Director of the transfer. In addition, **Special Condition 3** requires submittal for incorporation into the project of a Public Access Management Plan which will govern management of public access and amenities onsite. This plan will formalize pathways and amenities meant for public use and set use standards for such offerings to ensure the public can effectively use and enjoy such amenities without being deterred or intimidated due to their close association with a private hotel development. Finally, **Special Conditions 4 and 16** require that the public access and open space areas be deed restricted to recognize the public's rights to be on the property and to use these features, in perpetuity.

In conclusion, the Applicant here has proposed meaningful lower cost overnight accommodation and free public access components of the project that are consistent with the LCP requirements on this point, and ensures that the proposed hotel will serve to make a trip to Half Moon Bay and its coast and beaches more accessible to all, including those in lower income brackets. The Commission prefers these types of proposals when they include onsite lower cost components and a suite of complementary measures as a means of addressing LCP lower cost overnight accommodation issues. Therefore, the project as conditioned can be found consistent with the LCP's lower cost accommodations provisions, and with the LCP's public access provisions more broadly.

### **3. Circulation and Parking**

#### ***Applicable LCP Provisions***

The LUP requires that any development that would contribute significant traffic to weekend peak travel times along Highway 1 north of Highway 92 be limited as feasible and provide other multi-modal options such as bike and pedestrian connections. The LCP states:

***LUP Policy 3-36: New High-Trip Generating Development.*** *To the extent feasible, limit the approval of new higher-trip generating development, especially*

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*development that would contribute significant traffic to the weekend peak period, north of Highway 92 where the roadway system is most impacted. Require new higher-trip generating development to provide multi-modal options such as bicycle and pedestrian trail connections, airport shuttles, or bicycle rentals.*

The LCP’s IP also requires that parking for a hotel such as this be provided as follows:

**IP Section 18.36.040: Off-street parking spaces required.**

<i>Type of Use</i>	<i>Number of Required Parking Spaces</i>
<i>Hotels, etc.</i>	<i>One space for each guest bedroom, plus one space per employee</i>

The IP does make exceptions to these minimum parking requirements if certain findings can be made, stating:

**IP Section 18.36.095: Parking Exceptions.** *In cases of practical difficulties and unusual hardship, the planning commission may, after proper hearings, recommend exceptions to the parking requirements or development standards set forth in this chapter. Application for a parking exception shall be made and an exception may be approved under the following procedures: ... B. The applicant shall submit a written explanation relating the circumstance of the particular case to the following findings of fact: 1. That there are exceptional or extraordinary circumstances or conditions applying to the land, building or use referred to in the application, which circumstances or conditions do not apply generally to the land, buildings and/or uses in the same district; 2. That the granting of the application is necessary for the preservation and enjoyment of substantial property rights of the petitioner; 3. That the granting of such application will not, under the circumstances of the particular case, materially adversely affect the health or safety of persons residing or working in the neighborhood of the property of the applicant, and will not, under the circumstances of the particular case, be materially detrimental to the public welfare or injurious to property or improvements in the neighborhood; 4. That the establishment, maintenance and/or conducting of the off-street parking facilities as proposed, are as nearly in conformance with the requirements of the Half Moon Bay zoning code as are reasonably possible.*

**Analysis**

The City-approved project included a Traffic Impact Study, which analyzed a larger 129-room hotel, and determined that impacts to vehicle miles traveled would be less than significant with the implementation of recommended transportation demand management measures (e.g., employee rideshares, transit passes, etc.). The City ultimately determined that a smaller 102-room hotel, as approved by the City’s CDP, would be estimated to generate no more than the number of trips per day attributable to the larger hotel project analyzed in the Traffic Impact Study (572 daily trips). The

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currently proposed project has 110 rooms, which would lead to a similar traffic impact.<sup>24</sup> The City's mitigation measures for traffic are included herein via incorporation of the City's conditions (see **Special Condition 11**), which explicitly require compliance with the Traffic Impact Study's mitigation measures. In addition, and to ensure that everything possible is done to alleviate traffic impacts consistent with LCP direction, particularly related to reducing reliance of single-occupancy vehicle travel, this approval is also conditioned for its own Transportation Demand Management Program (TDMP). The TDMP is required to include, but not be limited to, the following: (a) an agreement to work with the SamTrans to encourage increased bus service for visitors and employees; (b) participation in shuttle systems to the San Francisco, Oakland, and San Jose Airports, as well as to area attractions; (c) adequate bicycle storage for visitors, residents, and employees; (d) adequate on-site shower facilities and lockers available to all employees; and (e) creation and implementation of a carpool plan for employees, with notices of the carpool program posted in employee work areas, where information regarding the aforementioned components of the TDMP shall be provided to all employees (and visitors as applicable) and included in any employment paperwork for new employees.

As previously indicated, the project also includes bicycle and pedestrian trails and bicycle rentals, which are explicitly required by LUP Policy 3-36 for development as is proposed. These types of amenities, especially when combined with the Traffic Impact Study mitigation measures and the required TDMP measures, should be able to provide the project with the necessary tools to appropriately address traffic concerns. As a result, the proposed project as conditioned can be found consistent with LCP traffic and circulation provisions.

Regarding parking, the project provides 114 parking spaces when the IP would require 135 (110 hotel rooms, plus up to 25 employees on site at peak operating hours), so the project as proposed has a deficit of 21 spots. For the original project the City granted a parking exception pursuant to IP Section 18.36.095 for a similar parking space deficit (that iteration of the project had 102 rooms and similar staffing levels, necessitating 127 spots, but only provided 108, so a deficit of 19 spots). Per the parking exception requirements the City relied on a parking analysis submitted by the Applicant to illustrate peak parking times for guests and employees based on similar conditions at a Hyatt Place Hotel in Santa Cruz. That analysis showed that peak parking needs for guests would be staggered from peak parking needs for employees, because during the late evening to early morning hours, where peak in-house guest numbers would occur, the employees on site would be at their smallest numbers (where a maximum of 4 employees would be onsite from the hours of 11 pm to 7 am). Similarly, when in-house guest numbers are at their lowest, between 10 am to 5 pm, employees needed on site would be at their highest numbers. All of which illustrates that such staggering will help to ensure that the number of parking spaces provided will be adequate for hotel needs, despite the parking space deficit. This analysis also cited that the hotel will be in close

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<sup>24</sup> In coming to this conclusion, the City also included the traffic that would be associated with up to 16 residential units that could be accommodated by the proposed subdivision, even though those units are not part of the current proposed project, and would require their own CDP(s) in the future, where traffic attributable to them (and other issues) would be analyzed at that time.

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proximity to the Town Center and other establishments, meaning that people onsite for other than hotel room uses (i.e., public access amenities, restaurant/bar, etc.) will also be walking/biking in from offsite, and not necessarily through vehicles. In addition, the hotel will provide bike rentals to promote non-automobile options.

In the time since the Commission found substantial issue and took jurisdiction over the permit, the Applicant has performed a similar parking analysis for the current parking configuration and deficit. As such, the LCP's IP Parking Exception allowance findings can be established here, as the conditions of the project site dictate that all the competing resource protections (protecting public views, providing public recreational access amenities, providing lower cost visitor-serving rooms, providing almost half the site in open space, etc.) constrain the site, including for parking. Thus, the parking exception also allows for the project to go forward to assure other project needs are met. The granting of such an exception, pursuant to the findings of the parking analysis, will not have adverse effects on the health and safety of those residing or working in the surrounding areas, and will not impact public welfare, since per the analysis there should be ample parking onsite to accommodate the hotel's needs. Finally, the parking proposal here is as nearly in conformance with the IP's parking requirements as is reasonably possible, given the balance of project needs, with the resource protections necessary. As such, the proposed project as conditioned can be found consistent with LCP parking provisions.

#### **4. Tribal and Cultural Resources**

The Half Moon Bay LCP requires that tribal and cultural resources be protected and that new development avoid impacts to such resources where feasible, stating:

***LUP Policy 8-1: Cultural Resources Protection.** Half Moon Bay's cultural resources shall be protected and preserved through identification, education and awareness, and development standards for avoidance and mitigation of impacts.*

***LUP Policy 8-2: Development Impacts on Cultural Resources.** New development shall avoid impacts to cultural resources through siting and design measures to the extent feasible. Any unavoidable impacts, disturbance, or substantial adverse changes caused by development on cultural resources shall be mitigated through measures such as preservation in place or site sampling and salvage. The preferred and required alternatives for mitigating impacts, if feasible, are avoidance or preservation in place. Consult with Native American representatives on appropriate alternatives.*

The project EIR did not identify any cultural resources on the project site, but reports of cultural resources were found within about a half mile. Tribal consultation for the project also occurred, where letters to Native American contacts provided by the Native American Heritage Commission were sent out. The results of such consultation were that Tribes with interest in the area requested a Native American monitor be present during earthmoving activities. In short, the likelihood of encountering potentially significant tribal or cultural resources within the project area is low, and the EIR requires a tribal monitor be present during ground disturbance, stop work and consultation requirements should resources be found, and requirements that any significant

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resources recovered be subject to analysis and curation where appropriate, in consultation with the tribal monitor. As such, **Special Condition 11** specifies that all such mitigation measures required by the City and the EIR for such tribal and cultural resources be incorporated as requirements of this CDP. Therefore, the project as conditioned can be found consistent with the LCP's tribal and cultural resources provisions.

### **5. Other**

#### ***Other Agency Approvals***

To ensure that the Applicant has a sufficient legal interest to carry out the project consistent with the terms and conditions of this CDP and to ensure that the proposed project is authorized by all applicable regulatory agencies, **Special Condition 10** requires the Applicant to submit written evidence either of these other agencies' approvals of the project (as conditioned and approved by this CDP) or evidence that such approvals are not required. **Special Condition 11** also specifies that the Permittee shall follow all other requirements and conditions imposed by the City of Half Moon Bay pursuant to its non-Coastal Act authorities (e.g., Design Permit, Building Permit, etc.). If there is any conflict, however, between those conditions and this CDP, this CDP shall govern.

#### ***Future Permitting***

The Commission herein fully expects to review any future proposed development at and/or directly related to this project and/or project area, including to ensure continued compliance with the terms and conditions of this CDP through such future proposals, but also to ensure that any such future proposed development can be understood in terms of same. Thus, any and all future proposed development at and/or directly related to this project, this project area, and/or this CDP shall require a new CDP or a CDP amendment that is processed through the Coastal Commission, unless the Executive Director determines a CDP or CDP amendment is not legally required (see **Special Condition 12**). Specific to future repair, maintenance, and/or improvement, this CDP also covers such activities, provided that such development that is determined by the Executive Director to: 1) fall within the overall scope and intent of this CDP; 2) be consistent with the City of Half Moon Bay LCP; and 3) not have any significant adverse impacts to coastal resources. Any development that the Executive Director determines does not meet such criteria shall require a separate CDP or a CDP amendment, as directed by the Executive Director (again, see **Special Condition 12**)

#### ***Minor Changes***

This CDP authorizes the project proposed except as modified by the special conditions. As is typical of large and complicated construction projects like this, there can be the need for minor changes as circumstances dictate. Thus, this approval allows for such changes through either (a) a CDP amendment, or (b) if the Executive Director determines that no amendment is legally required, then such changes may be allowed by the Executive Director if the Executive Director determines that such changes: (1) are deemed reasonable and necessary; and (2) do not adversely impact coastal resources (see **Special Condition 13**).

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### ***Indemnification***

Coastal Act Section 30620(c)(1) authorizes the Commission to require applicants to reimburse the Commission for expenses incurred in processing CDP applications. Thus, the Commission is authorized to require reimbursement for expenses incurred in defending its actions on the pending CDP applications in the event the Commission's action is challenged by a party other than the Applicant. Therefore, consistent with Section 30620(c), the Commission imposes **Special Condition 15** requiring reimbursement for any costs and attorneys' fees that the Commission incurs in connection with the defense of any action brought by a party other than the Applicant challenging the approval or issuance of this CDP, or challenging any other aspect of its implementation, including with respect to condition compliance efforts.

### ***Deed Restriction***

The terms and conditions of this approval are perpetual and run with the land, thus binding any future buyers and owners of the properties subject to this CDP. This approval is also conditioned for a deed restriction to be recorded against the property involved in the application (see **Special Condition 16**). This deed restriction will record the conditions of this permit as covenants, conditions, and restrictions on the use and enjoyment of the property.

## **6. California Environmental Quality Act**

CEQA Section 21080.5(d)(2)(a) prohibits a proposed development from being approved if there are feasible alternatives and/or feasible mitigation measures available that would substantially lessen any significant adverse effect that the development may have on the environment. The City of Half Moon Bay, acting as lead CEQA agency, approved the originally proposed project and certified an Environmental Impact Report and adopted a series of CEQA findings and mitigation measures as conditions of approval in the City's action. The City found that the proposed project, as mitigated, would not lead to any significant adverse effects. The City's mitigation measure are incorporated into this CDP via **Special Condition 11**.

The Commission's review, analysis, and decision-making process for CDPs and CDP amendments has been certified by the Secretary of the Natural Resources Agency as being the functional equivalent of the environmental review required by CEQA (CCR Section 15251(C)). Accordingly, in fulfilling that review, this report has analyzed the relevant coastal resource issues with the proposal and has identified appropriate and necessary modifications to address adverse impacts to such coastal resources. The Commission finds that only as modified and conditioned herein will the proposed project avoid significant adverse effects on the environment within the meaning of CEQA. Thus, the proposed project as modified will not result in any significant environmental effects for which feasible mitigation measures have not been employed, consistent with CEQA Section 21080.5(d)(2)(A).

**5. APPENDICES**

**A. Substantive File Documents<sup>25</sup>**

- City of Half Moon Bay CDP File PDP-072-13
- Traffic Impact Study for the Hyatt Place Hotel

**B. Staff Contacts with Agencies and Groups**

- Half Moon Bay Planning Division
- Keep HMB Scenic

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<sup>25</sup> These documents are available for review from the Commission's North Central Coast District office.