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PETE WILSON, Governor

CALIFORNIA COASTAL COMMISSION

SAN DIEGO COAST AREA 3111 CAMINO DEL RIO NORTH, SUITE 200 AN DIEGO, CA 92108-1725 619) 521-8036 Staff: WNP-SD Staff Report: 1/13/97 Hearing Date: 2/4-7/97

AMENDMENT REQUEST STAFF REPORT AND PRELIMINARY RECOMMENDATION

Application No.: 6-94-131-A-6

Applicant: Toyohara America Group Agent: Paul Klukas

Original

Description: Subdivision of a 68.5 acres into 134 single and multi family lots for a total of 349 residential units with 625,000 cubic yards of grading for building and infrastructure improvements.

> Zoning Plan Designation Project Density

RDM-Q RM/RLM (4-6 du/ac) 5.6 dua

Site: North of Camino de las Ondas, south of Palomar Airport Road, and east of Paseo del Norte, Carlsbad, San Diego County, APN 214-140-07

Proposed

Amendment: Revise Agricultural Conversion Special Condition to reduce the amount of acreage subject to the agricultural conversion fee by 7.65 acres (68 acres to 60.35 acres) to allow for the reimbursement from the Coastal Conservancy of \$76,500 of overpaid fees.

STAFF NOTES:

Summary of Staff's Preliminary Recommendation:

Staff is recommending approval of the proposed amendment with a condition requiring compliance with all other terms and conditions of the original approval of CDP #6-94-131.

Substantive File Documents: Certified Carlsbad Local Coastal Program Mello II segment, Agricultural Overlay Zone, CDP #6-94-131

PRELIMINARY STAFF RECOMMENDATION:

The staff recommends the Commission adopt the following resolution:

I. <u>Approval with Conditions</u>.

The Commission hereby <u>grants</u> an amendment to the proposed project, subject to the conditions below, on the grounds that the amendment will be in conformity with the adopted Local Coastal Program, and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

II. <u>Standard Conditions</u>.

See attached page.

III. <u>Special Conditions</u>.

1. <u>Prior Conditions of Approval</u>. All other terms and conditions of the original approval of CDP #6-94-131 not specifically modified herein, remain in full force and effect

IV. Findings and Declarations.

The Commission finds and declares as follows:

1. Detailed Amendment Description and History. On March 8, 1995, the Commission approved CDP #6-94-131 for the subdivision of the 68.5 acre site into 134 residential lots and construction of 349 residential units with 625,000 cubic yards of grading for building and infrastructure improvements. Also approved was the construction of two off-site roads to provide access to the site. One road is the extension of Alga Road from its current termination at Poinsettia Lane up to the site and extending across the subject site. The second road is Hidden Valley Road, which is to be constructed along the western boundary of the project site and extend off-site north about one mile to Palomar Airport Road. A riparian/coastal sage scrub mitigation plan was approved for on-and-off site impacts, notably impacts to naturally vegetated steep slopes and riparian vegetation associated with constructing Hidden Valley Road.

However, the Commission also found that the proposed development did not fully comply with the Mello II LCP requirements regulating development of steep slopes containing native habitat (dual criteria areas) and as a result, included a special condition requiring revision of the proposed tentative map which would preserve larger masses of these areas in their natural state. Specifically, preservation of the natural "finger canyon" in the northwest corner of the site, and expansion of the natural areas in the northeast and southwest segments of the property were required. Presently, the site has been graded and residential development is being constructed.

This amendment proposes to modify Special Condition #8 of the original approval which required that the entire 68 acre project site be subject to the agricultural mitigation fee provisions of the certified Mello II LCP. Specifically, the amendment proposes to reduce the amount of acreage subject to the agricultural conversion fee by 7.65 acres (68 acres to 60.35 acres) to allow for the reimbursement from the Coastal Conservancy of \$76,500 of overpaid fees.

2. <u>Agriculture</u>. The project site is located in the Coastal Agricultural Overlay Zone of the certified Mello II segment of the Carlsbad LCP. Prior to

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its subdivision, the site supported agricultural uses. In CDP #6-94-131, the Commission found that the 68 acre site was subject to option 3 of the Agricultural Fee Mitigation Program within the certified Mello II LCP which requires that the site be subject to an agricultural mitigation fee as it involved the conversion of agricultural lands to urban uses. The overlay requires that the fee amount be set be the City of Carlsbad. The City's approval required payment of \$10,000/acre as a mitigation fee. In its action the Commission approved the project with a condition requiring the applicant to provide evidence that the fee was paid for the 68 acre site. The applicant subsequently submitted a receipt from the Coastal Conservancy that \$680,000 was paid by the applicant to the program.

The site is subject to the agricultural conversion policies as contained in the 1985 amendments to the certified Carlsbad LCP. Those amendments essentially allowed for conversion of almost all the agriculturally designated lands within the City's Mello I and Mello II segments. The LCP provides three mitigation options for such conversions for projects in Site II: (1) "Prime Land Exchange"; (2) "Determination of Agricultural Feasibility"; and (3) "Agricultural Conversion Mitigation Fee".

The first option is a determination of infeasibility of continued agricultural use based on area-wide, rather than site-specific studies of agricultural feasibility. The second option is participation in a mitigation program designed to preserve off-site prime agricultural lands elsewhere in the coastal zone. The third option for conversion is the payment of an agricultural mitigation fee of between \$5,000 and \$10,000 per acre of converted lands. The overlay provides that the fee is to be determined by the City of Carlsbad. Under this option the mitigation requirement is to be paid prior to the issuance of building permits for the project. The funds accrued from the fees are to be used in the restoration and enhancement of natural resources, public access opportunities, and preservation of agricultural lands in Carlsbad.

As noted, the applicant proposes to reduce the amount of acreage subject to the agricultural conversion fee by 7.65 acres, from 68 acres to 60.35 acres, to allow for the reimbursement from the Coastal Conservancy of \$76,500 of overpaid fees. The certified Coastal Agriculture Overlay Zone defines "Net Impacted Agricultural Lands" (Section 21.202.020(E) as follows:

For purposes of calculating required mitigation acreage, the parcels and acreages designated on Map X (located in the Local Coastal Program Land Use Plan) and the 301.38 acre Carltas property suitable for agricultural use <u>minus</u> [emphasis added] the acreage in steep slopes (25% or greater) and areas containing sensitive coastal resources that would preclude development in addition to any acreage, under the control of a public entity for a public recreation or open space use.

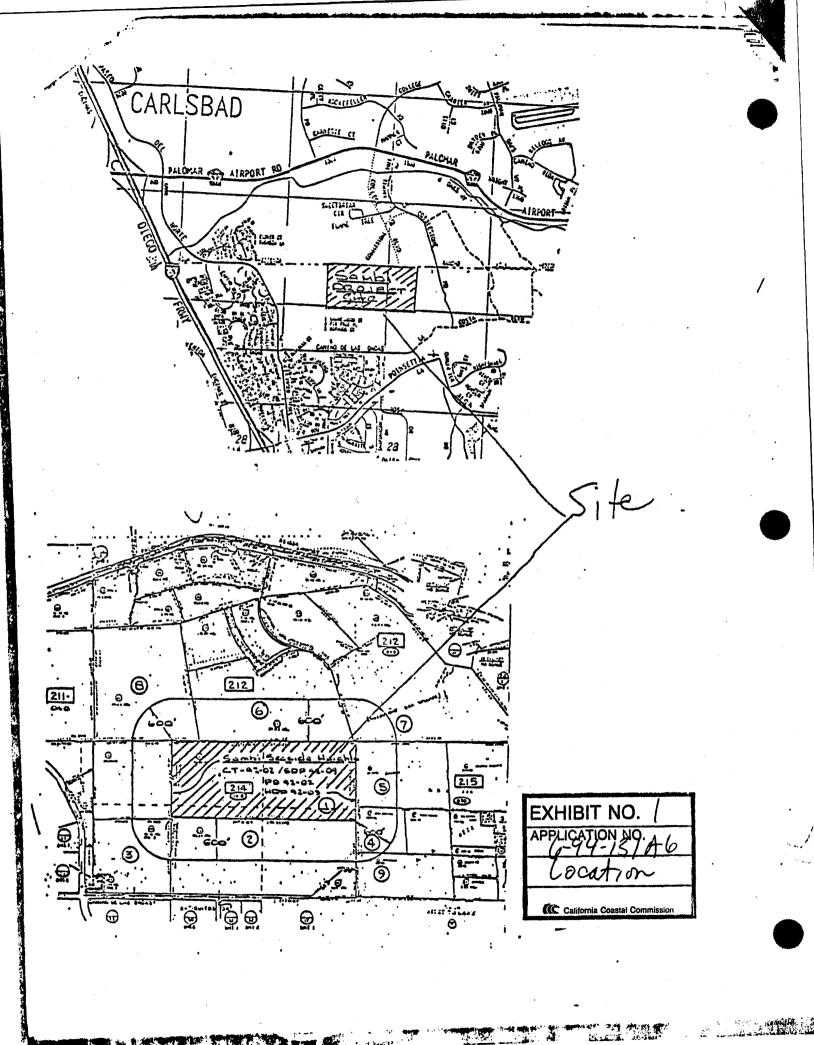
In its review and approval of the subject amendment, the City stated that all agricultural land within the Agricultural Overlay Zone that is being converted to urban development is subject to the conversion fee. However, the City found that the following criteria should be to used to calculate the "<u>net</u> [emphasis added] impacted agricultural acreage":

- 1. Steep slope (25% inclination or greater) and sensitive habitat areas that are protected within open space lots and open space easements are not subject to the conversion fee;
- 2. Steep slope areas, including but not limited to, graded areas developed with roads, utilities, and building pads, are subject to the conversion fee. Based on the premise that agriculture may be suitable on lands that contain steep slopes (i.e., terrace farming), the steep slope areas are not excluded from the calculation unless they are entirely protected from development;
- 3. Areas containing slopes less than 25% that are protected within open space lots and open space easements are not subject to the conversion fee;
- 4. Sensitive habitat areas that are approved for development by the City and the applicable resource agencies and require mitigation for their development are not subject to the conversion fee; and,
- 5. The term "other physical features of the land" includes areas such as major rock outcroppings (an acre of more in size), which are unsuitable for cultivation. These areas are not subject to the conversion fee.

Based on the above, the City found that 7.65 acres of the subject 68 acres were not subject to the agricultural conversion fee. Of this amount, 3.95 acres was deed-restricted as open space in the Commission's approval of CDP #6-94-131 (.76 acres in the northwest portion of the site as the "finger canyon", 2.8 acres in the northeast portion of the site and .39 acres in the southeast portion of the site). The amendment identifies the remaining 3.70 acres as "sensitive habitat areas to be developed which required mitigation" (conservation bank credit purchase). This latter area corresponds to sensitive areas that were allowed to be developed under the Mello II LCP. That is, the LCP allows Circulation Element Roads to impact sensitive vegetation if aligned in the least environmentally damaging way. Alga Road, a circulation element road, traverses a portion of the site and was allowed to impact coastal sage scrub vegetation in its alignment because of the policy exclusion and the finding that this alignment was the least environmentally damaging one. In addition, the Commission permitted three other small pockets of sensitive vegetation to be impacted for residential development based on LCP policy 3-5 that permits up to a 10% encroachment into all sensitive vegetation on site to allow reasonable use of the property. In this case, the encroachment was allowed based on the applicant's willingness to implement an ambitious mitigation plan which included preservation and enhancement of both the above mentioned on-site resources but also an off-site mitigation plan along a drainage area adjacent to Hidden Valley Road.

Based on the definition of "net impacted agricultural land" as contained in the certified Coastal Agriculture Overlay Zone and the City's analysis of the same, the Commission finds it can support the amendment request as proposed. The acreage the applicant is proposing as exempt from the agriculture mitigation requirements meets this definition. The overlay provides that the fee is to be determined by the City of Carlsbad which has found the amendment to be acceptable. The overlay does not require that sensitive resource lands preserved as open space be mitigated through the program. Additionally, the overlay does not require sensitive habitat areas that are approved for development by the City and the applicable resource agencies and require mitigation for their development to be subject to the conversion fee. Therefore, the Commission finds the subject project and conversion of agricultural lands consistent with the agricultural policies of the certified Mello II LCP.

(1531A)



10.05



October 10, 1996

Paul Klukas Planning Systems 2111 Palomar Airport Road, Suite 100 Carlsbad, CA 92009

SUBJECT: CT 92-02(A) - SAMBI SEASIDE HEIGHTS DETERMINATION OF "NET IMPACTED AGRICULTURAL ACREAGE"

City of <u>Carlsbac</u>

The Planning Department has reviewed your letter dated October 2, 1996, concerning the proposed agricultural lands subject to the Agricultural Conversion Fee. The Planning Department concurs with your calculation that <u>7.65 acres</u> of the 68 acre project site are <u>not</u> subject to the conversion fee.

If you have any questions concerning this determination, please contact me in the Planning Department at 438-1161, extension 4455. I hope this provides you with the necessary information to proceed with the project and I look forward to working with you on this matter in the future.

Sincerely,

JEFF GIBSON Associate Planner

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Charlie Mallon
Sambi Seaside Heights, LLC
8641 Firestone Blvd., Downey, CA 90241

EXHIBIT NO. ION-NO California Coastal Commission

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