CALIFORNIA COASTAL COMMISSION CENTRAL COAST DISTRICT OFFICE

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APPLICATION NUMBER: A-3-SLO-98-074 APPLICANT: THOMAS KING **PROJECT LOCATION:** 3610 Studio Drive, Cayucos, San Luis Obispo County, APN: 064-449-030 PROJECT DESCRIPTION: Construction of a new single family dwelling and a new shoreline protective structure, and a variance to reduce the required blufftop setback from 25 feet to 7.5 feet. FILE DOCUMENTS: County of San Luis Obispo certified Local Coastal Program, Administrative Record for County permits D930100P and D960285V, and file for Coastal Development Permit 4-83-479. COMMISSIONERS ON PREVAILING SIDE: Allen, Armanasco, Detloff, Flemming, Johnson, Giacomini, Rose, Tuttle, Wan, and Areias

STAFF REPORT: REVISED FINDINGS

SUMMARY OF COMMISSION ACTION

On December 8, 1998, by a vote of 10 to 0, the Commission approved development of a single family dwelling on this parcel subject to special conditions that required that the proposed house be set back 25 feet from the bluff, approval of drainage plans by the County and the Executive Director, and prohibition of any future seawall on this parcel unless it will be part of an area wide solution to bluff erosion in the vicinity of the project. The revised language is on pages 4, 5, and 8, and is shown in **bold, italic, underlined** font.

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I. STAFF RECOMMENDATION

Staff recommends that the Commission confirm the following conditions and adopt the following findings in support of its approval of the project on December 8, 1998.

II. ADOPTED CONDITIONS

A. Standard Conditions

1. <u>Notice of Receipt and Acknowledgment.</u> The permit is not valid and development shall not commence until a copy of the permit, signed by the permitee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.

2. <u>Expiration</u>. If development has not commenced, the permit will expire two years from the date this permit is reported to the Commission. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.

3. <u>Compliance</u>. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.

4. <u>Interpretation</u>. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.

5. <u>Inspections.</u> The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.

6. <u>Assignment</u>. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.

7. <u>Terms and Conditions Run with the Land</u>. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

B. Special Conditions

1. Revised Plans

PRIOR TO TRANSMITTAL OF THE COASTAL DEVELOPMENT PERMIT, permittee shall submit two copies of revised plans to the Executive Director for review and approval. The revised plans shall show the proposed house set back a minimum of 25 feet from the bluff edge and without a seawall, rock armor or other shoreline protection device. The revised plans shall incorporate whatever revisions are necessary to the house design to accommodate the drainage easement mentioned in Special Condition 3, below.

2. County Approval

PRIOR TO TRANSMITTAL OF THE COASTAL DEVELOPMENT PERMIT, permittee shall provide the Executive Director with evidence that the revised plans have been reviewed and approved by San Luis Obispo County.

3. Drainage

PRIOR TO TRANSMITTAL OF THE COASTAL DEVELOPMENT PERMIT, permittee shall submit to the Executive Director, for review and approval, a copy of a County-approved drainage easement, including all drainage improvement plans. The drainage system shall ensure that drainage shall be managed on-site and that runoff does not adversely affect adjoining properties and shall include an energy dissipater at its outlet onto the beach.

4. Assumption of Risk

PRIOR TO TRANSMITTAL OF THE COASTAL DEVELOPMENT PERMIT, applicant shall execute and record a deed restriction, in a form and content acceptable to the Executive Director, which shall provide: (a) that the applicant understands that the site may be subject to extraordinary hazard from shoreline erosion and the applicant assumes the liability from such hazards; and (b) the applicant unconditionally waives any claim of liability on the part of the Commission or its successors in interest for damage from such hazards and agrees to indemnify and hold harmless the Commission, its officers, agents, and employees relative to the Commission's approval of the project for

any damage. The document shall run with the land, binding all successors and assigns, and shall be recorded free of prior liens thought by the Executive Director to affect its enforceability.

5. Effect on County Conditions

This Coastal Commission action has no effect on conditions imposed by San Luis Obispo County pursuant to an authority other than the California Coastal Act.

6. Future Bluff Shoreline Protective Devices

PRIOR TO THE ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the permittee shall execute and record a deed restriction against parcel 064-449-030 in a form and content acceptable to the Executive Director, which shall provide that no bluff or shoreline protective devices such as seawalls or retaining walls shall be permitted to protect ancillary improvements or the principal structure(s), unless such device is proposed and approved by the Commission as part of a comprehensive project that addresses the need for shoreline protection, as well as appropriate structure design, along the entire length of the Studio Drive neighborhood of Cayucos. The document shall be recorded free of all prior liens and encumbrances and shall run with the land and bind all successors and assigns.

III. RECOMMENDED FINDINGS AND DECLARATIONS

A. Project Location and Description

The site of the proposed project is a lot on the seaward side of Studio Drive at the southern end of the community of Cayucos in San Luis Obispo County, about one mile north of the City of Morro Bay (see Exhibits 3 and 4). The 3400 Square foot vacant lot is about 40 feet wide, 75 feet long on the north side, and 90 feet long on the south side. It has a drainage swale running almost its entire length. The swale is the result of many years of runoff from neighboring areas being directed through pipes which daylight on the inland side of the lot. For about half its length, the swale is lined with concrete. Beyond the concrete, the swale becomes a gully that continues to the bluff that is about 15 to 20 feet high. Up to nine feet of non-engineered, uncompacted fill was placed on the lot in the early 1960s, likely during the widening of Highway One to four lanes. The surface elevation of the lot is comparable to that of the adjoining lots. Some of the fill material is large chunks of sandstone; according to the applicant those on the seaward face of the bluff have functioned as a non-engineered seawall. At the base of the bluff is a wide sandy beach with a few rock outcroppings. Riprap seawalls protect existing houses on both sides of the subject lot and on many of the other lots in the neighborhood. Many of these were illegally constructed in response to the large storms of 1983. Please refer to de novo finding number 1, below, for further discussion of these seawalls.

The subject lot is one of the few remaining undeveloped lots in the Studio Drive neighborhood. The applicant applied for and was granted a permit (never exercised) by the Coastal Commission in 1986 for the construction of a 2550 square foot, two story, single family dwelling with a bluff setback of 18.75 feet and no shoreline structure. The geology report for the site, dated June 26, 1985, determined an average bluff retreat rate of 3 inches per year, and that "On the basis of a 3 inch per year retreat rate, a 75 year bluff retreat of 18.75 feet can be assumed. No foundations shall be constructed within 18.75 feet of the bluff." The 1985 plans for the house show no part of it closer than 18.75 feet to the bluff edge and the foundation is shown as being no closer than 24 feet to the bluff edge.

Now the County has approved a coastal development permit and side setback and blufftop setback variances for a single family dwelling and a riprap seawall. The seawall is proposed to be a riprap structure keyed into the bedrock at the base of the bluff and extending to the top of the bluff, a vertical distance of about 15 to 20 feet. As approved by the County, the seawall would tie into the existing walls on either side. It would be significantly higher up the bluff face than the existing seawall on the south and about even with the one on the north. The cross-section shows that the wall would extend horizontally onto the beach about 10 feet. It may also encroach onto State Park property (perhaps as much as 20 feet?), although no property surveys have been done for this application to determine the exact location of the seaward property line. Please see Exhibit 7 for a cross-section of the proposed riprap seawall.

B. Seawalls, Drainage, and Public Access and Recreation

1. New Development, Blufftop Setback, and Seawalls

The LCP's general policy is that new development be set back from ocean bluffs a distance that would provide for protection from erosion for a minimum of 75 years (LCP Hazards Policy 6). As discussed above, the San Luis Obispo County LCP, in the Estero Area Plan, specifically requires a *minimum* 25 foot setback from the bluff edge in this area of Cayucos. Setbacks are necessary to protect structures from erosion of the coastal bluff for the life of the structure. On a site that has a relatively low bluff (15 – 20 feet) as this site has, the required 25 foot setback also provides protection from the damaging effects of waves, *generated by large storms*, that may overtop the bluff. In this case, the County approved a new house, a new seawall, and a variance to allow the house to be as close as 7.5 feet to the edge of the bluff. The applicant requested a variance to allow him to have his house at essentially the same distance back from the bluff edge as his neighbors' houses. His reason is that that would allow him to enjoy the same views his neighbors have and would allow for a larger house than could be built if set back 25 feet. However, as discussed below, there is no basis for a variance and seawalls are not allowed by the LCP in this circumstance.

a. No Basis for a Variance

A variance can be approved only when the approving body makes five findings, as required by the Government Code. The five findings, as listed in Coastal Zone Land Use Ordinance Section 23.01.045 of the LCP, are as follows:

- 1. The variance authorized does not constitute a grant of special privileges inconsistent with the limitations upon other properties in the vicinity and land use category in which such property is situated; and
- 2. There are special circumstances applicable to the property, related only to size, shape, topography, location, or surroundings, and because of

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these circumstances, the strict application of this title [the Coastal Zone Land Use Ordinance] would deprive the property of privileges enjoyed by other property in the vicinity that is in the same land use category; and

- 3. The variance does not authorize a use that is not otherwise authorized in the land use category; and
- 4. The variance is consistent with the provisions of the Local Coastal Program; and
- 5. The granting of such application does not, under the circumstances and conditions applied in the particular case, adversely affect public health or safety, is not materially detrimental to the public welfare, nor injurious to nearby property or improvements.

The findings made by the County are paraphrased as follows. They can be read in their entirety on page 13 of Exhibit 2.

- 1. No special grant of privileges inconsistent with limitations on other properties in the vicinity and land use category are authorized because single family dwellings are an allowed use in the residential single family land use category.
- 2. There are special circumstances that apply to the property. These are that an open drainage swale 3 8 feet deep runs through the site and there is uncompacted fill on the site.
- 3. Although the LCP does not allow construction of a seawall with new development, a seawall will be constructed as recommended in a geology report that stated that the bluff could erode several feet at one time in an intense storm, that the existing seawalls to the north and south contribute to accelerated bluff erosion by deflecting wave energy onto the subject site, and that a bluff protection structure is recommended.
- 4. The variance does not authorize a use not otherwise authorized in the land use category because single family residences are allowed uses in the residential single family category.
- 5. The variance is consistent with the LCP.
- 6. The granting of the variance dos not adversely affect public health or safety, is not detrimental to public welfare, nor injurious to nearby property or improvements because the project is subject to building codes.

Finding number 1 and finding number 4 are based on single family residences being allowed uses in the residential single family land use category. While this is true, this is not a situation, for example, of a simple reduction of a rear yard setback so as to allow development of a house which otherwise could not be reasonably developed. The setback reduction here is a bluff top setback reduction made possible <u>only</u> because a seawall would be constructed along with the house. The variance is not necessary to be able to develop the parcel. In addition, all similarly situated vacant lots in Cayucos are held to the same setback standards.

Finding number 2 appears to indicate that the drainage swale running through the parcel makes it necessary to reduce the bluff setback in order to develop the site. The County's findings contain no substantiation of a need to reduce the bluff setback based on the existence of the swale nor is there any logical connection between the existence of the swale and the bluff setback.

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Findings 3 and 5 are contradictory. Finding number 3 clearly acknowledges that the LCP does not allow the construction of seawalls with new development. Yet the finding says a seawall will be constructed because a geology report indicates that, despite the average erosion rate, an intense storm could erode several feet of the bluff at one time and that the existing seawalls on either side of the parcel contribute to erosion of its bluff. Finding number 5 states that the variance is consistent with the LCP. A variance cannot be granted unless the approving body determines, by making the required findings, that the variance satisfies the criteria of the Government Code. Here, the Government Code requires a finding that the variance is consistent with the LCP. Clearly, the variance is not consistent with the LCP since the LCP does not allow seawalls with new residential development.

There is no substantiation for Finding number 6. It may very well be that the variance will not adversely affect public health or safety or be detrimental to the public welfare or injure nearby property or improvements, but no case has been made to support such a finding.

Summarizing, there is no basis for a variance that would allow the house to be built as close as 7.5 feet to the bluff edge. The existence of the drainage swale and uncompacted fill do not necessitate a variance to the required bluff setback so that a house can be built, the findings are contradictory, and the variance is clearly inconsistent with the LCP.

b. Seawalls not Allowed in New Development

As discussed above, the San Luis Obispo County LCP allows shoreline structures only for existing development. It specifically prohibits new development that needs a shoreline structure in order to be developed and new development that includes a seawall (Hazards Policy 1 and Coastal Zone Land Use Ordinance Section 23.05.090). This project, which is new development on a vacant lot, was approved with a shoreline protective device. This directly conflicts with the requirements of the LCP, and cannot be approved.

Up to nine feet of non-engineered, uncompacted fill was placed on the lot in the early 1960s, likely during the widening of Highway One to four lanes. Some of the fill material is large chunks of sandstone; according to the applicant those on the seaward face of the bluff have functioned as a non-engineered seawall and his proposal would merely remove the existing non-engineered "seawall" and replace it with an engineered seawall. However, all bluffs function as non-engineered seawalls. To accept the applicant's argument would be tantamount to sanctioning the construction of a seawall with every new house proposed to be built on a blufftop parcel. The existing fill material is not a seawall just as any existing bluff is not a seawall. Nor does this project constitute repair, maintenance, or replacement of an existing seawall. The applicant has chosen a house design that necessitates removal of most of the nine feet of fill on the parcel. This would entail removing the material constituting the bluff face. The applicant could, by modifying the house design, including moving it landward to comply with the LCP-required minimum setback, do away with any need to remove the bluff face material.

This site could be developed with an adequately sized single family home similar to those in the neighborhood. As approved by the County, the house would be approximately 3500 square feet (2730 square feet living area, 770 square feet garage), slightly larger than the lot and resulting in \pm 65 percent site coverage. If the house was set back the required 25 feet, a home of \pm 2337.5 square feet could be constructed on this site consistent with design policies for the area and without a seawall.

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According to one of the geologic reports

The existing rip-rap bluff protection structures located to the north and south of the subject property contribute to accelerated bluff erosion. The accelerated erosion results when sea waves are deflected off the ends of these structures, and onto the subject bluff....

In order to reduce bluff erosion, a bluff protective structure is recommended.

However, a site visit and review of photos of the bluff face do not reveal any extraordinary erosion near the ends of the existing seawalls. While no one disputes that a seawall reduces bluff erosion, a seawall is not needed on this site because the beach below the site is a fairly wide, relatively low energy beach so that wave energy, except in large storms, is greatly dissipated before it reaches the bluff. In addition, there is no evidence of imminent hazard and there are no structures at risk.

However, in addition to the fact that no evidence of imminent hazard at this site has been presented by the applicant, a site visit and review of photos of the bluff face do not reveal any extraordinary erosion near the ends of the existing seawalls. Indeed, the beach below the site is a fairly wide, relatively low energy beach so that wave energy, except in large storms, is greatly dissipated before it reaches the bluff. (It should be noted, of course, that notwithstanding the relatively low energy character of this beach, the required 25 foot setback is still needed to allow for natural erosion of the shoreline at this location, as well as to provide a setback from the occasional high energy storm that could lead to waves overtopping the bluff and impacting any development that was too close to the bluff edge.)

Finally, while it is true that riprap seawalls protect existing houses on both sides of the subject lot and on many of the other lots in the neighborhood, many of these were illegally constructed in response to the large storms of 1983. Commission files indicate that in excess of 20 seawalls were illegally constructed after the 1983 winter storms. Commission staff held a meeting in Cayucos to which all of the owners of the illegal seawalls were invited, in order to facilitate submittal of permit applications. Preliminary research suggests that a number of applications were received and approved. However, further research is needed to establish the status of adjoining seawalls and other seawalls in the vicinity of the project. In other words, the status of the adjacent seawalls cannot, at this time, be considered one way or another in this appeal. Rather than approving seawalls for protection of structures on a lot-by-lot basis, there needs to be a program developed to address legality of existing seawalls, cumulative effects of seawalls on coastal resources, and erosion and protection of structures along all of the Cayucos bluffs.

Specific to the subject property, no seawall is approved at this time and no future seawall will be allowed unless it is needed to protect structures from imminent hazard, is the only feasible alternative and complies with all relevant requirements of the LCP and will be part of a comprehensive program for the entire Studio Drive neighborhood addressing bluff erosion and the legality of existing seawalls.

In conclusion, the LCP is very clear in requiring a 25 foot blufftop setback (or more) along the Cayucos waterfront. In this case, no more than 25 feet is needed for LCP conformance,

because the 25 foot standard exceeds the minimum 18.75 foot erosion setback specified by the geotechnical data for this lot. Finally, and most importantly, through project redesign, the proposed residential use can be feasibly shifted landward a sufficient distance to both avoid the need for a seawall and to meet the LCP's 25 foot blufftop setback standard. As conditioned to require such redesign, the project will conform to the applicable LCP sections cited above.

2. Drainage

From all accounts, when Highway One was widened to four lanes in this area in the early 1960s, some material from cuts was placed on the site, apparently as part of the installation of drainage pipes and to reduce erosion from the drainage directed onto the site. From the northeastern edge of the lot, where the drainage pipes empty onto the lot about half way down the length of the lot, runoff is carried in a concrete-lined swale. The runoff flows in an unlined swale the rest of the way to the bluff edge where it flows down the bluff face and onto the beach. The applicant proposes to convey the runoff entirely in a pipe through his property on the north side of the lot. Since the parameters of the drainage situation are not known, including what effect, if any, there might be on adjoining properties, the applicant must provide that information prior to issuance of a coastal development permit (Hazards Policy 2 and Coastal Zone Land Use Ordinance Section 23.05.050). This permit is conditioned to require the applicant to submit drainage plans as well as a copy of a County-approved drainage easement, to ensure maintenance of the rerouted drainage.

3. Public Coastal Access and Recreation

Although none of the appellants stated any contention with the County's action relative to access, for projects located between the sea and the first public road paralleling the sea, Section 30604(c) of the Coastal Act requires that a finding must be made by the approving agency, whether the local government or the Coastal Commission on appeal, that the development is in conformity with the public access and public recreation policies of Chapter 3 of the Coastal Act.

a. Applicable Policies: Coastal Act Section 30210. In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30211. Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Section 30212. (a) Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where: (1) it is inconsistent with public safety, military security needs, or the protection of fragile coastal resources, (2) adequate access exists nearby...

Section 30221. Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.

LCP: Shoreline Access Policy 2, New Development. Maximum public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development. . . .

Coastal Zone Land Use Ordinance (CZLUO) Section 23.04.420, Coastal Access Required. Development within the Coastal Zone between the first public road and the tidelands shall protect and/or provide coastal access as required by this section....

d. Type of Access Required:

(1) Vertical access:

(I) Within an urban or village area where no dedicated public access exists within one-quarter mile of the site. . . .

(3) Lateral Access Dedication. All new development shall provide a lateral access dedication of 25 feet of dry sandy beach.

b. Analysis

Currently, there is vertical access within one-quarter mile of the site. Two lots to the south (about 80 feet) is an unimproved dirt trail leading to the beach. Six lots to the north (about 240 feet) is an improved accessway, so no vertical access is required to be provided by this project. Since the beach is owned by the Department of Parks and Recreation as part of Morro Strand State Beach, lateral access for the public is already guaranteed. Although the County conditioned the project to require the applicant to record an offer to dedicate lateral access, the Commission finds that a dedication of lateral access is not needed since the beach is owned by State Parks. However, as proposed, the revetment would cover approximately 400 square feet of beach. Surveys have not been done to establish whether or not the revetment would be on State Parks property, although it may well be since it would be located on sandy beach which, by most accounts, is State Parks property. If so, an encroachment permit would be needed from State Parks. More important, mitigation for the impact of the project on sandy beach would be needed as well. Such mitigation has not been provided in the project, nor discussed in the County's findings (except for the probably unnecessary lateral access dedication). This is inconsistent with the public access policies of the Coastal Act. In any event, because the revetment is not allowable under the LCP, nor necessary to avoid erosion hazards, the impacts to the public access are avoidable. As conditioned, therefore, to prohibit the revetment, the project is consistent with the public access policies. Finally, because the site is a small residential lot in an area designated for residential use and developed with residences, commercial recreational activities would not be appropriate on this site. Therefore, the lot need not be reserved for public or commercial recreational use. Therefore, as conditioned by the Commission, the proposal is consistent with Coastal Act sections 30210, 30211, and 30212 regarding public access and with Coastal Act section 30221 regarding public recreation.

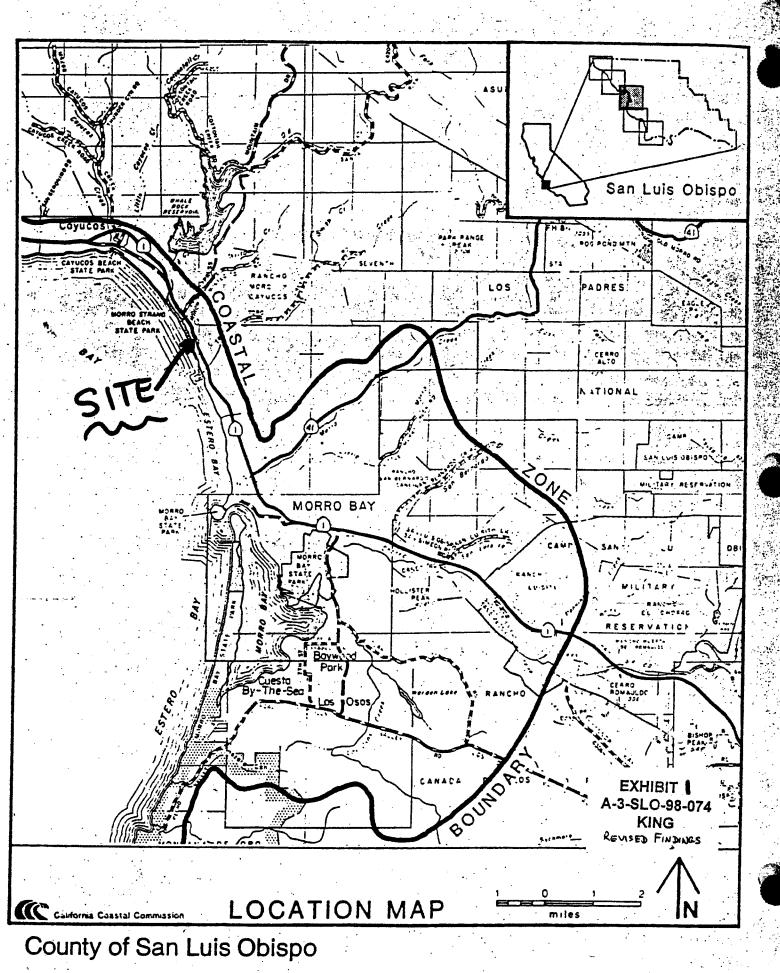
IV. California Environmental Quality Act (CEQA)

Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with coastal development permit applications showing the application to be consistent with any applicable requirements of CEQA. Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effects which the activity may have on the environment. The Coastal Commission's review and analysis of land use proposals has been certified by the Secretary for Resources as being the functional equivalent of environmental review under CEQA.

The County's action of this project included environmental review by means of a negative declaration approved by the Board of Supervisors on July 7, 1998. This report has examined a variety of issues in connection with the environmental impacts of this proposal.

An alternative project design has been identified which would eliminate the need for a seawall and would better conform the project to the LCP's requirements for public view protection and small scale design neighborhoods. This permit has been conditioned to require such alternative design. Accordingly, the Commission finds that only as modified and conditioned by this permit will the proposed project not have any significant adverse impacts on the environment within the meaning of CEQA.

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