

CALIFORNIA COASTAL COMMISSION

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TO: Commissioners and Interested Persons

FROM: Peter M. Douglas, Executive Director
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SUBJECT: **Cost Estimates for High-Priority LCP Periodic Reviews**

At the public hearing of December 9, 1998, the Commission adopted a list of priorities for undertaking future Periodic Reviews of certified Local Coastal Programs. The Commission then directed staff to develop cost estimates for undertaking the top two reviews and to report back at a future meeting. This report contains information on the potential cost of undertaking two high-priority Periodic Review projects.

Summary of preliminary cost estimates

The staff's preliminary estimate is that a budget of approximately \$197,250, representing 3.5 PY (person-years) of staff time, would be required to conduct a Regional Periodic Review of the Local Coastal Program of San Luis Obispo County, along with the LCPs of the cities of Morro Bay, Grover Beach and Pismo Beach. A budget of approximately \$91,125, representing 1.5 PY, would be required to undertake a Regional Periodic Review of the LCPs of the County of Monterey, along with the cities of Marina and San City.

The importance of conducting periodic LCP reviews

Periodic reviews are the Commission's means of evaluating whether the Coastal Act is being effectively implemented through the plans and actions of local governments. Under the Coastal Act, Local Coastal Programs (LCPs) are the primary vehicles for successful shared management of coastal resources. Once certified by the Commission, LCPs guide the local government in managing coastal resources and issuing permits for development in the coastal zone. However, coastal planning and management does not end with certification of the LCP. Absent an effective evaluation of policy implementation, it is difficult to determine whether the intent of the Coastal Act

policies is being achieved through the LCPs and whether implementation of resource protection policies is effective.

This program evaluation component of the LCP program is even more important considering the status of many LCPs. The major LCP planning effort took place in the 1980s. About 78 LCP segments (roughly 88% of all certified segments) were certified over five years ago and periodic reviews are long overdue. Since the early 1980s, some of these areas have undergone significant changes, much more is known about the resource values and coastal processes than when the LCPs were developed, newly listed species of concern have been identified, and areas have been identified where coastal water quality is declining.

Although many Local Coastal Programs are overdue for periodic reviews, some geographic areas have experienced more rapid development than others, since LCPs were originally certified. Such areas may present significant issues of LCP implementation remaining consistent with Coastal Act policies. By targeting a few areas of relatively rapid development, the Commission could address a relatively large universe of LCP implementation issues. For instance, the five county LCPs identified by the Commission as high priority for periodic review (San Luis Obispo, Monterey, Santa Barbara, San Mateo, and Mendocino) along with the cities located within them have generated nearly half of all local government coastal permit activity (see Attachment B). Furthermore, those five counties and the cities within them are responsible for 45% of all Commission appeals statewide, as well as 32% of all LCP amendments. Although review of the top priority LCPs (5 counties plus the cities within them) would require a significant commitment of staff and other resources, it would move the Commission dramatically forward along the path of statewide LCP review.

The consequences of continuing to defer periodic LCP reviews are significant. For example, resources may be lost or threatened as a result of LCP policies which have not adapted to changed conditions, such as protecting sensitive habitat resources which were not identified through the earlier certification process. Project review of current development proposals has taken priority over ongoing monitoring and longer range planning and evaluation of local implementation which may result in cumulative impacts to resources. More appeals are likely to occur, and out-of-date policies (or in some cases, the absence of any specific policies) will afford inadequate resource protection standards. The continued piecemeal amendment of LCPs will also contribute to secondary and cumulative impacts to resources which are not being examined.

On the other hand, positive benefits to the coastal planning partnership envisioned in the Coastal Act will occur from conducting periodic reviews. Periodic review will reinforce the Coastal Act policies, enhance coordination with local government staff, and help provide technical assistance to local planners new to the coastal management arena about the coastal management process and the Coastal Act, all of which contribute to enhanced resource protection through LCP implementation.

Background information in support of cost estimates

Staff developed cost estimates based on the Commission's experience in developing a Periodic Review program consistent with its mandated responsibilities under Section 30519.5 of the Coastal Act. That section of the Act requires the Commission to periodically review the implementation of each certified LCP to determine whether it is being effectively implemented in conformity with the policies of the Coastal Act. The Commission's current efforts under the Regional Cumulative Assessment Project (ReCAP) have evolved from the experience gained from prior evaluation activities and new methods and techniques for evaluating the cumulative impacts of policy implementation. This experience gives at least some indication of the staffing needed to conduct reviews.

By the mid-1980s, following the first large number of LCP certifications, the Commission anticipated the need to have an ongoing monitoring and evaluation program in place to periodically review how effectively LCPs were being implemented. The Commission hired consultants to develop suggested procedures for conducting reviews¹. As part of this effort, the consultant estimated staffing needs associated with such a program to systematically review the LCPs.² These estimates were based on assumptions concerning the rate of LCP certification, the implementation of ongoing monitoring procedures and the projection that the Commission would systematically review every jurisdiction every 5 years. The consultants estimated that it would require .4 PY to conduct a review of an average-sized jurisdiction of average complexity and controversy.

Following this consultant study, the Commission had direct experience completing two periodic reviews, relying in part on the process developed by the consultants. In 1989, the Commission completed the Periodic Review for the City of Trinidad. This jurisdiction was chosen as the first review in order to test the new process because it was a small jurisdiction which had few permits and few major issues to address and thus could be completed relatively easily. Even with such a small jurisdiction, it took .67 PY to complete the review. In 1990, the Commission next conducted a review of the City of Sand City LCP. While this also was a jurisdiction that did not have major post-certification permitting activity or amendments, it did raise a few controversial resource issues of some complexity. This review took about .8 PY to complete.

After Sand City, continued periodic reviews were postponed due to staffing limitations. Then in 1991, amendments to the federal Coastal Zone Management Act created a program for states to obtain special grant funds designed to enhance their coastal programs based on an assessment of program needs and an adopted 5 year strategy to

¹ Sedway Cooke Associates, *Consultant's Recommendations for California Coastal Commission LCP Review Program*, January 1986.

² Hughes Heiss & Associates, *Consultant Recommendations for California Coastal Commission, Staffing Issues Related to Enforcement and LCP Review Programs*, February 1986.

improve their state management programs. The Commission undertook the assessment in 1992 and found, in part, that the inability of the Commission to undertake periodic reviews of LCPs was an impediment to effectively managing cumulative impacts to coastal resources through the LCPs. The Commission's adopted Strategy in 1992 established a multi-year work program to conduct a pilot regional periodic review and from that develop a new regional cumulative impacts management process based on the Commission's mandate to review implementation of LCPs. The Commission's strategy also encompassed other legislative and regulatory changes to institutionalize the new process.

Based on this strategy, and with federal funding, the Commission developed the Regional Cumulative Assessment Project (ReCAP). The Commission completed a pilot regional review of the LCPs in the Monterey Bay area (including 7 certified jurisdictions) and developed a Guidance Manual for staff describing the steps to complete a regional periodic review. While the ReCAP process can be applied to review of a single LCP jurisdiction, the strength of the program is in the efficient review of LCPs for cumulative impacts issues and issues of regional concern. This new way of undertaking periodic reviews was intended:

- 1) to offer the Commission a targeted way to undertake LCP reviews, recognizing that the Commission was unlikely to ever have sufficient resources to review *every* single LCP *every* 5 years; and
- 2) to shift focus of the review to resource impacts, emphasizing issues that are in the collective interest of the local governments in the overall region to address. By moving beyond emphasizing only specific changes to a single local government's regulatory authority, it was hoped local governments would be more inclined to address recommendations resulting from the review.³

Based on the Monterey Bay ReCAP, this guidance manual included estimates of time and staff resources to undertake an "average" regional review, assuming the review of three major statewide issues and the implementation of three LCPs. Described in Attachment A, staff estimated in 1997 that the review of three LCPs would require 3.2 PY. By contrast, in carrying out the recent Santa Monica Mountain/Malibu ReCAP, approximately 3.6 PY were required to complete the review. A comparison of these various staffing estimates is shown in Attachment A.

Preliminary cost estimates for undertaking a Regional Periodic Review of the Local Coastal Programs in the San Luis Obispo County area

These preliminary estimates reflect the cost of undertaking a regional periodic review for the area covering not only the coastal permit jurisdiction area of San Luis Obispo County, but also the area lying within the Cities of Morro Bay, Pismo Beach and Grover

³ The California Coastal Commission's *Enhancement Grant Strategy*, March 26, 1992.

Preliminary cost estimates for undertaking a Regional Periodic Review of the Local Coastal Programs in the Monterey County area

The process for undertaking the Monterey ReCAP would likely be less extensive than in San Luis Obispo County given the completion of the pilot ReCAP project in the region in 1995 which included areas of the county north of Carmel, and the Sand City Periodic review completed in 1990. Much historical data was already captured as a result of that project. Evaluation tasks would focus on updating information from 1994-1998, reviewing issues in the southern county and Big Sur as well as the northern county and evaluating post-certification permitting and implementation under the LCPs for the County and the Cities of Marina and Sand City. As a result, staffing estimates could be reduced to 1.5 PY for the Monterey LCP Review. Staff estimates the following budget:

Personal Services	1.5 CPA II	Monterey Co. + 2 cities
	Salary	\$72,000
	Benefits	\$19,125
Total		\$ 91,125

Prior staffing estimates for Periodic Review projects

ATTACHMENT A

Project or report	<i>Hughes-Heiss/Sedway Cooke Report on Staffing related to LCP Review (1985)</i>	<i>City of Trinidad 5 year review (Feb-Aug 1989)</i>	<i>City of Sand City 5 year review (1990)</i>	<i>ReCAP Guidance Manual (estimates based on experience of Monterey ReCAP)(1997)</i>	<i>Santa Monica Mountains/Malibu ReCAP (11/98)</i>	<i>SLO North Coast Update LCP Amendment review (1997)</i>
Estimated (or actual) staff time	780 staff hours per review =.4 py/review; est. from 14 to 23 total additional FTE (fulltime equivalents) needed for ongoing post-certification review workload	8 months= .67 py	.8 py	760 staff days= 3.2 py	882 staff days =3.6 py	Aug 97-Jan 98 220 staff days = .92 py
Assumptions/ Comments	Staff time for suggested initial local meetings and conduct of an LCP review of average complexity and ongoing monitoring between reviews. Assumes staff will review every LCP every 5 years from date of certification. Classified reviews into low, average and high complexity.	LCP had low permit activity and low complexity; chosen as easy one to start to test process.	Small city without much post- certification permit activity but controversy and significant resource issues and complexity.	Pilot project to develop regional process; manual contains staff estimates and assumes review of 3 jurisdictions and three major issues; Based on data from regional review of several LCPs in Monterey Bay area; pilot ended short of completing full periodic review of implementation.	Addressed 3 jurisdictions and three issues reviewed; GIS developed; not a certified LCP review of local implementation because large area not yet certified;	Addressed North Coast portion of San Luis Obispo County

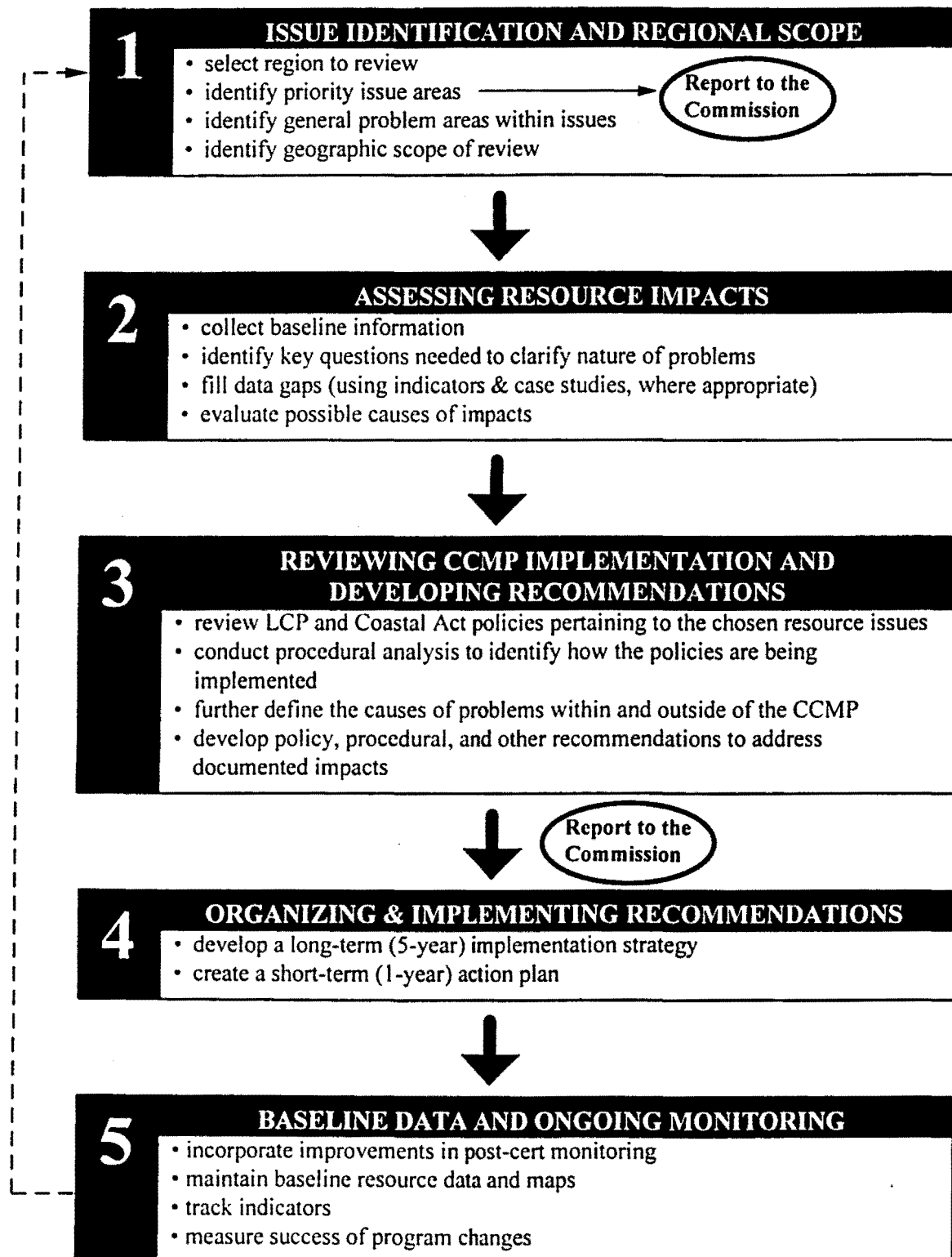
ATTACHMENT B

Summary of Post- Certification Activity for the top 5 Priority Periodic Review counties (including cities).

<i>Priority jurisdictions</i>	<i>(Cities within counties)</i>	<i>CCC Agenda Permits 83-94</i>	<i>Local permits thru 6/98</i>	<i>statewide appeals</i>	<i>LCP amendments</i>
San Luis Obispo County		1449	2359	30	29
	City of Morro Bay	114	1027	14	23
	City of Pismo Beach	63	577	16	12
	City of Grover Beach	0	73	1	0
	subtotals	1563	4036	61	64
	% of statewide totals	9%	20%	6%	7.00%
Monterey County		840	1677	25	22
	City of Marina	5	34	2	4
	City of Sand City	6	67	5	9
	subtotals	851	1778	32	35
	% of statewide totals	5%	9%	3%	4.00%
Santa Barbara County		216	1650	37	59
	City of Guadalupe	0	0	0	0
	City of Santa Barbara	85	170	6	15
	City of Carpinteria	18	125	5	23
	subtotals	319	1945	48	97
	% of statewide totals	2%	10%	5%	10.00%
San Mateo County		382	897	30	37
	City of Daly City	51	0	0	0
	City of Pacifica	1	58	2	12
	City of Half Moon Bay	291	33	1	7
	subtotals	725	988	33	56
	% of statewide totals	4%	5%	3%	6.00%
Mendocino County		1001	562	17	27
	Ft. Bragg	67	301	7	9
	Pt. Arena	11	160	2	11
	subtotals	1079	1023	26	47
	% of statewide totals	6%	5%	3%	5.00%
	Total	4537	9770	200	299
		<i>equals</i> 28% <i>of all permits</i>	<i>equals</i> 49% <i>of all local permits</i>	<i>equals</i> 45% <i>of all appeals</i>	<i>equals</i> 32% <i>of all amendments</i>

Overview of the Regional

Chapters / Steps



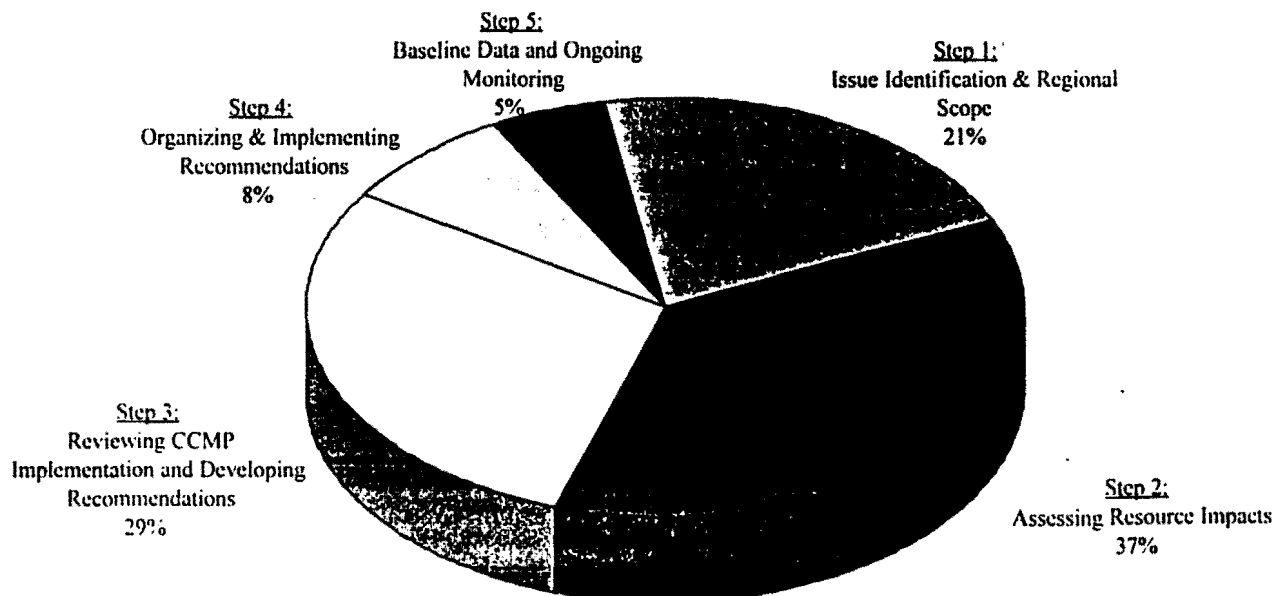
Periodic Review Process

Approximate Timeline

CH	STEPS (and estimated staff days required based on ReCAP pilot)	MONTHS *									
		1	2	3	4	5	6	7	8	9	10
1	Issue Identification and Regional Scope (approx. 160 staff days)										
	* select region to review										
	* identify priority issue areas;										
	* identify specific problem areas within issues (using outreach);										
	* identify geographic scope of review										
2	Assessing Resource Impacts (approx. 280 staff days)										
	* collect regional development trend information ("pre-review data");										
	* identify key questions needed to clarify nature of problems (analytical matrix);										
	* data collection (using indicators & case studies, where appropriate)										
	* evaluate possible causes of impacts.										
3	Reviewing CCMP Implementation and Developing Recommendations (approx. 220 staff days)										
	* review LCP and Coastal Act policies pertaining to the chosen resource issues										
	* procedural analysis to identify how the policies are being implemented;										
	* further defining the causes of problems within and outside of the CCMP;										
	* developing policy, procedural, and other recommendations to address impacts.										
4	Organizing & Implementing Recommendations (approx. 60 staff days)										
	* develop a long-term (5-year) implementation strategy;										
	* create a short-term (1-year) action plan.										
5	Baseline Data and Ongoing Monitoring (approx. 40 staff days)										
	* incorporate improvements in post-cert monitoring;										
	* maintain baseline resource data and maps;										
	* track indicators;										
	* measure success of program changes.										

* Time estimates are based on a staff load of 3-1/2 to 4 persons full time.

Approximate Distribution of Staff Effort (760 staff days total)



Beach. While the Commission identified the County of San Luis Obispo as the highest priority jurisdiction to review and did not identify these three cities as being a high priority, the basic concept of the Regional Cumulative Assessment Project is to address Local Coastal Program implementation in a logical geographic area, where a regional evaluation of key issues can be conducted. Thus, the Monterey Bay ReCAP study conducted in 1995 addressed issues in the seven jurisdictions with certified LCPs adjacent to Monterey Bay.

Furthermore, an advantage of including the three cities in addition to San Luis Obispo County in a ReCAP review is that it would offer an opportunity for efficiently conducting several reviews, all of which are overdue. The LCPs for the three cities within San Luis Obispo County were all certified 9 years ago. A regional review for these four jurisdictions would evaluate the implementation of roughly 4,036 post-certification local coastal permits, 61 Commission appeals and 64 LCP amendments. As noted in Attachment B, this would cover about 20% of all local post-certification permits reported statewide, 14% of all statewide appeals and 7% of LCP amendments reviewed statewide.

A regional review for this area could also take advantage of data and information already developed in conjunction with a number of recent regional planning efforts in the area, (e.g. the Morro Bay National Estuary Project and the Commission WATER project), and would build on current efforts by local jurisdictions to update their plans.

These cost estimates are based on reviewing approximately three major issue areas. The Commission's review of the North Coast Update to the San Luis Obispo County LCP in January, 1998 identified a number of potential issues of importance, including provision of adequate services to new development; location of urban/rural boundaries; protection of visual resources, coastal agriculture, and environmentally sensitive habitat areas; and provision of adequate public access to the coast. Identification of the specific issues to be addressed in any ReCAP project would occur during the review process itself, of course, and the cost of undertaking a Periodic Review could vary to some extent depending on the number and nature of the issues to be reviewed.

The length of time required to conduct a periodic review is somewhat flexible. For instance, the 3.5 PYs estimated here to be required could be allocated theoretically over the course of one year, or alternatively 1.75 PYs could be devoted to the project over a two-year period.

The major tasks that would be required in a potential Periodic Review are outlined below and in Attachment C. This statement of tasks mirrors the steps outlined in the ReCAP Guidance Manual⁴.

⁴ California Coastal Commission, *Procedural Guidance Manual: Conducting Regional Periodic Reviews*, January 1997.

Regional Periodic Review Process -- Approximate Timeline											
STEPS		MONTHS *									
		1	2	3	4	5	6	7	8	9	10
1	Issue Identification and Scoping (approx. 160 staff days)										
	* initial outreach meetings	■									
	* identify priority issue areas	■	■								
	* identify specific problem areas within issues (using outreach)		■	■							
	* identify geographic scope of review		■								
2	Assessing Resource Impacts (approx. 220 staff days)										
	* collect regional development trend information	■	■								
	* identify key questions to evaluate	■	■	■							
	* data collection (using indicators & case studies, where appropriate)		■	■	■						
	* evaluate causes/factors contributing to impacts			■	■						
3	Reviewing CCMP Implementation and Developing Recommendations (approx. 280 staff days)										
	* review LCP policies pertaining to the chosen resource issues				■	■	■				
	* analysis to identify how the policies are being implemented				■	■	■	■			
	* further defining the causes of problems within and outside of the LCPs					■	■	■			
	* developing policy, procedural, and other recommendations to address impacts						■	■	■		
4	Organizing & Implementing Recommendations (approx. 60 staff days)										
	* public hearing and adoption/transmittal of recommendations								■	■	■
	* develop action plan to carry out recommendations								■	■	■
5	Maintenance/Sharing of Baseline Data and Ongoing Monitoring (approx. 40 staff days)										
	* maintain baseline resource data and maps										
	* track indicators										
	* measure success of implementing recommendations										

Completion of these steps is estimated to take 760 staff days, or approximately 3.5 PY. Included in this estimate are costs associated with public outreach meetings, extensive data collection, development of spatial information using a geographic information system (where feasible), and production of maps, graphics and reports. If framework data are not available from existing sources, purchase of data sets may be required. Overhead costs are also included in this estimate.

Given Commission staff experience with prior ReCAP projects, a budget of \$197,250 is proposed to conduct a regional periodic review of the San Luis Obispo LCP, the Morro Bay LCP, the Pismo Beach LCP and the Grover Beach LCP. If the Commission were to choose to conduct a review of the County's LCP alone, staff estimates that the budget could be reduced to 1.0 PY, with a cost of \$60,750.

Personal Services	3.0 CPA II .5 intern	SLO Co. + 3 cities	1 PY option for SLO Co. review only
	Salary	159,000	48,000
	Benefits	38,250	12,750
Totals		\$197,250	\$60,750