



Sunroad Harbor Island East Hotel Project

Appealable Coastal Development Permit and Concept Approval

November 9, 2021
Agenda No. 13
File No. 2021-0063

Preliminary Draft Subject to Change

Recommended Actions

PROPOSED SUNROAD HARBOR ISLAND EAST HOTEL PROJECT AT 851 HARBOR ISLAND DRIVE IN SAN DIEGO:

- A. Conduct a public hearing and authorize issuance of an Appealable Coastal Development Permit (CDP) to Sunroad HIE Hotel Partners, L.P. for the Project
- B. Grant concept approval to Sunroad HIE Hotel L.P., for the Project

Background

- September 2016: BPC selected Sunroad Enterprises to develop two parcels on East Harbor Island and directed staff to enter into an Exclusive Negotiating Agreement (ENA)
- February 2019: Amendment No. 1 to the ENA
- October 2019: BPC Preliminary Project Review and Authorization to Commence CEQA
- April 2021: First Addendum to Revised FEIR and Option to Lease Agreement

Project Location



Project Location

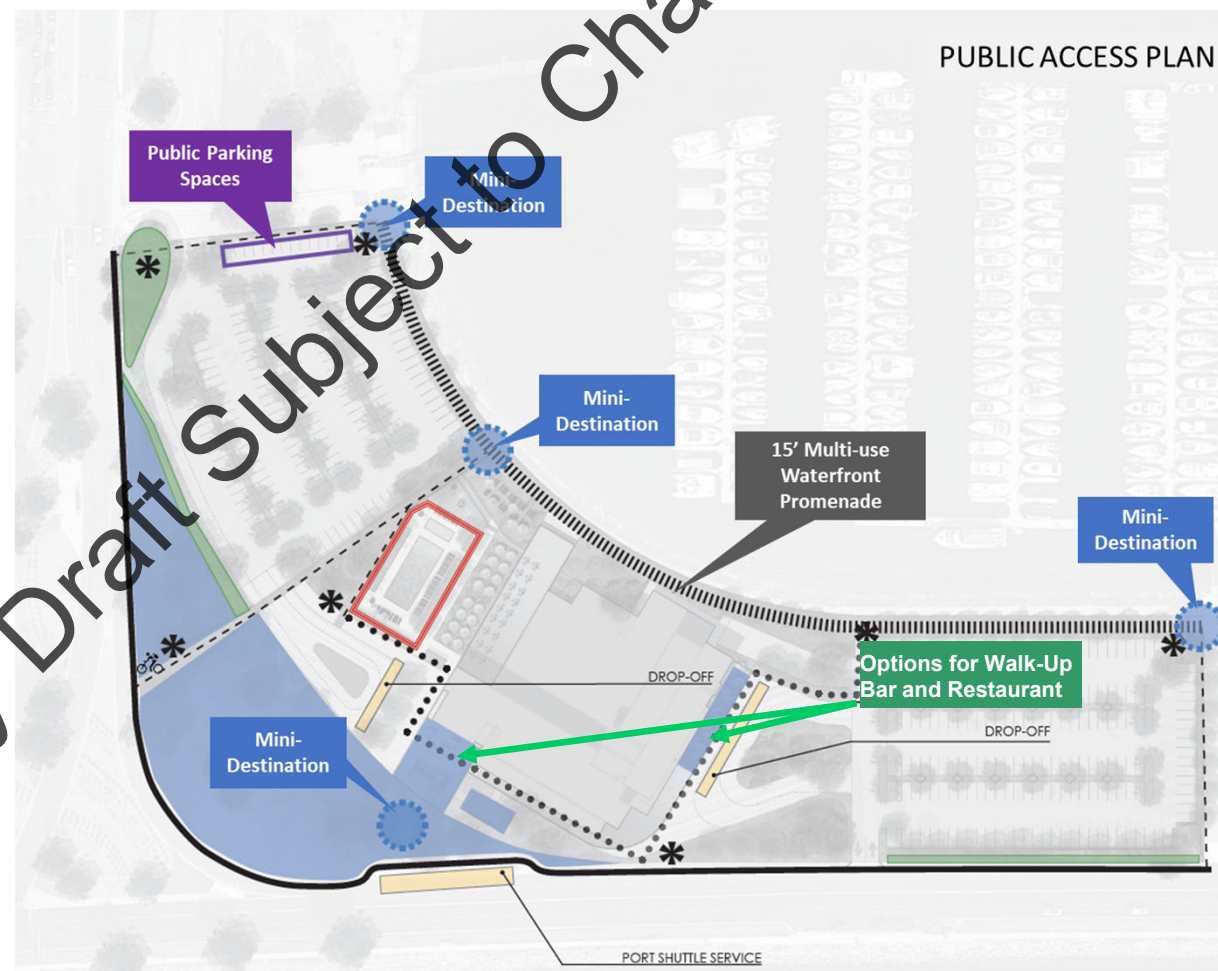


Proposed Project



Public Access

- Public Parking Spaces
- Four Mini-Destinations
- 15-foot-wide Multi-Use Waterfront Promenade
- Walk-Up Bar and Restaurant



Responses to CA Coastal Commission Staff Concerns

1) Lower Cost Overnight Visitor Accommodations

- One of the following options, or a combination as may be permitted:
 - a) *Within 5 years of issuance of Certification of Occupancy for the Project, construct or participate in the construction, complete and commence operation of a lower cost accommodations project with a minimum room count of 25% of the Project's new market-rate rooms or equivalent number of beds*
 - b) *Pay a minimum in-lieu fee (\$100,000 per room for 25% of the Project's new market-rate rooms) consistent with either:*
 - *\$100,000 per room for all or a portion of the required rooms prior to issuance of Certificate of Occupancy for the hotel Project*
 - *Within 5 years of issuance of Certificate of Occupancy for the Project, \$100,000 per room plus either of the following, compounding and accruing annually: (1) a 3% interest rate, or (2) adjusted by the Los Angeles - Long Beach - Anaheim CPI for all Urban Workers, whichever is less. Permittee may pay partial amount of the in-lieu fee, but any such partial payment must be on a per room (\$100,000) basis, plus any applicable interest*

Responses to CA Coastal Commission Staff Concerns (Continued)

2) Port Master Plan Amendment (PMPA)

- *Project is consistent with the current certified PMP; therefore, no PMPA needed*
- *Project's Public Access Plan detail has been incorporated into the CDP*

3) Hotel Building Setback from Proposed Promenade

- *Sunroad shall implement a minimum 10-foot hotel building setback from the waterfront promenade for at least 95% of the linear footage abutting the Promenade. For the remaining 5%, Sunroad shall implement supplemental screening and/or building architectural features to create an appealing visual experience for the promenade users.*

Concept Approval and CDP

- Concept Approval
- Appealable Development
- Conforms to the Port Master Plan (PMP) land uses, precise plan map and text, and project list
- Special Provisions incorporated into CDP
- Consistent with approved First Addendum to the Revised FEIR



SAN DIEGO UNIFIED PORT DISTRICT
DEVELOPMENT SERVICES DEPARTMENT
P.O. BOX 120488
SAN DIEGO, CA 92112-0488
(619) 686-6419

COASTAL DEVELOPMENT PERMIT

Applicant: Sunroad HIE Hotel Partners, L.P.
dba Sunroad Enterprises
8620 Spectrum Center Blvd., Suite 1100
San Diego, CA 92123

Project: Sunroad Harbor Island East Hotel Project

Location: 851 Harbor Island Drive, San Diego, CA 92101

You are hereby granted a Coastal Development Permit (this "Permit"). This Permit is issued in conformance with the California Coastal Act of 1976 ("Coastal Act") and the Coastal Permit Regulations of the San Diego Unified Port District ("CDP Regulations"), as adopted by the Board of Port Commissioners (BPC) on July 1, 1980, Resolution No. 80-193, and as amended on December 2, 1980, Resolution No. 80-343, and on February 14, 1984, Resolution No. 84-62, in accordance with the provisions for the issuance of a [] Emergency [] Non-Appealable [X] Appealable Coastal Development Permit.

Date of Board Action: November 9, 2021

Board of Port Commissioners Resolution Number: 2021 - XX

Date of Permit: XXXXXX, 2021

Application Number: 2021-XXX

Permit Number: CDP-2021-XXX

The Project, as defined below, is located within the jurisdiction of the San Diego Unified Port District (District) and in the California coastal zone. The Project constitutes development pursuant to Coastal Act Section 30106, as it would result in the placement of solid material on a structure, erection of structures, grading, and change in the intensity of use of land. As described below, the Project conforms with the policies and standards of the Port Master Plan. The Project is an appealable development pursuant to Section 30715 of the Coastal Act as it constitutes a category of development identified in Section 30715 as appealable (a hotel). The Project is also located between the sea (as defined in the Coastal Act) and the first inland continuous road paralleling the sea, and the Project

Port of San Diego, 3165 Pacific Highway, San Diego, CA 92101
portofsandiego.org

Staff Recommendation

SUNROAD HIE HOTEL PARTNERS, L.P.'S PROPOSED SUNROAD HARBOR ISLAND EAST HOTEL PROJECT AT 851 HARBOR ISLAND DRIVE IN SAN DIEGO:

- A) CONDUCT PUBLIC HEARING AND ADOPT RESOLUTION AUTHORIZING ISSUANCE OF AN APPEALABLE COASTAL DEVELOPMENT PERMIT TO SUNROAD HIE HOTEL PARTNERS, L.P. FOR THE SUNROAD HARBOR ISLAND EAST HOTEL PROJECT
- B) ADOPT RESOLUTION GRANTING CONCEPT APPROVAL TO SUNROAD HIE HOTEL PARTNERS, L.P. FOR THE SUNROAD HARBOR ISLAND EAST HOTEL PROJECT



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