

## **RESOLUTION 2013-142**

### **RESOLUTION AUTHORIZING ISSUANCE OF AN APPEALABLE COASTAL DEVELOPMENT PERMIT**

**WHEREAS**, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I (Port Act); and

**WHEREAS**, the District has a current lease with Westgroup Kona Kai, LLC dba Kona Kai Resort (Kona Kai) for 428,927 square feet of land located at 1551 Shelter Island Drive (Resort); and

**WHEREAS**, in 2006, Atlas Kona-Kai, LLC, the predecessor-in-interest to the Resort and leasehold, submitted an expansion and renovation proposal (Project) for the Resort (then known as the Shelter Pointe Hotel) to the District, which included (a) the relocation and renovation of an existing restaurant; (b) the expansion of and upgrades to conference meeting space; (c) the construction of a new pool; (d) the construction of two new three-story guest wings with 158 new rooms; (e) the construction of a subterranean parking facility with attached housekeeping and marina facilities; and (f) the addition of associated landscaping; and

**WHEREAS**, on October 10, 2006, pursuant to Resolution No. 2006-163, the Board of Port Commissioners (Board) adopted a Mitigated Negative Declaration (UPD No. 83356-MND-683; SCH No. 2006071037) (Final MND) for the Project, and as a subsequent action, pursuant to Resolution No. 2006-165, the Board authorized the issuance of an appealable Coastal Development Permit (CDP) for the Project; and

**WHEREAS**, in October 2012, Noble House Hotels and Resorts (Noble House), the parent company of Kona Kai, acquired the Resort and in 2012, Kona Kai proposed revisions to the Project (Revised Project), which would be constructed in two phases; and

**WHEREAS**, phase one of the Revised Project is known as the "Renovation Component" and consists of (a) renovations to the existing restaurant and patio dining area; (b) upgrades to existing spa and fitness center, including the addition of a spa lobby; (c) upgrades to the existing conference and meeting facilities; (d) renovations to existing guest rooms; (e) the development of an additional 56 parking spaces in the existing parking lot; (f) enhancements to the lobby and entry areas; (g) renovations to existing marina facility and dock master buildings; (h) the addition of landscape and hardscape; and (i) upgrades to existing beach areas and the addition of a water feature; and

**WHEREAS**, phase two of the Revised Project is known as the "Expansion Component" and consists of (a) the development of 41 new guest rooms in two new buildings; (b) the development of a new 4,300-square-foot two-story marina facility retail building; (c) the addition of a second pool and pool deck; and (d) the expansion of the existing pool deck; and

**WHEREAS**, the Revised Project complies with all District policies and requirements; and

**WHEREAS**, the District is the trustee of said tidelands where the Revised Project will be constructed; and

**WHEREAS**, the Revised Project is located within the Bay Corridor subarea of Planning District 1, Shelter Island/La Playa, which is delineated on Precise Plan Map Figure 4 of the certified Port Master Plan and the land use designation for the Revised Project site is Commercial Recreation, which allows for hotels, restaurants, convention center, recreational vehicle parks, specialty shopping, pleasure craft marinas, and sport fishing uses; and

**WHEREAS**, one of the certified Port Master Plan's emphasis for the development of Planning District 1 is the renovation of obsolete structures, improvement in the quality of landscape, and enhancement of visual and physical access to the bayfront and the Revised Project, which will result in the modernization of hotel, conference and restaurant services, improved landscaping and enhanced views, conforms to the certified Port Master Plan and land use designations for the Revised Project site; and

**WHEREAS**, the Revised Project is located between the sea (as defined in the California Coastal Act) and the first inland continuous public road paralleling the sea and is fully consistent with California Public Resources Code Section 30604(c), 30210-30224, and all applicable California Coastal Act policies; and

**WHEREAS**, an application has been prepared for an appealable CDP to implement the Revised Project; and

**WHEREAS**, the Board finds that said application and attachments contain correct and accurate statements of fact; and

**WHEREAS**, the Board has concluded that the Revised Project conforms to the certified Port Master Plan; and

**WHEREAS**, the Board held a noticed public hearing on the appealable CDP on August 13, 2013; and

**WHEREAS**, in accordance with the California Environmental Quality Act (CEQA) statutes and guidelines, the Revised Project was analyzed in the Final MND and an Addendum to the Final Mitigated Negative Declaration (SCH No. 2006071037) for the Shelter Pointe Hotel (Kona Kai Resort) Expansion Project (Addendum to the Final MND), and pursuant to Resolution 2013-140, on August 13, 2013, the Board adopted the Addendum to the Final MND and made certain findings as particularly stated in said Resolution.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

1. The Revised Project, in general, consists of:
  - a. Construction of 41 new guest rooms, for a total of 170 guest rooms;
  - b. Renovations to the existing guest rooms;
  - c. Renovations to the existing restaurant and patio dining area;
  - d. Renovations to the existing spa and fitness space, including, but not limited to, the addition of a spa lobby;
  - e. Renovations to the existing conference center and meeting facilities;
  - f. Renovations to the existing lobby and entry areas;
  - g. Addition of landscape and hardscape;
  - h. Renovations to the existing beach areas and the development of a water feature;
  - i. Enlargement of the existing pool deck by 2,800 square feet, and the construction of a new 1,750-square-foot pool and a 4,497-square-foot pool deck north of the existing conference center, for a total of 3,775 square feet of new and existing pool area, and 8,775 square feet of new and existing pool deck area;
  - j. Establishment of six view corridors (330, 19, 15, 50, 20 and 23 linear feet in width) and removal of approximately 222 linear feet of view corridors, for a total of 457 linear feet of view corridors;
  - k. The addition of 56 parking spaces for a total of 444 parking spaces; and
  - l. Renovation of an existing 3,652 square feet marina facility and dock master buildings, and the construction of a new 4,300-square-foot marina facility, for a total of 7,952 square feet of marina facilities.

2. The Revised Project is located within the Bay Corridor subarea of Planning District 1, Shelter Island/La Playa, which is delineated on Precise Plan Map Figure 4 of the certified Port Master Plan and the land use designation for the Revised Project site is Commercial Recreation. The Commercial Recreation land use category allows for hotels, restaurants, convention center, recreational vehicle parks, specialty shopping, pleasure craft marinas and sport fishing uses. Further, the certified Port Master Plan states that one of the major emphasis of the development program for Planning District 1 is the renovation of obsolete structures, improvement in the quality of landscape, and enhancement of visual and physical access to the bayfront. The Revised Project, which will result in the modernization of hotel, conference and restaurant services, improved landscaping and enhanced views, conforms to the certified Port Master Plan and land use designations for the site. The Revised Project is located between the sea (as defined in the Coastal Act) and the first inland continuous public road paralleling the sea, and said proposed Project is consistent with Public Resources Code Sections 30604(c) and 30210-30224, and the Coastal Act public access and recreation policies referenced therein.

3. The Revised Project which is entitled "Kona Kai Expansion Project at 1551 Shelter Island Drive" is consistent with and conforms to the certified Port Master Plan, and, accordingly, the Executive Director or his designated representative is hereby authorized and directed to issue a CDP for the Revised Project after passage of the ten (10) working day appeal period as described in the Coastal Development Permit Regulations of the District. Said CDP shall require compliance with the Standard Provisions, Short-Term Construction Measures and in particular the conditions listed under the Special Provisions section of the CDP.


APPROVED AS TO FORM AND LEGALITY:



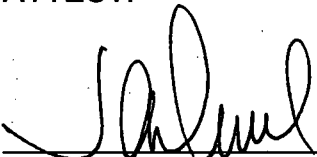
PORT ATTORNEY

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 13th day of August, 2013, by the following vote:

AYES: Castellanos, Merrifield, Moore, Nelson, Smith, Valderrama  
NAYS: None.  
EXCUSED: Malcolm.  
ABSENT: None.  
ABSTAIN: None.

  
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Ann Y. Moore, Chair  
Board of Port Commissioners

ATTEST:

  
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Timothy A. Deuel  
District Clerk

(Seal)