

CALIFORNIA COASTAL COMMISSION

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January 27, 2000

TO: Commissioners and Interested Parties

FROM: Tami Grove, District Director
Charles Lester, District Manager
Steve Monowitz, Coastal Planner

SUBJECT: **SAN LUIS OBISPO COUNTY LOCAL COASTAL PROGRAM MAJOR AMENDMENT NO. 1-99**. For public hearing and Commission action at its meeting of February 16, 1999, to be held at the Quality Resort - Mission Valley, 875 Hotel Circle South, San Diego.

SYNOPSIS

The purpose of the proposed amendment is to expand the types of uses allowed in the upland area within the Port San Luis Harbor District's jurisdiction known as the Harbor Terrace (please see Exhibit 2 for a location map). Currently, the San Luis Obispo County certified Local Coastal Program (LCP) allows long-term parking for general visitor-serving use, Harbor District storage and maintenance yard, secured boat storage for commercial fisherman and recreational boats, and a campground on the remaining portion of the site. The proposed amendment would expand the types of uses allowed on the site by adding a range of "Harbor" uses. In addition to campgrounds, Harbor uses include a variety of commercial establishments that serve fisherman, boaters, and visitors, as described in more detail on pages 19 - 22 of this report

The intent of this amendment is to accommodate the future development of hotel and commercial retail uses on the site, which will be balanced with the provision of facilities serving coastal access and boating and fishing uses. As proposed, the amendment would allow for an amount of hotel, retail, and restaurant development "that equals up to the traffic generation of no more than 147 guest units and 20,000 square feet of commercial space". According to the Harbor District, this development is being pursued in order to achieve the financial security necessary to maintain and improve harbor facilities and public services over the long-term¹. An economic feasibility study previously conducted by the Harbor Commission concluded that a RV park and campground would not generate sufficient revenues to meet the Harbors financial needs². In addition, a previous attempt by the Harbor District to develop a RV/Campground facility on the Harbor Terrace site was met with substantial public opposition.

In order to ensure that future development of the Harbor Terrace site takes place consistent with resource constraints such as slope stability, water quality, scenic and biological resources, and public

¹ November 3, 1998 letter from the Harbor District Board of Commissioners to the San Luis Obispo County Board of Supervisors.

² ibid

service limitations (i.e., traffic, water, and wastewater treatment capacities), the amendment includes specific development criteria. These include requirements for landscaping plans that utilize native plant species, requirements for grading plans that incorporate specific provisions to minimize sedimentation and avoid sensitive habitats, archaeological field surveys, and other measures intended to protect coastal resources, coastal dependent uses, and to facilitate public access and recreation.

SUMMARY OF STAFF RECOMMENDATION

Staff recommends that the Commission **approve** the proposed amendment **with modifications** that ensure future hotel and commercial development will not interfere with the provision of adequate facilities necessary to serve commercial fishing, recreational boating, and coastal access and recreation. This is achieved by requiring that any proposal for future development identify specific areas of the site that will be reserved to accommodate facilities needed to support fishing, boating, access and recreation uses. At a minimum, 28,000 square feet of fisherman storage, 62 spaces for trailer boat storage, 26,000 square feet for Harbor storage, 38 public parking spaces, and 15,500 square must be identified in future development proposals. These coastal dependant uses must be located on the lower western portion of the site in order to maximize their proximity to the ocean and other harbor facilities. The extent of harbor related facilities called for by the modifications is consistent with the Port San Luis Master Plan, and has been coordinated with existing users of the harbor by the Port District to ensure that existing and future needs will be met.

To further protect Coastal Act priority uses, the modifications restrict commercial development on the Harbor terrace site to that which serves coastal dependent (i.e., harbor) or visitor-serving (i.e., hotel, campground, or hostel) uses. Only with these modifications can the amendment be found to be consistent with Coastal Act Section 30234 protecting facilities that serve commercial fishing and recreational boating; Section 30223 requiring that upland areas necessary to serve public recreational uses be reserved for such uses; and Section 30224, which limits non-water dependent land uses that congest access corridors and preclude boating support facilities.

With respect to visual resources, the modifications require all new development that will be visible from public places, including piers and offshore areas, be sited on the lower, previously graded portions of the site in order to preserve the open space, scenic character of the upper hillside. (The upper limit of visible development, above which no component of any structure can extend when viewed from the end of Harford Pier, is shown by Exhibit 4). The suggested modifications also include design standards intended to minimize the visual impact of new development. These include a height limit of 25 feet, and requirements that all buildings must use earth toned materials and colors, avoid reflective materials and finished, and use articulated roof forms. The overall design of the development must retain the rural, coastal, small-town character of the Avila area. In addition, the modifications build on the landscaping requirements included in the submittal as a tool to soften the visual prominence of new development and restore the visual qualities of the site. With these modifications, the amendment will conform to the visual resource standards established by Coastal Act Section 30251.

Other components to the suggested modifications supplement the provisions of the amendment protecting environmentally sensitive habitat on and adjacent to the site, consistent with Coastal Act Section 30240. Specifically, the modifications require that development of the Harbor Terrace site avoid the disturbance of sensitive habitat areas (i.e., coastal sage scrub habitat), and provide adequate buffers for both wildlife and fire protection. They also require that the removal of oak trees be avoided, and where avoidance is not feasible, that the development include a detailed tree replacement program. Additionally, now development is permitted on the west side of Diablo Canyon Road, other than restoration of the riparian corridor, in order to protect this habitat as well as a significant archaeological site within the area.

Due to the steep and potentially unstable topography of the site, as well as the need to protect the water quality and biological productivity of the adjacent marine environment, the modifications build upon the grading requirements proposed by the amendment. In particular, the modifications add additional standards for development that require future development to incorporate specific Best Management Practices for the control of polluted runoff, erosion, and flooding. These include the use of alternate construction methods to reduce impervious surfaces including walkways, driveways and parking facilities; installation of vegetated swales within and adjacent to natural drainage areas to filter site runoff; and, restoration of the creek/riparian corridor adjacent to the property.

Finally, the suggested modifications include changes to the LCP necessary to achieve internal consistency in light of the amendment and the original certification by the Commission, as further described in this staff report. Some of these changes omit the LCP's reference to a landfill previously proposed by the Port District for expansion of harbor facilities, as the Commission specifically deleted this development from the LCP in 1987.

The Coastal Act Issues raised by the amendment, and the suggested modifications necessary to resolve these issues, are summarized in the following table.

Coastal Act Issue	Amendment Consistency	Suggested Modification
Priority Uses (Coastal Act Sections 30223, 30224, and 30234)	The amendment requires that proposed uses of the Harbor Terrace site include sufficient area for commercial fishing storage and trailer parking, and that boating and fishing uses be given priority. However, there are no specific requirements regarding the extent of the facilities that must be provided in order to meet the demand for	Hotel and commercial development proposals must identify the areas of the site that will be reserved for coastal dependent uses. This shall include, at a minimum, 28,000 sq. ft. of fisherman's storage; 62 spaces for trailer boat storage; 26,000 sq. ft of Harbor storage; 38 public parking spaces; and, 15,500 square feet of expansion area to accommodate future need of commercial fisherman and recreational boaters. These coastal dependent facilities must be located on the lower western portion of the

	coastal dependent facilities.	site in order to maximize their proximity to the ocean and other harbor facilities. Commercial facilities must be directly related to harbor and/or visitor serving (i.e., hotel, campground or hostel) uses.
Protection of lower-cost visitor serving opportunities (Coastal Act Section 30213)	The replacement of the campground facility proposed by the existing LCP will reduce opportunities for lower-cost visitor serving uses.	For every 5 hotel units, at least 1 unit of low-cost visitor serving accommodations (i.e., hostel unit or campsite) must be provided on Harbor District lands. Hotel and retail commercial development can only be approved after, or concurrent with, the approval of the minimum amount of visitor serving units, which must be available for use within one year of the opening of the hotel and/or commercial development.
Protection of Visual Resources (Coastal Act Section 30251)	The expanded uses that will be allowed on the site pose new impacts to the scenic quality of the area, particularly on views available from Harford pier and the ocean.	New development that will be visible from public areas must be sited on the lower, previously graded portions of the site in order to preserve the open space, scenic character of the upper hillside, and be limited in height to 25 feet. All buildings must use earth toned materials and colors, avoid reflective materials and finished, and use articulated roof forms. The overall design of the development must retain the rural, coastal, small-town character of the Avila area. Landscaping with native vegetation must be used to soften the visual prominence of new development and restore the visual qualities of the site.
Protection of coastal water quality and biological productivity of the marine environment (Coastal Act Section 30231)	The Harbor Terrace site contains steep and potentially unstable soils, the erosion of which could be exacerbated by future development, causing sedimentation and increased turbidity within the marine environment.	Additional Best Management Practices, supplementing those proposed by the amendment submittal, must be incorporated into future development plans for the site. These include the use of alternate construction methods to reduce impervious surfaces including walkways, driveways and parking facilities; installation of vegetated swales within and adjacent to natural drainage areas to filter site runoff; and, restoration of the creek/riparian corridor adjacent to the property.
Protection of environmentally sensitive habitats	Although the Harbor Terrace site has been significantly disturbed by previous grading activities,	Development of the Harbor Terrace site must avoid (rather than "avoid or minimize") any sensitive habitats that exist on the site.

(Coastal Act Section 30240)	sensitive coastal scrub and oak woodland habitat surrounds the site. Some coastal scrub habitat has become reestablished on previously disturbed areas of the site. The amendment would allow future development to disrupt such habitat so long as this impact is minimized and oak trees are replaced.	Development plans must also identify and provide for adequate fire protection buffers, to ensure that sensitive habitats and their buffers will not be disturbed by future fire protection activities (e.g., brush clearance). If the removal of oak trees can not be avoided, development plans must include a detailed tree replacement program. No development may occur west of Diablo Canyon Road, other than restoration of the existing drainage channel, to protect riparian habitat values as well as a significant archaeological site.
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ANALYSIS CRITERIA

The relationship between the Coastal Act and a local government's Local Coastal Program (LCP) can be described as a three-tiered hierarchy with the Coastal Act setting generally broad statewide policies. The Land Use Plan (LUP) portion of the LCP incorporates and refines Coastal Act policies for the local jurisdiction, giving local guidance as to the kinds, locations, and intensities of coastal development. The Implementation Plan (IP), or zoning portion of an LCP typically sets forth zone districts and site regulations which are the final refinement specifying how coastal development is to proceed on a particular parcel. The IP must be consistent with, and adequate to carry out, the policies of the LUP. The LUP must be consistent with the Coastal Act.

In this case, the proposed LCP amendment effects the LUP component of the San Luis Obispo County LCP. Thus the standard of review for the amendment is consistency with the Coastal Act.

ADDITIONAL INFORMATION

For further information about this report or the amendment process, please contact Steve Monowitz, Coastal Planner, at the Central Coast District Office of the Coastal Commission, 725 Front St., Suite 300, Santa Cruz, CA 95060; telephone number (831) 427-4863.

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EXHIBITS

1. Amendment Submittal
2. Harbor Terrace Location Map
3. Existing LCP Conceptual Site Plan for the Harbor Terrace
4. Maximum Development Profile established by the Suggested Modifications
5. Graph of Port San Luis Harbor District's Projected Revenues and Expenditures
6. Inventory of Existing and Proposed Port Facilities

I. STAFF RECOMMENDATION

A. DENIAL OF LAND USE PLAN AMENDMENT NO. 1-99 AS SUBMITTED

MOTION I:

"I move that the Commission approve Amendment No. 1-99 to the San Luis Obispo County Land Use Plan as submitted by the County."

Staff recommends a **NO** vote, which would deny the amendment as submitted and adopt the following resolution. Only an affirmative (yes) vote on the motion by a majority of the appointed Commissioners can result in approval of the amendment as submitted.

RESOLUTION I:

The Commission hereby rejects Amendment No. 1-99 to the Land Use Plan of the San Luis Obispo County Local Coastal Program for the specific reasons discussed in the following findings, on the grounds that as submitted, the amendment does not meet the

requirements of Chapter 3 of the Coastal Act. There are feasible alternatives available that would substantially lessen any significant adverse impact which approval of the amendment would have on the environment.

B. APPROVAL OF LAND USE PLAN AMENDMENT NO. 1-99 IF MODIFIED AS SUGGESTED

MOTION II:

"I move that the Commission certify Amendment No. 1-99 to the San Luis Obispo County Land Use Plan if it is modified as suggested."

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

RESOLUTION II:

The Commission hereby certifies Amendment No. 1-99 to the Land Use Plan of the San Luis Obispo County Local Coastal Program for the specific reasons discussed in the following findings, on the grounds that as modified, the amendment and the Land Use Plan as thereby amended meets the requirements of Chapter 3 of the Coastal Act, and, approval of the amendment as modified will not cause significant adverse environmental effects for which feasible mitigation measures have not been employed consistent with the California Environmental Quality Act.

II. SUGGESTED MODIFICATIONS

Note: The entire text of the amendment submittal is attached to this report as Exhibit 1, with additions to the LCP as currently certified shown by highlighted text, and deletions shown by ~~strikethroughs~~. Only those portions of the amendment submittal that are effected by the suggested modifications are repeated below. The suggested modifications below use underlined text to indicate additions to the proposed amendment, and ~~strikethroughs~~ to indicate deletions to the proposed amendment.

A. Suggested Modifications to the Amendments Proposed for the San Luis Obispo Area Plan, Chapter 8, Page 8-21: Harbor Terrace Goals and Policies

- n. Permitted Uses: Permitted uses shall include ~~h~~Harbors (defined by Chapter 6.C of the Framework for Planning), long term parking for general visitor-serving uses, Harbor District storage and maintenance yard, ~~and~~-secured boat and equipment storage for commercial fisherman and recreational boats, and hostels. In the Harbor Terrace area, uses included in the

Harbors land use shall exclude: petroleum storage and handling, service stations and vehicles and freight handling. Transient occupancy uses shall not interfere with the provision of adequate facilities necessary to serve commercial fishing, recreational boating, and public access and recreation consistent with Planning Criteria 21 (below). Hotel/motel and retail and restaurant uses shall include a combination of hotel guest units, and retail and restaurant units that equals up to not exceed the traffic generation of no more than 147 guest units, and 20,000 sq. ft. of commercial space (retail and restaurant use) in aggregate. All commercial uses must serve coastal dependent uses (i.e., boating and fishing) and/or visitor serving uses (i.e., campground, hostel, or hotel). The existing mobile home park may remain in operation subject to Planning Criteria 22, below; however, no expansion of the park's area or number of spaces is allowed. Other uses allowed include public open space and special events area subject to land use permit approval consistent with the Coastal Zone Land Use Ordinance, and the requirements of Planning Criteria 8 below.

- o. Planning Criteria: Development Plans for Harbor Terrace shall be evaluated according to the following criteria in addition to all other policies of the LCP and general plan:
 1. Landscape plans and appropriate irrigation plans shall be submitted identifying proposed revegetation necessary to stabilize slopes and planting necessary to minimize visual impacts of terracing and proposed use of the site ~~for storage.~~ Landscaping plans shall utilize native plant species appropriate to the site, and shall be designed to minimize the visual impact of all development on the site as viewed from the shoreline, Avila and Harford piers, and the ocean. The Alteration of natural landforms is to be minimized, and any areas of cut shall immediately be re-seeded as described in Planning Criteria 6, below.
....
 3. In order to protect the significant archaeological resources west of Diablo Canyon Road, no development shall occur west of Diablo Canyon Road, other than restoration of the existing drainage course, and any archaeological preservation and/or protection activities that have been coordinated and approved by the State Historic Preservation Officer and cultural resource representatives of the Chumash tribe. For any development east of Diablo Canyon Road, and for any stream restoration or enhancement activities west of Diablo road that involve earth moving, A an archaeological field survey shall be completed prior to beginning of any construction. Previous site alteration may have substantially eliminated any resources; however, the pPotential impacts to cultural resources should shall be evaluated by all development proposals on the Harbor Terrace site, and the protection for any resources identified and shall be incorporated into the proposed site design in coordination with the State Historic Preservation Officer and the Chumash tribe. In accordance with Section 23.05.140 of the Coastal Zone Land Use Ordinance, all construction activities shall cease should resources be identified during actual construction. In such an event, construction activities shall not re-commence until measures for protecting cultural resources have developed and approved by the Planning Department, Environmental Coordinator, State Historic Preservation Officer, and Chumash tribe.

5. Grading for approved development shall be designed and implemented to minimize sedimentation impacts on adjacent surface water bodies including coastal streams and San Luis Bay. The scenic waterfront character of Avila Beach shall be maintained and enhanced where feasible. Grading and drainage plans shall incorporate the following elements as necessary to accommodate the nature and intensity of proposed development:

....

- vi. Minimize impervious surfaces and restore natural drainage patterns, quantities, and intensities by using post development Best Management Practices.

6. The design of new development shall incorporate measures to protect and enhance sensitive biological resources, including water quality, on and adjacent to the Harbor Terrace site. These measures ~~may~~ shall include, but are not be limited to:

- i. The re-vegetation of all cut slopes with native coastal sage scrub and grassland species.
- ii. The replacement of all oak trees in areas adjacent to existing oak woodland habitat, if the removal of such oak trees cannot be avoided. The number of replacement trees shall be adequate to ensure that an equal or greater number of oak trees, in comparison to the number of trees removed, will be successfully established. A tree replacement program, including long-term maintenance measures, shall accompany any development plan that involves the removal of existing oak trees. This program will include strategies for improving natural oak recruitment.
- iii. Designing grading and construction activities to avoid ~~or minimize~~ disturbance of sensitive habitat (e.g., coastal scrub habitat) and the removal of oak trees.
- iv. The maintenance and management of setback or buffer zones as wildlife habitat areas. Additional setback areas necessary for fire safety shall be identified in the development plan and designed to avoid the removal or disturbance of existing or created habitat areas.
- v. The incorporation in landscaping plans of native plant species or ornamentals that are attractive to wildlife.
- vi. The scheduling of construction activities such as grading and clearing to avoid spring and early summer months, as well as the rainy season as specified in Planning Criteria 2.
- vii. Providing information to future guests regarding nature viewing opportunities.
- viii. The provision of designated areas for pets so that native habitat areas are avoided.
- ix. The use of Best Management Practices to minimize erosion, decrease impervious surfaces, and restore the equivalent of natural flow regimes that existed prior to grading of the site.
- x. Restoring the drainage adjacent to Diablo Canyon Road to provide both flow capacity and natural habitat.

- xi. Filtering all drainage from parking facilities by using vegetated swales or oil/water separators to limit oil/grease pollution and the intensity of flow commonly associated with parking lots.
- xii. Use all Best Management Practices possible to limit water quality impacts and eliminate the need for additional culverts and ocean disposal points.
- ...
- 8. Outdoor events conducted on the site shall be planned and staged so that noise generated by the event, attendees and traffic is minimized. Temporary events are subject to the provisions of CZLUO section 23.08.248, and shall not interfere with harbor operations (e.g., boating and fishing).
- 9. New development shall be sited and designed to minimize the visual impacts of the development, including those related to light and glare, in order to preserve the scenic quality of the area as viewed from Avila Beach Road, public piers, and offshore areas, and maintain the nighttime character of Avila Beach and the Harbor Terrace site. Special attention also shall be given to maintaining the rural, coastal, small-town character of the Avila area. ~~Such measures may include~~ This shall be accomplished by:
 - i. Restricting the development of all new facilities and structures that will be visible from public areas (including piers and the ocean) to the lower, previously graded portions of the site. The upper limit of development (the Maximum Development Profile), above which no component of any structure can extend when viewed from the end of Harford Pier, is shown by Exhibit 4.
 - ii. Providing, at the time of coastal development permit application, or as part of an environmental review document, a detailed visual analysis which demonstrates that the open space and scenic character of the upper hillside will be preserved free of structures and facilities other than the existing water tank.
 - iii. Limiting the height of all new structures to 25 feet.
 - iv. Designing buildings to blend in with the natural surroundings by using earth toned materials and colors and prohibiting reflective materials and finishes.
 - v. Avoiding massive, boxy structures by providing variations in height, articulated roof forms, and open space view corridors.
 - vi. Using native landscaping to soften the visual prominence of new development and to restore the visual qualities of the site.
 - vii. Minimizing the number of streetlights.
 - viii. The use of low-pressure sodium vapor lamps with shielding that orients the light downward.
 - ix. The use of awnings or non-reflective treated window glazing in the design of new development.
- 21. Proposed uses of the Harbor Terrace site shall include sufficient area for commercial fisherman storage and trailer parking. Other uses of the site shall be designed and

constructed so that fishing and boating uses, lower-cost visitor-serving opportunities, and public parking facilities are given priority. Realignment of Avila Drive fronting the Harbor Terrace site is not found to be consistent with ~~this~~ these priority uses at this time.

To ensure that future development of the Harbor Terrace site does not interfere with the provision of adequate facilities necessary to serve fishing and boating uses, and does not reduce opportunities for lower-cost visitor-serving uses and coastal access, future development proposals shall provide for the following:

- a. Plans for hotel and/or commercial development must identify specific areas of the site that will be reserved for the provision of coastal dependent uses. This shall include, at a minimum: 28,000 square feet of fisherman storage; 62 spaces for trailer boat storage; 26,000 square feet for Harbor storage; 38 public parking spaces; and, 15,500 square feet of expansion area that will be reserved to accommodate any additional facilities needed to serve commercial fishing and recreational boating. These facilities shall be located in the lower western portion of the site in order to maximize proximity to the coast and other harbor facilities.
 - b. A minimum of 1 unit of low-cost visitor-serving accommodations (i.e. hostel unit or campsite) must be provided on lands owned or controlled by the Port San Luis Harbor District for every 5 units of hotel development. Permits necessary to construct the minimum number of hostel units and/or campsites must be approved prior to or concurrently with any permit approval for hotel and/or retail commercial development on the Harbor Terrace site, and the low-cost units must be available for use within one year of the opening of the hotel and/or retail commercial development.
 - c. All overnight accommodations to be developed on the Harbor Terrace site shall be exclusively available to the general public for transient occupancy. The establishment or conversion of overnight accommodations to a private or members only use, or the implementation of any program to allow extended or exclusive use or occupancy of the facilities by an individual or limited group or segment of the public shall be prohibited.
22. The port may continue to operate the mobile home park, provided that residential use of each unit must cease when vacated by their current occupant. The mobile home park shall be consolidated in a manner that maximizes the area available for coastal dependent and coastal related land uses prior to or concurrent with any approved development of the site. Closure, ~~or~~ partial closure, or relocation of the Mobile home park shall require submittal, review and approval of a coastal development permit application that includes the preparation of a Tenant Impact Report as part of the CDP application as may be required by Government Code section 65863.7.

23. Post construction storm water flows shall comply with NPDES permits and will incorporate additional Best Management Practices to achieve water quality and quantity goals outlined in Planning Criteria 6. Natural flow channels will be maintained and restored to eliminate the need for additional storm water discharge points along the coast. Impervious surfaces will be limited in order to reduce the quantity and velocity of storm water flows.

B. Suggested Modifications to LCP Sections Not Addressed by the Amendment Submittal Necessary to Achieve Internal Consistency

1. San Luis Bay Area Plan, Chapter 4 ("Circulation"), Part B ("Other Transportation Modes"), page 4-4 ("Harbor"), paragraph 3:

The current interim development plan for the harbor has been significantly reduced to reflect the amount of development that could be accommodated without completion of a breakwater. The development plan includes ~~a limited landfill site and grading and terracing of a previously disturbed hillside for boat storage, gear storage, RV park, and a hostel, visitor-serving lodging and associated commercial development, public parking areas, a special events area, camping, and other harbor uses as detailed in the San Luis Bay Area Plan. The proposed landfill area will be designed to provide additional boat haul out and repair capacity, as well as winter storage.~~ Any interim development (in addition to moorage) should make full use of the land area currently owned by the district. This is the maximum project which is currently considered for inclusion in the LCP to establish the type and intensity of use permitted.

Note: The proposal to construct a landfill for additional boat storage/repair area was previously eliminated from being included in the LCP by the Commission's modifications to the Port San Luis Land Use Plan submittal.

2. San Luis Bay Area Plan, Planing Area Standards, Page 8-25, Figure 8-6 (Conceptual Harbor Terrace Plan):

Delete this figure, as it is no longer applicable to the Harbor's District's intended use of the Harbor Terrace site.

3. Coastal Plan Policies, Chapter 5 ("Commercial Fishing and Recreational Boating"), pages 5-3 – 5-4 ("Proposed Developments"):

Proposed developments. The Harbor District has identified a long-range project to increase harbor efficiency, increase commercial fishing and recreational boating activities, and provide services to other coastal-dependent uses. Several proposed developments are outlined in detail in the master plan, including the following:

- 1) improvements to the old port beach and bluff area;
- 2) a recreational vehicle park on the harbor terrace;
- 3) improvements to the Avila pier and beach facilities;
- 4) lighthouse point and open waters; and
- 5) Harford pier and landfill area.

In 1998, the Port San Luis Harbor District updated plans for the Harbor Terrace site to include the development of a lodge and visitor-serving commercial facilities. This change has been incorporated into the LCP according to the standards provided in the San Luis Bay Area Plan. It is also noted that the landfill proposed in the Harbor Master Plan has not been incorporated into the LCP due to the need to evaluate the environmental impacts of this proposal, consider feasible alternatives, and identify necessary mitigation measures.

The proposed development plan for the Harbor will be designed to provide additional boat haulout and repair capacity, as well as storage during the winter storm period. Presently, the boat storage area is located within the harbor parking lot which reduces parking for day use and causes substantial congestion of the facility. The port currently has a waiting list of boat owners wishing to have their boats removed from the water for storage or repair. It should be noted that Port San Luis is one of very few facilities that provides an area where individual owners can work on repairs. ~~During the summer months, when most boats will be returned to the water, a portion of the landfill could be made available for additional parking for visitor use to include auto-trailer spaces.~~

~~The remaining hillside, including an active slide area, may then be terraced to provide for lower portion of the Harbor Terrace area, which has been disturbed as a result of prior grading activities, shall be used to accommodate additional boat storage for smaller boats that can be trailered, other facilities that serve commercial fishing and recreational boating, and public access and visitor-serving facilities, according to the specific Planning Areas standards contained in the San Luis Bay Area Plan. It should be noted that this site has previously undergone substantial site alteration and the proposed removal would be in part to restore the existing site. Extensive landscaping, and revegetation, and stabilization of unstable slopes would will be necessary to reduce the potential visual impacts of site alteration and new development and ensure its structural integrity location of storage areas. This is the maximum project which is currently considered for inclusion in the LCP to establish the type and intensity of use permitted.~~

4. Coastal Plan Policies, Chapter 5 ("Commercial Fishing and Recreational Boating"), page 5-5, last 3 paragraphs:

A final impact of port development would be the visual impacts associated with the landfill and hillside project. ~~The completion of the landfill will alter the present land configuration but will not substantially intrude on the natural landscape. However, the~~

~~use proposed of the landfill for storage and repair areas will require extensive fencing, screening and planting to mitigate the visual intrusion. The hillside extraction and terracing and the location of storage areas. Any development on the Harbor terrace site will also require significant revegetation for and slope stabilization pursuant to the Planning Area Standards contained in the San Luis Bay Area Plan stabilizing the resultant slopes and major screening and planting.~~

~~The modified plan for improvements at Port San Luis are consistent with Coastal Act policies. N the impacts to the marine habitat that would result from the improvements, particularly the sandy beach and bottom habitats, would be offset by the additional habitat at areas provided by the rocky face created with construction of the landfill. (This is supported by discussions of the potential impacts with California Department of Fish and Game personnel.) Feasible mitigation measures are provided through detailed standards by which the landfill project would be evaluated.~~

~~In addition, no feasible less environmentally damaging alternative exists. The harbor is constrained by a steep backdrop of hills. Alternative landfill projects to expand service capability for commercial fishing, recreational boating and support uses would require either: 1) fill to the north along the rocky intertidal and rock pinnacle area, or 2) removal of other portions of the sandy beach which are more heavily used an linked more directly to adjacent recreational areas.~~

III. RECOMMENDED FINDINGS

A. LCP Background

The San Luis Obispo County certified LCP is composed of seven parts: the Coastal Zone Land Use Ordinance, which is the Implementation Plan (IP) portion of the LCP; the Framework for Planning, the Coastal Plan Policies, and four Area Plans, which make up the Land Use Plan (LUP). The Commission approved the LUP with modifications on October 14, 1982, and the IP was approved as submitted on October 7, 1986. The County assumed permit-issuing authority on March 1, 1988.

The Port San Luis Harbor area, however, remained an area of deferred certification when the San Luis Obispo County LUP was certified in October 1982; the area was "whiteholed" from the LUP in order to provide adequate time for the updating of the Port's Master Plan. On June 9, 1987, the Commission reviewed Chapter 3 of the updated Port Master Plan, which was approved and incorporated into the certified LCP, primarily within the San Luis Bay Area Plan, with suggested modifications. The Commission's modifications adressed the future siting of land based offshore oil support facilities, including the concerns regarding future crew base siting within the harbor; the types of uses allowed on the Harford Pier; and, the establishment of $\frac{3}{4}$ acre open ocean landfill for the expansion of harbor facilities. In summary, these modifications restricted the type and location of energy-related facilities allowed within the Harbor, including crew-bases, and specified the findings required to allow for such

uses. The modifications also removed "sleeping accommodations" as an allowable use on Harford Pier, and eliminated the ocean landfill proposed for the expansion of upland harbor facilities.

As certified, LCP planning standards applicable to development on land based areas of Port San Luis can be found on pages 8-12 through 8-27 of the San Luis bay Area Plan. Those policies specific to the Harbor Terrace site are contained on pages 8-21 and 8-25. These policies call for the establishment of facilities serving commercial fishing, recreational boating, and coastal access to be located on the site, including a long-term parking area for general visitor-serving use, a Harbor District storage and maintenance yard, and secured boat and equipment storage for commercial fisherman and recreational boats. The balanced of the Harbor Terrace site that has been previously graded and terraced, which is not needed for these priority uses can be developed with a campground, consistent with a conceptual plan for the site included in the LCP as Figure 8-6 and attached to this report as Exhibit 3.

In addition to achieving consistency with these San Luis Area Plan requirements, future development on the Harbor Terrace site would also need to conform to other applicable policies and ordinance of the LCP. These include, but are not limited to, ordinances regulating development within the Public Facilities Land Use Category, and LCP policies protecting coastal resources and coastal access and recreation opportunities.

B. Harbor Location/Background

Port San Luis Harbor is centrally located along San Luis Obispo County's coastline, sited between Point San Luis and Pismo Beach, approximately one mile west of the community of Avila Beach. It is one of two existing harbors in the County (the other being Morro Bay), and supports a commercial fishing fleet, recreational boating, visitor-serving uses, and oil-related development (primarily being the pier owned by the Union Oil Company). The harbor is managed by the Port San Luis Harbor District, a political subdivision of the State of California and an independent special district.

The District's current operations involve the ownership, operation and maintenance of commercial recreational and industrial portions of the Port, including Avila and Harford piers. Pursuant to a legislative grant of 1955, the District controls the tidelands of the San Luis Bay in the area bounded by the San Luis Lighthouse on the west, Sunset Palisades on the east, and offshore areas three miles seaward.

Existing Port facilities and services include: a 2,400 foot rubblemound breakwater constructed by the U.S. Army Corps of Engineers in 1913; the 1,460 foot long historic Harford Pier on which is located a charter boat facility, two fish markets, two restaurants, and a diesel fuel facility; approximately 300 moorings; a boatyard facility equipped with a 60-ton mobile hoist; a dry storage yard that can accommodate approximately 65 trailered boats; sport launch facilities and small craft launching ramps; administrative facilities including office, shop and administrative buildings; other concessions including a marine supply store, restaurant and bait and tackle shop; and the Avila Pier and associated parking and beach areas. A 3,082-foot pier, completed in 1985, and formerly used by the Union Oil company for transporting petroleum products, and a barge landing previously utilized in the construction of the Diablo Canyon energy facility are also within the Port's jurisdiction.

Much of the Port area is located either seaward of the mean high tide line, or on tideland areas that have been previously filled, and therefore within the permit jurisdiction of the Coastal Commission. Upland areas of the Port that are within San Luis Obispo County's permit jurisdiction include the 23 acre Harbor Terrace site that is the subject of the amendment.

Harbor Terrace. The 23 acre Harbor Terrace site is located approximately one mile west of the Town of Avila along Avila Beach Drive, and is adjacent to Diablo Canyon Drive, the primary access road leading to the Diablo Canyon Nuclear Power Plant, on a hillside overlooking San Luis Bay (please see Exhibit 2 for a location map). Two automobile pull-out located on the coastal bluff seaward of this intersection provide informal parking for daytime coastal access and recreation and overnight parking for RV's.

The 1998 Final EIR for a proposed development on the site known as the Harbor Terrace project describes the existing condition of the site on page V-3 as follows:

The Harbor Terrace site, which is located along the southern margin of the Irish Hills, originally consisted of rolling hills sloping in a southerly direction. The site has been extensively altered to form a series of relatively level benches that ascend the hillside to an elevation of approximately 180 feet above sea level ... Slopes between the benches are very steep in some areas; minor slope failures are visible in several locations.

...According to past geotechnical reports prepared for the subject property, the site was originally graded by the Union Oil Company in the 1930's and used as an oil storage facility. Additional grading across the a portion of the property was performed by the Marre family [property owners prior to the Port District] to accommodate a trailer park. The dates of this grading are reported in various documents to range from the 1950's to 1970. In or about 1973, the site was again graded for the proposed Port San Luis Marina Village, a project that was never completed.

Current uses of the Harbor Terrace site include the storage of harbor materials, trailer boats, and fishing gear, and a 23-unit trailer park located on about 2.5 acres at the south-eastern portion of the site. According to page V-88 of the Harbor Terrace Final EIR, 12 trailers are used by full-time residents and the remaining 11 trailers are used as vacation or second homes. Because the state Harbor and Navigation Code does not allow Harbor Districts to manage or operate residential development, special legislation was passed in 1974 allowing the Port San Luis Harbor District to operate this trailer park, provided that residential use must cease when vacated by current occupants³.

³ Harbor Terrace Final EIR, page V-89

C. Amendment Description

This amendment is to the San Luis Bay Area Plan component of the LUP, which covers the south central part of the San Luis Obispo County coast from Point Buchon and Montaña de Oro on the north to the Nipomo Mesa on the south. The planning area to the north is Estero, while the planning area to the south is South County.

As submitted, the amendment would revise the Planning Area Standards applicable to the Harbor Terrace site found on pages 8-21 and 8-25 of the San Luis Bay Area Plan. Specifically, it eliminates the requirement that all of the terraced area (i.e., the previously graded portion of the site) not required for priority uses (long-term parking for general visitor-serving uses, a Harbor District storage and maintenance yard, and secured boat and equipment storage for commercial fisherman and recreational boats) be used for a campground. It also adds the broad land use category of "Harbors" as a permitted use on the Harbor Terrace site. The intent of this change is to allow for the future construction of hotel and commercial uses that will provide the additional income needed by the Harbor District to maintain and improve existing harbor facilities.

As defined on Page 6-47 of the LCP's Framework For Planning document, Harbor uses include:

Establishments providing a full range of services relating to commercial and recreational water-based activities such as: commercial and recreational fishing; fisheries and hatcheries; seafood processing; ship and boat building and repair; marine hardware sales and service; yachting and rowing clubs; petroleum storage and handling; eating and drinking places; food and beverage retail sales; sporting goods and clothing stores; personal services; service stations; vehicle and freight terminals; hotels and motels; recreational vehicle parks; boat storage and miscellaneous storage facilities. Also includes all uses listed under "Marinas" and "Marine Terminals and Piers".

Marinas are defined on page 6-50 of the Framework For Planning as follows:

Establishments providing water-oriented services such as: yachting and rowing clubs, boat rental, storage and launching facilities; sport fishing activities, excursion boat and site-seeing facilities, and other marine related activities, including but not limited to fuel sales, boat and engine repair and sales. Boat storage and launching facilities accessory to a camping facility are also included under the definition of "Rural Recreation and Camping."

The definition for Marine Terminals and Piers, as also found on page 6-50 of the Framework for Planning, is:

Establishments providing for freight, petroleum production and equipment and passenger transportation on water, including support services, facilities and

terminals. Also includes towing and tugboat services, marine cargo handling, including operation and maintenance buildings, ship cleaning, salvaging, dismantling, boat building, warehouses and repair. Includes petroleum and petroleum product transportation and storage facilities as well as support services including ballast processing facilities and oil spill cleanup and recovery equipment, but does not include refineries or petroleum storage tank farms.

Notwithstanding the uses allowed under the Harbor, Marinas, and Marine Terminals LCP definitions cited above, the amendment specifically excludes petroleum storage and handling, service stations, and vehicles and freight handling as allowed uses at the Harbor Terrace site.

As noted above, the intent of this amendment is to allow for future development of hotel and commercial uses on the Harbor Terrace site. The proposed amendment limits the extent of such development to "a combination of hotel guest units and retail and restaurant uses that equals up to the traffic generation of no more than 147 guest units and 20,000 sq. ft. of commercial space". The basis for this limitation was the Traffic Analysis contained in the Harbor Terrace Final EIR, which identified that Phase I of the proposed project, involving up to 147 transient units and 20,000 square feet can be accommodated on the site without exceeding LCP Traffic Standards⁴.

The amendment also significantly expands upon the LCP's existing Planning Criteria that will be applied to the evaluation of any development plans for the Harbor Terrace site. A total of 19 new standards are proposed, which address issues related to geologic stability, water quality protection, biological resources, noise, outdoor events, light and glare, hydrocarbon contamination, traffic, coastal access, fire protection, water usage, wastewater generation, solid waste, recreation facilities, energy conservation, architectural and landscape design, air quality, fishing and boating uses, and closure or partial closure of the existing mobile home park. These new standards, and their ability to effectively address Coastal Act requirements, are analyzed in more detail in the following findings of this report.

D. Coastal Act Consistency

As previously noted, the Chapter 3 policies of the Coastal Act is the standard of review for proposed amendments to certified Land Use Plan (LUP; in this case, the San Luis Bay Area Plan component of the San Luis Obispo County certified LUP). The following sections of this report analyze the consistency of the proposed amendment with Chapter 3 requirements according to issue area, and

⁴ San Luis Bay Area Plan Planning Area Standard 2.b(3) for Port San Luis states in part that "Avila Beach Road shall not be subjected to traffic levels exceeding Level of Service 'C' overall. " According to Figure 28 on page V-102 of the Harbor Terrace Final EIR, Phase I of the previously proposed Harbor Terrace project could be accommodated without reducing the Level of Service (LOS) A along the portion of Avila Beach Drive east of Diablo Canyon. The portion of Avila Beach Drive west of San Luis Bay Drive (the primary entryway into the town of Avila), which operates at a LOS A during the week, currently operates at a LOS F during the peak hour of a summer weekend. According to Figure 28 of the Final EIR, Phase I of the previously proposed Harbor Terrace project would not result in any changes to this LOS.

explain why the suggested modifications are necessary to bring the amendment into conformance with these standards.

1. Priority Uses

a. Applicable Policies

Section 30224.

Increased recreational boating use of coastal waters shall be encouraged, in accordance with this division, by developing dry storage areas, increasing public launching facilities, providing additional berthing space in existing harbors, limiting non-water-dependent land uses that congest access corridors and preclude boating support facilities, providing harbors of refuge, and by providing for new boating facilities in natural harbors, new protected water areas, and in areas dredged from dry land.

Section 30234.

Facilities serving the commercial fishing and recreational boating industries shall be protected and, where feasible, upgraded. Existing commercial fishing and recreational boating harbor space shall not be reduced unless the demand for those facilities no longer exists or adequate substitute space has been provided. Proposed recreational boating facilities shall, where feasible, be designed and located in such a fashion as not to interfere with the needs of the commercial fishing industry.

Section 30234.5

The economic, commercial, and recreational importance of fishing activities shall be recognized and protected.

Section 30255.

Coastal-dependent developments shall have priority over other developments on or near the shoreline. Except as provided elsewhere in this division, coastal-dependent developments shall not be sited in a wetland. When appropriate, coastal-related developments should be accommodated within reasonable proximity to the coastal-dependent uses they support.

Section 30101.

"Coastal-dependent development or use" means any development or use which requires a site on, or adjacent to, the sea to be able to function at all.

Section 30101.3.

"Coastal-related development" means any use that is dependent on a coastal-dependent development or use.

b. Analysis

Port San Luis provides numerous facilities for coastal dependent uses including those that are necessary for commercial fishing, recreational boating, and coastal access. In addition, the Port contains coastal related development that supports these coastal dependent uses, such as storage facilities, maintenance areas, and parking. The Harbor terrace site, as a portion of the Port District's land holdings, is an important component to the support of coastal dependant uses, primarily by providing land area needed for visitor parking, harbor related storage and maintenance, and equipment and boat storage. Construction of these facilities on the Harbor Terrace site is prioritized by the existing LCP. The balance of the terraced area of the Harbor Terrace site that is not required for these priority uses is designated by the LCP for campground development. However, a previous attempt by the Port District to pursue the development of a recreational vehicle park on the site was met with substantial local opposition, causing the port to abandon the project.

In 1997, the Port conducted an analysis of its financial situation, which concluded that the costs of operating and maintaining existing Port facilities have begun to exceed its revenues. Exhibit 5, attached to this report, provides a chart comparing the revenue and expenditures of the Port District, projected to the year 2007, based upon this analysis. The study projects that if the Port maintains the same level of expenditures for capital improvements as it has over the past five years, its reserves will be completely exhausted in less than five years, with two-thirds of the improvements identified in the Port's Masterplan yet to be completed⁵. Many of these improvements are mandated by State law to maintain safe and environmentally sound port facilities⁶. Thus, the Port District is looking towards a use of the Harbor Terrace site that will help generate the additional revenues needed to finance the operation, maintenance, and expansion of coastal dependent uses at the Port. The Port District has asserted that the revenue generated from a 147-room hotel will be just enough to fund the maintenance and repair of existing facilities that serve coastal-dependent uses⁷.

⁵ Supplemental Information for Local Coastal Program Amendment, October 1999, page 1

⁶ *ibid*

⁷ In an October 20, 1999 letter from Crawford Multari Clark & Mohr, consultants representing the Port District, it is stated that "an optimistic projection of the additional revenue likely to be generated by a 147-room hotel suggests that it will be just enough to enable the District to avoid depleting its reserves to fund the maintenance and repair of existing coastal-dependent uses (especially Harford Pier). Last year, the District spent about \$500,000 of its reserves to fund the maintenance and repairs of existing facilities, which is roughly equivalent to

Notwithstanding the financial needs of the Port District, the Coastal Act Sections cited above establish priority for coastal dependent and coastal related uses. Accordingly, the new uses that would be allowed on the site by the amendment must not interfere with the provision of facilities needed now and in the future to support commercial fishing and recreational boating at Port San Luis. As a result, an appropriate balance must be struck between accommodating non-priority uses needed to financially support priority uses, and preserving adequate space for the facilities necessary to support commercial fishing and recreational boating. This includes consideration of other coastal resource constraints that will limit the overall extent of development on the site, regardless of priority. Chief among these constraints are visual resources, steep and unstable slopes, limited infrastructure capacities, sensitive habitats, and archaeological resources, as detailed in subsequent sections of this staff report.

The amendment, as submitted, recognizes this need by establishing a criteria for future development of the Harbor Terrace site which requires that sufficient areas be set aside for commercial fisherman storage and trailer parking. It also requires that other uses of the site be designed and constructed so that fishing and boating uses are given priority. The amendment does not, however, identify the specific extent of the facilities that are needed to support commercial fishing and recreational boating.

In order to quantify the upland facilities necessary to support commercial fishing and recreational boating, Commission staff has reviewed the Port District's Master Plan, which identifies existing facilities and planned improvements intended to meet this demand. A table of existing and proposed Port facilities, taken from the Port's 1996 Master Plan, is attached to this report as Exhibit 6. In addition to using the Master Plan to guide Port improvements, the Port has been working with current users of the Port facilities to ascertain the type and extent of facility expansion that will best meet the needs of fisherman and boaters. Based on the information contained in the Master Plan, and the feedback obtained from existing users, the port intends to provide the following facilities on the Harbor Terrace site to serve priority uses:

- 28,000 square feet of Fisherman Storage (30 storage units measuring 20 feet by 20 feet; 5 storage units measuring 50 feet by 50 feet; and, six parking spaces)
- 62 spaces for trailer boat storage;
- 26,000 square feet for Harbor District storage; and,
- 38 public parking spaces.

These improvements, plus an area of 15,500 square feet that will be reserved for the expansion of facilities that serve coastal dependent uses, is estimated to consume 3.4 acres of the site⁸.

the revenue likely to be generated by a 147-unit hotel. The development of additional commercial space, combined with additional belt-tightening and prudent management on the part of the District, will enable the current Harbor Master Plan to be implemented.

⁸ Supplemental Information for LCP Amendment, October 1999, page 5

While the proposed facilities to serve commercial fishing and recreational boating on the Harbor Terrace site are generally in-line with the improvements contemplated in the Port's Master Plan, and have been coordinated with existing users, it is difficult to predict whether they will be adequate to meet future demand. In response to this concern, the Port District analyzed the existing and proposed quantity of the particular facilities that support coastal dependent uses: fisherman gear storage, harbor maintenance materials storage, boat repair areas, dry boat storage, and recreational boat trailer parking. (This analysis is contained in the Supplemental Information for the Local Coastal Program Amendment, dated October 1999.) In summary, this analysis applies historical trends regarding the use of port facilities, feedback from Port users, and the experience of Port managers to predict future demands. Based on this analysis, the Port expects that the existing and proposed facilities to serve coastal dependent uses on the Harbor terrace site will be adequate to meet future demand.

To ensure that future development of hotel and commercial development on the Harbor Terrace site will not jeopardize the provision of these facilities, the suggested modifications require that any proposal for future development on the site identify specific areas that will be reserved to accommodate these facilities. The modifications further require that these facilities be located on the lower western portion of the site in order to maximize their proximity to the ocean and other harbor facilities. This modification can be found on page 11 of this report, as Planning Criteria 21a.

In addition, the suggested modifications build on the amendments restrictions regarding outdoor and temporary events on the Harbor Terrace site by prohibiting such uses if they would interfere with harbor operations. This is reflected in the changes to Planning Criteria 8, which can be found on page 10 of this report.

c. Conclusion

Only with these modifications can the amendment be found to be consistent with Coastal Act Section 30234 protecting facilities that serve commercial fishing and recreational boating; Section 30223 requiring that upland areas necessary to serve public recreational uses be reserved for such uses; and Section 30224, which limits non-water dependent land uses that congest access corridors and preclude boating support facilities.

2. Lower-Cost Visitor Serving Opportunities

a. Applicable Policies

Section 30213.

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.

The commission shall not: (1) require that overnight room rentals be fixed at an amount certain for any privately owned and operated hotel, motel, or other similar visitor-serving facility located on either public or private lands; or (2) establish or approve any method for the identification of low or moderate income persons for the purpose of determining eligibility for overnight room rentals in any such facilities.

b. Analysis

The proposed amendment will reduce opportunities for low-cost visitor-serving facilities by eliminating the LCP requirement that a campground be constructed on portions of the Harbor Terrace site that are not needed for facilities that serve fishing, boating, and coastal access. While the exact number of campsites that could be provided in such an area is unknown, the Harbor District previously proposed, in 1987, a 151-unit recreational vehicle/campground facility on the site⁹. Although the new uses proposed by the amendment may be visitor-serving, they are not necessarily expected to be low-cost. As detailed on pages 13 and 14 of the Supplemental Information submitted by the Port District, there currently appears to be an unmet demand for low-cost visitor-serving facilities in the area.

To address this issue, the modifications require that hotel and/or commercial retail development be balanced with the development of hostel and/or campground units either on the Harbor Terrace site or elsewhere on lands owned or controlled by the Harbor District. The number of low-cost visitor serving units that must be provided will be proportional to the number of hotel units, based on a 1 to 5 ratio (one low cost unit for every 5 hotel units)¹⁰. Thus, if the maximum number of hotel units allowed by the amendment (147) will be constructed, at least 30 hostel units or campsites must be provided.

It is recognized that this number of low-cost units may be less than the number that could be realized under existing LCP standards. However, in recognizing the needs of the Harbor District to generate income needed to support maintenance and improvement of facilities that serve coastal dependent uses, the modifications achieve an appropriate balance between coastal dependent, low-cost visitor serving uses, and market rate visitor serving uses.

To ensure that the low-cost visitor-serving accommodations are constructed at the same time, or soon after, hotel development, the suggested modifications further require that the permits necessary to construct the minimum number of low-cost units must be approved prior to or concurrently with the approval of any hotel development. Additionally, the low-cost units must be available for use within one year of the opening of the hotel and/or retail commercial development.

c. Conclusion

⁹ This proposal was withdrawn by the Harbor District in light of significant public opposition during the local processing of the development application.

¹⁰ This is the same ratio as the one required by Monterey County's Carmel Area Land Use Plan, as applicable to the Point Lobos Ranch area.

The above modifications, which can be found on page 11 of this report as Planning Criteria 21b, are necessary to achieve consistency with Coastal Act Section 30213, which requires that lower cost visitor and recreational facilities shall be protected, encouraged, and where feasible, provided.

3. Visual Resources

a. Applicable Policies

Section 30251.

The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. 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, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

b. Analysis

Visual Setting.

As described on page V-144 the Harbor Terrace Final EIR, the "Harbor Terrace site occupies a visually prominent portion of the viewshed of the San Luis Obispo County and San Luis Bay coastline, particularly from vantage points to the southeast, south and southwest of the site. As such, the Harbor Terrace site provides a visual backdrop for views from San Luis Bay, Harford Pier and Port San Luis. The Harbor Terrace site is also visible at a greater distance from vantage points in Avila Beach as well as from U.S. Highway 101 (near Spyglass Drive) and from the Pacific Ocean."

This viewshed is characterized by open space hillsides that form a ridgeline that extends from Avila Beach to Montana de Oro, north of Point San Luis. Vegetated with grassland, coastal scrub and Oak woodland, these open space areas provide a scenic resource that adds to the attractiveness of the area as a visitor destination and as a place to enjoy coastal access and recreation activities. One exception to this open space character is the San Luis Bay Inn, located about one-half of a mile east of the Harbor Terrace site. This large visitor serving complex is highly visible from the town of Avila and its main beach area.

Notwithstanding the open space, natural characteristics of most of the surrounding area, a significant portion of the Harbor Terrace site was previously altered (prior to the Coastal Act) in a manner that created a number of terraces along the hillside, to an elevation of approximately 180 feet above sea level. Between these relatively flat terraces, steep cut slopes are generally devoid of vegetation. The terraced areas are currently used for boat and equipment storage, and approximately 20 mobile homes

that were installed prior to the Port's ownership of the site. The previous land form alterations, as well as the current use of the site, most of which is not shielded with landscaping, detract from the scenic quality of the surrounding area.

Existing LCP Provisions Related to Visual Resources.

Currently, the LCP calls for the site to be used for "long-term parking for general visitor-serving use, Harbor District storage and maintenance yard, and secured boat and equipment storage for commercial fisherman and recreational boats. The balance of the terraced area not required for these priority uses shall be used for a campground consistent with Figure 8-6, Harbor Terrace Plan." (San Luis Bay Area Plan, page 8-21; Figure 8-6 is attached to this report as Exhibit 3). The San Luis Bay Area Plan requires that the development of such uses include landscaping that will revegetate the site as necessary to stabilize slopes and minimize visual impacts of terracing and proposed use of the site for storage. While this planning area standard does not specifically call for landscaping to minimize the visual impact of campground development, other visual resource protection standards of the LCP would be applied to any campground development proposal. Such standards include:

Coastal Plan Policy 1 for Visual and Scenic Resources, which requires:

Unique and attractive features of the landscape, including but not limited to unusual landforms, scenic vistas and sensitive habitats are to be preserved protected, and in visually degraded areas restored where feasible.

Coastal Plan Policy 2 for Visual and Scenic Resources, which states:

Permitted development shall be sited so as to protect views to and along the ocean and scenic coastal areas. Wherever possible, site selection for new development is to emphasize locations not visible from major public view corridors. In particular, new development should utilize slope created "pockets" to shield development and minimize visual intrusion.

Coastal Plan Policy 5 for Visual and Scenic Resources, which addresses landform alterations as follows:

Grading, earthmoving, major vegetation removal and other landform alterations within public view corridors are to be minimized. Where feasible, contours of the finished surface are to blend with adjacent natural terrain to achieve a constant grade and natural appearance.

And Coastal Plan Policy 7 for Visual and Scenic Resources, which requires:

The location and design of new development shall minimize the need for tree removal. When trees must be removed to accommodate new development or because they are

determined to be a safety hazard, the site is to be replanted with similar species or other species which are reflective of the community character.

Visual Impacts of the Proposed Amendment.

In comparison to the storage and camping uses currently allowed by the LCP, the expanded uses proposed by the amendment pose greater impacts on the scenic quality of the site, albeit somewhat degraded. In particular, the extent of structural development would be greatly increased by the Port's intended use of portions of the site for visitor accommodations and commercial uses. This would change the visual perception of the site from a predominantly open space area that supports harbor uses and overnight visitor-serving accommodations that do not necessitate a significant amount of permanent structures, to a built environment that is more urban in character. As provided by Section 23.04.124 of the San Luis Obispo County Coastal Zone Land Use Ordinance, new structures within areas designated for Public Facilities (such as Harbor Terrace site) can have a maximum height of 45 feet. The potential for such structural development, when compared to the proposed use of the site for harbor storage and a campground, raises significant concerns regarding the protection of scenic resources.

As noted above, the LCP contains visual and scenic resource protection standards with which any future structural development of the Harbor Terrace site must comply. In addition to these standards, the amendment proposes new planning criteria applicable to the Harbor Terrace site intended to address the potential increase in visual impacts. These new criteria include:

- Planning Criteria 6, which requires that the design of new development incorporate measures to protect and enhance sensitive biological resources on and adjacent to Harbor Terrace site, which may include "the re-vegetation of all cut slopes with native coastal sage scrub and grassland species", "the replacement of all oak trees in areas adjacent to existing oak woodland habitat", and the avoidance or minimization of sensitive habitat disturbance;
- Planning Criteria 9, which calls for new development to minimize impacts related to light and glare;
- Planning Criteria 17, which requires new development to incorporate park, open space, and recreational facilities; and
- Planning Criteria 19, which states "New visitor-serving development shall be designed with a consistent site planning, architectural and landscaping theme that employs elements to visually unify development of the site. The overall design goal should be to create a pleasing, visually-attractive development that contributes in a positive way to the character of Avila Beach and the Port San Luis area. Exterior building colors and materials should be chosen to complement and blend with the Harbor Terrace setting.

Coastal Act and LCP Conflicts.

While the new proposed new Planning Criteria cited above will certainly help address the potential adverse visual impacts of the expanded uses that would be allowed on the site by the amendment, they are not sufficient to ensure that such development will occur consistent with Coastal Act Section 30251. Nor are the Planning Criteria sufficient to carry out the LCP's Coastal Plan Policies for Visual and Scenic Resources.

The increase in structural development that would be allowed by the amendment has the potential to significantly degrade the scenic and visual qualities of the areas. The proposed Planning Criteria do not specifically require that development be sited and designed to protect views of this scenic coastal area, particularly from the ocean, as called for by this Section of the Coastal Act. Furthermore, the intended use of portions of the site for hotel and commercial development raises potential conflicts with the visual character of the area as a working harbor surrounded by open space hillsides and natural habitats. While it is acknowledged that there is a visually prominent hotel type facility only one-half mile to the east (downcoast) of the Harbor Terrace site (the San Luis Bay Inn), this facility represents the westernmost extent of urban development in the Avila Beach area. Extending such urban type development to the port area will alter the character of the Avila Beach area from a generally compact beach town surrounded by open space, to a more spread out urban area.

Finally, the increase in structural development allowed on the site by the amendment may raise internal inconsistencies with Coastal Plan Policies protecting visual and scenic resources. In particular, structural development of the Harbor Terrace site has the potential to conflict with the directive of Policy 1 to preserve and protect scenic views, and to restore those areas that have been visually degraded. Potential conflicts with policy 2 are associated with the fact that the increase in structural development may be visible from public view corridors and will intrude upon a scenic coastal area.

Notwithstanding these concerns, it is recognized that the Harbor Terrace site is in close proximity to an existing developed area, rather than in a remote area where there is little to no development intruding upon scenic open space views. It is also important to note that the LCP, as currently certified, acknowledges that the site is an important component to the overall purpose and function of Port of San Luis due to the ability to accommodate needed harbor related and visitor-serving facilities. Given these facts, some limited visibility of future development on the site may be appropriate, so long as these impacts are minimized to the greatest extent feasible.

Additional Visual Protection Standards Needed.

To achieve Coastal Act Compliance as well as internal LCP consistency, the Commission finds it necessary to modify the amendment in a manner that incorporates additional performance standards that will minimize the visual impact of future development on the Harbor Terrace site.

As previously noted, one of the most significant visual resources of the area is the open space hillsides that extend from Avila Beach to Montana de Oro State Park. To protect this important scenic quality, the suggested modifications call for all new facilities and structures that will be visible from public places, including piers and offshore areas, to be located on the lower, previously graded portions of the

site. The upper limit of development, above which no component of any structure can extend when viewed from the end of Harford Pier, is shown by Exhibit 4. This will focus new development to the areas of the site where scenic values have already been degraded, and preserve the upper portions of the site which remain highly scenic.

Even with this restriction, new development on the Harbor Terrace site will remain highly visible from public piers (particularly Harford Pier) and offshore areas. To reduce the impact of new development, the suggested modifications reduce the existing height limit of 45 feet to 25 feet. This will avoid the development of new structures that are out of scale with the site's natural surroundings.

Similarly, in order to protect the scenic qualities of the surrounding open space areas, the modifications include design standards intended to minimize the contrast between new development and adjacent natural areas. These include requirements that all buildings be colored and constructed of earth toned materials and colors, avoid reflective materials and finishes, use articulated roof forms, and provide open space view corridors. In addition, the modifications build on the landscaping requirements included in the submittal as a tool to soften the visual prominence of new development and restore the visual qualities of the site. With these modifications, the amendment will conform to the visual resource standards established by Coastal Act Section 30251.

Other modifications that will reduce the visual impact of new development include those that require sensitive coastal scrub habitat to be preserved, and the removal of oak trees to be avoided wherever feasible. If the removal of oak trees cannot be avoided, the number of replacement trees must be adequate to ensure that an equal or greater number of oak trees, in comparison to the number of trees removed, will be successfully established. A tree replacement program, including long-term maintenance measures, shall accompany any development plan that involves the removal of existing oak trees. This program must include strategies for improving natural oak recruitment. These modifications will help preserve the natural characteristics of the site and surrounding area.

Finally, the suggested modifications require that development plans identify setback areas necessary for fire safety that avoid the removal of existing or created habitat areas. This modification is also intended to preserve the natural characteristics of the site that add to its aesthetic quality.

c. Conclusion

Significant visual resource impacts are posed by the increase in structural development that would be allowed on the Harbor terrace site under the proposed amendment. Additional performance standards, required by the suggested modifications described above, are needed to protect the scenic coastal views currently available to the public. These performance standards, when applied in conjunction with existing LCP visual and scenic resource protection policies, are needed to ensure that future development allowed by the amendment takes place consistent with Coastal Act Section 30251.

4. Coastal Access and Recreation

a. Applicable Policies

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 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, or,

(3) agriculture would be adversely affected. Dedicated accessway shall not be required to be opened to public use until a public agency or private association agrees to accept responsibility for maintenance and liability of the accessway.

Section 30212.5.

Wherever appropriate and feasible, public facilities, including parking areas or facilities, shall be distributed throughout an area so as to mitigate against the impacts, social and otherwise, of overcrowding or overuse by the public of any single area.

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.

Section 30223.

Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.

b. Analysis

The Port San Luis Harbor District plays a critically important role in providing public access to the coast and facilitating coastal recreation in the San Luis Bay area of San Luis Obispo County. As a public agency that owns and manages valuable coastal lands, and that provides and maintains facilities which serve coastal access and recreation, the Port San Harbor District implements the Coast Act objectives of maximizing opportunities for coastal access and recreation in numerous ways. One of the primary ways in which the Port supports coastal access and recreation is by providing public parking.

Currently, the Port provides 285 parking spaces, which includes 44 spaces for vehicles with boat trailers. These spaces accommodate fisherman, beach goers, port visitors, and employees of the fish processing plant located on Harford pier. During the summer months and good weather, the competition for these spaces can be high.

To help alleviate parking shortages during periods of peak use, the Port plans to re-configure the existing parking area in a manner that is expected to increase the number of parking spaces to 352, an increase of 67 spaces. In addition, the Port has stated its intent to provide an additional 38 public parking spaces on the Harbor Terrace site.

In order to maintain the District's ability to finance the maintenance and improvement of existing coastal access and recreation facilities, including parking facilities, the District has indicated a need to identify additional sources of revenue. Thus, the District has proposed to expand the types of uses allowed on the Harbor Terrace site, so that additional revenue can be generated.

At issue is whether the new hotel and commercial uses proposed by the amendment will interfere with the public's ability to access and recreate on the coast. Due to the upland location of the Harbor Terrace site, the primary concern is not whether the new uses will block access to the coast, but that they may consume land that is needed to support public access and coastal recreation.

Currently, the LCP prioritizes the provision of "long term parking for general visitor-serving uses", along with facilities that serve commercial recreation and boating, on the Harbor Terrace site. The LCP standards particular to the Harbor Terrace site do not, however, identify the quantity of visitor parking that must be provided. Rather, the necessary quantity of public parking spaces required must be determined at the time of development review, pursuant to San Luis Bay Planning Area Standard 1b(4) for Public Facilities, which states:

All new uses shall be required to provide additional parking consistent with the County Coastal Zone Land Use Ordinance requirements or to provide an in-lieu contribution to a District-wide parking program pursuant to Standard c. Improved Capacity program below; any new or expanded use may be approved only upon a finding that sufficient

parking exists consistent with the Coastal Zone Land Use Ordinance requirement, or will be made available either by the applicant for the use or by the District.

The portion of the "Improved Capacity Program" that deals with parking and is referred to by the above standard provides:

The District shall provide improved design, structure, and organization of the existing parking lots and shall expand available parking in the Harford Pier area and on Harbor Terrace. Additional parking shall be made available for day-use in the Avila Beach Road parkway. The District will also work with the Avila Beach Civic Association and San Luis Obispo County to develop a parking management program for County-owned on-street parking in the community of Avila Beach. The overall goal of the District's parking program is to assure an adequate supply of parking for visitors, residents, and harbor users; and additional revenues for purposes of beach maintenance and operations.

The parking requirements established by Chapter 4 of the Coastal Zone Land Use Ordinance (CZLUO) identify the number of spaces required for different types of uses, to ensure that adequate on-site parking is provided by new development. While these requirements will help prevent future hotel and commercial development from consuming existing and future public parking spaces, they do not require additional spaces that may be needed to meet general public parking demand. In the case of Harbor Terrace, CZLUO standards will be applied to ensure that hotel and commercial development provide adequate parking to support the intensity of such development. In addition, CZLUO standards will be applied to ensure that the expansion of harbor facilities proposed under the Port's Master Plan is accompanied by the provision of additional parking. A Resource Capacity Study completed by the Port in June 1997 indicates that 66 new spaces will be required to support planned facility expansion pursuant to CZLUO requirements. As noted above, the planned reconfiguration of the existing parking lot should be adequate to meet this need.

Nevertheless, there may still be a need for additional parking spaces to accommodate general public access and recreation needs. While the amendment retains visitor parking as a use planned for the site, it does not state that the provision of such parking shall have priority over hotel and commercial uses. Nor is a specific amount of public parking on the Harbor Terrace ensured by the Amendment submittal. As a result, the suggested modifications incorporate the Port's stated intent of providing a minimum of 38 public parking spaces on the Harbor Terrace site by requiring that any hotel and/or commercial development proposal identify the area that will be set aside to accommodate such parking. The modifications further require that the area set aside for these parking improvements be located in the lower western portion of the site, in order to maximize the proximity of the parking area to the coast and existing harbor facilities. Should the need for additional public parking spaces on the Harbor Terrace site, beyond the minimum 38 spaces required by the modifications, be identified during the review of future development plans, San Luis Obispo County, or the Commission on appeal, can require the provision of such parking at the time of coastal development permit review pursuant to the public access and recreation policies of the LCP and Coastal Act.

c. Conclusion

As submitted, the proposed amendment is inconsistent with Coastal Act access and recreation policies, because it introduces new uses on the Harbor Terrace site that may consume land that is needed to support public access and recreation. As a result, the suggested modifications require that a portion of the Harbor Terrace site be set aside for public parking. This area must be located in the lower western portion of the site to maximize its proximity to the coast and existing harbor facilities, and must accommodate a minimum of 38 spaces. Additional public parking spaces may be required at the time of future development review. With this modification, the amendment is consistent with Coastal Act policies calling for public access and recreation opportunities to be protected and maximized.

5. Environmentally Sensitive Habitats

a. Applicable Policies

Section 30240.

(a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.

(b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas.

b. Analysis

The habitat values of the Harbor Terrace site have been significantly diminished due to the land form alterations and grading activities that occurred prior to the Coastal Act. According to page V-50 of the 1998 EIR for a previously proposed project on the Harbor Terrace site, no threatened or endangered species are known to occur, with exception to birds such as the California brown pelican or American peregrine falcon that may occasionally fly over the site.

Native habitats that do occur on the site are limited to patches of coastal sage scrub that can be found in the upper eastern portion of the site and on the upcoast (or western) side of Diablo Canyon Road, and some Coast live oaks that occur on the periphery of the site. On the upcoast side of Diablo Canyon Road is a drainage corridor that supports riparian habitats. Habitats adjacent to the Harbor Terrace site include Coast live oak woodland, annual grassland, coastal sage scrub, maritime chaparral, and intertidal and marine habitats.

To protect terrestrial habitats, the suggested modifications require that development of the Harbor Terrace site avoid the disturbance of coastal sage scrub habitat, and provide adequate buffers for both

wildlife and fire protection. They also require that the removal of oak trees be avoided, and where avoidance is not feasible, that the development include a detailed tree replacement program. The modifications further require that the site be landscaped with native vegetation appropriate to the site, not only to minimize visual impacts of new development, but to enhance habitat values as well.

Suggested modifications intended to protect adjacent marine habitats, which in part call for the protection and restoration of the riparian habitat along the western boundary of the Harbor Terrace site, are addressed in the following findings regarding Marine Resources and Water Quality.

c. Conclusion

While most of the Harbor Terrace site is devoid of sensitive habitats due to previous grading and landform alterations, there remain some patches of native coastal scrub and oak woodland habitats, as well as riparian habitat on the western portion of the slope that was not impacted by prior development. Important native habitat values surround the site. Thus, in order to achieve consistency with Section 30240 of the Coastal Act, the suggested modifications require protection of the remnant native habitats on the site, and call for new development to be set back from these and adjacent habitats so that their biological productivity will be protected. As an additional means of achieving compliance with Section 30240, the suggested modifications require that the site be landscaped with native vegetation, and that the riparian corridor be restored and protected.

7. Marine Resources and Water Quality

a. Applicable Policies

Section 30230.

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Section 30231.

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation,

maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

b. Analysis:

As submitted, the amendment includes various grading requirements for future development of the site. However, due to the steep and potentially unstable topography of the site, as well as the need to protect the water quality and biological productivity of the adjacent marine environment, the amendment as submitted is not adequate to find consistency with Coastal Act Sections 30230 and 30231. In particular, the Harbor Terrace site contains steep and potentially unstable soils, the erosion of which could be exacerbated by future development, causing sedimentation and increased turbidity within the marine environment. Such turbidity could have a negative impact on the biological productivity and quality of coastal waters and the marine environment. The amendment could also lead to an intensification of the use of the site by increasing the impervious surfaces on the hillside.

To address the inconsistencies with the Coastal Act, modifications are recommended that add additional standards for development that require future development to incorporate specific Best Management Practices for the control of polluted runoff, erosion, and flooding. These include the use of alternate construction methods to reduce impervious surfaces including walkways, driveways and parking facilities. Modifications also include the following:

- Natural flow channels will be maintained and restored to eliminate the need for additional storm water discharge points along the coast. Impervious surfaces will be limited in order to reduce the quantity and velocity of storm water flows.
- The use of Best Management Practices to minimize erosion, decrease impervious surfaces, and restore the equivalent of natural flow regimes that existed prior to grading of the site.
- Restoring the drainage adjacent to Diablo Canyon Road to provide both flow capacity and natural habitat.
- Filtering all drainage from parking facilities by using vegetated swales or oil/water separators to limit oil/grease pollution and the intensity of flow commonly associated with parking lots.
- Use all Best Management Practices possible to limit water quality impacts and eliminate the need for additional culverts and ocean disposal points.

c. Conclusion

With the recommended modifications to address erosion and polluted runoff, the amendment is consistent with Coastal Act Sections 30230 and 30231.

8. Archaeological Resources

a. Applicable Policies

Section 30244.

Where development would adversely impact archaeological or paleontological resources as identified by the State Historic Preservation Officer, reasonable mitigation measures shall be required.

b. Analysis

As detailed on pages V-152 through V-159, the Harbor Terrace site contains, or is in close proximity to three recorded archaeological sites. One of these sites, located west of Diablo Canyon Road, is expected to contain highly significant cultural resources. According to page V-153 of the 1998 EIR, "Preliminary assessment of this site in 1977 indicated that it was a major village site, probably dating to post 1500 A.D. It contains evidence of a full range of cultural activities associated with a permanent Chumash village including one or more cemeteries. ... The site is probably the largest, deepest, and most significant remaining prehistoric site in the Avila Beach/Port San Luis area. The cemetery has also been used in the late 1970's (and possible more recently) by Native Americans for reburials and ceremonial internments".

To preclude potential disturbance to this significant cultural resource, the suggested modification prohibit any development on the portion of the Harbor Terrace site west of Diablo Canyon Road, other than restoration of the existing drainage course, and any archaeological preservation and/or protection activities that have been coordinated and approved by the State Historic Preservation Officer and cultural resource representatives of the Chumash tribe.

The other two known archaeological sites are located on the hillside above the Harbor Terrace site. According to page V-155 of the 1998 EIR, they are not expected to extend into the Harbor Terrace site. However, to address the potential for future development of the Harbor Terrace site to impact these or other archaeological resources, the suggested modifications build upon existing LCP requirements intended to protect such resources. The modifications require an archaeological field survey be completed prior to beginning of any construction, and that the protection for any resources identified be incorporated into proposed site design in coordination with the State Historic Preservation Officer and the Chumash tribe. The suggested modifications also build upon CZLUO requirements calling for all construction activities to cease if archaeological resources are discovered during construction. In such an event, construction activities may not re-commence until measures for protecting cultural resources have been developed and approved by the Planning Department, Environmental Coordinator, State Historic Preservation Officer, and Chumash tribe.

c. Conclusion

To ensure the protection of archaeological resources adjacent to, and potentially within the Harbor Terrace site, the suggested modifications prohibit new development, with limited exceptions, in the most archaeologically sensitive portion of the site west of Diablo Canyon Road. The modifications also incorporate additional mitigation measures to ensure that any development east of Diablo Canyon

Road be appropriately coordinated with the State Historic Preservation Officer and the Chumash tribe. Only with these modifications is the amendment consistent with Section 30244 of the Coastal Act.

6. Public Service Capacities

a. Applicable Policies

Section 30250.

(a) New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. In addition, land divisions, other than leases for agricultural uses, outside existing developed areas shall be permitted only where 50 percent of the usable parcels in the area have been developed and the created parcels would be no smaller than the average size of surrounding parcels.

(b) Where feasible, new hazardous industrial development shall be located away from existing developed areas.

(c) Visitor-serving facilities that cannot feasibly be located in existing developed areas shall be located in existing isolated developments or at selected points of attraction for visitors.

b. Analysis

Port San Luis is an established harbor, within the confines of the Urban Services Line established by the LCP, and in close proximity to the town of Avila Beach. Nevertheless, the expansion of uses on the Harbor Terrace, as proposed by the amendment, could lead to substantial new development on a generally undeveloped (albeit partially graded) hillside.

As detailed in previous sections of this report, suggested modification to the amendment have been designed to avoid new development on the Harbor Terrace site from having and adverse impact on coastal resources, particularly visual resources, water quality, and sensitive habitats.

In addition to avoiding such impacts, Coastal Act Section 30250 requires that new development only be permitted where there are adequate services to accommodate it.

First, as described by the Port District, traffic capacity is the limiting factor for future buildout of the Port and the Harbor Terrace site. The intensity of the original proposal for a 147 unit visitor-serving use was essentially derived from the traffic capacity of Avila Beach Drive, which is a two-way

collector terminating at Harford Pier. It is the only vehicular access to the Port. The certified LCP requires that the traffic capacity on Avila Beach Drive not exceed LOS C. The Port has provided traffic analyses that support a finding that if the new visitor-serving development does not exceed 147 units, there will still remain adequate traffic capacity to accommodate other Port uses and remain consistent with the LOS C criteria.

Second, even with the proposed intensification of the Harbor Terrace site, sufficient wastewater and water services will be available. In terms of wastewater, the Port currently contracts with the Avila Beach County Water District for sewage disposal. The District has contracted for 70,000 gallons per day (gpd) of the treatment plant's capacity.

The LCP contains the following standard relating to wastewater:

Wastewater generation shall not exceed available capacity owned by the Harbor District in the Avila Beach County Water District (community services district) wastewater treatment plant and/or such other facility as may be constructed pursuant to Standard c. Improved Capacity Program.

The Port has submitted data that shows that buildout of the coastal-dependent and coastal-related uses described in the Port Master Plan will increase estimated wastewater flows from about 17,000-20,000 gpd to about 23,000 to 25,000 gpd, which is well below the Port's contracted flow of 70,000 gpd. In addition, development of the Harbor Terrace site with a 147 room hotel, 10,000 square feet of commercial uses and a 10,000 square foot restaurant would increase this demand by about 12,143 gallons per day to about 37,000 gpd which is still well below the Port's contracted flow.

In terms of water supply, the District derives its supply of fresh water from Lopez Lake through a 100 acre-feet/year entitlement (an acre-foot is about 325,851 gallons).

The LCP contains the following standard for water supply:

Usage shall not exceed the 100 afy available to the Harbor District from its Lopez entitlement; the District shall not sell or otherwise dispose of this entitlement to any users except lessees, concessionaires, or other harbor uses consistent with the Port Master Plan. Adequate water pressures for fire suppression shall be maintained in all District water mains at all times.

The water-intensive land uses at the Port currently include restaurants, fish processing, boat washing, and restrooms. The Port has submitted data summarizing existing and potential future water use for both coastal dependent and coastal related land uses based on water use factors derived by the City of San Luis Obispo for similar types of land uses. This data shows that water use at buildout of the Port Master Plan will increase by about 8 acre-feet per year from about 35.52 acre-feet per year to about 43.1 acre-feet per year, or less than one-half of the Port's annual allotment. Again, with the additional visitor-serving development of a 147 room hotel, 10,000 square feet of commercial uses and a 10,000

square foot restaurant, water use would increase from 43 acre-feet to about 75 acre-feet per year, which leaves a reserve of about 25 acre-feet. These totals assume that the existing trailer park remains on the site and consumes about 2.1 acre-feet of water per year.

c. Conclusion

Adequate water, wastewater, and traffic services will be available to support the future development of Port facilities and the Harbor Terrace site. Thus, the amendment is consistent with Coastal Act Section 30250.

E. Internal Consistency

The proposed amendments to the San Luis Bay Area Plan, which alter the planned use of the Harbor Terrace site, result in inconsistencies with other sections of the LCP that address future development on this site that are not addressed by the submittal. During the processing of this amendment, staff has also identified inconsistencies between sections of the existing LCP and the Commission's original certification of the Land Use Plan components specific to the Port San Luis Area. These inconsistencies are corrected by the suggested modifications contained on pages 12 - 14 of this report.

F. California Environmental Quality Act (CEQA)

The Secretary of Resources has certified the Coastal Commission's review and development process for Local Coastal Programs and amendments as being the functional equivalent of the environmental review required by CEQA. Therefore, local governments are not required to undertake environmental analysis on LCP amendments, although the Commission can and does use any environmental information that the local government has developed. In this case the County approved an EIR for a previously proposed development on the site that involved the new land uses that will be allowed by the LCP amendment. Staff has used this information in the analysis of the amendment submittal, and has identified additional measures that need to be incorporated into the amendment in order to avoid adverse environmental impacts. These measures are embodied in the suggested modifications to the County's amendment submittal. With these changes, approval of the amendment complies with the California Environmental Quality Act because as modified, the amendment will not have significant environmental effects for which feasible alternatives or mitigation measures have not been employed.

DEC 13 1999

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

1. **Revise Chapter 8, San Luis Bay Area Plan, Pages 8-20 - 8-23 as follows:**
 - n. **Permitted Uses:** Permitted uses shall include harbors, long term parking for general visitor-serving uses, Harbor District storage and maintenance yard and secured boat and equipment storage for commercial fisherman and recreational boats. Uses included in the Harbors land use shall exclude: petroleum storage and handling, service stations and vehicles and freight handling. Transient occupancy uses shall include a combination of hotel guest units and retail and restaurant uses that equals up to the traffic generation of no more than 147 guest units and 20,000 sq. ft of commercial space. The existing mobile home park may remain in operation; however, no expansion of the park's area or number of spaces is allowed. Other uses allowed include public open space and special events area subject to land use permit approval consistent with the Coastal Zone Land Use Ordinance. The balance of the terraced area not required for these priority uses shall be used for a campground consistent with Figure 8-5, Harbor Terrace Plan. (PSL Policy HT-1) (LCP)
 - o. **Planning Criteria:** Development plans for Harbor Terrace shall be evaluated according to the following criteria in addition to all other policies of the LCP and general plan:
 1. Landscape plans and appropriate irrigation plans shall be submitted identifying proposed revegetation necessary to stabilize slopes and planting necessary to minimize visual impacts of terracing and proposed use of the site for storage. The area of cut shall be immediately reseeded.
 2. Detailed grading plans shall be submitted which identify existing and proposed drainage channels and proposed final site configuration. Grading shall be permitted in accordance with the County Coastal Zone Land Use Ordinance and shall be designed to minimize the potential discharge of sediment and pollutants into the Bay. Construction shall be completed during the non-rainy season (April through October) to avoid potential runoff and sedimentation. The contours of the finished surface are to be blended with adjacent natural terrain to achieve a natural appearance, and revegetated immediately after completion of finish grading so as to assure establishment of ground cover prior to October 1st. Berms shall be provided for each terrace to enhance screening of campsites as well as parking and storage areas.
 3. An archaeological field survey shall be completed prior to beginning of construction. Previous site alteration may have substantially eliminated any resources; however, the potential should be evaluated and protection of any resources identified and incorporated in the proposed site design. In accordance with Section 23.05.140 of the Coastal Zone Land Use Ordinance, all construction activities shall cease should resources be identified during actual construction.

4. Pre-construction geologic investigations shall be performed by a certified engineering geologist (CEG) for submittal with coastal development permit applications for site development and shall at a minimum, recommend strategies for addressing the following issues:

- i. Stability of existing and proposed cut and fill areas.
- ii. Landslides and slope instability.
- iii. Compliance with Uniform Building Code requirements for slopes, building foundations, retaining walls and other features.
- iv. Potential sheared rock/fault zone hazards.
- v. Preliminary (pre-construction) grading and drainage plans.

5. Grading for approved development shall be designed and implemented to minimize sedimentation impacts on adjacent surface water bodies including coastal streams and San Luis Bay. The scenic waterfront character of Avila Beach shall be maintained and enhanced where feasible. Grading and drainage plans shall incorporate the following elements as necessary to accommodate the nature and intensity of proposed development:

- i. Gutters, downspouts and underground drainage systems which directs runoff away from buildings.
- ii. Drainage swales and channels as necessary and subdrains to manage potential groundwater seepage.
- iii. Erosion control measures such as seeding of all disturbed areas and landscaping/re-vegetation plans.
- iv. Storm water drainage improvements and bluff protection along Avila Beach Drive and seaward of Avila Beach Drive.
- v. Approval and implementation of a NPDES permit from the Regional Water Quality Control Board.

6. The design of new development shall incorporate measures to protect and enhance sensitive biological resources on and adjacent to the Harbor Terrace site. These measures may include:

- i. The re-vegetation of all cut slopes with native coastal sage scrub and grassland species.
- ii. The replacement of all oak trees in areas adjacent to existing oak woodland habitat.
- iii. Designing grading and construction activities to avoid or minimize disturbance of sensitive habitat.
- iv. The maintenance and management of setback or buffer zones as wildlife habitat areas.
- v. The incorporation in landscaping plans of native plants species or ornamentals that are attractive to wildlife.
- vi. The scheduling of construction activities such as grading and clearing to avoid spring and early summer months.
- vii. Providing information to future guests regarding nature-viewing

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Exhibit 1, p.2

- opportunities.
- viii. The provision of designated areas for pets so that native habitat areas are avoided.
 - ix. The use of Best Management Practices to minimize erosion.
7. Construction related activities shall incorporate measures to minimize noise impacts. Such measures may include:
- i. The preparation of a noise analysis to determine the type of noise mitigation necessary to achieve and maintain county noise standards.
 - ii. The use of "critical" grade noise mufflers on construction equipment.
 - iii. Limiting hours of construction activities.
 - iv. The use of temporary or permanent noise barriers and monitoring ongoing noise levels.
 - v. Locating staging or laydown areas away from sensitive receptors.
8. Outdoor events conducted on the site shall be planned and staged so that noise generated by the event, attendees and traffic is minimized. Temporary events are subject to the provisions of CZLUO section 23.08.248.
9. New development shall be designed to minimize impacts related to light and glare and maintain the nighttime character of Avila Beach and the Harbor Terrace site. Such measures may include:
- i. Minimizing the number of streetlights.
 - ii. The use low-pressure sodium vapor lamps with shielding that orients the light downward.
 - iii. The use of awnings or treated window glazing in the design of new development.
10. Construction activities shall incorporate measures to avoid or minimize hazards related to existing hydrocarbon contamination on the Harbor Terrace site. Such measures may include:
- i. Preparation of an Asbestos Health and Safety Program.
 - ii. Monitoring of all earthwork to determine if any hazardous materials are encountered.
 - iii. Conducting grading activities during the dry season.
 - iv. The excavation and disposal of any hazardous materials discovered on the site in accordance with all applicable federal, State and local regulations.
 - v. The use of vapor barriers in the design of building foundations.
11. Visitor-serving land uses shall develop a trip-reduction program which incorporates measures to reduce motor vehicle trips. Such measures may include, but are not limited to, the following:
- i. Providing shuttle service to points of interest.

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Exhibit 1, p. 3

- ii. Providing bicycles for guest use.
- iii. Incorporating flexible work schedules so that peak employee-related traffic does not coincide with shift changes at Diablo Canyon Nuclear Power Plant.

12. New development on the Harbor Terrace site shall incorporate measures to maintain safe pedestrian access to the beach as well as maintain safe and efficient access to such new development by emergency vehicles. Such measures may include, but are not limited to:

- i. The provision of cross-walks on Avila Beach Drive between Harbor Terrace and the bluff top and beach.
- ii. The incorporation of traffic calming measures into on-site circulation systems.
- iii. Providing access for emergency vehicles in the design of on-site circulation systems.
- iv. The continued regulation of parking on Avila Beach Drive.

13. New development on the Harbor Terrace site shall incorporate measures to help minimize potential fire hazard and to help offset the increased demand for fire protection services. Such measures may include, but are not limited to, the following:

- i. The payment of all applicable Public Facilities Fees.
- ii. The design of water systems that provide adequate flow for fire suppression purposes. Such systems may incorporate water storage tanks or other features as determined by the County and CDF.
- iii. The use of fire retardant road materials.
- iv. The preparation of a Fuel Reduction Plan to be submitted for review and approval by CDF and County Fire.

14. Water usage for new development on the Harbor Terrace site shall not exceed the 100 acre-feet per year available to the Harbor District from its Lopez Lake entitlement. In addition, new development shall incorporate measures to minimize water consumption. Such measures may include, but are not limited to, the following:

- i. Compliance with County and CSA 12 requirements for the design of water systems and requirements for reclaimed water systems for landscape irrigation.
- ii. The use of drought-tolerant landscaping and low-flow irrigation systems.
- iii. The use of water efficient plumbing fixtures in accordance with State and local requirements.
- iv. If available, the use of reclaimed water for landscape irrigation.

15. Wastewater generation shall not exceed available capacity owned by the Harbor District in the Avila Beach County Water District wastewater treatment plant.

and/or such other facility as may be constructed. Sewer lines shall be designed and installed in accordance with the requirements of the County of San Luis Obispo and the Avila Beach Community Services District

16. New development on the Harbor District site shall adhere to all applicable source reduction programs for disposal of construction materials and solid waste.
17. The design of new development on the Harbor Terrace site shall incorporate park, open space and recreational facilities. Such facilities shall be landscaped, irrigated and appropriately maintained, and shall provide parking in accordance with County standards. Any bluff-top development shall maintain public access along the bluff and to the beach. All beach and shoreline accessways shall be signed and dedicated to the Port San Luis Harbor District or other appropriate entity.
18. New development shall incorporate measures to conserve energy in accordance with the provisions of the Energy Element of the General Plan and Title 20 and Title 24 of the Uniform Building Code. The design of new development to take advantage of opportunities for active and passive solar energy shall be encouraged.
19. New visitor-serving development shall be designed with a consistent site planning, architectural and landscaping theme that employs elements to visually unify the development on the site. The overall design goal should be to create a pleasing, visually-attractive development that contributes in a positive way to the character of the Avila Beach and Port San Luis area. Exterior building colors and materials should be chosen to complement and blend with the Harbor Terrace setting.
20. New development shall be required to prepare a mitigation plan for review and approval by the APCD that identifies measures to reduce construction-related emissions and the generation of respirable particulates.
21. Proposed uses of the Harbor Terrace site shall include sufficient area for commercial fishermen storage and trailer parking. Other uses of the site shall be designed and constructed so that fishing and boating uses are given priority. Realignment of Avila Beach Drive fronting the Harbor Terrace site is not found to be consistent with this priority use at this time.
22. The Port may continue to operate the existing mobile home park. Closure or partial closure of the Mobilehome park shall require submittal, review and approval of a coastal development permit application that includes the preparation of a Tenant Impact Report as a part of the CDP application as may be required by Government Code section 65863.7.

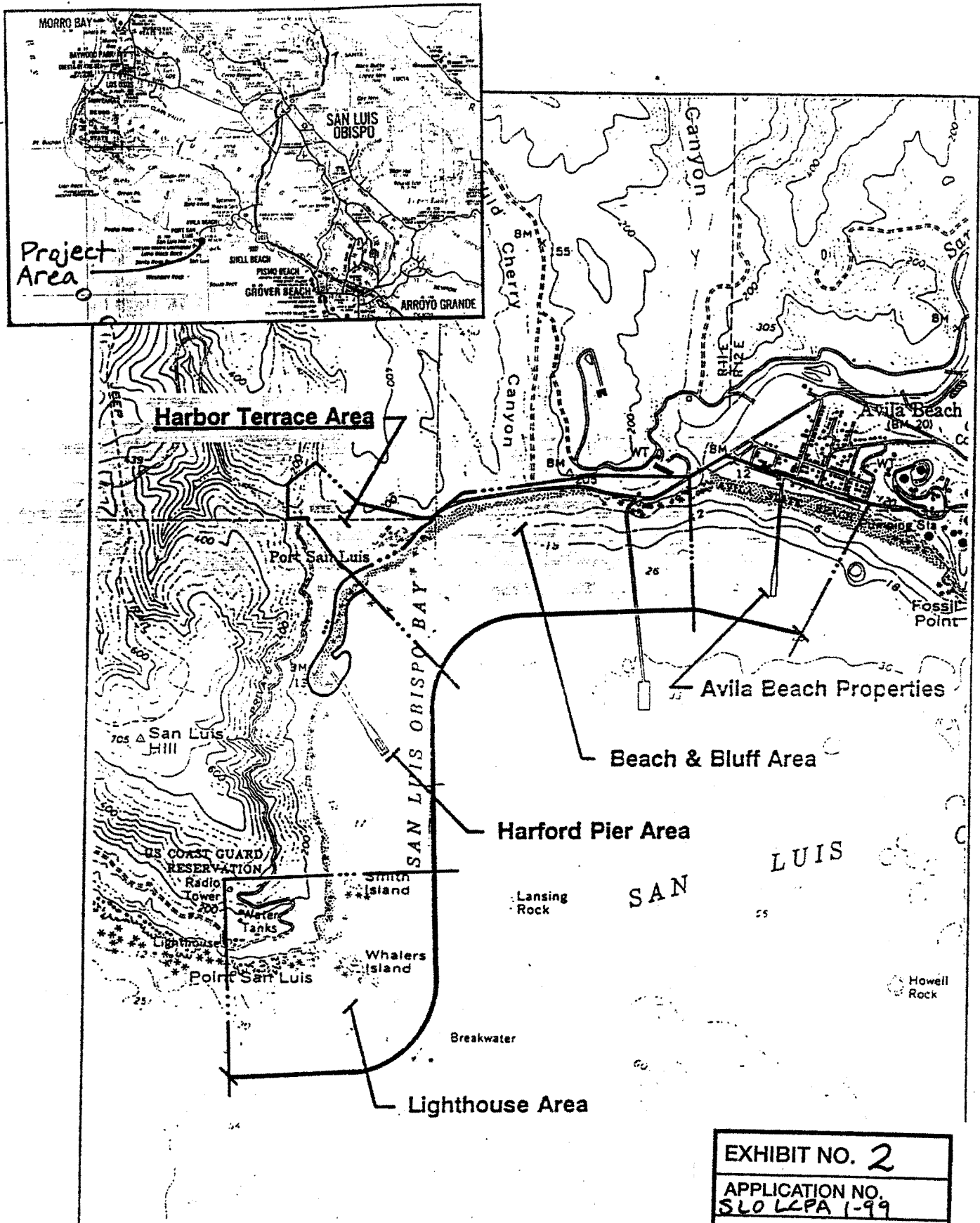


Figure 8-4: Port San Luis Planning Areas

EXHIBIT NO. 2
APPLICATION NO. SLO LCPA 1-99
Location Map

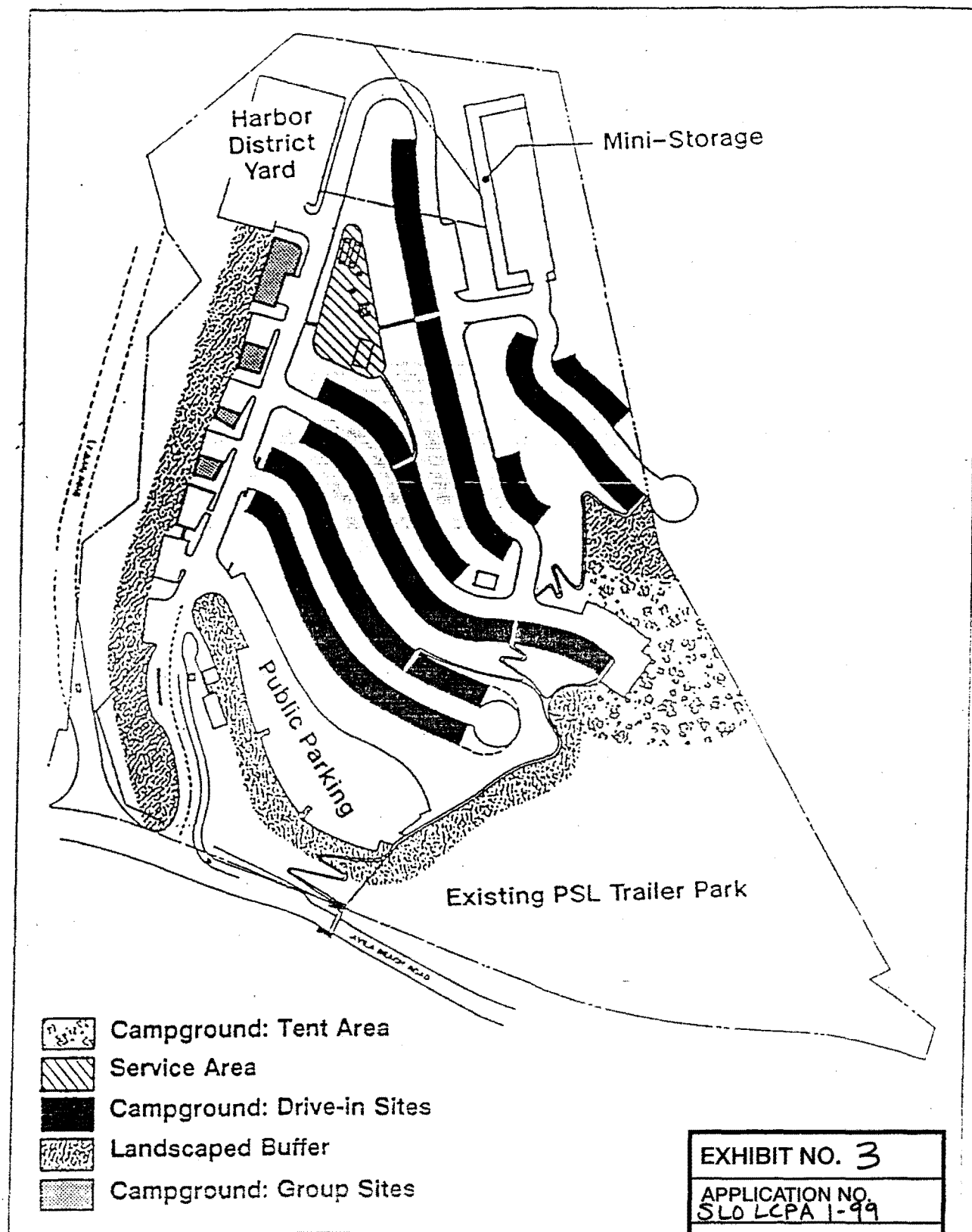


Figure 8-5: Conceptual Harbor Terrace Plan

EXHIBIT NO. 3
APPLICATION NO. SLO LCPA 1-99
Existing LCP
Site Plan

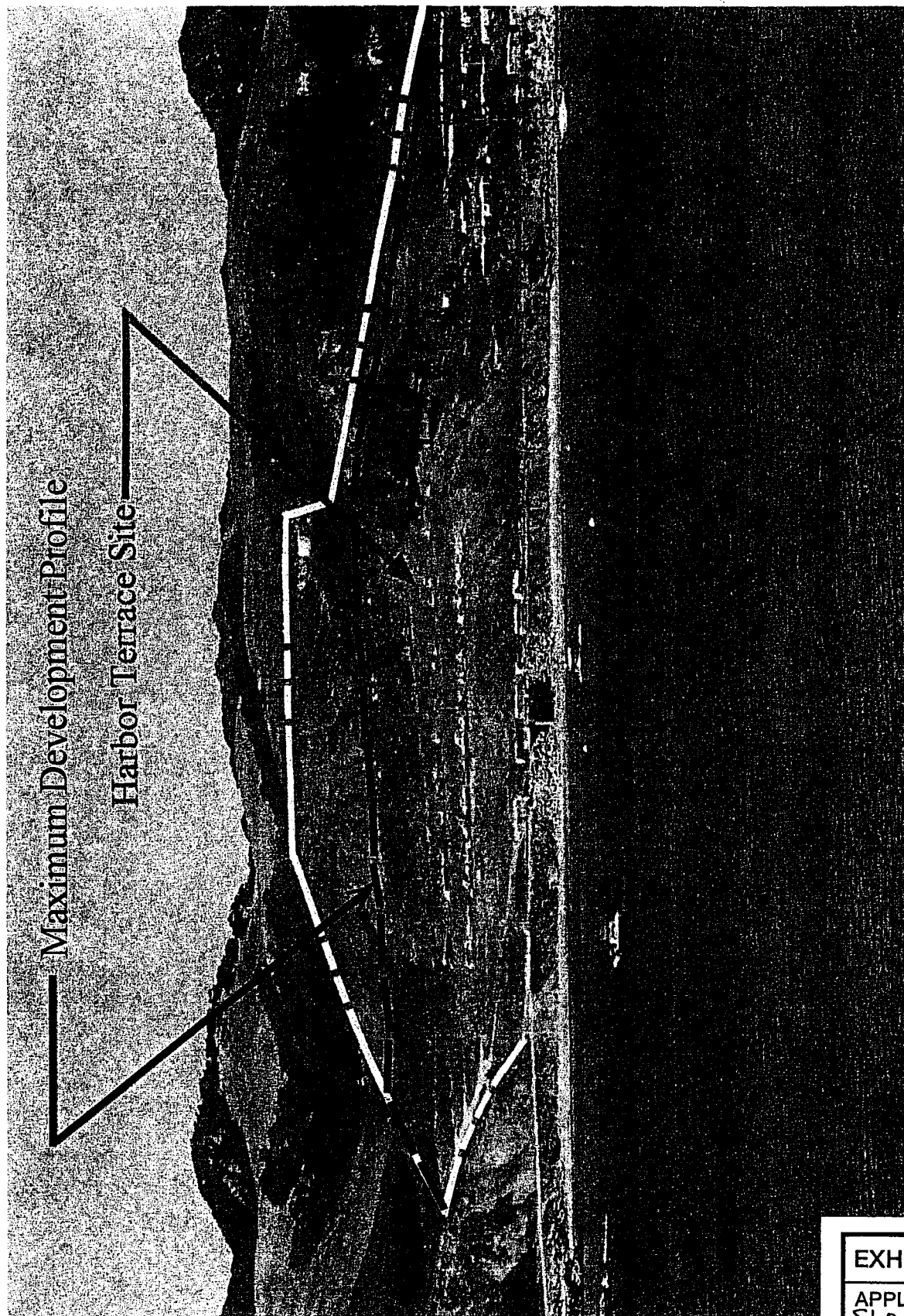


Photo 1: View From End of Harford Pier

EXHIBIT NO. 4

APPLICATION NO.
SLO LCPA 1-99

Maximum Development
Profile as viewed
from end of
Harford Pier

EXHIBIT NO. 5
 APPLICATION NO.
 SLO LCFA 1-99
 Port San Luis Harbor
 District's Projected
 Revenue + Expenditures

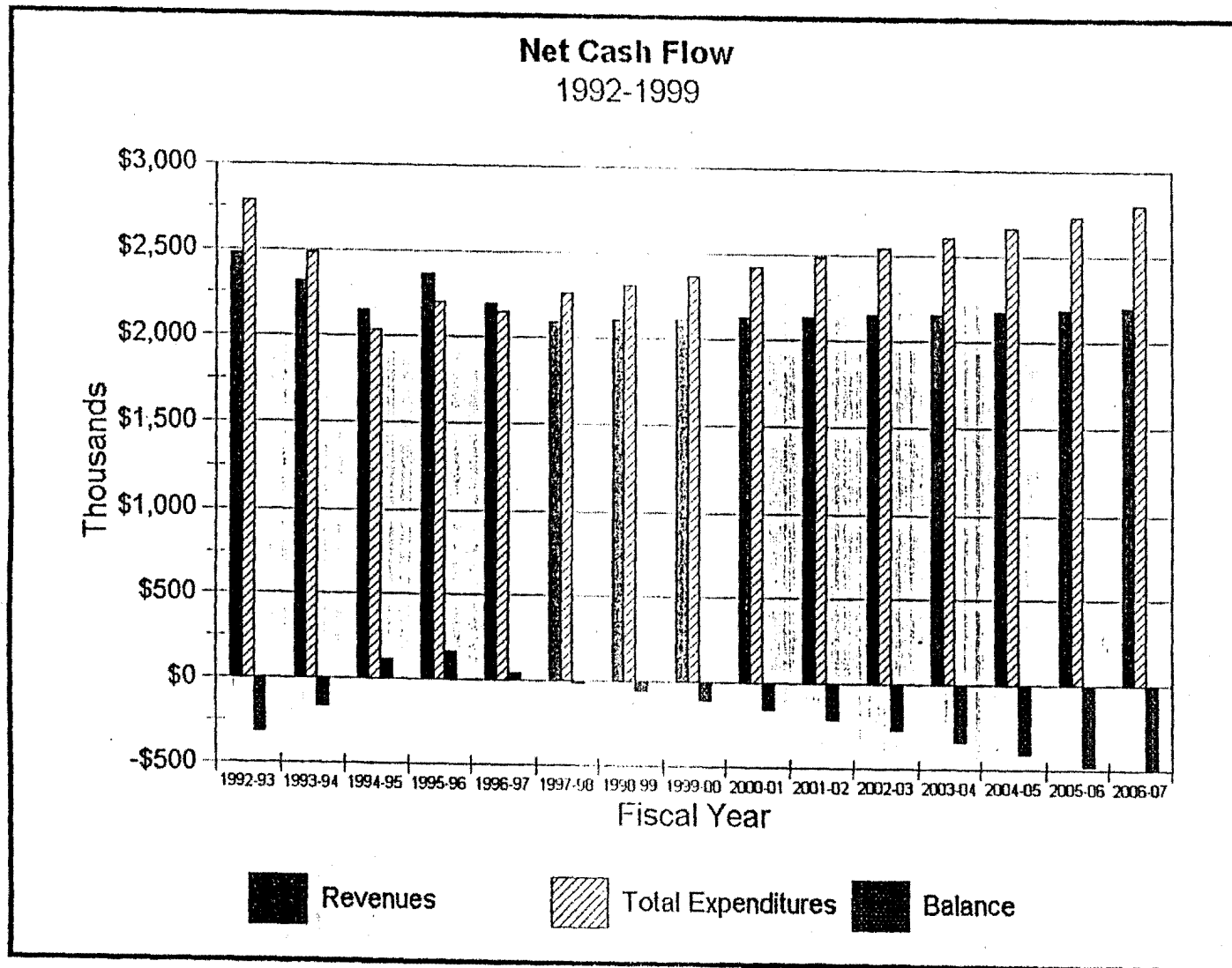


Figure 2

Source: Port San Luis Harbor District,
 Supplemental Information for Local
 Coastal Program Amendment, October
 1999

Table 1

INVENTORY OF EXISTING AND PROPOSED PORT FACILITIES 1999

Source: Port San Luis Harbor District and
Port Master Plan, 1996

COASTAL DEPENDENT LAND USES			
	Existing	Proposed	TOTAL:
Harbor Operations			
Auxiliary office/storage	400 sq.ft.	300 sq.ft.	700 sq.ft.
Patrol boat moorings	2 moorings		2 moorings
LCM Mooring	1 mooring		1 mooring
Materials Lay Yard	20,000 sq.ft.	6,000 sq.ft.	26,000
Maintenance Yard Area	11,246 sq.ft.	1,736 sq.ft.	13,000 sq.ft.
Shop Buildings	2,500 sq.ft.		2,500 sq.ft.
Harbormaster's Office	3,150 sq.ft.		3,150 sq.ft.
Commercial Fishing			
Gear Storage	23,000 sq.ft.	5,500 sq.ft.	28,500 sq.ft.
Floating work dock	3 docks		3 docks
Transient mooring (seasonal)	35 moorings		35 moorings
Fishing support area	7,885 sq.ft.	665 sq.ft.	8,550 sq.ft.
Skiff Storage	90 spaces	90 spaces	180 spaces
Off-load area	360 lin.ft.		360 lin.ft.
Diesel Dock (with bilge pump)		1 bilge pump	1 bilge pump
Boat Repair Yard	35 spaces		35 spaces
Mobile Boat Hoist	1 hoist		1 hoist
Boat Repair Lockers		400 sq.ft.	400 sq.ft.
Showers/laundry	100 sq.ft.	650 sq.ft.	750 sq.ft.
Diesel Storage Tank (underground)	12,000 gallon tank	Replace with double wall tank	12,000 gallon tank
General Public			
Marine Supply/sport launch	2,085 sq.ft.		2,085 sq.ft.
Open Pier/fishing	1,720 lin.ft.		1,720 lin.ft.
Restricted Frontage	1,470 lin.ft.		1,470 lin.ft.
Fish Cleaning Station	20 lin.ft.		20 lin.ft.
Recreational Boat Parking	44 spaces		44 spaces
Sport Fishing	3 boats	1,000 sq.ft.	3 boats - 1,000 sq.ft.

EXHIBIT NO. 6,

APPLICATION NO.
SLO LCPA 1-99Existing + Proposed
Port Facilities

Table 1 (cont'd)			
Inventory of Existing and Proposed Port Facilities			
COASTAL RELATED LAND USES			
	Existing	Proposed	TOTAL:
Harford Pier – Visitor Serving			
Pod 1		2,600 sq.ft.	2,600 sq.ft.
Pod 2		6,000 sq.ft.	6,000 sq.ft.
Commercial/Restrooms (pier)	4,821 sq.ft.	4,679 sq.ft.	9,500 sq.ft.
Commercial/Restaurant (land)	2,922 sq.ft.	2,922 sq.ft.	5,844 sq.ft.
Trailer Boat Storage	75	-13	62
General Public			
General Parking	241	111	352
OTHER LAND USES			
Landscaping	9,156 sq.ft.	7,024 sq.ft.	16,180 sq.ft.

Fishermen's Gear Storage

The Port currently provides 52 gear storage spaces on the Harbor Terrace site. Since 1990, the number of rented spaces rented has held fairly steady at 13 (about 25%). In 1997 the Port prepared an analysis of the demand for storage facilities. As part of this analysis, the Port distributed a written survey to all fishermen using the gear storage areas in 1996. The purpose of the survey was to find out directly from the users the adequacy of the current storage facilities and to identify ways to improve them. The survey respondents recommended a number of relatively minor improvements that could be made to the gear storage area to make it more functional and to incorporate flexibility to respond to the changing needs of commercial fishermen in the future. The analysis of present and future demand suggested that the gear storage area should be expanded from about 23,000 square feet to about 28,500 square feet.

Materials Lay Yard

The Port requires a materials lay yard to store lumber, hardware, and maintenance equipment which are used in the ongoing maintenance and repair of Port facilities. The materials lay yard must accommodate large timbers and must be accessible by 45 foot semi-tractor-trailers for offloading materials. The materials yard is also used to store up to 40 moorings and mooring materials such as anchors, buoys and chain.

The existing materials storage area comprises about 20,000 square feet. Future plans for the materials storage area are to expand to 26,000 square feet and to configure the area to better accommodate the turning movements of large trucks.

SLO LCPA 1-99
Exhibit 6, P. 2

