

P.C. RESOLUTION NO. 19-XX

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HERMOSA BEACH, CALIFORNIA, DENYING A PRECISE DEVELOPMENT PLAN TO ALLOW A SIX-UNIT MOTEL PROJECT BY CONSTRUCTING A NEW THREE-STORY, DETACHED 2,744 SQUARE FOOT COMMERCIAL BUILDING CONTAINING FIVE UNITS, TO BE CONSTRUCTED BEHIND THE EXISTING 1,841 SQUARE FOOT SINGLE-FAMILY RESIDENCE WHICH WILL BE CONVERTED TO AN ADDITIONAL UNIT, AND DENYING A PARKING PLAN TO ALLOW THE 6-SPACE PARKING REQUIREMENT TO BE MET WITH 4 ON-SITE SPACES (INCLUDING 1 TANDEM SPACE) PLUS FEES IN LIEU FOR 2 SPACES, ON A 4,023 SQUARE FOOT LOT IN THE C-2 (RESTRICTED COMMERCIAL) ZONING DISTRICT AT 70 10TH STREET.

The Planning Commission of the City of Hermosa Beach does hereby resolve and order as follows:

Section 1. An application was filed by B&J Capital Investments on March 21, 2016, seeking approval of Precise Development Plan 16-7 and Parking Plan 16-2 to allow a new three-story, detached 2,744 square foot commercial building with ground floor retail and second and third floor office space, to be constructed behind the existing 1,841 square foot single-family residence which was proposed to be converted to a single-unit motel, and Parking Plan to allow the 12-space parking requirement to be met with 4 on-site spaces (including 1 tandem space) plus fees in-lieu for 8 spaces, on a 4,023 square foot lot in the C-2 (Restricted Commercial) zoning district at 70 10th Street; and adoption of a Mitigated Negative Declaration.

Section 2. The Planning Commission conducted a duly noticed public hearing to consider the application on July 17, 2018 at which time testimony and evidence, both oral and written, was presented to and considered by the Planning Commission. During their August 1, 2018 meeting the project was denied with a 5:0 vote. The Commission expressed concerns with unknown office and retail tenants, renting out the front residence for short term vacation use, and anticipated parking impacts by not providing enough parking spaces on-site for the combination of uses while requesting too many parking spaces be paid in-lieu through the City's in-lieu program. The project proposed to provide 4 out of the 12 required parking spaces on-site (33% provided on-site).

Section 3. The applicants considered the Commission's feedback and revised the project uses and reduced the amount of required parking spaces. An application was filed on March 21, 2019, requesting approval of Precise Development Plan 19-2 to allow a six-unit motel project by constructing a new three-story, detached 2,744 square foot commercial building containing five units, to be constructed behind the existing 1,841 square foot single-family residence which will be converted to an additional unit with a 212 square foot ancillary registration office, and a Parking Plan 19-2 to allow the 6-space parking requirement to be met with 4 on-site spaces (including 1 tandem space) plus fees in lieu for 2 spaces, on a 4,023 square foot lot in the C-2 (Restricted Commercial) zoning district at 70 10th Street; and adoption of a Mitigated Negative Declaration. The new project proposes to provide 4 out of 6 required parking spaces on-site (67% provided on-site) thereby reducing the required amount of in-lieu spaces by 71% by changing the uses from retail and office to motel.

Section 4. The Planning Commission conducted a duly noticed public hearing to consider the application on June 18, 2019 at which time testimony and evidence, both oral and written, was presented to and considered by the Planning Commission. The Commission expressed continued concerns with anticipated parking impacts by not providing enough parking spaces on-site for the motel use and ancillary registration office while requesting too many parking spaces be paid in-lieu through the City's in-lieu program. The Commission continued the item to a later date and requested the applicant work on a design solution that would provide additional parking spaces or reduce the number of units thereby reducing the number of parking spaces required.

Section 5. The applicant decided to maintain the previously proposed site layout and physical building design and number of motel units while removing and replacing the ancillary registration office/concierge service with the room serving as additional living room area, providing off-site property management services and pick up and drop off cleaning services, requiring all units be keyless entry, providing two parking spaces for neighborhood electric vehicles (with one vehicle provided for motel guests), providing discounts to motel guests who are vehicle free and requiring that two vehicle free units be provided whenever the property is more than 65% occupied (4 units with vehicles & 2 units vehicle free). The Planning Commission conducted a duly noticed public hearing to consider the revised application on August 20, 2019 at which time testimony and evidence, both oral and written, was presented to and considered by the Planning Commission.

Section 6. Based on the testimony and evidence received, the Planning Commission did not have evidence that a sufficient number of parking spaces would be provided on-site for customers of the six unit motel project proposed to occupy the site. Hermosa Beach Municipal Code (HBMC) Section 17.44.210 provides that a Parking Plan may be approved by the Planning Commission to allow for a reduction in the number of spaces required. The applicant shall provide the information necessary to show that adequate parking will be provided for customers, clients, visitors and employees or when located in a vehicle parking district, the applicant shall propose an in-lieu fee according to requirements of this chapter. Factors such as the following shall be taken into consideration: van pools, bicycle and foot traffic, common parking facilities, varied work shifts, valet parking, unique features of the proposed uses, peak hours of the proposed use as compared with other uses sharing the same parking facilities especially in the case of small restaurants or snack shops in the downtown area or in multitenant buildings, and other methods of reducing parking demand. The applicants request to allow for a reduction in the number of spaces require through payment of parking spaces in-lieu and for use of tandem parking spaces.

Motels require one space for each unit. The proposed project consists of six motel units which require a total of six parking spaces. HBMC Section 17.44.040 (E) 2.b. requires building sites, where buildings will exceed a 1:1 gross floor area to building site area ratio, to provide a minimum of 25% of the required parking on-site with the remaining required parking authorized to be paid through in-lieu fee contributions with approval of a Parking Plan. The proposed project FAR totals 1.14, therefore, a minimum of 2 parking spaces (25% of 6 spaces) must be provided on-site. The proposal complies with code and includes 4 parking spaces on-site (including 1 tandem space and one parking space required van accessible) with 2 in-lieu spaces requested.

Further, the evidence presented did not provide the Planning Commission with assurance that the configuration of the proposed on-site parking spaces (with one parking space in tandem and one parking space required van accessible) would be adequate to accommodate customers of the motel.

Section 7. Based on the testimony and evidence received, the Planning Commission makes the following findings to **DENY** the application for Parking Plan 19-2 pursuant to Section 17.44.210 of the Hermosa Beach Municipal Code (HBMC):

A Parking Plan is a mechanism provided in the HBMC to allow for a reduction in the number of spaces required. The proposed project with six motel units requires a total of six parking spaces. The proposed project provides four on-site spaces (including one tandem space and one parking space required van accessible) plus payment of fees in-lieu for two spaces. Thus, the project requires a Parking Plan to allow for a reduction in the number of spaces required. The applicant shall provide the information necessary to show that adequate parking will be provided for customers, clients, visitors and employees or when located in a vehicle parking district, the applicant shall propose an in-lieu fee according to requirements of this chapter. Factors such as the following shall be taken into consideration: van pools, bicycle and foot traffic, common parking facilities, varied work shifts, valet parking, unique features of the proposed uses, peak hours of the proposed use as compared with other uses sharing the same parking facilities especially in the case of small restaurants or snack shops in the downtown area or in multitenant buildings, and other methods of reducing parking demand. HBMC Section 17.44.040 (E) 2.b. requires building sites, where buildings will exceed a 1:1 gross floor area to building site area ratio, to provide a minimum of 25% of the required parking on-site with the remaining required parking authorized to be paid through in-lieu fee contributions with approval of a Parking Plan. The proposed project FAR totals 1.14, therefore, a minimum of 2 parking spaces (25% of 6 spaces) must be provided on-site. The proposal complies with code and includes 4 parking spaces on-site with 2 in-lieu spaces requested.

The purpose of the in-lieu fee program is to collect funds which can be used to for future improvements to the City's public parking. To provide some context in considering the request for approval of 2 in-lieu spaces, the following is a list of the largest in-lieu parking requests approved by the City to date. The current inventory of all City-approved in-lieu parking spaces is attached.

- 20 spaces at 1301 Hermosa Avenue;
- 16 spaces at 906-910 Hermosa Avenue;
- 13 spaces at Pier Plaza;
- 7 spaces at 1429 Hermosa Avenue;
- 5 spaces at 51 Pier Avenue; and
- 5 spaces at 117 Pier Avenue.

Members of the Commission and public were concerned with the lack of sufficient on-site parking proposed and found that providing approximately four of the six required parking spaces (approximately 67% of required parking on-site) while paying for two parking spaces (33% of required parking) in-lieu was not sufficient to satisfy the parking needs for the six-unit motel project.

Peak parking demand for hotel/motel uses typically occurs during overnight hours from 9:00 p.m. to 10:00 a.m. daily. Motel uses have peak times which coincide with times of the week where public parking is more available when compared to general retail and office uses. The nearest public surface parking lot, which contains 130 parking spaces, is located approximately 1 block (300 feet) away at 1101 Hermosa Avenue (Lot A) . Lot B contains 37 parking spaces and is located north of 13th Court; between Hermosa Avenue and Beach Drive, and is approximately two and a half blocks (750 feet) away. The public parking structure containing 261 parking spaces located at 13th Street and Hermosa Avenue (Lot C) is located approximately 3 blocks (900 feet) away. The overall public parking lot

occupancy for Lots A, B and C is between 79% to 95% during weekday evenings and weekend afternoons. Public parking spaces are provided throughout the Downtown, which is located within Zone 2 of the Coastal Zone public parking supply (between 16th Street and 8th Street and as far east as Ardmore Avenue). In Zone 2, through a combination of public parking lots and metered street parking spaces, occupancy rates range between 51% and 62% during weekday evenings and weekend afternoons. Based on these numbers, the Planning Commission found there to be a lack of sufficient public parking available in the area to accommodate the parking demand from the proposed project and to offset the two parking spaces to be paid in-lieu. Therefore, the Planning Commission finds that the project, with four on-site parking spaces, will not provide adequate parking for the motel guests.

Section 8. Based on the foregoing, the Planning Commission **hereby DENIES** the request for Precise Development Plan 19-2. In accordance with HBMC Section 17.58.030.C., denial of a PDP is appropriate when:

1. The proposed development would substantially depreciate property values in the vicinity or interfere with the use or enjoyment of property in such area, because of excessive dissimilarity or inappropriateness of design in relation to the surrounding vicinity, and there are no known conditions of approval which can be imposed that could resolve such problems;
2. The proposed development would have significant environmental adverse impacts which are not mitigable, and where the finding of overriding considerations cannot be made.

The Planning Commission does not have evidence that a sufficient number of parking spaces would be provided on-site for customers of the six unit motel project proposed to occupy the site. Therefore, the proposed development is inappropriately designed in relation to the surrounding vicinity. The Planning Commission finds that the lack of on-site parking is an inappropriate design. Although the project complies with code requirements, through the City's In-Lieu Fee Program which allows up to 75% of required parking spaces to be paid in-lieu, (four out of six spaces may be paid in-lieu), by requesting two out of six spaces in-lieu (33% requested in-lieu), the Commission has the authority to determine that due to specific project circumstances the project is inappropriately designed in relation to the surrounding vicinity and that there are no known conditions that can be imposed to the current proposed design that can accommodate more on-site parking other than reducing the number of motel units which the applicants are not agreeable to. Therefore, the Planning Commission denies the request for Precise Development Plan 19-2.

Section 9. While a Mitigated Negative Declaration was prepared for this project, pursuant to Section 15270 of the 'Guidelines for Implementation of the California Environmental Quality Act (CEQA)', Title 14 of the California Code of Regulations, the project is not subject to CEQA because CEQA does not apply to projects which a public agency rejects or disapproves.

Section 10. Pursuant to the Code of Civil Procedure Section 1094.6, any legal challenge to the decision of the Planning Commission, after a formal appeal to the City Council, must be made within 90 days after the final decision by the City Council.

VOTE: AYES:
 NOES:
 ABSTAIN:
 ABSENT:

CERTIFICATION

I hereby certify the foregoing Resolution P.C. No. 19-XX is a true and complete record of the action taken by the Planning Commission of the City of Hermosa Beach, California at its regular meeting of August 20, 2019.

David Pedersen, Chairman

Ken Robertson, Secretary

August 20, 2019

Date