TO:      COMMISSIONERS AND INTERESTED PARTIES

FROM:    Peter Douglas, Executive Director
         Steven F. Scholl, District Director
         Jo Ginsberg, North Coast Planner

SUBJECT: MENDOCINO COUNTY LCP AMENDMENT No. 1-96 (Major;
         Site A, Flanagan): (Public Hearing and Possible Action at the
         California Coastal Commission meeting of July 9-12, 1996.)

SYNOPSIS

A.  STAFF NOTE

In May of 1996, the County of Mendocino submitted to the Commission an LCP
amendment request consisting of two parts. Because the submittal for Site A
(Flanagan) was complete, while the submittal for Site B (Mendocino Coast
Properties) was not complete, Commission staff separated the submittal into
two parts: (1) Mendocino County LCP Amendment No. 1-96 (Major): Site A,
Flanagan, which will be addressed in this staff report, and (2) Mendocino
County LCP Amendment No. 1-96 (Major): Site B, Mendocino Coast Properties,
which will be considered separately by the Commission once the County
submittal is complete.

B.  AMENDMENT DESCRIPTION:

The proposed amendment to the Mendocino County LCP, effectively certified in
September 1992, seeks to change the LUP and Zoning designations of a rural
residential parcel in such a way as to allow an existing legal, non-conforming
four-unit inn to expand to six units. Specifically, the amendment would
change the Coastal Plan land use designation of a .86-acre parcel (APN
144-012-07) from Rural Residential-5 acre minimum [Rural Residential-2 acre
minimum] *4 (RR-5[RR-2] *4) to Rural Residential-5 acre minimum [Rural
Residential-2 acre minimum] *1C (RR-5[RR-2] *1C) with a note placed on the LUP
and Zoning maps associated with the *1C which establishes a cap of 6
visitor-serving units on this site, and to rezone the parcel from
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RR:L-5[RR:L-2] *4 to RR:L-5[RR:L-2] *1C. The *4 will be deleted from the LUP and Zoning maps. (Identified by Mendocino County as GP 13-95/R 15-95, Flanagan.) The site is located at 34591 South Highway One, adjacent to the north side of Highway One at its intersection with Fish Rock Road, approximately a half-mile northwest of Anchor Bay.

C. SUMMARY OF STAFF RECOMMENDATION

Staff recommends that upon completion of the public hearing, the Commission certify this LCP amendment as submitted, based on the findings that this amendment is consistent with the policies of Chapter 3 of the Coastal Act. The amendment seeks to change the LUP and Zoning designations of a parcel containing a four-unit inn, currently designated for residential use and allowing a restaurant, boat launching facility, or visitor-oriented shop (in the past, an art gallery was located on the parcel). The proposed designation will allow up to six inn units, consistent with the current use of the property, which is a legal, non-conforming use. The proposed redesignation will not result in any significant adverse impacts to coastal resources.

The motion and resolution for approval for the Land Use Plan portion of the amendment can be found on Page 3. The motion and resolution for approval of the Implementation Program portion of the amendment can be found on Pages 9 and 10.

D. ADDITIONAL INFORMATION

For additional information about the proposed amendment, please contact Jo Ginsberg at the North Coast Area office at the above address, (415) 904-5260. Please mail correspondence to the Commission to the same address.

E. ANALYSIS CRITERIA:

In order to approve the amendment to the Land Use Plan portion of the Mendocino County Local Coastal Program, the Commission must find that the LUP, as amended, is consistent with the policies of Chapter 3 of the Coastal Act. In order to approve the amendment to the Implementation Program portion of the LCP, the Commission must find that the Implementation Program, as amended, is consistent with and adequate to carry out the amended Land Use Plan.
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I. STAFF RECOMMENDATION, MOTION, AND FINDINGS FOR THE LAND USE PLAN PORTION
OF AMENDMENT NO. 1-96, SITE A (GP 13-95, Flanagan)

A. STAFF RECOMMENDATION:

Staff recommends that the Commission adopt the following resolution and
related findings, as introduced by Motion I:

MOTION I: APPROVAL OF THE LAND USE PLAN PORTION OF AMENDMENT NO. 1-96
FOR SITE A

"I hereby move that the Commission certify Amendment No. 1-96, Site A,
to the Land Use Plan portion of the Mendocino County Local Coastal
Program as submitted by the County."

Staff recommends a YES vote. An affirmative vote by a majority of the
appointed members of the Commission is required to pass the motion.

RESOLUTION I:

The Commission hereby certifies Amendment No. 1-96, Site A (identified as GP
13-96, Flanagan) to the Land Use Plan portion of the County of Mendocino's
Local Coastal Program for the reasons discussed in the following findings on
the grounds that, as submitted, this amendment and the LUP as thereby amended
meet the requirements of Chapter 3 of the Coastal Act. This amendment is
consistent with applicable decisions of the Commission that guide local
government actions pursuant to Section 30625(c), and approval will not have
significant environmental effects within the meaning of the California
Environmental Quality Act.

B. FINDINGS FOR APPROVAL OF THE LAND USE PLAN PORTION OF AMENDMENT NO. 1-96
FOR SITE A:

1. Amendment Description/Background:

a. Description.

The proposed LCP Amendment involves changing the LUP and Zoning designations
of a rural residential parcel in such a way as to allow a legal non-conforming
four-unit inn to expand to six units. The specific proposal is to amend the
Coastal Plan land use classification of a .86-acre parcel (APN 144-012-07)
from Rural Residential-5 acre minimum [Rural Residential-2 acre minimum] *4
(RR-5[RR-2] *4) to Rural Residential-5 acre minimum [Rural Residential-2 acre
minimum] *1C (RR-5[RR-2] *1C) with a note placed on the LUP and Zoning maps
associated with the *1C which establishes a cap of 6 visitor-serving units on
this site, and to rezone the parcel from RR:L-5[RR:L-2] *4 to RR:L-5[RR:L-2]
*1C. The *4 will be deleted from the LUP and Zoning maps.
b. Background.

The project site is currently developed with a four-unit visitor-serving facility known as the North Coast Country Inn (formerly the Sea Urchin Inn), and includes a one-bedroom manager's quarters. The facility is listed in Appendix 10 of the Coastal Plan under "Additional Existing Visitor Facilities Designated with an *4," which allows a restaurant, boat launching or rental, or visitor-oriented shops.

In 1984, the Commission approved Coastal Permit No. 1-84-174, authorizing construction of three inn units on a site already containing a single-family residence. The four-unit inn is currently a legal, non-conforming use. The owners of the inn applied to the County in 1995 for the *1C to be added to the land use designation of their parcel (with the *4 to be removed), which would allow up to 10 visitor-serving units. The owners agreed to a cap of 8 units rather than the maximum cap of 10 units normally allowed by the *1C. However, the County approved the redesignation with a cap of 6 units, primarily due to septic constraints.

2. Environmental Setting:

The subject parcel, which is .86 acres in size, is located on the inland side of Highway One at its intersection with Fish Rock Road (County Road 122), approximately a half-mile northwest of Anchor Bay. The parcel contains four Bed and Breakfast Inn units located in two structures, and a manager's residence in a third structure. There is also a one-story garage and driveway on the property. The topography consists of rolling terrain, vegetated with redwoods, shore pines, and native brush species; there is no sensitive habitat on the site.

3. New Development:

Coastal Act Section 30250(a) states that new development be located in or near existing developed areas able to accommodate it and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. The intent of this policy is to concentrate development to minimize adverse impacts on coastal resources.

The proposed amendment will allow a maximum of two additional inn units; there are currently four inn units in operation, served by community water service and a private on-site sewage disposal system. The new use proposed is for expansion of an existing Visitor Serving Accommodation, a high priority use under the Coastal Act.

The North Gualala Water Company has not indicated if the District will be able to supply water in the future for additional inn units; however, approval of a
County use permit will be required to expand the existing inn. At such time, evidence of the District's ability to provide additional water to the site will be required. A soil scientist who surveyed the site indicated that the existing on-site sewage disposal system is adequate to serve two additional visitor serving units for a total of 6 visitor rooms and the existing one-bedroom manager's quarters. As proposed, the LCP Amendment would establish a cap on the number of units allowed at the site at six units.

Since there is adequate septic disposal on the site to accommodate the additional two units that would be allowed by the proposed change, and since evidence that the community water district could provide the necessary water to serve the additional two units would be required at the time a use permit was processed, the Commission, therefore, finds that the proposed amendment is consistent with Coastal Act Section 30250(a) as the change will not result in any adverse impacts on coastal resources. The Commission thus finds that the proposed LUP Amendment as submitted, which will allow up to 6 inn units, is consistent with and adequate to carry out Coastal Act Policy 30250(a).

4. **Highway One/Traffic Impacts:**

Coastal Act Section 30254 states that it is the intent of the Legislature that State Highway One in rural areas of the coastal zone remain a scenic two-lane road, and that where existing or planned public works facilities can accommodate only a limited amount of new development, services to coastal dependent land use, essential public services and basic industries vital to the economic health of the region, state, or nation, public recreation, commercial recreation, and visitor-serving land uses shall not be precluded by other development. Section 30250(a) of the Coastal Act also requires that new development not have significant adverse effects, either individually or cumulatively, on coastal resources.

Because the only north-south arterial in coastal Mendocino County is Highway One, the requirements of Section 30254 are a limiting factor on the potential for new development in Mendocino County. In addition, Section 30254 requires that high priority uses of the coast not be precluded by other, lower-priority uses when highway capacity is limited.

While curves can be straightened, gulches bridged, and shoulders widened, the basic configuration of the highway will remain much the same due to topography, existing lot patterns, and the priorities of Caltrans to improve the state's highway system in other areas. To assess the limited Highway One capacity, a study was prepared for the Commission in 1979 as a tool for coastal planning in Marin, Sonoma, and Mendocino counties (Highway 1 Capacity Study). The study offered some possibilities for increasing capacity and describes alternative absolute minimum levels of service. Because highway capacity is an important determinative for the LUP, the Commission's highway
The Highway One Capacity Study described then-current use of different segments of Highway One in terms of levels of service categories. Such categories are commonly used in traffic engineering studies to provide a measure of traffic congestion, and typically range from Level of Service A (best conditions) to Level of Service F (worst condition). The 1979 Highway One Capacity Study determined that only the leg of Highway One between Highway 128 and Mallo Pass Creek was at Service Level D (unstable flow; low freedom to maneuver; unsatisfactory conditions for most drivers) during peak hours of use in 1979; all other legs were at Level E. Service Level E (difficult speed selection and passing; low comfort) is the calculated capacity of the highway. At Level F (forced flow), volume is lower. Along the Mendocino coast, peak hour can be expected to occur between noon and 5 p.m. on summer Sundays.

Highway capacity was recognized by the Commission as a constraint that limits new development, as new development generates more traffic that uses more capacity and a lack of available capacity results in over-crowded highways for long periods of time. When it eventually certified the Mendocino County Land Use Plan with Suggested Modifications, the Commission found that too much buildout of the Mendocino coast would severely impact the recreational experience of Highway One and its availability for access to other recreational destination points. The Commission reduced by more than half the number of potential new parcels that could be created under the certified LUP, based on its conclusion that, given the information available at that time, approximately 1,500 new parcels was the maximum number of new parcels Highway One could accommodate while remaining a scenic, two-lane road.

The Commission recognized that in the future, a greater or smaller number of potential new parcels might be more appropriate, given that changes might occur that would affect highway capacity, such as new road improvements, or that development might proceed at a faster or slower pace than anticipated. To provide for an orderly process to adjust the number of potential parcels allowed under the LCP to reflect conditions as they change over time, the Commission approved Policy 3.9-4 of the LUP that required a future review of the Land Use Plan.

Policy 3.9-4 of the County's LUP states that:

Following approval of each 500 additional housing units in the coastal zone, or every 5 years, whichever comes first, the Land Use Plan shall be thoroughly reviewed to determine:
Whether the Highway 1 capacity used by non-resident travel and visitor accommodations is in scale with demand or should be increased or decreased.

Whether the plan assumptions about the percentage of possible development likely to occur are consistent with experience and whether the allowable buildout limits should be increased or decreased.

Whether any significant adverse cumulative effects on coastal resources are apparent.

In response to this policy, in 1994 the County hired a transportation consultant firm to do a study (titled the State Route 1 Corridor Study) that would determine the impact to Highway One traffic carrying capacity from the buildout of the Coastal Element of the General Plan. The focus of the study was to project future traffic volumes which would be generated by potential development allowed by the Coastal Element in the coastal zone and by potential development from growth areas outside of the coastal zone that affect traffic conditions on Highway One. The traffic impact on the level of service (LOS) of study intersections and segments on Highway One based on incremental buildout scenarios was then determined (LOS A through E was considered acceptable in most locations; LOS F was considered unacceptable). The study also identified roadway improvement options available for increasing capacity on Highway One and other roadways that affect the Highway One corridor.

Using the information in the study, County staff evaluated the traffic impacts of the proposed LCP changes based on a "75/50" scenario (existing development plus development on 75% of existing vacant parcels plus development on 50% of potential new parcels plus 75% of commercial, industrial, and visitor-serving facility buildout potential by the year 2020), which County staff believes represents the maximum feasible buildout based on past and projected development patterns. Thus, for example, in the case of each part of the subject LCP Amendment, County staff first noted what the projected Levels of Service during peak times would be in the year 2020 for the relevant road segments and intersections under the existing LCP using the 75/50 buildout scenario, then determined what additional traffic would be generated by the density increase proposed by the LCP Amendment, and, finally, determined what roadway improvements, if any, would be necessary to keep the Levels of Service within acceptable parameters (up to and including LOS E) if the density increases of the amendment were approved.

The proposed change is for expansion of an existing Visitor Serving Accommodation, a high priority use under the Coastal Act. The County has indicated that the road segment affected by the proposed project is expected
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to operate at Level of Service E in the year 2020 under the 75/50 development scenario, which is deemed to be an acceptable level of service per the State Route 1 Corridor Study. The intersection affected by the proposed project is expected to operate at Level of Service A in the year 2020, which is also acceptable. The Commission thus finds that the proposed amendment is consistent with Coastal Act Sections 30250(a) and 30254, as the proposed amendment will have no adverse impacts on highway capacity or traffic.

The Commission therefore finds that the proposed LUP Amendment as submitted is consistent with and adequate to carry out Coastal Act Sections 30254 and 30250(a).

5. **Visual Resources:**

Coastal Act Section 30251 states that the scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance, and that permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, and to be visually compatible with the character of surrounding areas.

The subject property is located on the inland side of Highway One, and is not in a designated Highly Scenic Area. The owners of the property have indicated that the two new units that would be allowed by the proposed change (with a use permit) will be constructed above an existing garage on the property, which is located at the back of the parcel away from Highway One. The parcel is large enough, and sufficiently vegetated with trees, that a variety of different development proposals for the two additional units could be sufficiently screened or hidden from view on the site so as to be visually compatible with the character of the surrounding area.

The Commission finds, therefore, that the proposed amendment as submitted will have no significant effect on visual resources and thus is consistent with and adequate to carry out Coastal Act Section 30251.

6. **Visitor Serving Facilities.**

Section 30222 states that the use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

Section 30254 states that where existing or planned public works facilities can accommodate only a limited amount of new development, visitor-serving land uses shall not be precluded by other development.
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The proposed LCP Amendment would allow up to two additional visitor serving inn units on the subject site, a high priority coastal land use under the Coastal Act. The Commission thus finds that the proposed LUP Amendment as submitted is consistent with and adequate to carry out the Coastal Act Sections 30222 and 30254.

7. CEQA:

Pursuant to SB 1873, which amended the California Environmental Quality Act, the Coastal Commission is the lead agency in terms of meeting California Environmental Quality Act (CEQA) requirements for local coastal programs. In addition to making a finding that the amendment is in full compliance with the Coastal Act, the Commission must make a finding consistent with Section 21080.5 of the Public Resources Code. Section 21080.5(d)(2)(i) of the Public Resources Code requires that the Commission not approve or adopt an LCP:

...if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment.

As discussed in the findings above, the proposed LCP Amendment request as submitted is consistent with the California Coastal Act and will not result in significant environmental effects within the meaning of the California Environmental Quality Act.

II. STAFF RECOMMENDATION, MOTION, AND FINDINGS FOR THE IMPLEMENTATION PORTION OF AMENDMENT NO. 1-96, SITE A (R 15-95, Flanagan)

A. STAFF RECOMMENDATION:

Staff recommends that the Commission adopt the following resolution and related findings, as introduced by Motion II:

MOTION II:

"I hereby move that the Commission reject the Implementation Program for Amendment No. 1-96, Site A, to the Mendocino County Local Coastal Program as submitted by the County."

Staff recommends a NO vote, and the adoption of the following resolution and findings. This motion requires a majority of the Commissioners present to pass.
RESOLUTION II:

The Commission hereby certifies the amendment to the Implementation Program of the Mendocino County LCP for Site A (identified as R 15-95, Flanagan) based on the findings set forth below on the grounds that the zoning ordinance, zoning map, and other implementing materials conform with and are adequate to carry out the provisions of the Land Use Plan. As submitted, the amendment does not have a significant impact on the environment within the meaning of CEQA.

B. FINDINGS REGARDING ADEQUACY OF THE IMPLEMENTATION PROGRAM AMENDMENT FOR SITE A:

The County proposes to rezone the subject property from Rural Residential-5 acre minimum [Rural Residential-2 acre minimum] *4 (RR:L-5[RR:L-2] *4) to Rural Residential-5 acre minimum [Rural Residential-2 acre minimum] *1C (RR:L-5[RR:L-2] *1C), with a note on the Zoning Map that there shall be a cap of 6 visitor units. The *4 shall be removed from the Zoning Map.

The proposed rezone would make the zoning for the subject property consistent in terms of allowable use and parcel size with the reclassified land use designations proposed in this amendment. Therefore, the rezone is consistent with and adequate to carry out the amended Land Use Plan.
EXHIBIT NO. 2
APPLICATION NO.
Mendo Co. LCP Amend.
1-96 (Major): Planaga
VICINITY MAP

California Coastal Commission
*IC with note regarding
6 unit maximum VSF
*IC with note regarding 6 unit maximum VSF
WHEREAS, the County of Mendocino has adopted a Local Coastal Program, and

WHEREAS, the Local Coastal Program has been certified by the California Coastal Commission, and

WHEREAS, an application has been submitted to the County requesting amendment of the County's Local Coastal Program, and

WHEREAS, the County Planning Commission has held a public hearing on the requested amendment and submitted its recommendation to the Board of Supervisors, and

WHEREAS, the Board of Supervisors has held a public hearing on the requested amendment and has determined that the Local Coastal Program should be amended,

NOW, THEREFORE, BE IT RESOLVED, that it is the intent of the Board of Supervisors of the County of Mendocino that #GP 13-95/#R 15-95 be adopted amending the Local Coastal Program as shown on attached Exhibits A and B.

BE IT FURTHER RESOLVED, that Planning and Building Services staff is directed to include the amendment proposed herein in the next submittal to be made to the California Coastal Commission for certification, and

BE IT FURTHER RESOLVED, that the amendment shall not become effective until after the Board of Supervisors of the County of Mendocino acknowledges receipt of the Coastal Commission's action, formally adopts the proposed amendment and accepts any modification suggested by the Coastal Commission, and

BE IT FURTHER RESOLVED, that the local coastal program, as is proposed to be amended, is intended to be carried out in a manner fully in conformity with the California Coastal Act of 1976.

BE IT FURTHER RESOLVED, that in the event that the California Coastal Commission denies certification of the amendment proposed to be adopted in this resolution, this resolution shall become inoperative and will be immediately repealed without further action by the Board of Supervisors insofar as this resolution pertains to such amendment for which certification is denied. This resolution shall remain operative and binding for those amendments proposed herein that are certified by the California Coastal Commission.
The foregoing Resolution was introduced by Supervisor McMichael, seconded by Supervisor Peterson and carried this 25th day of March, 1996 by the following roll call vote:

AYES: Supervisors Sugawara, McMichael, Pinches, Peterson, Henry
NOES: None
ABSENT: None

WHEREUPON, the Chairman declared said Resolution passed and adopted and SO ORDERED.

Chairman of said Board of Supervisors

ATTEST: JOYCE A. BEARD
Clerk of said Board

By: [Signature]
Deputy

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[Signature]
Chairman of said Board of Supervisors

I hereby certify that according to the provisions of Government Code Section 25103, delivery of this document has been made.

JOYCE A. BEARD
Clerk of the Board

By: [Signature]
DEPUTY

EXHIBIT NO. 6
APPLICATION NO.
Mend. Co. LCP Amend.
1-96(Major): Flanagan

RESOLUTION