

CALIFORNIA COASTAL COMMISSION


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DATE: April 25, 1996

TO: Commissioners and Interested Persons

FROM: Peter M. Douglas, Executive Director
Steven F. Scholl, Acting District Director, South Central Coast District
Gary Timm, Manager, South Central Coast District 

SUBJECT: Review of the Malibu/Santa Monica Mountains Transfer of Development Credit (TDC) Program (For Commission meeting of May 9, 1996)

I. Introduction.

This report addresses the current Transfer of Development Credit (TDC) program for the Malibu/Santa Monica Mountains area of the Coastal Zone. Staff has initiated this review of the current program as a first step in evaluating whether future modifications are indicated.

The TDC Program is one of the more innovative tools utilized by the Commission in the Malibu/Santa Monica Mountains area. The Commission first implemented this program through several permit actions in 1978. Since that time, the Commission has required applicants to mitigate the impacts of new subdivisions approved in the Malibu/Santa Monica Mountains area through the provision of one TDC for each new lot created. Over 500 lots have been retired through the TDC program. Of these lots, ninety percent have been located in small-lot subdivisions and ten percent have been located in sensitive resource areas.¹ The Malibu/Santa Monica Mountains TDC program is considered to be one of the most successful in the nation.²

¹ M. Elizabeth Wiechec, "Transfer of Development in the Malibu Coastal Zone", prepared for the Santa Monica Mountains Conservancy, 1995, p. 77.

² Rick Pruetz, Putting Transfer of Development Rights to Work in California, Point Arena, California, Solano Press Books, 1993, p. 53.

A review of the program has been initiated by staff in response to several factors, including the incorporation of the City of Malibu, which covers approximately one-fifth of the land area previously located within the Malibu/Santa Monica Mountains coastal zone. Additionally, the Santa Monica Mountains Conservancy recently commissioned a study, entitled "Transfer of Development in the Malibu Coastal Zone" to look at the history of the TDC program and opportunities for future modifications. Recent staff review of TDC condition compliance requests have raised issues such as expansion of the areas where lots would qualify for TDC credit, and timing of responses which has prompted staff to examine the criteria and original intent of the program. Further, the Malibu/Topanga Fire of 1993 and the flooding in 1995 caused staff to consider the inclusion of hazard prone lands in the areas that qualify for TDC credit.

In order to benefit from the experience of public agency representatives, non-profit groups, private TDC brokers, and members of the public, Commission staff held two public workshops in the Malibu area to solicit comments on the current and future operation of the TDC program. The topics of discussion at the workshops included: (1) Operation and Application of Existing TDC program; (2) Establishing a Workable Program Involving Both the City and the County; (3) Potential New Donor Sites (i. e. hazard areas, scenic viewsheds, parkland/trails and small lot subdivisions); (4) Revised TDC Exchange Rates; and (5) Expansion of the Cold Creek In-lieu Fee Program.

The workshops were well attended and generated a significant amount of comments. Exhibit 3 is a summary of the comments and suggested modifications to the TDC program which were discussed at the January 1996 workshop. After the public workshops, it became apparent to staff that a large amount of information needs to be gathered before significant changes to the current TDC program can be properly evaluated. Staff has identified the following potential future areas where lots might qualify for TDC credit:

- Hazard Areas (Flood prone areas, Fire prone areas, geologically unstable areas, steep slopes/topographically constrained lots)
- Small-lot Subdivisions within the City of Malibu
- Parkland
- Areas adjacent to parklands
- Environmentally Sensitive Habitat Areas within the City of Malibu
- Scenic/Ridgeline Areas
- Other

Staff anticipates exploring these and other possible areas further including collection of information, identification of entities or funding to provide planning studies, convening of additional public workshops, identification of data base and mapping capabilities, and coordination with the County of Los Angeles and the City of Malibu to modify the existing program, if necessary, to be incorporated into their respective LCP's. Representatives from both the County of Los Angeles and the City of Malibu have indicated a willingness to participate in the TDC program and address its implementation

in the development of their respective local coastal programs. The City is in the process of developing an LCP. The County representatives have indicated their intention to develop an Implementing Actions Program to their certified Land Use Plan (LUP). The County would have to amend its LUP to incorporate a TDC program. Additionally, the Coastal Conservancy has committed to assisting staff in future TDC program review. Staff intends to present a future report to the Commission on any proposed modifications. Revisions could potentially narrow or restrict application of the program in some areas if existing components are no longer valid or necessary.

As a first step in this process, staff has reviewed the current program. Until such time as LCP's have been certified for the City and County, the Commission will continue to review permit applications for land divisions and multi-family projects which will require cumulative impact mitigation. Such conditions will be met following the criteria of the existing program. Section III. below contains a detailed description of these criteria.

Additionally, in order to assist permittees in condition compliance, staff is working to develop a checklist which enumerates the information that needs to be submitted to staff for each donor site qualification request. This information will enable staff to evaluate each request and determine compliance with the TDC program criteria. Provision of complete information will also help staff to maintain an efficient response time. Further, staff is currently developing a computer data base to assist in tracking donor site qualification requests as well as lots retired. At present, the Commission does have a system to track lots retired, but it will be helpful in the administration of the program to access information on the qualification requests as well.

II. TDC Program History.

The TDC program was created to address the fundamental planning problems caused by the existence of a large number of undeveloped parcels and the limited availability of urban services. In 1978, the report entitled "Cumulative Impacts of Potential Development in the Santa Monica Mountains Coastal Zone" was prepared for the Santa Monica Mountains Comprehensive Planning Commission and the Coastal Commission. The report identified some 5,200 undeveloped parcels in small-lot subdivisions and 3,400 other undeveloped parcels in the Los Angeles County portion of the Santa Monica Mountains area, for total of approximately 8,600 undeveloped lots (See Exhibit 4).

Because of the large number of existing lots and the potential demands on coastal roads, services, recreational facilities, and beaches which would result from development of these lots, the 1978 report recommended that land divisions should not be approved if they increased the total number of lots in the Santa Monica Mountains coastal zone. In other words, the study recommended that a means should be found to combine existing lots or otherwise retire existing lots so that new land divisions would not result in a net increase in the amount of development which could occur.

At the same time, the Coastal Commission was faced with applications for land divisions which raised at least one, and sometimes a second, major issue. The major issue raised by all proposed land divisions was the large number of undeveloped lots mentioned above. The second issue, raised by some land divisions, was the technical requirement of Section 30250(a) of the Coastal Act regarding new land divisions outside existing developed areas. That section requires that such land divisions shall be permitted only where 50 percent of the usable parcels in the area have been developed and where other criteria are met. The Commission found that "existing developed area" applied only to the urbanized strip, or coastal terrace, along Pacific Coast Highway and did not apply to the interior of the Santa Monica Mountains. The Commission further found that the area addressed by the 50% criterion was the market area, amounting to the entire Malibu/Santa Monica Mountains coastal zone. Within that area, a majority of existing parcels were not yet developed, thus causing all proposed land divisions outside the coastal terrace to fail the required test of Section 30250(a).

Based on these concerns, the Commission found no alternative to denial of a number of land divisions requested in the area (#507-77, Bel Mar Estates; #527-77, Schiff; #28-78, Brown). Faced with continuing applications, the Commission instituted the TDC program through a series of permit decisions (#155-78, Zal; #158-78 Eide). The program was designed to address both the cumulative impact problem represented by the large number of existing lots and the technical criteria of Section 30250(a) regarding proposed land divisions outside the coastal terrace.

The TDC program acts in such a way as to ensure that no net increase in development occurs, even if land divisions are approved. The developability of existing parcels is extinguished at the same time new parcels are created, in order to accomplish this end. Because under this program land divisions do not add to the stock of parcels eligible for future potential development and, in fact, "transfer" development (parcels) to more appropriate areas, the potential cumulative impacts are mitigated. Similarly, because land divisions coupled with lot retirement do not increase the number of potentially usable parcels, the technical criterion of 30250(a) concerning 50% of the usable parcels in the area is, in effect, met.

In addition to assuring conformance with Section 30250(a), the TDC program implements the objectives articulated in the following Coastal Act sections: Sections 30210 and 30211, which state in part, that maximum public access and recreational opportunities shall be provided to all people, consistent with private property rights and new development shall not interfere with the public's right of access to the sea; Section 30251, which requires that scenic and visual qualities of coastal areas be considered and protected as a resource of importance; Section 30231, which requires maintaining the biological productivity and quality of streams and other water bodies; Section 30240, which states in part, that environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values; and, Section 30253, which requires that new development minimize risks to life and property in areas of high hazard and that

such development neither create nor contribute to erosion, geologic instability or destruction of the site or surrounding area.

The program was seen, in connection with these first permit actions, as a pilot program. Later, as applications for land divisions continued to be filed, the program was extended (#346-78; Flood and #119-78, Markham). The program was later applied to construction of multi-family projects, not involving land divisions, and the sliding scale TDC requirement for multi-family projects with relatively small units was also instituted (#182-81; Malibu Deville and #196-81, Malibu Pacifica). The program was fully described in the Interpretive Guidelines for the Malibu/Santa Monica Mountains Coastal Zone which were adopted by the Commission on July 16, 1979 and later revised on June 17, 1981.

The Commission, in considering the Malibu Deville permit contemplated modifying the program to an in-lieu fee approach, in which a fee would be imposed on a subdivision of land instead of the direct retirement of parcels. Instead, the Commission reaffirmed the direct mitigation embodied in the TDC program. The Malibu Pacifica decision addressed the applicant's contentions that the TDC program should not apply to development within existing developed areas, and furthermore, was beyond the Commission's authority and was unreasonable. The Commission reaffirmed the appropriateness of the program and found it to be necessary throughout the Malibu coastal zone, including existing developed areas. Later Commission permit decisions also reaffirmed the use of the program (#5-83-43, Heathercliff).

In 1985, the Commission certified the Malibu/Santa Monica Mountains Land Use Plan (LUP) with Suggested Modifications. One suggested modification the Commission made to the County was that the TDC program be added to the LUP to address the mitigation of the cumulative impacts of development. When the County submitted their revised LUP in 1986, it did not include a TDC program. However, the LUP did include (Policy P272) six alternative techniques to reduce the potential buildout of existing non-conforming lots. These techniques were: (1) institution of a building cap; (2) acquisition of non-conforming lots by public agencies; (3) offering tax delinquent lots to owners of adjoining parcels; (4) providing incentives for the consolidation of contiguous parcels under the same ownership; (5) implementation of redevelopment projects; and (6) exchanging surplus governmental properties for non-conforming lots. The LUP was certified with these six provisions and no TDC program.

In several permit actions after the LUP certification [5-86-592 (Central Diagnostic Labs), 5-86-951 (Ehrman and Coombs), 5-85-459A2 (Ohanian), and 5-86-299A2 and A3 (Young and Golling)], the Commission found that the County did not have mechanisms in place to implement any of the six techniques provided in P272 of the LUP. The Commission further found that until such time as the County did have the means to implement these programs, it was appropriate to continue to require permittees to participate in the TDC program as a way to mitigate the cumulative impacts of new subdivisions and multi-family project. The Commission found that the TDC program

remained a valid means of providing mitigation in the interim period during which the County prepared its implementation program. Without some means of mitigation, the Commission found that it would have no alternative but to deny subdivisions.

In addition to the TDC Program, the Commission has reviewed and approved four plans for lot retirement, called "restoration projects" proposed and implemented by the State Coastal Conservancy. All four of the restoration programs were located in small lot subdivisions in the Santa Monica Mountains. Under these projects, the Coastal Conservancy purchased large numbers of small lot subdivision parcels and sold the TDC credits generated by retirement of the lots to recoup a portion of their initial investments. The El Nido Restoration Project, generated 67.8 TDCs which resulted in the retirement of 173 lots.³ The Malibu Lake Restoration Project, resulted in the retirement of 125 lots (over 15 acres), 82 of which were transferred to the State Department of Parks and Recreation to be consolidated with Malibu Creek State Park. The project generated 28 TDCs. The largest restoration project in the Santa Monica Mountains area began in 1982 in the Las Flores Heights Small Lot Subdivision. Although this subdivision is not included in the donor areas for small lots, the Commission found that the retirement of 70 larger sized, scenic lots which totaled approximately 200 acres and were able to provide recreational benefit, qualified for TDC credit consistent with the Coastal Act sections applicable to the program's objective. This project generated over 65 TDC credits. In conjunction with the Mountains Restoration Trust, a non-profit organization created by the State Coastal Conservancy, all 200 acres were transferred to the National Park Service.

The Cold Creek Watershed Lot Retirement Program was initiated in 1980. To date, it is estimated that several hundred acres have been retired. In this area, known as the Cold Creek buffer zone, developability of existing parcels is relatively high, based on good road access, availability of water, and relatively gentle slopes. Due to resulting high land values and the relatively small number of lots which would qualify as donor lots (that is, those to be retired from development), the Commission was concerned that retirement of lots through the ordinary TDC program would prove to be infeasible. Therefore, the Commission adopted a more flexible variation of the program, in which mitigation funds are provided by subdividers to enable purchase and retirement of lots elsewhere within the Cold Creek area (#204-79, Colman and Conel). The Cold Creek in-lieu fee program is described in more detail in Section IIIC. below.

III. Operation of the TDC Program.

The TDC program in the Malibu/Santa Monica Mountains Coastal Zone is voluntary, in that it applies only to those who wish to intensify land use through land divisions or multi-family projects. As such, an applicant retains the option of applying for one residential unit on each residential parcel without being required to participate in the

³ *California Coastal Commission Staff Report, "CA Coastal Conservancy El Nido Restoration Plan," February 4, 1980*

TDC program. The program requires that individuals applying for land divisions or multi-family projects provide TDC credits for additional lots/units created. In the same way, retirement of those lots which are eligible for TDC credit because of their location within designated donor areas is also voluntary. The TDC program provides an incentive for the owner of a lot within a donor area to not develop the parcel.

Following is a detailed discussion of the specific criteria of the TDC Program pertaining to "receiver" areas where additional development intensity may be accommodated and "donor" areas, where lots should be retired to reduce buildout.

A. Receiver Areas.

One of the underpinnings of the TDC Program is Section 30250(a) of the Coastal Act which requires that new development be located within, contiguous with, or in close proximity to existing developed areas able to accommodate it. The areas where new development created through land divisions or multi-family projects may be accommodated are designated as "receiver areas". The Commission identified the existing developed area of the Malibu/Santa Monica Mountains area to be the coastal terrace. Additionally, the Commission found that there may be limited circumstances where land divisions in rural areas could be approved consistent with the resource protection and concentration of development policies of the Coastal Act.

To begin, the applicant submits a coastal development permit application to the Commission for approval of a parcel map, tract map, or multi-family project. To approve land division permits, the Commission must find that the parcels created contain building sites which can be developed in accordance with all Coastal Act policies, and, if outside of the existing developed area, that it conforms to the 50% criteria and will create lots no smaller than the average size of the lots in the surrounding areas. As a condition of approval, the Commission requires the applicant to mitigate the cumulative impacts of the project with the purchase of TDCs. This begins the TDC process.

The applicant will be required to retire sufficient lots ("donor sites") to provide 1 TDC per new lot created. In the approval of multi-family projects, the Commission will require one development credit for each unit, minus the number of existing parcels within the project site (i.e., a six-unit project to be sited on two existing parcels requires four development credits). An exception to this requirement may be allowed where multiple-family projects include units with less than 2500 square feet of gross structural area (GSA). In such cases, the TDC credit requirement may be calculated at a lesser rate, proportionate to the size of the units (one TDC per 2500 sq. ft. of GSA). The new lots or the multi-family units created are the "receiver sites".

B. Donor Areas.

Permittees must seek their required TDC in "donor areas" where the Commission found that the development rights of existing inappropriately designed or located parcels should

be retired. Presently, the donor areas consist of small-lot subdivisions, parcels located within Environmentally Sensitive Habitat Areas (ESHAs) and parcels located within Significant Watersheds. Below, each category of donor area is discussed in detail.

1. Small Lot Subdivisions

Throughout the Malibu/Santa Monica Mountains coastal zone there are a number of areas which were subdivided in the 1920's and 30's into very small "urban" scale lots. These subdivisions, known as "small-lot subdivisions" are comprised of parcels of less than one acre but generally range in size from 2,000 to 15,000 square feet. The 1978 "Build-out" report prepared for the Santa Monica Mountains Comprehensive Planning Commission and for the Coastal Commission, found that of the total existing undeveloped parcels identified in the Malibu/Santa Monica Mountains area, 60 percent were located within the small lot subdivisions.⁴

The cumulative development constraints common to small-lot subdivisions were documented by the Coastal Commission and the Santa Monica Mountains Comprehensive Planning Commission in the January 1979 study entitled: "Cumulative Impacts of Small Lot Subdivision Development In the Santa Monica Mountains Coastal Zone". The study acknowledged that the existing small-lot subdivisions can only accommodate a limited amount of additional new development due to major constraints to buildout of these areas that include: geologic problems, road access problems, water quality problems, disruption of rural community character, creation of unreasonable fire hazards and others. The report concluded that the large number of existing undeveloped small lots, if developed, would have a significant adverse impact on coastal resources.

In order to minimize these adverse cumulative impacts, the Commission implemented several incentives to reduce the potential for buildout of existing lots within the rural small lot subdivisions (those located outside of coastal terrace area). For one, the Coastal Conservancy and the Commission developed restoration programs for four different small lot subdivisions that targeted and retired a large number of small lots from development. Additionally, the Commission established that a primary goal of the TDC program was to provide an incentive to retire the development potential of small lots. Finally, the Commission has restricted the total size of residences developed within small lot subdivisions, based on lot size and slope.

There are ten recognized rural small lot subdivisions which meet the criteria of the TDC program (See Exhibit 1):

<i>Topanga Oaks</i>	<i>Malibu Bowl</i>	<i>Vera Canyon</i>
<i>Malibu Lake</i>	<i>Topanga Woods</i>	<i>Fernwood</i>
<i>Malibu Vista</i>	<i>Monte Nido</i>	<i>El Nido</i>
<i>Malibu Mar Vista</i>		

⁴*Cumulative Impacts of Potential Development in the Santa Monica Mountains Coastal Zone, prepared by Curtis S. Williams and Dale Briker, 1978.*

Qualification Criteria

The criteria for establishing TDC eligibility in small lot subdivisions are as follows:

(1) One credit for one or more small lots which are served by existing road and water mains and are not located in an area of landslide or other geologic hazard with a sum total credit area of at least 1500 square feet as determined by the Credit Area formula

(2) As an alternative to (1), the required 1500 square foot credit area may be calculated on the basis of 500 square feet of credit area per small lot, provided that each small lot exceeds 4000 square feet in area and is served by existing roads or water mains within 300 feet of the property and is not located in an area of landslide or other geologic hazard.

(3) One credit for any combination of one acre or more of small lots, regardless of the current availability of road and water service to such lots.

(4) Monte Nido Criteria:

One credit for any two parcels in the Monte Nido small-lot subdivision which are contiguous and buildable (with road access and water available).

One credit for any five parcels in the Monte Nido small-lot subdivision which are not contiguous or do not have road access or water available.⁵

This criteria sets forth a straightforward, three-part process to determine if small lot subdivision lots qualify for TDC credit. Permittees may compare prospective donor sites with this criteria and determine if the sites qualify, and how many TDCs may be generated from their retirement. Permittees can then determine how many lots must be retired to comply with the TDC condition of their permit. Staff utilizes the same criteria to verify the qualifications of the potential donor sites before they are extinguished. Following is a description of each of the three parts of the criteria:

(1) If the potential donor site is located in one of the ten small lot subdivisions (including Monte Nido) enumerated above, the permittee would first determine if the lot would qualify under section (1) of the criteria. First, the lot must have been legally created, served by existing road and water mains, and not located in an area of landslide or other geologic hazard. Where there is any question of geologic stability, the permittee must submit a geologic assessment which determines that the lot is buildable. Next, the permittee needs to calculate the sum total credit area using the following formula:

⁵Adopted Suggested Modifications, Malibu/Santa Monica Mountains Land Use Plan, County of Los Angeles Local Coastal Program, 1985

Credit Area = $(A/5)X(50-S)/35$ where A= the area of the small lot in square feet, and S= the average slope of the small lot in percent. All slope calculations should be based on natural (not graded) conditions. (Maps of a scale generally not less than 1" = 10' showing the building site and existing topographic contours and noting appropriate areas and slopes, prepared by a Licensed Surveyor or Registered Professional Civil Engineer, should be submitted with the application).

If the permittee's calculation of the formula yields a credit area of 1,500 sq. ft. or more, the site would qualify for 1 full TDC. The permittee could receive fractional credit. For instance, a Credit Area of 750 sq. ft. would qualify for 1/2 credit. A small lot cannot qualify for greater than one TDC, however.

(2) If the permittee's calculations reveal a credit area of less than 500 sq. ft. (or if the permittee chooses not to prepare a credit area calculation), then it should next be determined if the potential donor qualifies under section (2) of the criteria. (If the lot is located in the Monte Nido subdivision, the permittee would determine the TDC credits in section 4 below) Under section (2), the lot must have been legally created, must have a total area in excess of 4,000 sq. ft., be served by existing roads or water mains within 300 feet of the property (for purposes of this evaluation, the permittee must measure the distance to existing roads along topographically feasible road alignments from the nearest paved road to the lot), and not be located in an area of landslide or other geologic hazard. Assuming these parameters apply, the required 1,500 sq. ft. per TDC may be calculated on a basis of 500 sq. ft. per parcel. In other words, three such lots would qualify for 1 full TDC. Under this scenario, the permittee could receive fractional TDC credits.

(3) If a potential donor site does not qualify under either of the first two sections of the criteria, the permittee should determine its qualification under section (3). In this case, the lot must have been legally created. Regardless of the current availability of road or water service, any combination of one acre or more of such lots would qualify for 1 full TDC credit. Under this scenario, the permittee could receive fractional TDC credits, based on the area of the lots to be retired as a fraction of one acre.

(4) If a potential donor site is located within the Monte Nido small lot subdivision, the permittee would determine if the lots to be retired are contiguous. If there are two lots which are contiguous, were legally created, and have road access and water available, they would qualify for 1 full TDC. If the lots are not contiguous or do not have road access or water available, they would qualify for TDC credit on a basis of 1 TDC for five such lots.

Slope Intensity Formula

It should be briefly noted here that the Commission has applied a parallel, yet separate requirement for the development of small lots. The Commission has required applicants for the development of single family residences on small lots to calculate the maximum

allowable square footage of the structure using the "slope-intensity formula". This formula is enumerated in Policy 271 of the Malibu/Santa Monica Mountains LUP (depicted in Exhibit 6)

This formula was developed to assure that the size of any structure located within the small lot subdivisions is directly related to the suitability of the site for development. The allowable size of any residence is based on the slope and size of the lot. This formula provides for a minimum gross structural area of 500 sq. ft. for small and steeply sloped lots, with a larger structural area for gentler slopes. Additionally, applicants may receive a square footage bonus to be added to their GSA for retiring the development rights of either lots contiguous to their building site or non-contiguous lots in the vicinity. The formula thus provides an incentive to combine lots into appropriately sized building sites and/or to retire additional lots from development.

Because the TDC Program and the GSA/Slope Intensity Formula requirement are parallel and related, they are often confused. The aim of each is the reduction of buildout in small lot subdivisions, but a distinction between the two should be made. Namely, the retirement of small lots for a TDC mitigates the impacts of the creation of new lots in other areas, and the retirement of small lots for a GSA bonus mitigates the impacts of additional square footage in residences built within the small lot subdivision. The two in tandem, have resulted in the retirement of significant areas of the small lot subdivisions.

2. Environmentally Sensitive Habitat Area/Significant Watersheds

The current TDC donor site qualification criteria include parcels located within Environmentally Sensitive Habitat Areas (ESHAs) and Significant Watersheds. Coastal Act Section 30107.5 defines environmentally sensitive area as:

... any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in the ecosystem and which could be easily disturbed or degraded by human activities.

The current TDC program recognizes undisturbed riparian woodland, streams, undisturbed oak woodland and savannahs as environmentally sensitive habitat area within the Malibu/Santa Monica Mountains Coastal Zone, consistent with the Coastal Act definition of ESA.

Significant Watersheds are large, relatively undisturbed, natural drainage basins that contain exceptional riparian and oak woodlands and provide habitat for various declining, restricted, rare or endangered species. The current TDC program recognizes eight Significant Watersheds (See Exhibit 2):

*Arroyo Sequit
Solstice Canyon
Cold Creek Canyon
Tuna Canyon*

*Zuma Canyon
Malibu Canyon
Corral Canyon
Trancas Canyon*

The Significant Watersheds and ESHAs were designated as donor areas in order to preserve and protect the most critical resource areas where continued build-out would adversely impact sensitive coastal resources. Protection of these resources are limited to those areas that are mapped as either Significant Watersheds, ESHAs or undisturbed Oak Woodlands on the Resource Map in the 1986 certified Malibu/Santa Monica Mountains Land Use Plan or any other area that may be so designated by the Commission on the basis of substantiating evidence.

Although the Commission originally developed the program to reduce the buildout of small lot subdivision areas, the 1981 District Guidelines also included ESHAs and Significant Ecological Areas as eligible donor sites in order to protect those areas against significant disruption of habitat values and to maintain the biological productivity of streams and coastal waters as mandated by the Coastal Act (Public Resource Code § 30240 and § 30231). In the 1986 certified Malibu/Santa Monica Mountains Land Use Plan the Significant Ecological Areas were redesignated and reclassified as Significant Watersheds (See Exhibit 2). This expanded the sensitive resource areas eligible for TDC lot retirement.

In 1992, the Executive Director determined and the Commission concurred that ESHA lots located in small lot subdivisions are eligible for one (1) full TDC based on their ESHA value. In other words, small lot subdivision lots located in documented ESHA areas were not subject to the small lot subdivision qualification criteria described above, rather they would be evaluated according to the ESHA criteria described below.

Qualification Criteria

The criteria for establishing TDC eligibility in ESHAs and Significant Watersheds are as follows:

(1)(a) One development credit shall be generated for each parcel located within an ESHA, except where the parcel exceeds 20 acres in size, one credit shall be generated for each 20 acres. Fractional TDCs shall be allowed.⁶

(b) One development credit shall be generated for each parcel located in a small lot subdivision lot within an ESHA, if the lot is at least 4,000 sq. ft. in size, is served by an existing road and water main within 300 ft. and is not located in an area of landslide or other geologic hazard.⁷

⁶ *ibid.*

⁷ *Coastal Commission Staff Report, February 2, 1992.*

(2) One development credit shall be generated for each parcel located within a Significant Watershed, except where the parcel exceeds 20 acres in size, one credit shall be generated for each 20 acres. Fractional TDCs shall be allowed.⁸

Permittees may compare prospective donor sites with this criteria and determine if the sites qualify, and how many TDCs may be generated from their retirement. The following is a discussion and clarification of the ESHA and Significant Watershed qualifying criteria.

ESHA (Environmentally Sensitive Habitat Area).

(a) The recognized ESHA donor areas include undisturbed riparian and oak woodlands, streams and savannahs. If the subject lot is located either wholly or partially within these ESHA areas, the lot qualifies for 1 (one) TDC. First, the permittee must demonstrate that the lot is located within an ESHA area, as identified on the Malibu/Santa Monica Mountains Land Use Plan Resource Map. Second, the staff must perform a site visit and confirm that the lot meets the Coastal Act definition of ESHA. In the case of lots that are not entirely within mapped ESHA areas, a site visit is necessary to determine whether or not the lot contains a significant area of ESHA (i.e. if development on the site is not feasible without causing adverse impacts to the ESHA area). Where there is question of the lot's ESHA value, the permittee is required to submit a biological assessment to determine the biological significance of the mapped ESHA, as defined in Section 30107.5 of the Coastal Act, in relationship to the area ecosystem.

The Malibu/Santa Monica Mountains Land Use Plan designates certain Oak Woodlands and savannahs as "Disturbed Sensitive Resources" (DSRs).⁹ The DSRs are riparian woodlands, streams, oak woodlands and savannahs that are located in areas of existing development and/or have been disturbed to a state where they are no longer able to support a significant number of species normally associated with healthy functional habitat (See Exhibit 2, Resource Map). Even though lots located within DSRs contain habitat value, due to the level of disturbance they are not considered ESHA, as defined by the Coastal Act and, therefore, they do not qualify as donor lots under the current TDC program. In the past staff has concluded that certain lots located within the DSRs qualified as donor sites on the basis that the lots contained some habitat value, albeit minimal in most cases. Under the current program, staff concludes that the objective of retiring ESHA lots should be directed toward qualifying donor sites which contain large, relatively undeveloped ecosystems. In other words, those lots located within riparian corridors or undisturbed oak woodlands and savannahs, as determined by the Commission to meet the Coastal Act definition of environmentally sensitive areas are eligible donor lots.

⁸ *Adopted Suggested Modifications, Malibu/Santa Monica Mountains Land Use Plan, County of Los Angeles Local Coastal Program, 1985*

⁹ *LUP Policies 58 and 61.*

Where the potential donor lot is up to and including 20 acres in size, the permittee receives one (1) full TDC and lots in excess of 20 acres receive fractional TDCs. For example, a 30 acre parcel would be eligible for 1.5 TDCs

(b) ESHA lots located within small lot subdivisions, qualify for one (1) full TDC. In addition to the above criteria, in order for a small lot subdivision lot to be eligible for ESHA value, the permittee must provide evidence that the lot has been legally created, has a total area in excess of 4,000 sq. ft., is served by existing roads and water mains within 300 feet of the property, and is not located in an area of landslide or other geologic hazard. Staff concludes that the existing road service standard of within 300 ft. should be measured along topographically feasible road alignments from the nearest existing paved road to the site. Application of the 300 ft. road length standard ensures that it is possible to access the site in conformance with the resource protection policies and is one of the criteria that determines site buildability. Where there is question of geological stability, the permittee is required to submit a geological assessment to determine if the lot can be developed. If there is a question as to the lots ESHA value, a site visit and biological assessment may be required. Assuming these parameters apply, the lot would qualify for one (1) TDC.

Significant Watersheds.

If a lot is located within any of the eight Significant Watersheds it qualifies as a donor lot. Lots up to and including 20 acres in size receive one (1) full TDC and lots in excess of 20 acres receive fractional TDCs. Lots that are bisected by the Significant Watershed boundary are eligible for TDC qualification, consistent with the above qualification.

3. In Lieu Fee Program for the Cold Creek Basin

The Cold Creek Watershed In-Lieu Fee Program is an alternative to the TDC program that is available in the Cold Creek Resource Management Area and Significant Watershed. The program was initiated in 1980 as a restoration project by the State Coastal Conservancy, in response to a coastal development permit appeal approved by the Commission that involved a 51 lot subdivision (from three lots which total 160 acres).¹⁰ The program also was initiated to address the existing level of development in the area which had adversely affected the watershed's resources. Two studies performed in the late 1970s suggested that the Cold Creek Area was already developed to its capacity at 250 units and that the watershed should be subject to lot retirement.¹¹ Therefore, the restoration project approved by the Commission, which is also known as the "in-lieu fee program", was based on the State Coastal Conservancy's

¹⁰ *Coastal Development Permit Appeal 204-79 (Coleman and Conel), 8/14/79.*

¹¹ *"Land Capability/Suitability Mapping and Analysis - Significant Area Study," prepared by England and Nelson, 1972-1976 and Final Report -- "Waste Treatment Management for the Malibu/Topanga Area", L.A. County Civil Engineering Division, prepared for SCAG.*

recommendations regarding the feasibility of the alternative TDC program for the Cold Creek Watershed.¹²

The intent of the in-lieu fee program is to deal with the particular problems presented by development impacts in the Cold Creek Watershed area. The Cold Creek Watershed consists of a large number of substandard, poorly located but developable lots. Development of these lots would have threatened the ecologically sensitive Cold Creek riparian corridor, Malibu Creek riparian corridor and Malibu Lagoon. The Commission requested the State Coastal Conservancy to provide a means of permitting orderly development through a feasible mitigation program.

To carry out the Cold Creek Watershed lot retirement program, the State Coastal Conservancy established a local nonprofit land trust: the Mountains Restoration Trust (the Trust). The Trust was set up under the auspices of the Coastal Conservancy to administer mitigation funds generated under the in-lieu fee program. Under the in-lieu program, developers were given an option. Instead of searching for available individual lots within Cold Creek with which to create a TDC to satisfy their permit conditions, developers could simply pay a fee to the Mountains Restoration Trust in lieu of buying a TDC. The Trust would then retire the number of building sites in Cold Creek equivalent to the number of new lots approved by the Commission under the applicant's subdivision. Through the use of this system of in-lieu fees, many procedural burdens of complying with the TDC program were alleviated.

Thus, in 1980, the Commission approved the State Coastal Conservancy Restoration Program for Cold Creek which would retire and consolidate: "...up to 100 building sites financed by developer contributions as an alternative to the Transfer of Development Credit Program".¹³ The intent of the Santa Monica Mountains Restoration Trust was to proceed to acquire, retire and consolidate the lots in the Cold Creek area whose elimination was and continues to be most critical in efforts to mitigate cumulative environmental impacts based on the potential amount of land divisions in Cold Creek. At the time of the Trust creation, Los Angeles County plans regarding land use density indicated that approximately 100 new building sites could be created through land divisions in the watershed. Therefore, the Cold Creek Restoration Project was designed for the retirement of 100 existing building sites.

The subdivision approved in the permit appeal (CDP 204-79), which provided the impetus for the in lieu fee approach, has never been developed. The Cold Creek lot retirement program has been considered a success in that many lots have been retired from development. In 1989, the State Coastal Conservancy estimated that the lots retired in Cold Creek totaled approximately 40 acres. To date it is estimated that several

¹² "Preliminary Investigation of a Publicly Directed Program to Retire and Transfer Development Potential Within the Cold Creek Watershed", prepared by State Coastal Conservancy and Peter L. Bass and Assoc., April 1980.

¹³ Coastal Commission staff report for Coastal Conservancy project #80-9, submitted 12/11/80, page 1.

hundred acres have been retired as a result of the Cold Creek lot retirement program. In 1995, the TDCs generated as a result of the Cold Creek lot retirement program were calculated in the report titled "Transfer of Development in the Malibu Coastal Zone" prepared by M. Elizabeth Weichec. The distribution of recorded TDCs is as follows:

<i>Location of TDCs</i>	<i>TDCs Generated</i>
Monte Nido Small Lot Subdivision	37 TDCs
Fernwood Small Lot Subdivision	14.5 TDCs
Resource Land in Cold Creek	22 TDCs
Total	73.5 TDCs¹⁴

The goals of the TDC program and the Cold Creek in-lieu fee lot retirement program are the same: with TDCs, the applicant directly retires donor building sites in a number equal to those being newly created; under the in-lieu fee program, the applicant pays a fee in lieu of TDCs, and the mitigation work is performed under the guidelines of the lot retirement program.

The Cold Creek in-lieu fee program allowed for the retirement of a limited number of low cost lots in Topanga/Fernwood to offset or minimize the economic constraints associated with the higher costs of lots in the Monte Nido area. The in-lieu fee program allowed for the qualification of 30 "reserve" TDCs located in Topanga/Fernwood. If the Trust was unable to negotiate commitments to acquire lots within the original program parameters by the end of the first year of operation, the in-lieu program could expand to the Topanga/Fernwood area. The focus of the program, however, remains retirement of parcels within the Cold Creek basin in order to offset the impacts of creating additional parcels in that area.

Qualification Criteria

The criteria relative to the Cold Creek area, also referred to as Zone II, under both the transfer of development transaction and the in-lieu fee program are as follows:

- 1) *One credit for any two parcels in the Monte Nido small-lot subdivision which are contiguous and buildable (with road access and water available).*

[Under the in-lieu fee program one credit for any two parcels in the Fernwood small-lot subdivision which are contiguous and buildable (with road access and water available)(Not to exceed 30 TDCs)].¹⁵

- 2) *One credit for any five parcels in the Monte Nido small-lot subdivision which are not contiguous or do not have road access or water available.*

¹⁴ Weichec, page 78.

¹⁵ Coastal Commission staff report, December 11, 1980

3) One credit for any legal parcel in Zone II outside the Monte Nido small-lot subdivision up to and including 10 acres in size.

4) Credit for parcels over 10 acres in size shall be calculated in the same manner as for ESHAs and Significant Watershed parcels described in the previous section [1(a) and 2(a)]. (Fractional TDCs shall be allowed for parcels over 20 acres in size)¹⁶

These enumerated criteria above allows the permittee to receive higher TDC values for the retirement of lots within Cold Creek Watershed. Lot combinations within Monte Nido Small Lot Subdivision and individual lots within Cold Creek Watershed yield a higher TDC value than other small lot subdivision, ESHA and Watershed donor lots.

As stated previously, the in-lieu fee program was intended to enhance the TDC lot retirement efforts in the Cold creek area. In contrast with the TDC program, the intent of the in-lieu program was to operate on a small scale (retirement of 100 lots). In part, the small scale of the program helped to insure accountability and that the lots would actually be retired. However, the real estate development boom and incorporation of the City of Malibu substantially increased the demand for TDCs in the late 1980s and early 1990s. During this period, staff temporarily expanded the program to include lots for the in-lieu fee program that were located outside of the Cold Creek area. The basis for allowing the program to expand was due in part to the need to allow a large number of permittees to satisfy subdivision TDC requirements. The sale of in lieu fees throughout the Malibu/Santa Monica Mountains coastal zone has resulted in a back log of uncompleted and unrecorded TDC transactions, however.

Presently, the economic climate does not indicate the need for the in-lieu fee program to operate in the entire coastal zone. Moreover, a broad application of the in-lieu fee program does not meet the Coastal Act objective which mandates that development be concentrated in existing developed areas which are able to accommodate it.

The Trust has proposed that they be allowed to continue to operate the in-lieu fee program outside of the Cold Creek Watershed and throughout the Santa Monica Mountains Coastal Zone similar to its operation during the high demand period of the late eighties and early nineties. In addition, the Trust has proposed that the program be expanded to include donor sites located within the City of Malibu and that these lots be assigned higher TDC values than currently granted to comparable lots in the County based on higher economic values primarily. Staff will address proposed changes relative to increased donor site locations in a future report to the Commission.

¹⁶ *Adopted Suggested Modifications, Malibu/Santa Monica Mountains Land Use Plan, County of Los Angeles Local Coastal Program, 1985*

In summary, staff has analyzed the facts regarding the operation of the in-lieu fee program and the TDC program in the Cold Creek Watershed and concluded the following:

- 1) It is appropriate for the in-lieu fee program to continue to operate in the Cold Creek Watershed up and until the development potential of 100 building sites (or all existing and available undeveloped lots within the Watershed) have been retired. Once 100 building sites have been retired by the Trust, evaluation of the transfer development potential within the Cold Creek area should be re-evaluated.
- 2) Without further study and analysis regarding the operation of a publicly directed program to retire and transfer development potential within the entire Santa/Monica Mountains Coastal Zone, it is not appropriate to allow the in-lieu fee program to operate outside of Zone II (Cold Creek).
- 3) TDC transactions within Cold Creek Watershed that retire existing legal and undeveloped parcels should continue.
- 4) The Trust can and should market TDCs throughout the area's coastal zone pursuant to the current program criteria outlined above, similar to any other private entity.

4. Other TDC Donor Areas

Lots adjacent to parkland have been qualified as TDCs. Staff review of TDC qualification records has evidenced that staff has qualified donor lots in order to provide buffer areas to parkland habitat and recreational resources. In the 1978 permit decision (A-158-78) that originally established the use of TDCs, the Commission granted the applicant two TDCs in exchange for retiring the development potential of two building sites. The two building sites were located adjacent to Malibu Creek State Park. The TDCs were granted as a means of economic incentive in exchange for retiring the development potential of lots where such development would have adverse impacts on parkland resources. Although, the County's zoning density would have allowed for a total of four building sites on the 20 lots (4 acres total), the Commission found that only two homes could be built without having adverse impacts on coastal resources and the adjacent parkland. Moreover, the Commission found that retirement of the remaining lots, which were qualified as 2 (two) TDCs, would assure conformance with Coastal Act Section 30240(b). In addition, the Commission allowed the two TDCs to be transferred as two building sites approved under a subdivision permit in an area that was considered to be better suited to accommodate such development (Coastal Development Permit 155-78)

Additionally, staff has qualified TDCs adjacent to parkland where the subject lots are located next to approved State Coastal Conservancy Restoration Programs in the Malibu

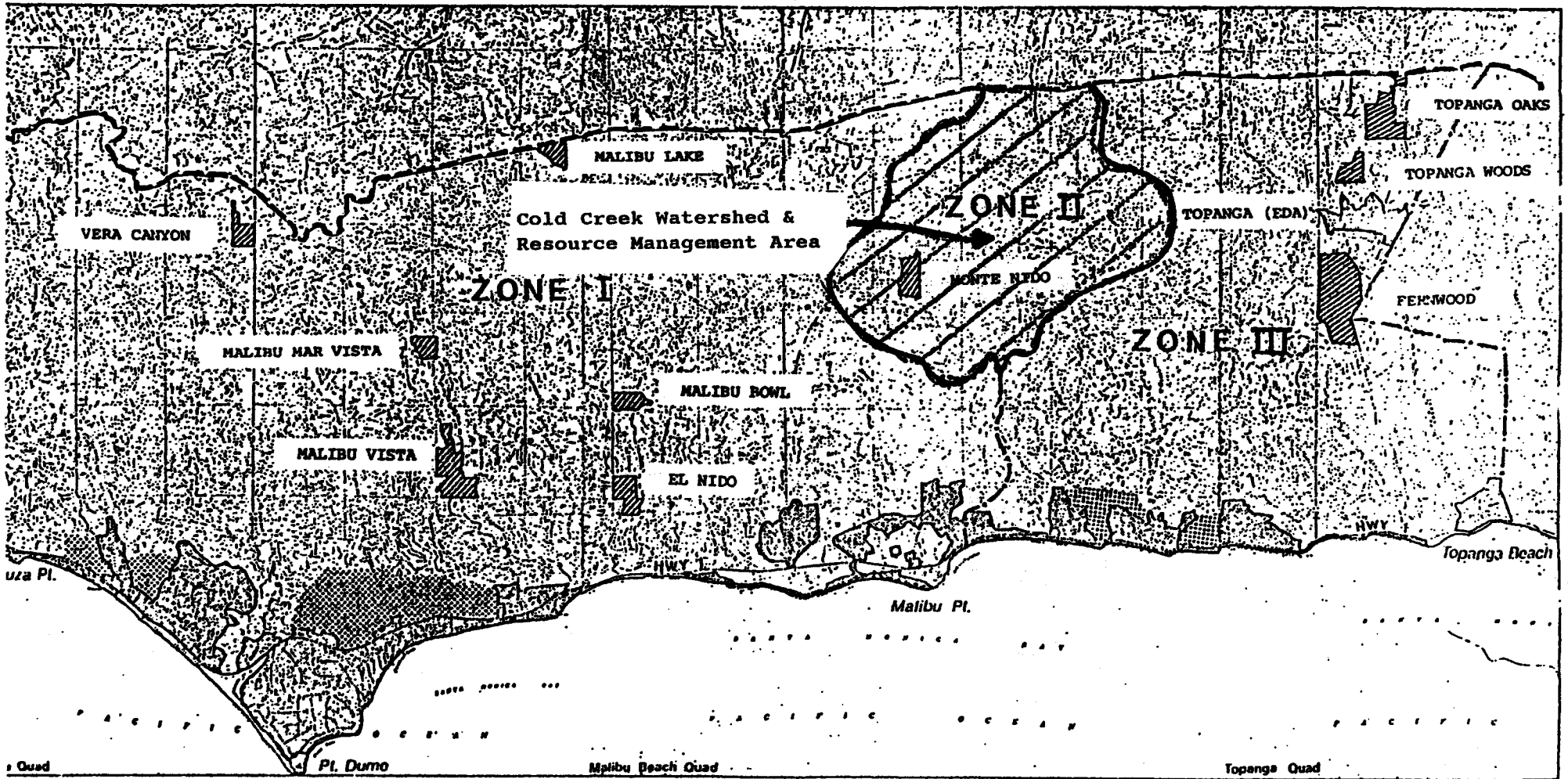
Creek State Park Area and in the Las Flores Heights area.¹⁷ Due to their proximity to parkland, lots retired in Malibu Lake and Fernwood Small Lot Subdivision have resulted in increased habitat protection of visual and recreational resources. As listed in the 1981 District Guidelines, lots contiguous with Malibu Creek State Park (Malibu Canyon SEA) were considered eligible donor lots. Staff continued and expanded this criteria and qualified donor sites located adjacent to parkland based on the idea that these undeveloped lots serve as a buffer to park areas throughout the Malibu/Santa Monica Mountains Coastal Zone.

Staff has reviewed existing park holdings and trails located within the coastal zone and discovered that the park agencies within the Santa Monica Mountains Recreation Area have not updated their land acquisition and habitat protection plans since 1984. As represented to staff, the National Park Service is presently in the process of updating their plan and this update will be reviewed by the public and will include specific conservation criteria associated with protecting the habitat values of ESHAs and parkland. Therefore, staff believes that further study and evaluation of qualifying TDC lots adjacent to parkland necessary before any additional lots are qualified.

IV. Conclusion.

The TDC program was designed to mitigate adverse impacts on coastal resources and public access associated with build-out of lots in Malibu/Santa Monica Mountains Coastal Zone. Retiring the potential development rights of existing, legal parcels in certain areas of the Malibu/Santa Monica Mountains Coastal Zone and transferring this development potential to other areas of the coastal zone has insured that area buildout will not be increased. The employment of the TDC program has resulted in the retirement of over 500 lots located in donor areas which include small lot subdivisions, ESHA and Significant Watershed areas, the Cold Creek Watershed and lots adjacent to parkland. The retirement of the lots have insured that these areas have been preserved and protected in perpetuity. The TDC program has provided the Commission a means to permit applicants to subdivide their property in areas able to accommodate intensification of use and mitigate the adverse cumulative impacts associated with the creation of additional lots and units in the Malibu/Santa Monica Mountains Coastal Zone. Staff's review of the current program suggests that future study and review of development patterns, of regional resource plans, of recreation needs and of community goals and visions may suggest that the TDC program should be modified. Irrespective of the program's future, the program to date has successfully furthered the mandate of the Chapter 3 policies of the Coastal Act.

¹⁷ See Section IIIA, Small Lot Subdivisions.







TRANSFER OF DEVELOPMENT CREDIT

DONOR AREAS - Rural Small Lot Subdivisions

Zone I - Western Mountain Area

Zone II - Cold Creek Watershed

Zone II - Eastern Mountain Area

-  Coastal Zone Boundary
-  Existing Developed Area (EDA)
-  Potential Expansion to EDA
-  Donor Area

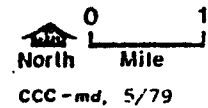
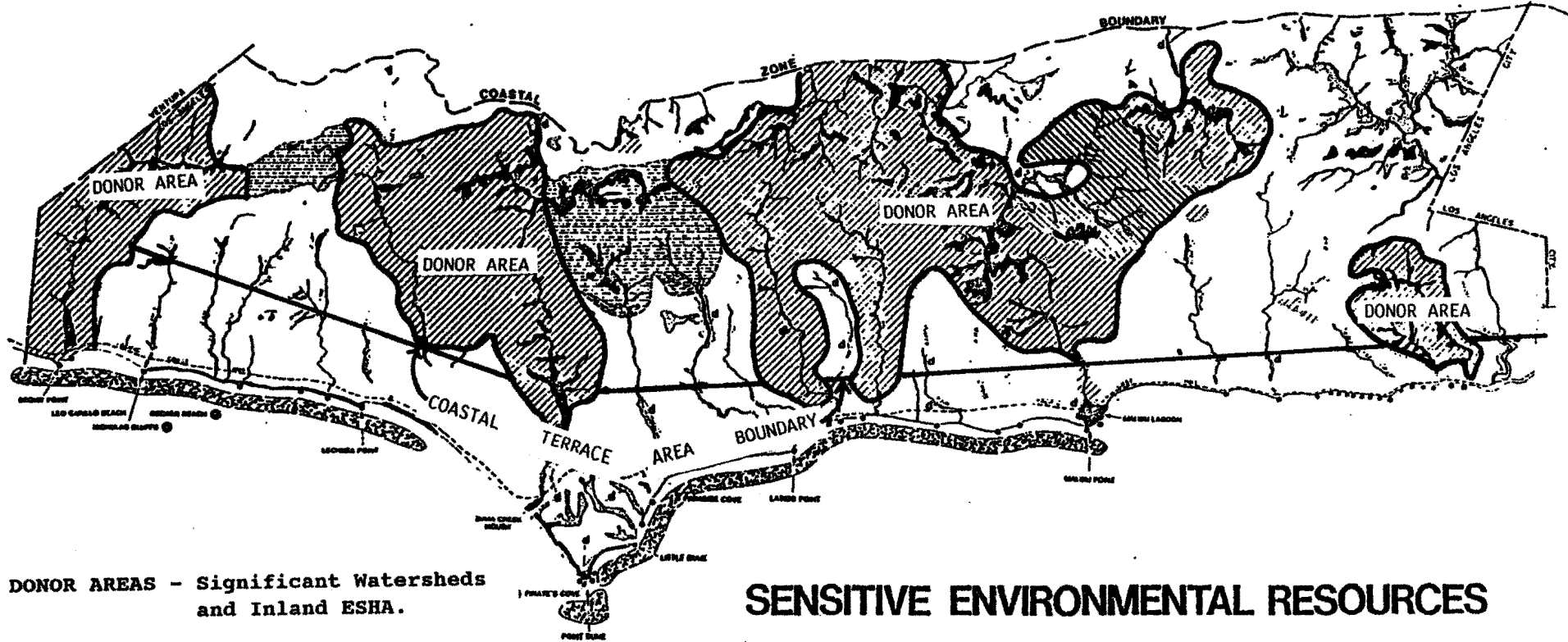


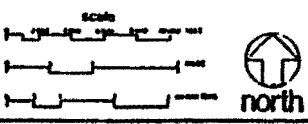
EXHIBIT NO. 1
 TDC REPORT
 DONOR AREAS



TDC DONOR AREAS - Significant Watersheds and Inland ESHA.

SENSITIVE ENVIRONMENTAL RESOURCES

acres
 EXHIBIT NO. 2
 TDC REPORT
 RESOURCE MAP



ENVIRONMENTALLY SENSITIVE HABITAT AREA - RESOURCE DEPENDENT USES	INLAND	SIGNIFICANT WATERSHEDS RESIDENTIAL - RESOURCE DEPENDENT USES	MALIBU/COLD CREEK RESOURCE MANAGEMENT AREA
	OFFSHORE - KELP BEDS		SIGNIFICANT OAK WOODLAND AND SAVANNAHS
	SHORELINE - ROCKY AREAS		LOCALLY DISTURBED SENSITIVE RESOURCE AREAS
	SHORELINE - SEA LION HALL OUTS		WILDLIFE MIGRATION CORRIDOR

**MALIBU/SANTA MONICA MOUNTAINS TRANSFER OF DEVELOPMENT CREDIT PROGRAM WORKSHOP
JANUARY 22, 1996**

<p>CITY OF MALIBU Mayer Jean Housie, Councilwoman Carolyn Van Harn, Joyce Parker, Bozylinsky, Vince Bertroni</p>	<p>The City intends to include a TDC program in their LCP. They need more time to collect information and develop program. They want a direct relationship between donor and receiver sites with any additional density approved in the City to be mitigated within the City. They want the Commission to delay any changes to existing program until City develops program. The City opposes the use of parkland for TDC's. The County lacks the ability to implement a TDC program at this time. They are willing to consider including a TDC component in their long-range Active Program. TDC's are not a priority.</p>	<p>1. Any receiver sites within the City be linked to donor sites within the City. 2. Existing parkland held by public agencies should not be used to generate TDC's.</p>
<p>COASTAL CONSERVANCY Steve Horn, President William</p>	<p>The Conservancy originated the program, but now has no inventory of land to generate TDCs. Raised the question of whether we need a TDC program, or whether another alternative could work as well.</p>	<p>1. Consider possibility of implementing other land retirement programs.</p>
<p>NATIONAL PARK SERVICE Scott Erikson, Todd Fox</p>	<p>The National Park Service lacks authority to encumber their lands with deed restrictions, and they are reluctant to accept land which has been so encumbered. The Park Service is interested in conservation banking, and they are concerned that such a concept might conflict in some way with the TDC program. Another area of interest is how to incorporate habitat, under a joint power authority.</p>	<p>1. Current program should not be modified to include TDC credit for parklands.</p>
<p>STATE PARKS Dan Preece, Neil Brennan, Rich Rozzelle</p>	<p>DPA has pretty much decided not to be a source of TDCs. Their holdings are preserved as it is, and they share a concern for encumbrances on their land. In general, they don't view parklands as mitigation sites for problems created elsewhere. But they would welcome retirement of lands immediately adjacent to state parks.</p>	<p>1. Current program should not be modified to include TDC credit for parklands. 2. Consider including private land adjacent to parklands in TDC program.</p>
<p>MOUNTAINS RESTORATION TRUST Peter Ireland, Margot Fearn</p>	<p>One concern is with present program. DPA is a good speed by the evaluation process at the Coastal Commission and to resolve questions of eligibility of lands for TDC program credit. Would like to see a list of donor sites, so it is clear what criteria have been applied. Need a method to encourage participation within the city, where land values are high. Where private lands are land for TDCs, the future participation of some sort of agency is an issue.</p>	<p>1. Park staff decisions in TDC qualification should be considered procedural and should be applied uniformly. 2. Consider giving higher value to donor sites within the City to reflect higher property values. 3. Only private property should be used to generate TDCs.</p>

<p>SAVE OPEN SPACE Frank Angel, Mary Wiesbrock, Siegfried Othmer</p>	<p>There are plenty of donor sites as it is - such as the small-lot subdivisions. TDC program has strong legal underpinning in the Coastal Act. Parkland TDCs would be a fraud on the public and could reduce public support for future land acquisition funding.</p>	<p>1. Current program should not be modified to include TDC credit for parklands. 2. Consider a modification to TDC exchange rates because not all land has the same environmental value.</p>
<p>COALITION TO SAVE LAS VIRGENES Susan Genelin</p>	<p>If there are 80,000 acres of parklands, to grant TDC credit to parklands could mean up to 400,000 more houses. Furthermore, parkland TDCs would just equal raising money and decreasing environmental values. Parkland TDCs are just a fiction, since parks are not developable land.</p>	<p>1. Current program should not be modified to include TDC credit for parklands.</p>
<p>ELIZABETH WIECHEC NORMAN HAYNIE</p>	<p>Has already presented her study for the Mountains Conservancy which speaks for itself. Thinks the TDC program works, but could be better. Suggests banking of TDCs, prior to having a subdivision approved. Thinks TDC value of different areas should be more equivalent; for instance, TDC value of 1 per 20 acres is not fair, nor is it equivalent to the minimal impact of a lot split in developed area. Although traffic impacts of 1 lot versus retiring another may be equivalent, other environmental effects are not equivalent (for instance, effects of fire suppression in the mountains are major). Does not support parkland TDCs. Every developable lot should equal 1 TDC. Does not support concept of in lieu fees as they could lead to abuse and do not mitigate the impacts of development. Supports a private TDC program only.</p>	<p>1. The program should include TDC banking whereby the retirement of lots for TDC's would be allowed before a project requiring mitigation is identified 2. The TDC generation rate should be higher for lots of greater environmental value. 3. No TDC's should be granted for parkland 4. Every developable lot should qualify for at least 1 full TDC 5. No in-lieu fee program for TDC's should be allowed.</p>
<p>WALT KELLER</p>	<p>By diverting development from the mountains to shore areas, TDC program may create a conflict with visitors who come for the beaches. TDCs could potentially be cheaper, since many owners want to buy a lot next door to their homes and donate it to the MRT.</p>	
<p>BARBARA CAMERON</p>	<p>Concerned with affordability of TDCs, believes recommendations in the Mountains Conservancy report would limit markets and thus TDCs would end up costing more.</p>	
<p>MICHAEL LABERGE</p>	<p>TDC program was set up before LCP done; now, many mitigation programs in effect, so no longer need a program. Thinks TDC program has not been a success, since there is no nexus between donor and receiver sites. Section 30250 of the Coastal Act is not as applicable as it once was, since many areas are now 80-90% developed.</p>	<p>1. Remove City of Malibu from the program.</p>
<p>PATT HEALY</p>	<p>Thinks TDCs are relatively cheap now. A loophole involves commercial property; in Malibu such lands will be intensively used, but there's no TDC requirement. Conditional use permit projects should require extra TDCs, as they are typically intense.</p>	<p>1. Require developers of commercial projects to mitigate impacts with TDC's.</p>

MALIBU/SANTA MONICA MOUNTAINS COASTAL ZONE

NUMBER OF EXISTING PARCELS, 1983

	TOTAL EXISTING PARCELS	DEVELOPED PARCELS	UNDEVELOPED PARCELS
COASTAL TERRACE	5,978	4,182	1,796
RURAL VILLAGES	5,405	1,381	4,024
SIGNIFICANT WATERSHEDS, OTHER AREAS	2,520	774	1,746
	13,903	6,337	7,566*

Source: L. A. Regional Planning Department/1986 Certified Malibu/Santa Monica Mountains Land Use Plan

** Total number of undeveloped parcels shown here is in contrast to the 8,600 undeveloped lots counted in the 1978 Build-Out Study because Table reflects the number of existing parcels in 1983.*

SMALL LOT SUBDIVISION LOT RETIREMENT

924 LOTS RETIRED* = 453 TDCs QUALIFIED

SUBDIVISION	TOTAL # OF LOTS	# LOTS RETIRED	% OF LOTS RETIRED
EL NIDO	347	173	50%
<i>FERNWOOD</i>	1497	123	8%
LA COSTA	260	3	1%
LAS FLORES HEIGHTS	99	75	69%
<i>MALIBU BOWL</i>	187	142	70%
<i>MALIBU LAKE</i>	198	138	70%
<i>MALIBU MAR VISTA</i>	138	101	73%
<i>MALIBU VISTA</i>	522	126	24%
<i>MONTE NIDO</i>	411	67	16%
OLD POST OFFICE	276	3	1%
OLD TOPANGA	773	18	2%
<i>TOPANGA OAKS</i>	861	75	9%
<i>TOPANGA WOODS</i>	222	0	0%
<i>VERA CANYON</i>	109	6	5%
TOTAL	5900	910	16%

Source: *Transfer of Development in Malibu Coastal Zone*, by M. Elizabeth Wiechec, April 26,
Denotes Small Lot Subdivisions that meet the criteria of the TDC program

* 924 lots includes 14 lots retired within Garapitas Subdivision

Slope-Intensity Formula:

$$\text{GSA} = (A/5) \times ((50-S)/35) + 500$$

GSA = the allowable gross structural area of the permitted development in square feet. The GSA includes all substantially enclosed residential and storage areas, but does not include garages or carports designed for storage of autos.

A = the area of the building site in square feet. the building site is defined by the applicant and may consist of all or a designated portion of the one or more lots comprising the project location. All permitted structures must be located within the designated building site.

S = the average slope of the building site in percent as calculated by the formula:

$$\text{S} = \text{I} \times \text{L}/\text{A} \times 100$$

I = contour interval in feet, at not greater than 25-foot intervals, resulting in at least 5 contour lines

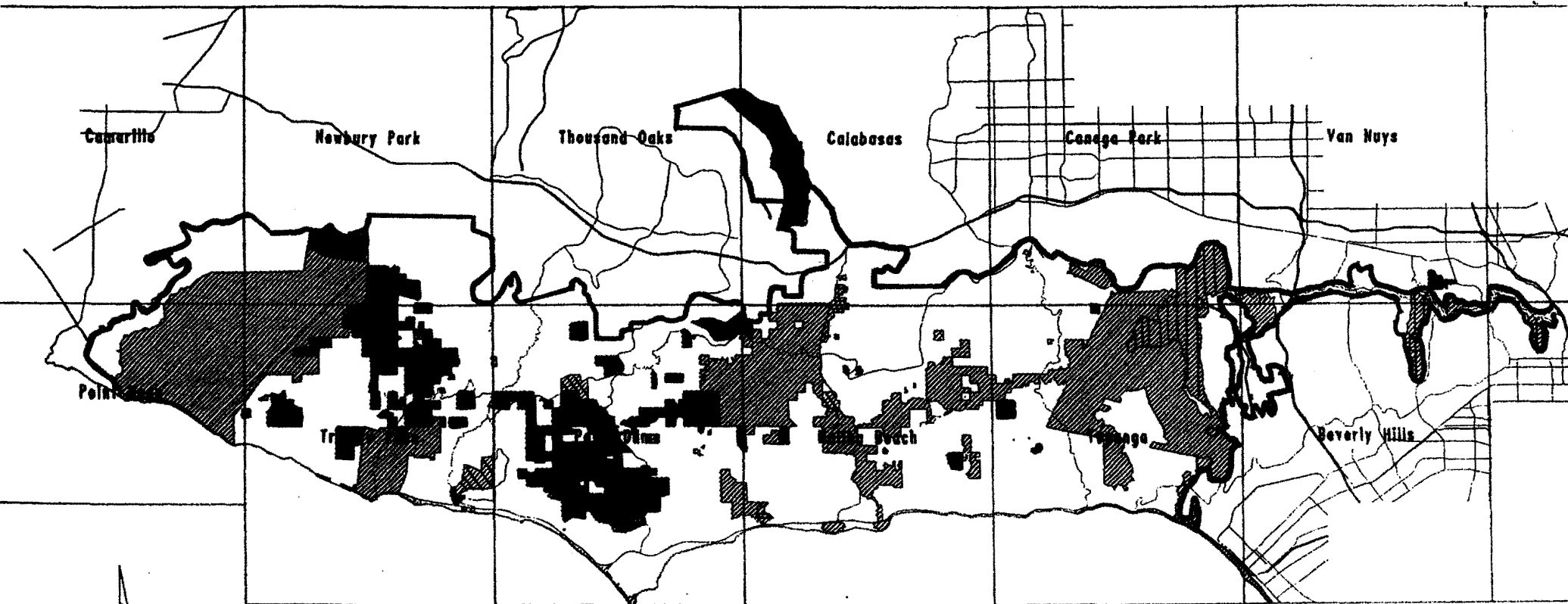
L = total accumulated length of all contours of interval "I" in feet

A = the area being considered in square feet






EXHIBIT NO. 6

TDC REPORT

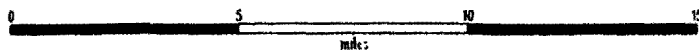
GSA FORMULA



Santa Monica Mountains National Recreation Area Public Parkland

-  National Park Service land
-  California State parkland
-  Los Angeles County parkland
-  Los Angeles City parkland
-  Other parkland

scale = 1:175000



Map produced by National Park Service
 Santa Monica Mountains National Recreation Area GIS
 (818) 597-1036 ext. 236
 Maps courtesy of THOMAS BROS. MAPS

EXHIBIT NO. 7
 TDC REPORT
 PARK AREAS

