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APPEAL STAFF REPORT
DE NOVO HEARING

Application number.....**A-3-SLO-02-073, Hudzinski SFD**

Applicant.....Robert and Francis Hudzinski

Appellants.....Commissioners Wan and Desser

Project location.....1588 Bradford Rd. (Lodge Hill), Cambria, San Luis Obispo County.

Project description.....Construction of a two-story 2,334 sq. ft. single-family residence.

Local approval.....San Luis Obispo County: Coastal Development Permit D010339.

File documents.....San Luis Obispo County Certified Local Coastal Program; Coastal Development Permit D010339P; Coastal Commission Staff Report on the North Coast Area Plan Update (San Luis Obispo County Local Coastal Program Amendment No. 1-97); San Luis Obispo County LCP 2001 Periodic Review.

Staff recommendation ...**Approval with Conditions**

Summary of the Staff Recommendation: The proposed development of a single-family residence raises concerns regarding the availability of adequate public services and the protection of environmentally sensitive habitat areas (ESHA) in the community of Cambria. As required by Public Works Policy 1 of San Luis Obispo County's *Coastal Plan Policies*, all new development must demonstrate that there is sufficient water supply to serve the development. The San Luis Obispo County certified Local Coastal Program (LCP) further requires that adequate water supplies be reserved for the protection of ESHA, and for priority uses such as agriculture and visitor-serving development.

The Commission has previously recognized the serious water supply situation in Cambria, and has identified a process for resolving these concerns. In the Periodic Review of the San Luis Obispo County Local Coastal Program adopted in July 2001, the Commission recommended that no additional development that would require a new water connection, or otherwise create additional water withdrawals from Santa Rosa, be permitted after January 1, 2002, unless certain findings could be made (Periodic Review Recommendation 2.13).

It is clear that significant uncertainty still exists with respect to the environmental sustainability of the community's water supply, and that the findings called for by Periodic Review Recommendation 2.13 cannot be made. However, since the adoption of the Periodic Review, the Cambria Community Services District (CCSD) has taken an important step towards addressing these concerns. Namely, in November 2001, the CCSD declared a water supply emergency, which has essentially halted the issuance of new intent to serve letters by the CCSD. As a result, new development in Cambria being permitted by the County is generally limited to those projects that the CCSD committed to serving prior to the declaration of the water supply emergency, otherwise referred to as "pipeline projects". The proposed development that is the subject of this permit application is an example of such a pipeline project.

Notwithstanding the action by the CCSD to limit additional demands on Cambria water supply, the question remains whether there is adequate water available to meet the cumulative water demands associated with the pipeline projects and existing development, and at the same time protect ESHA as required by the LCP. The burden of the uncertainty in the existing water supply must not be placed on coastal resources. Staff therefore recommends approval of the project, subject to a special retrofitting condition that would offset the additional water withdrawals caused by the project. This approach will allow the limited number of pipeline projects to proceed in a manner that will not exacerbate existing concerns regarding the adequacy of Cambria water supplies. With this condition the project will avoid inconsistencies with LCP requirements calling for adequate water supplies and the protection of ESHA.

Staff Report Contents

1. Staff Recommendation On Coastal Development Permit

Staff recommends that the Commission, after public hearing, **approve** a coastal development permit for the proposed development subject to the standard and special conditions below.

MOTION: I move that the Commission approve Coastal Development Permit Number A-3-SLO-02-073 pursuant to the staff recommendation.

STAFF RECOMMENDATION OF APPROVAL: Staff recommends a **YES** vote. Passage of this motion will result in approval of the coastal development permit as conditioned and adoption of the following resolution and findings. The motion passes only by an affirmative vote by a majority of the Commissioners present.

RESOLUTION TO APPROVE THE PERMIT: The Commission hereby approves a coastal development permit for the proposed development and adopts the findings set forth below on grounds that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act and will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

2. Conditions of Approval

A. Standard Conditions

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

2. **Expiration.** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. **Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
4. **Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
5. **Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the Permittee to bind all future owners and possessors of the subject property to the terms and conditions.

B. Special Conditions

1. Scope of Permit. The development authorized by this permit is limited to construction of the following, subject to Executive Director review and approval of final plans and compliance with all conditions of this permit.

a. 2,334 square foot single-family residence with: 1,562 square feet of footprint, and a maximum height of 20 feet (measured in accordance with Section 23.04.122 of the CZLUO).

2. No Net Increase in Water Use Allowed. PRIOR TO ISSUANCE OF THE PERMIT, the applicant shall submit, for Executive Director review and approval, evidence that the anticipated water use of this development has been completely offset through the retrofit of existing water fixtures within the Cambria Community Service District's service area or other verifiable action to reduce existing water use in the service area (e.g., replacement of irrigated landscaping with xeriscaping). The documentation submitted to the Executive Director shall include:

a. A detailed assessment of anticipated total water use (including water used for both domestic and landscaping purposes) of the approved development, measured in gallons per year, prepared by a qualified professional, and approved by the Cambria Community Services District. This assessment shall include the specific data and analyses used to estimate water use, including the number of bedrooms/occupants, the number and types of water fixtures and appliances, the type and extent of project landscaping, and the proposed method of landscape irrigation.

b. A detailed description of the water saving action(s) that have been taken to offset the amount of water that will be used by the project, and the amount of water savings expected to result from these actions in gallons per year. For retrofits, this shall include a description of the existing and replacement fixtures, their associated water flows, their estimated frequency of use, and the quantity of water savings expected as a result of the retrofits, calculated by a qualified professional. For water savings achieved by reducing landscape irrigation, the applicant shall document the landscaping to be removed, and submit a

replacement landscape plan that documents the use of native drought resistant plants and water conserving irrigation techniques, and a quantification of the expected water savings calculated by a landscape professional.

c. The specific address/location of where the retrofits and/or landscaping changes identified in the preceding subsection took place and the dates that they were completed, including certification of successful installation by the installers.

d. Written verification that the Cambria Community Services District concurs that the completed retrofits and/or landscape changes will result in water savings that meets or exceeds the anticipated water use of the project.

e. Either (1) deed restrictions, in a form and content acceptable to the Executive Director, and executed and recorded by the owner(s) of the sites/locations identified pursuant to subsection "c" above, requiring that water conserving fixtures/landscaping installed on the project site, and on the identified non-project sites, will be maintained for the life of the project. The deed restrictions shall indicate that, pursuant to this permit, the California Coastal Commission has authorized development on the subject property, subject to terms and conditions that restrict the use and enjoyment of the project site and of those properties whose use of water must be reduced to offset the projected water requirements of the proposed project. The deed restriction shall include a legal description of the parcels governed or affected by this Special Condition, and shall be run with the land, binding all successors and assigns, and shall be recorded free of all prior liens that the Executive Director determines may affect the enforceability of the restriction. Or, (2) as an alternative to deed restrictions, evidence that a monitoring system will be administered by the Cambria Community Services District to ensure that the water reduction requirements of this condition will be effectively maintained. Such a monitoring plan in lieu of deed restrictions must include adequate assurances and commitments that the Cambria Community Services District will monitor and regulate water use at the project site and retrofit sites consistent with the terms of this condition.

3. **Grading, Drainage, and Erosion Control Plans.** PRIOR TO ISSUANCE OF THE PERMIT, the applicant shall submit, for Executive Director review and approval, a drainage and polluted runoff control plan designed by a licensed engineer that satisfy the requirements of CZLUO Sections 23.05.024 – 23.05.050, and prohibits ground disturbing activities between October 15 and April 1. The plans shall also identify that ground disturbing activities are also prohibited when the National Weather Service reports a 30% or greater chance of rain. In addition, the plans shall conform to the following requirements:

   Implementation of Best Management Practices During Construction. The Drainage and Erosion Control Plans shall identify the type and location of the measures that will be implemented during construction to prevent erosion, sedimentation, and the discharge of pollutants during construction. These measures shall be selected and designed in accordance with the California Storm Water Best Management Practices Handbook and the criteria established by the San Luis Obispo County Resource Conservation District. Among these measures, the plans shall limit the extent of land

disturbance to the minimum amount necessary to construct the project; designate areas for the staging of construction equipment and materials, including receptacles and temporary stockpiles of graded materials, which shall be covered on a daily basis; provide for the installation of silt fences, temporary detention basins, and/or other controls to intercept, filter, and remove sediments contained in the runoff from construction, staging, and storage/stockpile areas; and provide for the hydro seeding of disturbed areas immediately upon conclusion of construction activities in that area. The plans shall also incorporate good construction housekeeping measures, including the use of dry cleanup measures whenever possible; collecting and filtering cleanup water when dry cleanup methods are not feasible; cleaning and refueling construction equipment at designated off site maintenance areas; any the immediate clean-up of any leaks or spills. The plans shall indicate that PRIOR TO THE COMMENCEMENT OF GRADING, the applicant shall delineate that the approved construction areas with fencing and markers to prevent land-disturbing activities from taking place outside of these areas.

Post Construction Drainage. The drainage plan shall identify the specific type, design, and location of all drainage infrastructure necessary to ensure that post construction drainage from the project does not result in erosion, sedimentation, or the degradation of coastal water quality. The capacity of filtration and treatment features shall be adequate to effectively remove sediments and pollutants during an 85th percentile24-hour runoff event. In areas where rocks or other energy dissipation structure be needed, the drainage plan shall include detailed plans which limit the size and footprint of such structure to the minimum necessary to achieve effective erosion control.

The applicant shall be responsible for implementing and maintaining drainage and erosion control measures and facilities for the life of the project. This shall include performing annual inspections, and conducting all necessary clean-outs, immediately prior to the rainy season (beginning October 15), and as otherwise necessary to maintain the proper functioning of the approved drainage system.

4. Tree Removal. WITHIN 90 DAYS OF OCCUPANCY, the applicant shall submit, for Executive Director review and approval, evidence that all special conditions related to Monterey Pine tree removal imposed by the County of San Luis Obispo have been implemented in accordance with the local approval D010339P (County Conditions of Approval # 6, 7, and 8). See Exhibit 1 for a complete text of these conditions.

5. Voluntary Lot Merger. PRIOR TO CONSTRUCTION, the applicant shall submit, for Executive Director review and approval, evidence that all special conditions related to the voluntary lot merger imposed by the County of San Luis Obispo have been implemented in accordance with the local approval D010339P (County Conditions of Approval # 9 and 10). See Exhibit 1 for a complete text of these conditions.

6. Revised Landscape Plans. PRIOR TO ISSUANCE OF THE PERMIT, the applicant shall submit for Executive Director review and approval, a revised Landscape Plan that provides for the planting of all open areas of the site disturbed by project construction with native, drought resistant species that are compatible with the habitat values of the surrounding forest.

Recommended Findings and Declarations

The Commission finds and declares as follows:

3. Project Background

The County of San Luis Obispo Planning Commission approved the proposed development on August 2, 2002, subject to 10 conditions (see Exhibit 1 for the County's conditions). Commissioners Wan and Desser appealed this decision on September 5, 2002. On November 7, 2002 in San Diego, the Commission held a substantial issue hearing on the project and found that the appeal raised a substantial issue in terms of the projects consistency with the San Luis Obispo County LCP. As a result, the Commission took jurisdiction over the coastal development permit (CDP) for the project.

4. Project Description

The project is located at 1588 Bradford Road in the community of Cambria, San Luis Obispo County. Lodge Hill is an extensive residential area located within the Monterey Pine forest terrestrial habitat, south of Highway One (Exhibit 2). The topography of the area is varied with numerous ridges and gullies, steep slopes, and nearly flat areas near the marine terrace. The majority of the lots in the area are very small, typically 25 feet by 70 feet, and therefore historic development has been relatively dense. However, it is common for present-day proposals to consolidate two or three lots to create larger sites more appropriate for development.

The project site consists of two forested double parcels (four lots), totaling approximately 9,844 square feet (please see Exhibit 3 for project plans). The County approval authorizes the construction of a new single-family residence with 1,562 square feet of footprint, and 2,334 square feet of gross structural area. The proposed residence consists of the garage and living space on two levels, both above the average natural grade. The proposed house and driveway together straddle all four lots. The County has therefore required the applicants to apply for and record a voluntary lot merger as a condition of approval that has been carried over into this permit (see Special Condition 5). The overall height of the proposed residence is 20 feet, as measured from the average natural grade of the site.

5. Coastal Development Permit Determination

A. Public Services

1. Relevant Local Coastal Program Provisions

As required by Public Works Policy 1, all new development must demonstrate that there is sufficient water supply to serve the development:

> ***Public Works Policy 1: Availability of Service Capacity***
> *New development (including divisions of land) shall demonstrate that adequate public or private service capacities are available to serve the proposed development. Priority shall be given to infilling within existing subdivided areas. Prior to permitting all new development, a finding shall be made that there are sufficient services to serve the proposed development given the already outstanding commitment to existing lots within the urban service line for which services will be needed consistent with the Resource Management System where applicable...*

This policy is implemented by CZLUO 23.04.430:

> ***CZLUO Section 23.04.430 - Availability of Water Supply and Sewage Disposal Services.*** *A land use permit for new development that requires water or disposal of sewage shall not be approved unless the applicable approval body determines that there is adequate water and sewage disposal capacity available to serve the proposed development, as provided by this section . . .*

In addition to these urban service policies, water supply for new development in Cambria must also be considered in light of LCP priorities for Agriculture and Visitor-serving development.

> ***Agriculture Policy 7: Water Supplies***
> *Water extractions consistent with habitat protection requirements shall give highest priority to preserving available supplies for existing or expanded agricultural uses. [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD.]*

> ***Recreation & Visitor-Serving Facilities Policy 2: Priority for Visitor-Serving Facilities.*** *Recreational development and commercial visitor-serving facilities shall have priority over non-coastal dependent use, but not over agriculture or coastal dependent industry in accordance with PRC 30222. All uses shall be consistent with protection of significant coastal resources... [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD.]*

Finally, The North Coast Area Plan component of the LCP contains a development standard for the Cambria Urban Area that requires:

> ***Reservation of Service Capacity.*** *To allow for continued growth of visitor-serving facilities, 20% of the water and sewer capacity shall be reserved for visitor-serving and commercial uses.*

2. Consistency Analysis

Since passage of the Coastal Act, the Commission has recognized that Cambria's limited water supplies place a serious constraint on the buildout of this community. Concerns regarding the adequacy and reliability of Cambria's water supplies have been coupled with concerns that excessive withdrawals from

San Simeon and Santa Rosa creeks will have significant adverse impacts on environmentally sensitive habitat areas. These concerns are detailed in the Commission's review of the North Coast Area Plan Update proposed by the County in 1997, and in the Periodic Review of the San Luis Obispo County LCP adopted by the Commission in July 2001 (see Exhibits 4 & 5). This analysis is incorporated by reference into these findings.

Recent events have reaffirmed the tenuous situation of Cambria's water supply. On October 25, 2001 the CCSD Board of Directors considered whether to pursue the declaration of a water shortage emergency. At that meeting, the Board of Directors determined that sufficient evidence existed to consider the declaration of a water shortage emergency based on an inability to accommodate the anticipated growth of the community in the near future. At this same meeting the Board voted to approve thirty-eight (38) intent-to-serve letters (one of which is the subject of appeal).

On November 15, 2001 the CCSD Board of Directors declared a water emergency. Part of this action included not allowing any additional intent-to-serve letters to be issued (i.e. anything beyond those that were issued during the October 25, 2001 meeting). The following list includes additional actions adopted by the CCSD to accompany the declaration of a water emergency:

- Reactivate the retro-fit program as contained in the CCSD Ordinances 1-98, 2-98, and 2-99;
- Investigate additional opportunities to implement water saving measures through the retro-fit program;
- Enforce Ordinance 4-2000 (water waste provision);
- Identify any additional opportunities to improve Ordinance 4-2000;
- Request that the County of San Luis Obispo adopt restrictions on the installation of landscaping within the Cambria CSD to minimize the impact or irrigation on water supplies;
- Develop a plan to ensure the enforcement of all restrictions and regulations regarding water usage in Cambria;
- Pursue the development of water master plan;
- Evaluate the current rate structure and develop changes and improvements.

Through the declaration of a moratorium on new water connections, the CCSD has taken a critical step in curbing short-term development potential in Cambria. Since October 25, 2001 no new intent-to-serve letters have been issued by the CCSD. This action, in turn, has generally limited County approval of coastal development permits in Cambria to those projects that obtained a commitment of water services prior to November 15, 2002.

As of August 21, 2002, the CCSD has indicated that there were a number of "intent-to-serve" letters currently outstanding from the CCSD that have yet to complete the County permit process. These outstanding commitments include both residential and commercial development totaling 102 "Equivalent Dwelling Units" (EDU's), or, according to CCSD calculation, approximately 9,000 gallons of water per day. The total average current daily water production by the CCSD equals 720,000 gallons of water. Accordingly, based on CCSD's figures, the water use attributable to these outstanding intent-

to-serve letters represent an approximate 1.25% increase in total water supplies needed to serve these outstanding commitments.

In addition to outstanding intent-to-serve letters, there are an additional 45.7 inactive "grandfathered" EDU allocations, 13 single-family active meters in place, but not activated, and 27 connection permits that are being issued for recently processed building permits. Thus, the potential increase in water use associated with the full range of "pipeline projects" appears to be significantly greater than the 9,000 gallons per day estimated above.

In terms of this coastal development permit analysis, the cumulative increase in water use associated with pipeline projects, and the significant outstanding concerns regarding the adequacy of water supplies raise issues regarding compliance with LCP Public Works Policy 1, which requires that:

> *prior to permitting all new development, a finding shall be made that there are sufficient services to serve the proposed development given the already outstanding commitment to existing lots within the urban service line for which services will be needed . . ..*

Contrary to this Policy, and as described above, it is unclear that there is adequate water available to serve both the proposed development and other outstanding commitments, and at the same time comply with LCP standards protecting ESHA. Accordingly, new development that will place additional demands on Cambria's limited water supplies cannot be approved consistent with the requirements of LCP Public Works Policy 1.

Nonetheless, there is an interim approach for those projects deemed "in the pipeline " that would allow these projects to move forward in the development process without creating additional water withdrawals. The approach involves the existing retrofit program of the CCSD, described below. Through the retrofit program, the replacement of old plumbing fixtures with lower use modern ones would allow Cambria's finite water supply to be stretched. By doing so, existing water supplies are used more efficiently, resulting in water savings that can be used for the new "pipeline projects." To implement this approach, the conditions of this permit allow the proposed development to be constructed only if its anticipated water use is completely offset through the implementation of verifiable water conserving actions, such as by replacing existing water fixtures with water conserving fixtures, and/or replacing irrigated landscapes with landscaping that requires little to no water.

Regardless of how the water savings is achieved (e.g. by actual retrofitting or retirement of existing water use), it is important to note that the success of this condition is limited by the finite number of non-retrofitted homes, businesses, and other un-retrofitted facilities remaining in the community; there must be an adequate amount of water saving opportunities available to offset the additional water use attributable to the pipeline projects. According to the CCSD there are adequate water savings opportunities currently available to achieve this objective.

It is also important to note that the CCSD already has a retrofit program in place, which allows property owners to purchase retrofit "points". The CCSD banks these funds for future use towards water

conservation projects. This approach, though, does not provide adequate guarantees that retrofits will be completed in a timely fashion, or adequately compensate for the additional water use attributable to the proposed development. Therefore, the conditions of this permit specify that the water conserving actions required to offset the increase in water demand associated with the pipeline projects must be completed before the coastal development permit is issued. The terms of this condition also call for the CCSD to participate in reviewing the adequacy of the proposed water savings actions, and in ensuring that the necessary water saving actions are effectively implemented and maintained.

In addition to Public Works Policy 1, water supply for new development in Cambria must also be considered in light of LCP priorities for Agriculture and Visitor-serving development. In this situation, however, it does not appear that these priority use policies are relevant because there is no reserve capacity currently available. Only in the event that there was available capacity (which there is not), at least 20% would need to be reserved for visitor-serving and commercial uses.

3. Public Services Conclusion

By prohibiting a net increase in water use (see Special Condition 2), the project will not result in additional withdrawals and will thereby avoid adverse impacts to coastal resources. Only with this condition can the Commission approve the project consistent with the Public Works policies of the LCP, on the basis that the project will not place any new demands on public water supplies.

B. Environmentally Sensitive Habitat Area (ESHA)

The following LCP Policies for Environmentally Sensitive Habitats apply:

1. Relevant Local Coastal Program Provisions

Policy 1: Land Uses Within or Adjacent to Environmentally Sensitive Habitats
New development within or adjacent to locations of environmentally sensitive habitats (within 100 feet unless sites further removed would significantly disrupt the habitat) shall not significantly disrupt the resource. Within an existing resource, only those uses dependent on such resources shall be allowed in the area [THIS POLICY SHALL BE IMPLEMENTED PUSUANT TO SECTIONS 23.07.170-178 OF THE COASTAL ZONE LAND USE ORDINANCE (CZLUO).]

Policy 2: Permit Requirement
As a condition of permit approval, the applicant is required to demonstrate that there will be no significant impact on sensitive habitats and that proposed development or activities will be consistent with the biological continuance of the habitat. This shall include an evaluation of the site prepared by a qualified professional which provides: a) the maximum feasible mitigation measures (where appropriate), and b) a program for monitoring and evaluating the effectiveness of mitigation measures where appropriate. [THIS POLICY SHALL BE IMPLEMENTED PURSUANT TO SECTIONS 23.07.170-178 OF THE CZLUO].

Policy 5: Protection of Environmentally Sensitive Habitats
Coastal wetlands are recognized as environmentally sensitive habitat areas. The natural ecological functioning and productivity of wetlands and estuaries shall be protected, preserved and where feasible, restored. [THIS POLICY SHALL BE IMPLEMENTED PURSUANT TO SECTIONS 23.07.170-178 OF THE CZLUO.]

Policy 18: Coastal Streams and Riparian Vegetation
Coastal streams and adjoining riparian vegetation are environmentally sensitive habitat areas and the natural hydrological system and ecological function of coastal streams shall be protected and preserved. [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD AND PURSUANT TO SECTION 23.07.174.]

Policy 21: County and State Review of Coastal Stream Projects
The State Water Resources Control Board and the county shall ensure that the beneficial use of coastal stream waters is protected, for projects over which it has jurisdiction. For projects which do not fall under the review of the State Water Resources Control Board, the county (in its review of public works and stream alteration) shall ensure that the quantity and quality surface water discharge from streams and rivers shall be maintained at levels necessary to sustain the functional capacity of streams, wetlands, estuaries and lakes. [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD AND PUSUANT TO SECTION 23.07.174 OF THE CZLUO.]

Other applicable standards include Policies 1and 2 for Watersheds:

Policy 1: Preservation of Groundwater Basin
The long-term integrity of groundwater basins within the coastal zone shall be protected. The safe yield of the groundwater basin, including return and retained water, shall not be exceeded except as part of a conjunctive use or resource management program which assures that the biological productivity of aquatic habitats are not significantly adversely impacted. [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD.]

Policy 2: Water Extractions
Extractions, impoundments and other water resource developments shall obtain all necessary county and/or state permits. All pertinent information on these uses (including water conservation opportunities and impacts on in-stream beneficial uses) will be incorporated into the database for the Resource Management System and shall be supplemented by all available private and public water resources studies available. Groundwater levels and surface flows shall be maintained to ensure that the quality of coastal waters, wetlands and streams is sufficient to provide for the optimum populations of marine organisms, and for the protection of human health. (Public works projects are discussed separately.) [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD.]

Applicable LCP standards that relate to Terrestrial Habitats include:

Policy 27: Protection of Terrestrial Habitats
Designated plant and animal habitats are environmentally sensitive habitat areas and emphasis for protection should be placed on the entire ecological community. Only uses dependent on the resource shall be permitted within the identified sensitive habitat portion of the site.

Development adjacent to environmentally sensitive habitat areas and holdings of the State Department of Parks and Recreation shall be sited and designed to prevent impacts that would significantly degrade such areas and shall be compatible with the continuance of such habitat areas. [THIS POLICY SHALL BE IMPLEMENTED PURSUANT TO SECTION 23.07.176 OF THE CZLUO.]

Policy 28: Protection of Native Vegetation
Native Trees and plant cover shall be protected wherever possible. Native plants shall be used where vegetation is removed. [THIS POLICY SHALL BE IMPLEMENTED PUSUANT TO SECTION 23.07.176 OF THE CZLUO].

In addition, the following portions of CZLUO ordinances are applicable to the proposed project:

Section *23.07.164 – SRA Permit and Processing Requirements:*
The land use permit requirements established by Chapters 23.03 (Permit Requirements), and 23.08 (Special Uses), are modified for the SRA combining designation as follows:

*...(e) **Required Findings:** Any land use permit application within a Sensitive Resource Area shall be approved only where the Review Authority can make the following required findings:*

(1) The development will not create significant adverse effects on the natural features of the site or vicinity that were the basis for the Sensitive Resource Area designation, and will preserve and protect such features through the site design.

(2) Natural features and topography have been considered in the design and siting of all proposed physical improvements.

(3) *Any proposed clearing of topsoil, trees, or other features is the minimum necessary to achieve safe and convenient access and siting of proposed structures, and will not create significant adverse effects on the identified sensitive resource.*

(4) *The soil and subsoil conditions are suitable for any proposed excavation; site preparation and drainage improvements have been designed to prevent soil erosion, and sedimentation of streams through undue surface runoff.*

Section 23.07.170 – Environmentally Sensitive Habitats:
The provisions of this section apply to development proposed within or adjacent to (within 100 feet of the boundary of) an Environmentally Sensitive Habitat as defined by Chapter 23.11 of this title, and as mapped by the Land Use Element combining designation maps.

*... **(b) Required findings:** Approval of a land use permit for a project within or adjacent to an Environmentally Sensitive Habitat shall not occur unless the applicable review body first finds that:*

(1) There will be no significant negative impact on the identified sensitive habitat and the proposed use will be consistent with the biological continuance of the habitat.

(2) The proposed use will not significantly disrupt the habitat.

*... **(d) Development standards for environmentally sensitive habitats:***

(1) New development within or adjacent to the habitat shall not significantly disrupt the resource.

(2) New development within the habitat shall be limited to those uses that are dependent upon the resource.

(3) Where feasible, damaged habitats shall be restored as a condition of development approval.

(4) *Development shall be consistent with the biological continuance of the habitat.*

(5) *Grading adjacent to Environmentally Sensitive Habitats shall conform to the provisions of Section 23.05.034c (Grading Standards.)*

***Section 23.07.176 – Terrestrial habitat Protection**:*
The provisions of this section are intended to preserve and protect rare and endangered species of terrestrial plants and animals by preserving their habitats. Emphasis for protection is on the entire ecological community rather than only the identified plant or animal.

***(a) Protection of vegetation**. Vegetation that is rare or endangered, or that serves as habitat for rare or endangered species shall be protected. Development shall be sited to minimize disruption of habitat.*

***(b) Terrestrial habitat development standards**:*

*(1) **Revegetation**. Native plants shall be used where vegetation is removed.*

*(2) **Area of disturbance**. The area to be disturbed by development shall be shown on a site plan. The area I which grading is to occur shall be defined on site by readily-identifiable barriers that will protect surrounding native habitat areas.*

*(3) **Trails**. Any pedestrian or equestrian trails through the habitat shall be shown on the site plan and marked on the site. The biologist's evaluation required by Section 23.07.170a shall also include a review of impacts on the habitat that may be associated with trails.*

Finally, the following North Coast Area Plan standards apply to the Monterey pine forest areas:

Monterey Pine Forest (SRA)

(5) Tree Preservation. *Where development requires removal of Monterey pine greater than six inches in diameter, replacement of native stock will be required.*

Residential Single Family Development Standards

6. ***Site Development Standards:*** *New development proposals are subject to the following standards:*

...(c) Pine Forest Preservation. *New construction shall be required to preserve the Cambria Pine Forest as follows:*

(1) No tree shall be removed unless it is within the structural line of an approve development in accordance with Section 23.05.060-064 of the Coastal Zone Land Use Ordinance.

(2) Trees may only be removed if the County of a county approved consultant determines they are diseased or pose a hazard

(3) Any tree(s) with a trunk diameter of 8 inches or greater removed from a development site are to be replaced on a two for one basis, to the approval of the Planning Department.

(4) If available, replacement trees shall be five gallon Monterey Pines, grown from seeds obtained from the Cambria stand.

(5) Construction practices to protect Monterey Pines from disturbance shall be implemented. Such practices shall include protecting tree trunks from construction equipment by wrapping with heavy materials (e.g. layers of burlap); protecting root systems through the design of the foundation and careful use and storage of construction equipment.

(6) Undeveloped area of each building site shall be maintained in native vegetation and natural character.

2. Consistency Analysis

Heightened water withdrawals needed to serve the project may significantly disrupt environmentally sensitive habitat areas inconsistent with the protection afforded this resource by the LCP. Inconsistent with ESHA Policies 1, 2, 5, 18 and 21, as well as Coastal Watershed Policies 1 and 2, the amount of water needed to support existing and future development in Cambria may adversely impact sensitive instream, riparian, and wetland habitats supporting rare and important species such as Steelhead trout, Tidewater Goby, Southwestern pond turtle, and California Red Legged Frog. In addition, the project must comply with LCP policies protecting the Monterey pine forest terrestrial habitat (TH).

<u>Steelhead Streams</u>

The Cambria Community Services District's water is supplied from wells that extract the underflow of San Simeon and Santa Rosa Creeks. Both creeks are known to support steelhead trout. The California Department of Fish and Game lists these creeks as important steelhead habitats. However, as discussed in the Public Works Findings, and inconsistent with ESHA and Watershed Policies, the anticipated

levels of water withdrawal from both urban and agricultural users may deplete surface and groundwater flows needed for healthy steelhead spawning habitat. The amount of water flow needed to support this species can be determined through instream flow studies. The need for these studies was discussed at length in both the 1998 North Coast Update and the 2001 periodic Review. To date, these studies have not been completed. Although the CCSD annually monitors steelhead populations within the creeks, these monitoring activities have not provided the data and analyses needed to evaluate the impacts that water withdrawals may be having on the biological productivity and continuance of these sensitive habitat areas.

Riparian and Wetland Habitat

The protection of riparian and wetland habitat depends on a reliable and sustainable water supply. San Simeon and Santa Rosa Creeks support rare and important species such as Tidewater Goby, Southwestern pond turtle, and California Red Legged Frog. Both of these streams form at least a seasonal lagoon/wetland area in the late spring season. As discussed previously, the heightened levels of water withdrawals needed to serve the "pipeline projects" may deplete surface and groundwater flows. Inconsistent with ESHA and Watershed Policies, new development may reduce the sustainable level and quality of water flowing in these coastal creeks and in turn may have adverse impacts to sensitive riparian and wetland habitat. Again, the amount of water flow needed to support lagoon habitats and the sensitive species that rely on these habitats needs to be determined through instream flow studies that have yet to be completed.

Terrestrial Habitat

The project site is located within the Monterey Pine forest terrestrial habitat (TH). This terrestrial habitat plays an important role in supporting plant and animal species endemic to the area. The Cambria Pine forest is one of only three regions in the world supporting endemic Monterey Pine forest habitat. Thorough application of LCP ESHA protection standards in this area is critical to preserve the ecological integrity and biological functioning of the forest habitat.

ESHA Policy 27 calls for the preservation of sensitive terrestrial habitats such as the pine forest by protecting the entire ecological community. The ordinances implementing these policies (CZLUO Section 23.07.176 and NCAP Monterey Pine Preservation SRA Policy) require that new development minimize disruption of the habitat. When trees Monterey pine trees must be removed, the ordinances also require that native plant stocks be used for replanting. These requirements are further specified by the North Coast Area Plan standards cited above.

The subject parcel is located within the Monterey pine forest of Lodge Hill in Cambria. In order to accommodate the proposed residence and driveway, nine (9) Monterey pine trees are proposed for removal. A Tree Inventory Plan was submitted by the Applicant describing the Monterey pine trees proposed for removal. According to the Plan, four (4) Monterey pines to be removed are located in the driveway access. The design of the driveway access was proposed by the SLO County Department of Public Works as a means of providing safe access to the property given the presence of a 5-foot embankment in the public right-of-way that runs along the road fronting the property. Two (2) of the

trees are located outside of the structural line of the proposed residence where the rainwater collection cisterns required by CCSD ordinance will be installed. Three (3) Monterey pine trees are within the structural line of the proposed residence or within an area proposed for grading directly in the rear of the residence.

In accordance with LCP requirements, the project includes the planting of eighteen (18) replacement trees in locations selected to protect the surrounding forest habitat values. For example, six (6) more trees will be planted in the northwest corner of the site filling out an assemblage of large mature trees (along with a 30' diameter tree just outside of the property boundary line). Carefully planned replanting and the use of LCP required native stocks will create a continuation of the contiguous stand of trees existing at the north and adjacent to the neighboring parcel.

However, the preliminary landscaping plan for the project proposes the planting of non-native Periwinkle (*vinca major*), which can invade and degrade surrounding forest habitats, and is inconsistent with Section 23.07.176 (b) of the CZLUO and North Coast Area Plan Standards for development in Lodge Hill. Therefore, Special Condition 6 requires the submittal of a revised landscape plan that allows only native, drought tolerant plant species, which are compatible with the habitat values of the surrounding forest to be used for landscaping..

As required by Special Conditions 4 and 6, these measures will minimize disturbance and support the continuation of the habitat values within the ESHA, and will carry out LCP standards for development on forested lots in Lodge Hill.

3. ESHA Conclusion

LCP ESHA policies require that impacts to ESHA be avoided, and that development not significantly disrupt ESHA resources. New water withdrawals from San Simeon and Santa Rosa creeks may have adverse impacts to ESHA resources. As such, the Commission finds that the project, as proposed, is not consistent with the LCP's ESHA policies cited in this finding.

In order to find the project consistent with the ESHA policies, the project has been conditioned to avoid the creation of additional demands on Cambria's limited water supplies. This is necessary to avoid the significant impacts to sensitive riparian and wetland habitat that would accompany additional withdrawals from San Simeon and Santa Rosa creeks, particularly in sequential drought years. Only with Special Condition 2 can the Commission can approve the project consistent to the ESHA policies contained in the certified San Luis Obispo County LCP.

With respect to the Monterey pine forest, the project will prevent adverse impacts to coastal resources by 1) carefully locating and replacing Monterey pine trees removed at a 2:1 ratio; 2) requiring the replacement saplings be grown from the Cambrian stand (*Pinus radiata macrocarpa*); 3) ensuring the newly planted trees will be maintained until successfully established; and 4) protecting all trees to remain on-site during construction or grading (see Special Condition 4). In addition, Special Condition 6 requires the use of native plants for landscaping which will reduce the potential of invasive species to

degrade the habitat values of ESHA. Only with these conditions can the Commission approve the project consistent with the ESHA and Monterey pine forest protection standards of the LCP, on the basis that the project has been designed to prevent impacts that would significantly degrade such areas and is compatible with the continuance of the Monterey pine forest habitat.

C. Drainage and Erosion Control

1. Relevant Local Coastal Program Provisions

Coastal Watersheds Policy 10: Drainage Provision
Site design shall ensure THAT drainage does not increase erosion. This may be achieved either through on-site drainage retention, or conveyance to storm drains or suitable watercourses. [THIS POLICY SHALL BE IMPLEMENTED AS A STANDARD AND PUSUANT TO SECTION 23.05.034 OF THE CZLUO.]

CZLUO Section 23.05.044 – Drainage Plan Preparation and Content:

a. ***Basic drainage plan contents:*** *Except where an engineered drainage plan is required, a drainage plan is to include the following information about the site:*

(1) Flow lines of surface waters onto and off the site.

(2) Existing and finished contours at two-foot intervals or other topographic information approved by the County Engineer.

(3) Building pad, finished floor and street elevations, existing and proposed.

(4) Existing and proposed drainage channels including drainage swales, ditches and berms.

(5) Location and design of any proposed facilities for storage or for conveyance of runoff into indicated drainage channels, including sumps, basins, channels, culverts, ponds, storm drains, and drop inlets.

(6) Estimates of existing and increased runoff resulting from the proposed improvements.

(7) Proposed erosion and sedimentation control measures.

(8) Proposed flood-proofing measures where determined to be necessary by the County Engineer.

North Coast Area Plan – Single Family Residential (Lodge Hill) Standards

8. ***Site Development Standards.*** *New development shall satisfy the following standards:*

a. ***Erosion Control.*** *In addition to other applicable requirements of the Coastal Zone Land Use Ordinance, the following shall also be met:*

(1) All runoff from impervious surfaces such as roofs, driveways, walks, patios, decks, shall be collected and detained on-site, or passed on through an effective erosion control device or drainage system approved by the County Engineer.

(2) Permanent erosion control devices shall be installed prior to or concurrently with on-site grading activities.

(3) If grading is to occur between October 15 to April 15, a sedimentation and erosion control plan shall be submitted per Coastal Zone Land Use Ordinance Section 23.05.036.

(4) Grading, filling or site disturbance of existing soil and vegetation shall be limited to the minimum areas necessary.

(5) Stockpiles and other disturbed soil shall be protected from rain and erosion by plastic sheets or other covering.

(6) All areas disturbed by grading shall be revegetated with temporary or permanent erosion control devices in place.

(7) Impervious surfaces such as driveways and walkways shall be limited to the smallest functional size.

(8) Exterior decks shall be located to avoid trees. Solid exterior decks shall be limited to 10% of the permitted footprint, while decks of permeable construction (i.e., open wood slats) shall be limited to 30% of permitted footprint.

2. Consistency Analysis

The project is located in the Lodge Hill neighborhood of Cambria. West Lodge Hill is an extensive residential area located within the Monterey Pine forest terrestrial habitat. The topography of the West Lodge Hill area is varied with numerous ridges, gullies, and steep slopes. The project site has an average slope of 20 percent. As proposed, a total site disturbance will affect approximately 2,884 square feet of the parcel. According to plans submitted by the Applicant, surface water now flows off the property along its western property line onto Bradford Road. Development would change the flow off the property by redirecting it to both northwest and southwest property corners. Rainwater from the roof will be collected in 2 storage cisterns, limiting surface flow from the impervious residential structure.

The project has the high potential to have adverse impacts to the watershed through the proposed alteration of natural drainage patterns, and contributing sediments and pollutants to coastal waters. This project is located in an area (Lodge Hill) notorious for drainage and erosion control problems.

Construction activities can adversely impact coastal water quality by discharging debris and pollutants into watercourses, and by causing erosion and sedimentation through the removal of vegetation and the movement of dirt. The increase in impervious surfaces that will result from the project will also impact coastal water quality by altering natural drainage patterns and providing areas where for the accumulation of pollutants that will eventually be carried into coastal waters by storm water.

3. Drainage and Erosion Control Conclusion

In order to comply with Section 23.05.044 of the Coastal Zone Land Use Ordinance, a drainage and polluted runoff control plan is required by Special Condition 3 to ensure that site drainage will be effectively managed during and after construction. With this condition, the project complies with all applicable LCP drainage and water quality protection provisions. As such, and only as conditioned, the Commission approves the project and finds it consistent with the San Luis Obispo Certified LCP.

6. California Environmental Quality Act (CEQA)

Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with coastal development permit applications showing the application to be consistent with any applicable requirements of CEQA. Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment.

The Coastal Commission's review and analysis of land use proposals has been certified by the Secretary of Resources as being the functional equivalent of environmental review under CEQA. This staff report, which is incorporated into this finding in its entirety, has discussed the relevant coastal resource issues with the proposal, and has recommended appropriate mitigations to address adverse impacts to said resources. Accordingly, the project is being approved subject to conditions which implement the mitigating actions required of the applicant by the Commission (see Special Conditions). As such, the Commission finds that only as modified and conditioned by this permit will the proposed project not have any significant adverse effects on the environment within the meaning of CEQA.

SAN LUIS OBISPO COUNTY
DEPARTMENT OF PLANNING AND BUILDING

VICTOR HOLANDA, AICP
DIRECTOR

FINAL LOCAL ACTION NOTICE

REFERENCE # 3-SLO-02-422
APPEAL PERIOD 8/23-9/6/02

Robert & Frances Hudzinski
3149 Bern Dr
Laguna Beach, CA 92651

NOTICE OF FINAL COUNTY ACTION

HEARING DATE: AUGUST 2, 2002

SUBJECT: ZA2002-157
HUDZINSKI - D010339P

LOCATED WITHIN COASTAL ZONE: YES

The above-referenced application was approved on August 2, 2002, by the Hearing Officer, and subject to Findings in Exhibit A and Conditions in Exhibit B, which are attached for your records.

If the use authorized by this Permit approval has not been established or if substantial work on the property towards the establishment of the use is not in progress after a period of twenty-four (24) months from the date of this approval or such other time period as may be designated through conditions of approval of this Permit, this approval shall expire and become void unless an extension of time has been granted pursuant to the provisions of Section 23.02.050 of the Land Use Ordinance.

If the use authorized by this Permit approval, once established, is or has been unused, abandoned, discontinued, or has ceased for a period of six (6) months or conditions have not been complied with, such Permit approval shall become void.

This action is appealable to the Board of Supervisors within 14 days of this action. If there are Coastal grounds for the appeal there will be no fee. If an appeal is filed with non coastal issues there is a fee of $474.00. This action may also be appealable to the California Coastal Commission pursuant to Coastal Act Section 30603 and the County Coastal Zone Land Use Ordinance 23.01.043. These regulations contain specific time limits to appeal, criteria, and procedures that must be followed to appeal

CCC Exhibit 1
(page 1 of 6 pages)

this action. The regulations provide the California Coastal Commission 10 working days following the expiration of the County appeal period to appeal the decision. This means that no construction permit can be issued until both the County appeal period and the additional Coastal Commission appeal period have expired without an appeal being filed.

Exhaustion of appeals at the county is required prior to appealing the matter to the California Coastal Commission. This appeal must be made directly to the California Coastal Commission Office. Contact the Commission's Santa Cruz Office at (831) 427-4863 for further information on appeal procedures. If you have questions regarding your project, please contact your planner , at (805) 781-5600. If you have any questions regarding these procedures, please contact me at (805) 781-5718

Sincerely,

Chris Macek

Chris Macek, Secretary
Planning Department Hearings

(Planning Department Use Only)

Date NOFA original to applicant August 6, 2002

Mailed Hand-delivered

Date NOFA copy mailed to Coastal Commission: August 16, 2002

Enclosed: X Staff Report
x Findings and Conditions

CCC Exhibit 1
(page 2 of 6 pages)

SAN LUIS OBISPO COUNTY
DEPARTMENT OF PLANNING AND BUILDING

VICTOR HOLANDA, AICP
DIRECTOR

TENTATIVE NOTICE OF ACTION
D010339P

APPROVAL DATE: August 2, 2002

EFFECTIVE DATE: Estimated to be September 6, 2002

PROJECT: Minor Use Permit/Coastal Development Permit for construction of a single family residence.

APPLICANT: Robert and Frances Hudzinski

LOCATION: 1588 Bradford, Lodge Hill, Cambria

ASSESSOR PARCEL NUMBER: 024-261-029/026

LAND USE CATEGORY/COMBINING DESIGNATIONS: Residential Single Family/Local Coastal Plan/ Sensitive Resource Area/Terrestrial Habitat

RECOMMENDATION AND TENTATIVE DECISION: Approval subject to the attached conditions. This decision will become final action on the project, effective on the date specified in this report, unless the tentative decision is changed as a result of information obtained at the hearing or is appealed.

RELATIONSHIP TO APPLICABLE POLICIES AND ORDINANCES: The project, as conditioned, meets all applicable county land use and development policies and ordinances.

SITE DESCRIPTION: Lot Size: 9,844 square feet
Triple Lot - Forrested
Large lot adjustment: 1.875X
Slope: 20 percent
Number of trees to be removed: 9

PROJECT REVIEW:	ALLOWABLE	PROPOSED	STATUS
FOOTPRINT (SQUARE FEET)	1200 X 1.875 = 2,250	1,584	OK
GSA (SQUARE FEET)	2400 X 1.875 = 4,500	2,334	OK
DECKS (SQUARE FEET):			
PERVIOUS	675	110	OK
IMPERVIOUS	225	0	OK
HEIGHT (FEET)	28	28	OK
SETBACKS (FEET):			
FRONT	10	32	OK
REAR	15	32	OK
SIDE	5	16, 14	OK
Street Side	N/A	N/A	OK

ENVIRONMENTAL DETERMINATION: General Rule Exemption ED01-690.

CCC Exhibit 1
(page 3 of 6 pages)

FINAL ACTION: This tentative decision will become final action on the project, unless the tentative decision is changed as a result of information obtained at the administrative hearing or is appealed to the County Board of Supervisors pursuant Section 23.01.042 of the Coastal Zone Land Use Ordinance; effective on the 10th working day after the receipt of the final action by the California Coastal Commission. The tentative decision will be transferred to the Coastal Commission following the required 14 calendar day local appeal period after the administrative hearing.

FINDINGS - D010339P

A As conditioned, the project or use is consistent with the San Luis Obispo County General Plan/Local Coastal Program because the use is a principally permitted use allowed by the Table "O" of the Land Use Element/Local Coastal Plan and is consistent with all other General Plan policies.

B As conditioned, the project or use satisfies all applicable provisions of Title 23 of the San Luis Obispo County Code.

C The establishment and subsequent operation or conduct of the project or use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health and safety or welfare of the general public or persons residing or working in the neighborhood of the project or use, or be detrimental or injurious to property or improvements in the vicinity of the project or use because the project or use meets planning area standards for the Lodge Hill area, including erosion and drainage control, and footprint and gross structural area requirements.

D The project or use will not be inconsistent with the character of the immediate neighborhood or contrary to its orderly development because the project is a single-family residence in a residential neighborhood.

E The project or use will not generate a volume of traffic beyond the safe capacity of all roads providing access to the project or use, either existing or to be improved with the project or use because the local street on which the single-family residence is to be located is capable of carrying the additional traffic generated by the project or use.

F The proposed use in conformity with the public access and recreation policies of Chapter 3 of the California Coastal Act, because the project is not adjacent to the coast and the project will not inhibit access to coastal waters and recreation areas.

G As conditioned, the development will not create significant adverse effects on the natural features (Monterey Pine trees) of the site or vicinity that are the basis for the Sensitive Resource Area designation, and will preserve and protect such features through site design because the project has been designed to avoid extensive tree removal and the project is conditioned to design the foundation to protect addition resources.

H Natural features and topography have been considered in the design and siting of all proposed physical improvements.

I Any proposed clearing of topsoil, trees, or other features is the minimum necessary to allow safe and

convenient access and siting of proposed structures, and will not create significant adverse effects on the identified sensitive resource.

J The soil and subsoil conditions are suitable for any proposed excavation; site preparation and drainage improvements have been designed to prevent soil erosion, and sedimentation of streams through undue surface runoff.

K There will be no significant negative impact on the identified sensitive habitat and the proposed use will be consistent with the biological continuance of the habitat.

L The proposed use will not significantly disrupt the habitat.

CONDITIONS OF APPROVAL - D010339P

AUTHORIZED USE

1. This approval authorizes the construction of a new single family residence with: 1,562 square feet of footprint and 2,334 square feet of gross structural area.

2. All permits shall be consistent with the approved Site Plan, Floor Plans, and Elevations.

GRADING, DRAINAGE, SEDIMENTATION, AND EROSION CONTROL

3. **Prior to issuance of construction permits**, if grading is to occur between October 15 to April 15, a sedimentation and erosion control plan shall be submitted pursuant to Coastal Zone Land Use Ordinance Section 23.05.036.

4. **Prior to issuance of construction permits**, the applicant shall submit a drainage plan for review and approval by the County Public Works Department.

PUBLIC WORKS

5. **Prior to issuance of a building permit**, the applicant meet all requirements of the County Public Works Department.

TREE PROTECTION/REPLACEMENT

In an effort to protect individual oak and pine trees, the mixed forest habitat, and the species that depend upon that habitat, the following measures shall be implemented:

6. ***Within 90 days of occupancy***, **nine (9)** Monterey pine tree will be removed as a result of the grading for the driveway and residence shall be replaced at a 2:1 ratio for pine trees. A total of **18** Monterey pine trees shall be planted. Monterey pine replacement trees shall be one gallon saplings grown from the Cambrian stand; *Pinus radiata macrocarpa.*

7. These newly planted trees shall be maintained until successfully established. This shall include caging from animals (e.g., deer, rodents), periodic weeding and adequate watering (e.g., drip-irrigation). If possible, planting during the warmest, driest months (June through September) shall be avoided. In addition, standard planting procedures (e.g., planting tablets, initial deep watering) shall be used. Once the replacement trees have been planted, the applicant shall retain a qualified individual to prepare a letter stating the above planting and protection measures have been completed. This letter shall be submitted to the Department of Planning and Building.

8. All trees to remain on-site that are within ten feet of construction or grading activities shall be marked for protection (e.g., with flagging) and their root zone fenced prior to any grading. The outer edge of the tree root zone is 1-1/2 times the distance from the trunk to the drip line of the tree. Grading, utility trenching, compaction of soil, or placement of fill shall be avoided within these fenced areas. If grading in the root zone cannot be avoided, retaining walls shall be constructed to minimize cut and fill impacts. Care shall be taken to avoid surface roots within the top 18 inches of soil.

VOLUNTARY MERGER

9. **Prior to issuance of a building permit**, applicant shall apply to merge lots 3, 4, 5, and 6.

10. **Prior to final building inspection**, the applicant shall record voluntary lot merger.

VICINITY MAP

Hudzinski Project, Bradford Road, Cambria

Directions: Hwy 1 to Ardath Drive, left on Burton Drive, left on Orville Avenue, left on Orville Place, right on Bradford Drive, approximately 175 feet south of Kay Avenue (left side of road).

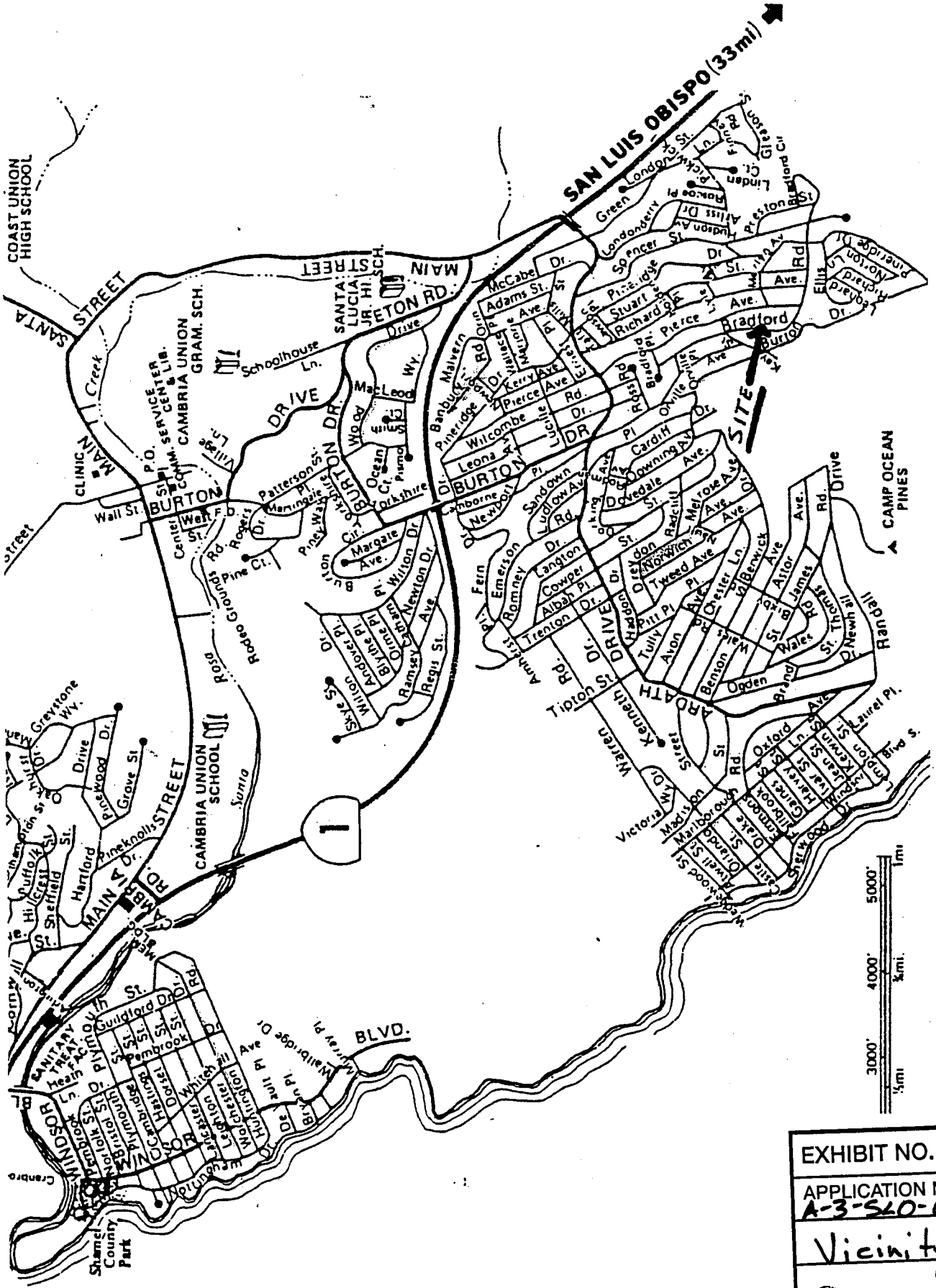


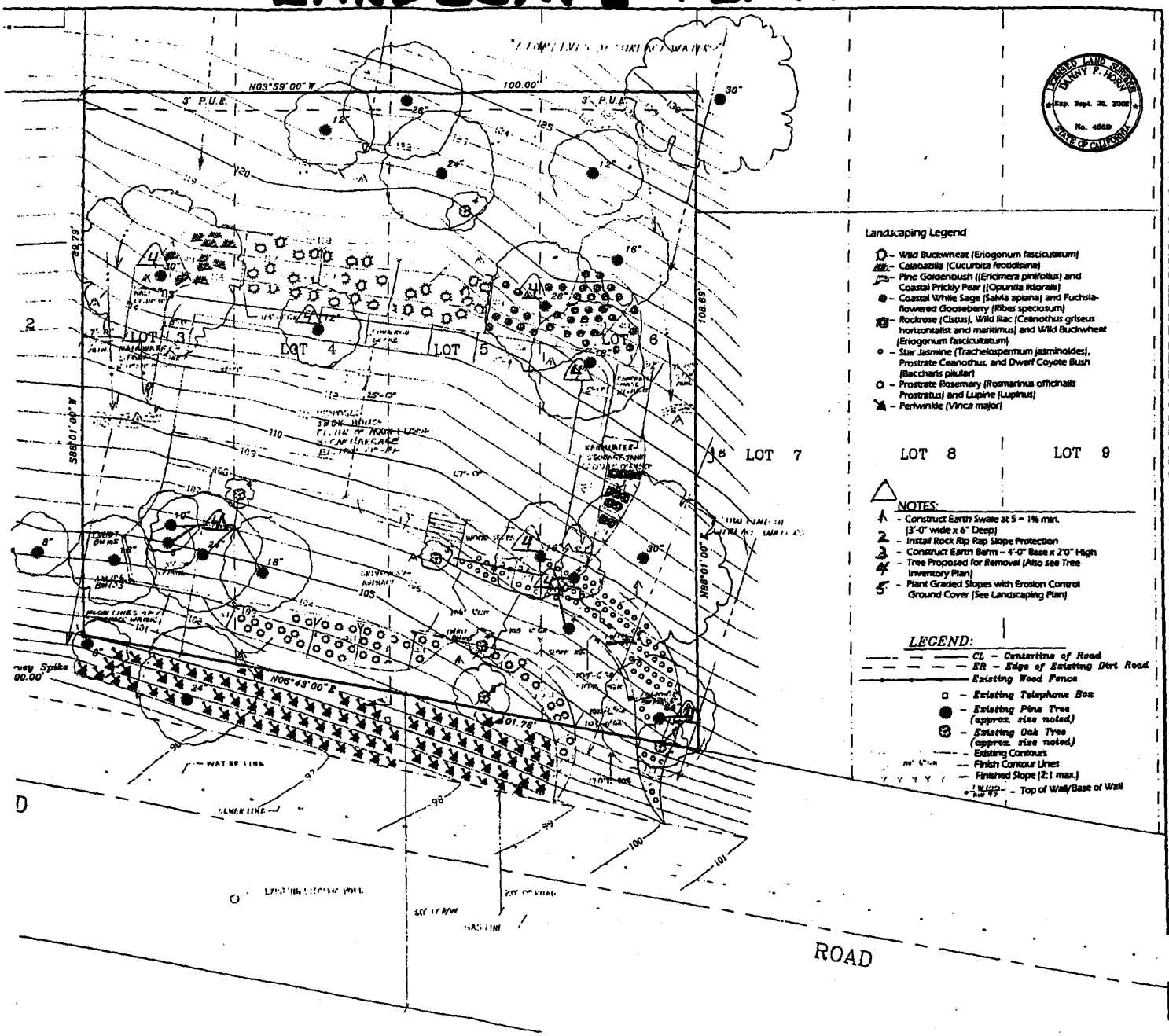
EXHIBIT NO. 2

APPLICATION NO. A-3-SLO-02-073

Vicinity Map

California Coastal Commission

LANDSCAPE PLAN



REVISIONS

Owner: Robert A. Hudinski

Consultant: Robert Trivison, Civil Engineer

PRELIMINARY LANDSCAPING PLAN

LOTS 3, 4, 5, & 6
BLOCK 112
CAMBRIA PINES MANOR UNIT No. 5

Drawn by: RA

Date: 4/24/02

Scale 1" = 16'

SHEET 1

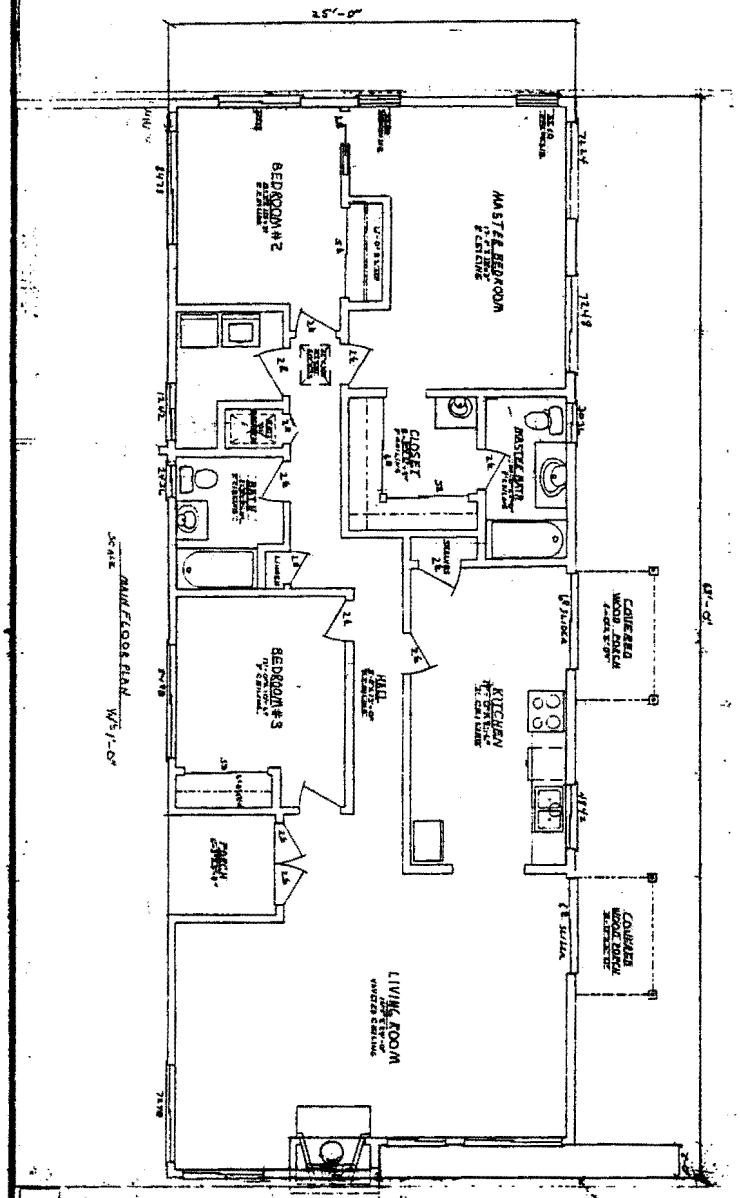
EXHIBIT NO. 3

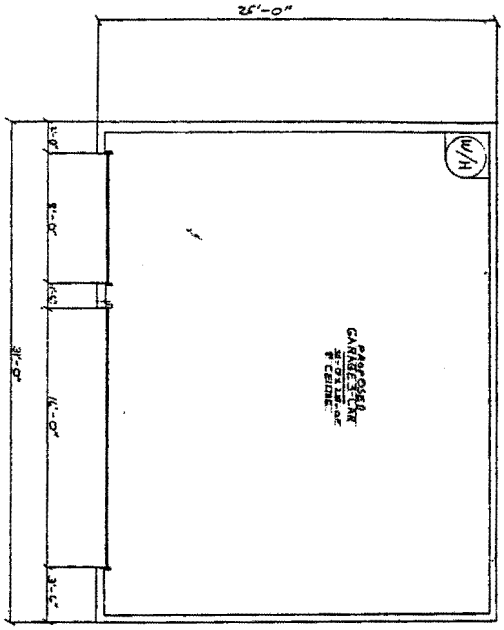
APPLICATION NO. A-3-SLO-02-073

Site Plans

1 of 4

California Coastal Commission





GARAGE PLAN - GROUND FLOOR 1/4"=1'-0"

PRELIMINARY FLOOR PLAN

Residence Area:	1,595 sf
Garage Area:	759 sf
Covered Decks:	80 sf
Porch Decks:	19 sf
Building Height:	24' above grade

Scale 1/16" = 1'

Drawn by: RAH

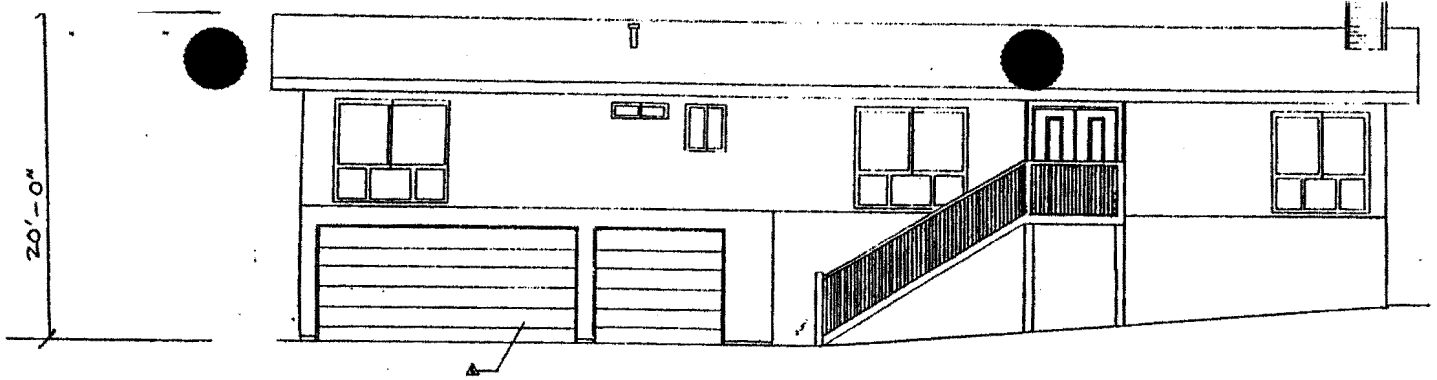
PRELIMINARY FLOOR PLAN

LOTS 3, 4, 5, & 6
BLOCK 112
CAMBRIA PINES MANOR UNIT No. 5
A.P.N. - 000-207-000 & 020
SAN LUIS OBISPO COUNTY, STATE OF CALIFORNIA

Owner:
Robert Hudzinski
3149 Bern Dr.
Laguna Beach, CA 92651

Consultant:
Gary Miyamo
P.O. Box 186
(805) 466-45

EXHIBIT NO. 3
APPLICATION NO. A-3-SLO-02-073
Site Plans
2 of 4
California Coastal Commission

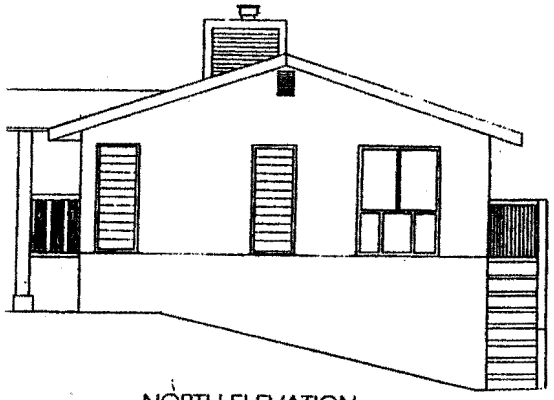


WEST ELEVATION

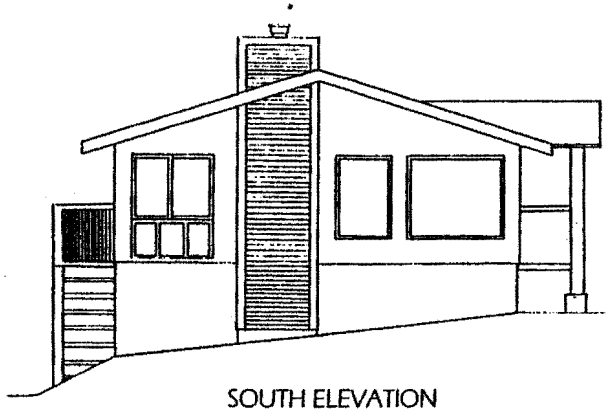
2. 2 x 8 HEM FIR FASCIA (TYP).
3. FIBER CEMENT SIDING OVER SHEARPANELS
4. CHIMNEY CAP WITH SPARK ARRESTOR PER U
5. SLOPE GRADE AWAY FROM BUILDING 2% F
6. METAL SECTIONAL ROLL UP GARAGE DOOR

EXTERIOR COLORS:
SIDING - MEDIUM BEIGE TO LIGHT TAN
TRIM - LIGHT BEIGE
ROOF - DRIFTWOOD

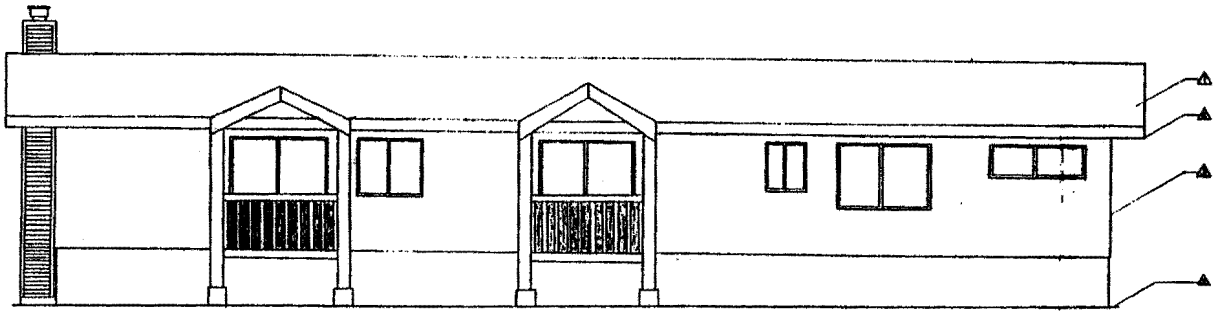
EXHIBIT NO. 3
APPLICATION NO. A-3-SLO-02-078
Site Plans 3 of 4
California Coastal Commission



NORTH ELEVATION



SOUTH ELEVATION



EAST ELEVATION

Consulta
Gar

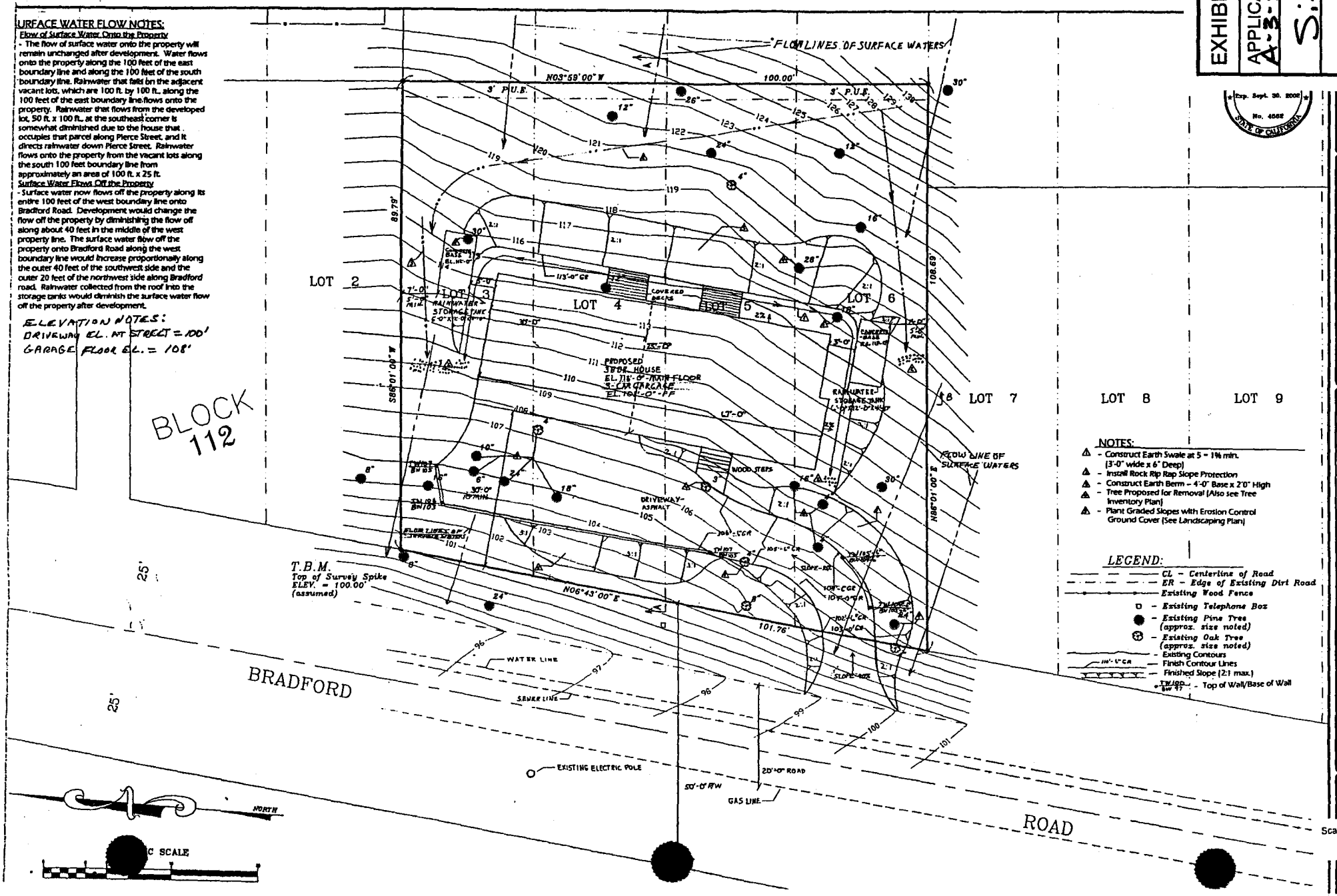
Owner:
Robert Huttinski
3149 Bern Dr.

ELEVATIONS
LOTS 3, 4, 5, & 6
BLOCK 112

Drawn by:
Date: 4/24/
Scale: 1/4" = 1

SHEET
1
OF

EXHIBIT NO. 3
APPLICATION NO. A-3-SLO-02-073
Site Plans
4 of 4
California Coastal Commission



Exp. Sept. 30, 2002 No. 4668 STATE OF CALIFORNIA

Owner: Robert A. Hudzinski

SITE PLAN/GRADING & DRAINAGE PLAN

Sht.

Draw

Date:

Scale 1" =

2. New Development in Cambria

With a population of 5623, the town of Cambria is the only significant urban area in the North Coast. Approximately 75% of the existing development is residential; the remaining 25% consists of a variety of commercial, visitor-serving and urban uses. The urban service line which defines the town is drawn fairly tightly. And because Cambria is only 25% built-out, this line appears to offer plenty of opportunity to expand development within it for many years. Unfortunately it is very unlikely that the amount of growth permitted within the urban service line can be accommodated. Currently, there are 3,408 dwelling units in Cambria and a population of 5,800. The plan allows build out of another ±8,290 dwelling units with a population increase from 19,000 to 26,000.[i] As detailed in later sections of this finding, water and road constraints exist now and it is uncertain that they can be overcome to the point of being able to ever support the anticipated build-out of the plan.

The seeds of Cambria's current planning dilemma were planted in the 1920's when huge tracts of land were subdivided into very small (+1700 sq. ft.) lots. Please see Exhibit 2. Oblivious to slope, the need for services and effects on the natural environment, this grid of precise, tiny rectangles was created and lots sold to individual owners many years ago. Thousands of these lots remain vacant and available for future development. Final build-out of Cambria would be even higher than that anticipated in the plan were it not for the fact that at least 10% of these lots are not suitable for development. In addition there is a clear trend for homeowners to acquire two or three lots for each house.

Finally, there are few areas remaining in Cambria for significant new subdivisions. The East-West Ranch, which is located between Park Hill and Lodge Hill, is the most important site. It currently contains 18 parcels. The update envisions a maximum of 265 lots on the west portion of the Ranch.

Conformance with Coastal Act Policies

As discussed at the beginning of this Development finding, Coastal Act Section 30250 limits development to already developed areas that have the capacity to accommodate such growth. Although Cambria is an existing developed area, it is also severely constrained by the lack of services for the potential buildout of its many small lots. As such, new development is problematic under the Coastal Act.

The County has certainly made efforts to encourage the merger of small lots into single building sites and to voluntarily retire lots, but further reductions are still needed. One promising method to reduce the number of lots has recently been proposed by the County and is described in detail in Exhibit 3.[ii] This analysis proposes to reduce the number of lots by establishing an assessment district to provide the funding to acquire them. Four levels of lot retirement are studied,

including a 17%, 29%, 37% and 56% reduction in lots. Any reduction would, of course, narrow the disparity between development and services. However, selection of Level III or IV would be the best matches given the severity of constraints discussed later in these findings.

This proposal has been favorably received both in the community (see Exhibit 4) and by the Board of Supervisors.[iii] The Cambria Community Services District Board also supports the plan and has stated they would be prepared to implement it if approved by the Cambria voters. Notwithstanding this support, the current updated NCAP provides inadequate policies and planning standards for addressing the buildout problem of Cambria. As discussed in more detail in the Water Supply findings, for example, there is no policy to avoid the creation of new lots, let alone the retirement of substandard small lots. Without such a planning requirement, new development in Cambria is not consistent with section 30250, which requires that adequate urban services be available for new coastal development. Therefore, the County's lot reduction program should be added as an area standard for Cambria because it provides a method, if approved by the voters, to bring build-out of the town much more in line with available (and potentially available) services as required by Section 30250 of the Coastal Act. (see Suggested Modification 107).

As a corollary to lot reduction, it is also important to ensure that there is no net increase in development through new subdivisions. There are few areas remaining in Cambria for significant new subdivisions. However as mentioned earlier there is some potential for a maximum of 265 lots on the west portion of the East/West Ranch. The West Ranch currently contains 18 parcels, thus the plan allows a maximum of 247 new lots. To reduce the impact of creating these new lots, the North Coast Plan provides for a mandatory lot retirement plan on a 1:1 basis for all lots created on the Ranch after 35 if the land is annexed to the Cambria Community Service District. The plan provisions raise numerous questions. For example, it is unclear why 18 additional lots should be permitted without a retirement requirement, or why only the East/West Ranch, as opposed to other areas of Cambria, must retire lots in exchange for creating new ones. It is also unclear as to what kind of lot must be retired to mitigate the creation of a new one. Simply retiring lots that are already unbuildable does little to effectively avoid new development.

To be consistent with Section 30250, planning standards are needed that require all new residential subdivisions to retire an equivalent number of lots based on the impact of the new lots being proposed. This would be more consistent with the goal of avoiding a net increase in building potential. (see Suggested Modification 109). However, one-to-one retirement for new lots is insufficient in and of itself to meet the demands for new development in Cambria. Indeed, in a context like Cambria, it is important to ensure that the lot or lots retired truly mitigate the impacts on public services attributable to the newly created lot. If, for example, a new lot was 7500 square feet, a fairly typical modern lot size, the

anticipated development, consistent with current trends toward larger homes in Cambria, would be a residence of over 3000 square feet. A review of permits over the last 8 years show that houses are generally ranging between 3000-4000 sq. ft. on lots of this size. A home of this size is more likely to be occupied year round and by a larger household than a home constructed on one of the existing substandard parcels which is typically 1750 square feet in size. Homes on these small sites are limited to 1000 square feet or less in size (pg. 7-103). Virtually no space on these small sites will remain for landscaping after the house and driveway are constructed. In contrast, significant garden areas would remain on the hypothetical 7500 sq. ft. lot even after construction of a +3500 sq. ft. house and double driveway. Considering the anticipated larger house, greater number of occupants and landscaping, more water, sewage service and greater traffic generation can be expected from the development of the larger lot than a project on the smaller one. A simple trade of one small lot for one, new large lot would, therefore only partially mitigate the impacts of new lot. Likewise the retirement of a small lot with low development potential because it is located on a steep hillside with no road access does not mitigate the creation of a new lot on a flat or reasonable slope served by road and utilities. The new lot will, in all likelihood develop. The old lot will, in all likelihood never develop because construction costs would be prohibitive. (In fact, the North Coast Plan and the 1997 Hausrath Economic Analysis assume that 10% of the small lots will not develop because of their location).

A program that required the retirement of an area equivalent to the area of the new lot would be simple to administer and result in more effective mitigation for new, standard size (up to 7500 sq. ft.) residential lots. The impacts of new residential lots over 7500 square feet in size would not ordinarily be significantly greater than those of a 7500 sq. ft. lot and thus would not be required to retire lots for any area over 7500 sq. ft. unless the County finds that, for a particular subdivision, additional mitigation through lot retirement is needed. Finally, a limitation on the number of small lots on steep slopes that could be used in any retirement transactions will ensure that most of the lots retired are truly developable thus providing adequate mitigation for the new lot. (Please see Suggested Modification 109.)

3. Water Supply

A reliable water supply is the single most critical constraint on new development in the North Coast. Separated from population centers by distance and rugged topography, the North Coast must rely on local streams for water. Unfortunately, the streams are small, their water storage basins are limited, and the effects of significant withdrawals on habitat values and the integrity of the aquifers are poorly documented. In addition, there is tight competition for scarce water supplies between agricultural and municipal users and the maintenance of riparian/wetland species. With Cambria only 25% built-out, San Simeon Acres

only 54% built-out, and with intensive visitor-serving at Hearst Ranch as yet unbuilt, this competition can be expected to intensify.

This situation is exacerbated by the characteristics of the aquifers that supply water for urban and agricultural uses in the North Coast planning area. With the exception of Phelan and Chisholm Springs on the Hearst Ranch, water is supplied by wells that pump the underflow of the local creeks. Wells are presently located on Pico, San Simeon and Santa Rosa Creeks. Wells are planned on Arroyo de la Cruz to serve the proposed Hearst Resorts. The water is extracted from gravel and sand areas which underly portions of the creeks -- generally the lower reaches of these water courses. The water bearing gravel and sand areas range in depth from a few feet to as much as 80' and do not extend any great distance beyond the creek channels.

During the wet portion of the year, when the creeks are visibly flowing, these acquifers fill up with water. The maximum amount of water that can be absorbed into the acquifer is expressed as "usable storage." The filling up of a depleted or partially depleted aquifer is called "recharge". Typically, aquifers like these are recharged fairly quickly by the winter rains because they are not very large. If, however, winter rains are below average, the acquifer may not recharge fully. Also, if storm flows down the creek are too rapid, the surface water may discharge into the sea before the acquifer is fully recharged. In any event, once surface flows terminate for the year, there is no further recharge of the aquifer.

Recharge of the north coast streams, of course, is influenced by the amount and timing of rainfall. Rainfall and the annual flow of the creeks vary greatly over time. For example, in 1983, the annual flow at the upper gauge on Santa Rosa Creek was 21,300 AF, in 1985 it was 3,593 AF.[iv] According to a preliminary study done by USGS,[v] in 1994 annual stream flows at this upstream gauge ranged from 244 AF to 27,800 AF for the thirty year period between 1959 and 1989. On San Simeon Creek, annual discharge between 1971 and 1989 ranged from 475 AF to 42,600 AF (page 100). The authors of the USGS report state that the relationship between flows and rainfall is linear. Rainfall in the planning area varies greatly from year to year, ranging from 10" per year to 40" for the period between July 1974 to the present.

Because the North Coast aquifers are small and annual flows vary widely, reliance on "average" flows to determine water availability for a given year or years is not appropriate. For example, there were two straight years of drought in 1975 and 1976 when the aquifers did not fully recharge and water was simply not available. Efforts to pump the depleted aquifer on the Santa Rosa Creek resulted in subsidence and seawater intrusion as well as a de-watering of the lagoon. To avoid such overpumping, it is more prudent to base anticipated extractions from both acquifers on low flow data to ensure a reliable water supply.

Finally, all water in storage in an aquifer is not available for use. Storage is a

term which quantifies the total amount of water that can be physically absorbed into the geologic structure of an aquifer. The amount that can be removed without causing damage is termed the "safe yield". This amount will always be less than total storage. Some water must remain in the aquifer to support riparian and wetland habitat, to provide a barrier against salt-water intrusion and to avoid irreparable damage to the aquifer due to subsidence. Subsidence occurs when the aquifer is significantly overdrafted. When an aquifer subsides, the geologic structure (gravels, sands, fines) is compressed, thus reducing the ability of the aquifer to store water. This process is irreversible. (Please see Exhibit 5 for a brief over-view of groundwater hydrology).

In summary, the North Coast Creeks accommodate vastly different flow levels, and have small aquifers which recharge quickly but can also be depleted quickly. Safe yield figures presently available are estimates based on an average rain year, and they have not fully considered impacts of such withdrawals on riparian and wetland habitats -- particularly during dry periods and drought years.

Cambria

Water for the unincorporated town is supplied by the Cambria Community Services District (CCSD). The District boundaries include most of the land within the urban boundary defined in the LUP. CCSD does not take in a major portion of the 450 acre East-West Ranch which although adjacent to the urban area is outside the urban boundary of Cambria. The District also serves (approximately 300 to 500) acres outside the urban boundary. Cambria Community Services District's water is supplied from five wells which tap the underflow of San Simeon and Santa Rosa Creeks.

Santa Rosa Creek

Santa Rosa Creek winds through the town of Cambria, extending +13 miles from its headwaters in the Santa Lucia Mountains to the Pacific Ocean. The estimated safe yield of this creek is given in the North Coast update as 2260 acre feet (AF) per year based on a 1994 preliminary study by the United States Geologic Survey.[vi] A review of this document does not, however, provide a definitive safe yield figure and although it includes information regarding existing water demand for agricultural and municipal uses, it does not factor in the water needs for the preservation of riparian and wetland habitats.

CCSD has a permit from the State Water Resources Control Board to extract a maximum of 518 AF per year from Santa Rosa Creek. Of this total, only 260 AF a year can be extracted between May 1 and October 31. This summer limit has never been reached for two reasons, in times of plentiful streamflow, the District prefers to use water from San Simeon Creek because it is of much better quality and requires less treatment. In dry years, Santa Rosa Creek is incapable of supplying this amount of water. As an example, in the drought of 1976-77, less

water than allocated by the State Water Resources Control Board could be withdrawn before the wells went dry. Overpumping during that period also caused significant subsidence, potentially damaging the ability of the aquifer to recharge. The water production table attached as Exhibit 6 demonstrates the preference for water from San Simeon Creek.

Thus, in summary, while the Santa Rosa Creek safe yield of 2260 AF given on pg. 3-12 of the plan implies an adequate water supply to serve Cambria's needs, a closer look reveals that the basis for that number is not well grounded, does not consider impacts on habitat values, does not factor in the ability of the aquifer to actually produce water during a drought nor the potentially damaging effects of attempting to do so on the aquifer structure. Since development uses water on a year round basis and, in fact, water use in Cambria is up by 40% during the summer months, it is imperative that the water supply is sufficient to meet urban needs during these months and during periods of drought. Likewise, the protection of riparian and wetland habitat depends on a reliable and sustainable water supply (Please see ESHA Finding).

San Simeon Creek

San Simeon Creek, located two miles north of Cambria, is the preferred source of municipal water. This creek too has its headwaters in the Santa Lucia Range and flows westward for over nine miles to the Pacific Ocean. Safe yield for San Simeon Creek is estimated to be 900 acre feet in the North Coast Update. Similar to the figure for Santa Rosa Creek, this estimate relies on the 1994 USGS report and is subject to the same flaws. Riparian agricultural users in the basin consume approximately 450 AF per year. CCSD has a permit from the State Water Resources Control Board which allows the District to withdraw a maximum of 1230 AF per year. Of this total, only 370 AF may be withdrawn during the dry period which, in this case, is defined as that time between the cessation of surface run-off at the Palmer Flats Gaging Station and October 31, 1997. Typically this is a six or seven month period. The permit also requires the District to supply riparian users when municipal pumping lowers the aquifer to the point where riparian users pumps run dry (Board Order WR 88-14, October 1988).

Several uncertainties exist with respect to the reliable, long term amount of water which can be supplied by San Simeon Creek. The first issue is the soundness of the 900 AF safe yield figure. It is unclear how this figure was determined and whether it was calculated to include a reservation of water for the preservation of riparian and wetland habitat. The changing water needs of senior, riparian users must also be addressed. These users have priority over appropriators such as CCSD and are thus entitled to be served before the District. They may also divert additional water if fallow, riparian fields are brought into production. Finally, the multiple disparities between estimated safe yield, water board allocations and

current production are also of concern. One apparent conflict is that even if one one accepts an estimated safe yield of 900 acre feet, the existing State Water Resources Control Board permit allows one of the users, CCSD, to withdraw a maximum of 1230 AF a year, 330 AF over safe yield not including existing riparian withdrawals. Another concern is that with the exception of 1991 extractions, the combined riparian and CCSD withdrawals have exceeded the estimated safe yield figure since 1980. In 1996, for example, CCSD withdrew 717 AF from San Simeon, riparian users withdrew +450 AF for a total of 1167 AF, 267 AF in excess of the estimated safe yield of 900 AF given in the plan. (Please see Exhibit 6, Water Production Records, CCSD.)

Alternative Water Sources and Management Options

Due to the constraints and uncertainties which surround expanded water withdrawals or even continuation of existing levels of extraction from the Santa Rosa and San Simeon Creek basins, it is relevant to review alternative water sources for urban uses and planning tools for water management. Practically speaking, alternatives include construction of desalinization facilities, increased storage, water conservation and efficient water delivery systems. Reservoirs and imported water are also theoretical possibilities but due to potential environmental effects and costs are, in reality, less viable.

Desalinization

CCSD currently has a valid Coastal Permit to construct a desalinization plant capable of producing 1307 AF of water a year. According to a May 1997 fiscal analysis[vii] of plan alternatives and infrastructure costs, approximately 36% (412 AF) of Cambria's share of the new desalinization plant production is needed to cure existing service deficiencies. The District has agreed to share up to 161 AF a year of water with the San Simeon Community Services District to support new development in San Simeon Acres. A pipeline to transport this water has also been granted a Coastal Development Permit. Thus a balance of 724 AF would be available for new development in Cambria. The approved desalinization facility will be very expensive to build and operate, and the District has not begun construction. CCSD is currently looking into plan modifications which could significantlly reduce the cost of construction. It is anticipated that a decision on whether to proceed with the project will be made within the next year. Desalinization thus appears to offer an achievable alternative to the existing water source particularly if construction costs can be reduced. Costs per acre foot of water are also comparable at $1500.00 an AF for desalinization and $1300.00 an AF for water extracted from the creeks.

A privately owned and operated desalinization plant is proposed in the North Coast update to serve the planned subdivision on the East/West Ranch with water as an option to annexation and service by the Cambria Community Services District. County staff has indicated that the following planning standard provides for this method of water supply:

Technology: Employ progressive measures that utilize new technology, are resource efficient and environmentally sound (Standard K, 7-59).

Only a portion of the East/West Ranch is located within the Urban Service Line (USL) of Cambria. Most of the property, the West Ranch, is not in the USL and has not been annexed into the Cambria Community Services District. Development of the Ranch for residential use is considered urban infill because it is surrounded on all three land sides by existing urban uses.

Increased Storage

Storing water during times of plenty is another way to augment supply. As previously discussed, reliable withdrawal from the creeks is most problematic during the dry period of the year -- generally between May and October and during cyclical droughts. At the same time water use jumps by 40% during the summer months.[viii] In the winter, however, most years, thousands of acre feet of water course down San Simeon and Santa Rosa Creeks to empty into the sea. A substantial amount of this water could be diverted to urban use, at no harm to habitat values, if adequate storage was available. Currently, CCSD has the ability to store only one million gallons (+3 AF) for operating flexibility and fire protection, barely enough to satisfy one days use during the summer peak periods.

Water Conservation

A method to stretch an existing, finite water supply is to initiate an aggressive, comprehensive water conservation program. Beginning in 1990, CCSD fielded a retrofit program to replace old plumbing fixtures with lower use modern ones. As stated in the January 1997 report to the CCSD Board:

The purpose of the Program is to allow for additional new construction, but at the same time reduce overall water use in the District. This is done by installing low flow plumbing devices in existing homes, installing water saving agricultural irrigation systems, entering into water exchange agreements and constructing new water supply projects. By doing so existing water supplies are utilized more efficiently allowing for the surplus to be used for new construction. In adopting the Retrofit Program the Board of Directors established a savings goal of 2 to 1. This means that each applicant wishing to construct a new house is required to save enough water to cover his or her house plus one other. For example, under the existing ordinance an applicant constructing a new home on a large lot (more than 8000 square feet) must provide water savings equivalent to the retrofitting of at least 17 two bathroom homes in order to meet the current 2 to 1 requirement, or pay a corresponding in-lieu fee of 17 times $550.00, or, $9,350.

As of January 1, 1997, 1,693 residential structures have had low flow plumbing fixtures installed under the District's Retrofit Program. An

additional 472 houses have been retrofitted under the District's Retrofit on Resale Program and 299 houses under the provisions for New Construction and Remodeling. There are 2,410 homes that have been retrofitted and it is estimated that there are approximately 1,100 existing houses still available for retrofit in Cambria.

A more conservative retrofit to new construction formula is suggested in the report to the CCSD Board (pg. 6) as follows:

Table 3: Modified Retrofitted Residential Water Usage Comparison*

Average Number of Units Used Per Household (Bi-Monthly):

1989/90	*12.5 Units ** (A unit of water is 748 gallons)*
1995/96	*11.01 Units*

* *Excludes users who consume two or less units and 41 or more units per billing period and all homes not known to be retrofitted to District retrofit standards.*

** *1989/90 Base Year Average (i.e., all users)*

As a result there is a 0.5 unit (±370 gallons) per residential household difference between a retrofitted and non-retrofitted home based on 1995/96 data. The 0.5 units can be established as the amount of water saved for each Equivalent Dwelling Unit (EDU) retrofitted. In taking the most conservative approach to determine the required 2 to 1 ratio established in the District Ordinance the following formula could be used:

(Estimated New Use divided by Units Saved) x 2 = Savings Goal of 2 to 1

(11.01 Units divided by 0.5 Units) x 2 = 44 Units

Thus, the equivalent of 44 houses (EDU's) would need to be retrofitted to save twice the amount of water a new house would require under this formula. In 1996 the average number of points required under the Program is equivalent to 13.5 houses.

Given either of these figures, 44 retrofits of existing homes to allow one new home, or 17 retrofits to allow one new home, it appears that the life of the program is limited due to the finite (1100) number of non-retrofitted homes. At the

44:1 ratio, 25 new homes could be accommodated. At a 17:1 ratio, 64 new homes could be built. The effectiveness of the program to actually result in no net gain of water demand is also greatly limited by the option of the potential new home builder to pay an in-lieu fee of $550.00 a point rather than negotiate the retrofitting of existing homes. Since the institution of the in-lieu option in 1994, 85% of the applicants have opted to pay the fee rather than retrofit. According to the January 1997 report to the CCSD Board, most of this money collected in 1996 was used to pay expenses associated with designing the desalinization facilities and obtaining permits for its construction. The District is currently re-assessing the in-lieu fee program and may decide not to continue it. The net effect of this program to date seems to be at least a slowing down of increased water use rather than maintenance (or reduction) of the status quo.

The District also has completed a program to repair and replace aged, leaking pipes. Prior to completion of this program in 1987, up to 30% of water produced had been lost to leakage. This remedial work is, however, a one time event in that it does not lower demand, it simply reduced waste between production and delivery. Post-1988 production figures are by comparison much more likely to relate closely to actual use.

CCSD has, as can be seen from the preceding discussion, attempted to augment and conserve the existing water supplies. The leak detection and repair program has been quite successful in saving water, the retrofit program less so -- particularly since the introduction of the in-lieu fee option in 1994. Construction of the desalinization plant is stalled but offers a potential for a meaningful addition to existing supplies. (Please see Exhibit 7, correspondence from CCSD describing existing and proposed programs.)

In the meantime, the January 1997 report to the District notes that water use in both conventionally plumbed and retrofitted homes is on the rise as is water use for commercial activities. The report notes that even so, water use (based apparently on production figures) is still lower than it was in 1988.

Management

Another method to address limited water supplies is to manage new urban growth so that development does not outstrip available services. San Luis Obispo County has chosen two traditional planning methods to limit urban growth -- a Growth Management Ordinance which limits the number of new residential units in Cambria to 125 a year and a Resource Management System which monitors essential services and can theoretically halt development when defined thresholds of severity are reached. (NCAP pg. 3-7 et seq.)

The Growth Management limitations on the number of new units which can be constructed in Cambria in a given year is insufficient to address the problem of a very limited and unreliable water supply. The program simply slows down the effects of the increasing disparity between water supply and demand, but does

not address the root problem presented by a scarce but essential service.

The Resource Management System (RMS) offers a better tool for phasing new development with adequate services because it provides an objective standard for determining when services and development are poorly matched. The RMS has three levels of Resource Severity constraints relative to water, sewer, roads, schools and air quality. Level One is an "early warning" threshold that indicates a particular service or resource will be inadequate to support a specific, planned level of development in the future. Level Two warns that an identified service or resource will be depleted before more capacity can be obtained. Level Two calls for fairly immediate action to increase capacity or slow down additional demands on the service. Level Three is the most severe situation. This level occurs when the capacity of an identified service or resource to serve development has been met or is exceeded. At this level, the LUP states that action may be needed to protect basic public health and safety.

In Cambria, water is one of the services listed as having already-passed Level Three severity by 1995 when the chart was last updated. The reason water is shown as a Level Three constraint is because there is not now an adequate, reliable water supply sufficient to serve the development that presently exists during a dry or drought year. Indeed, some local observers believe there is inadequate water to accommodate a normal rainfall year. (Please see Exhibit 8, correspondence to Commission from William Bianchi, received November 24, 1997.) In any event, the County acknowledges that the water supply is problematic existing levels of development. This level of constraint of an essential service might seem to imply that it would be prudent to stop new development until additional capacity could be obtained. The RMS program allows, but does not require, the County to reduce or eliminate new development in this situation. The County has thus far not taken this step.

Conformance with Coastal Act Policies

As the preceding analysis suggests, the proposed amendment is inconsistent with Coastal Act policies because it provides for continued urban development that cannot be supported by existing water supplies. Estimates of available water to serve new development are based on incomplete information and do not analyze the impacts of water withdrawals on riparian/wetland habitats or agricultural activities as required by the Coastal Act (Sections 30240, 30241(e) and 30231). Programs, like the RMS, which could ensure that new development is allowed only when adequate services are available to support it, are not mandatory and have not been voluntarily implemented.

In order to find the proposed updated LUP consistent with the Coastal Act, the updated water section must be re-written to more accurately describe the nature of the aquifer and the need for a more thorough study to determine safe yield. To ensure that additional water withdrawals for municipal uses will not adversely impact the coastal resources of riparian/wetland habitats and agriculture, a

planning standard must be added to Chapter 7,C, Cambria Urban Area Standards (pg. 7-47 et seq.) which provides for a moratorium on all new development which would be served with water from either of these sources unless a variety of performance standards are met over the next three years to ensure that coastal resources are adequately protected.

As specified in Suggested Modification 107, basic performance standards that should be met include the preparation of an Instream Flow Management Study to determine the water needs of riparian and wetland species living in Santa Rosa and San Simeon Creeks; and the development and implementation of a water production strategy that is capable of serving the development provided for in the plan. This standard includes re-use of wastewater, water supply other than from the creeks and reduction of build-out.

Finally, the County has a reasonably effective set of policies for water management for *existing* lots. However, the provision of water for the East-West Ranch is unsatisfactory, particularly the proposal for a private desalination plant. In previous actions, the Commission has found that the provision of essential services in urban areas should be undertaken by public (or private) utility purveyors for an entire service area rather than individualized utilities constructed to serve a single project. The following excerpt from the adopted Findings for the 1995 LCP amendment to the Santa Barbara Coastal Plan outlines the rationale for this determination:

> *Private desalination facilities also raise the basic policy question of the effect of allowing the proliferation of privately owned and operated water supply facilities on the ability to comprehensively plan for the provision and essential public services.*
>
> *Additional questions raised by private desalination facilities include the ability of a private homeowners association to operate and be accountable for complex desalination operations to mitigate impacts, adequately respond to and cleanup potential spills of hazardous chemicals, enforce operation limitations and in general maintain control and long-term operation of the facilities. These include concerns about the homeowners capability over the long term to successfully operate the facility without the need for an established water purveyor to step in and operate the system or provide alternative water supplies should the association facilities fail. The Commission has developed a discussion paper which addresses these and other coastal issues related to the development of desalination facilities.*
>
> *Two of the fundamental questions raised by the proposal to use private desalination facilities are: the potential precedent such a facility generates for inducing unlimited growth based upon a technically unlimited supply of*

water; and the further fragmentation of public utility services, and related tendency toward scattering public work facilities, and their related impacts, rather than consolidating them as stipulated in Coastal Act Section 30260. Proliferation of desal facilities where consolidation is feasible, whether private or public, is inconsistent with the requirements of PRC Section 30260.

Consolidation and expansion of existing public desalination facilities will help to successfully operate the complex technology and reduce or mitigate potential impacts resulting from such facilities. The success of desalination facilities is also more likely when operated by established water purveyors serving large geographic bases and a larger rate-paying pool as compared to a private homeowners association with limited funds and expertise to manage such complex operations. The experience of small private water purveyors depending upon small industrial desalination facilities and water wells in the Goleta/Santa Barbara area and other areas in the coastal zone has demonstrated the difficulties of sustained operation of such facilities.

Since the GWD's service district boundaries include the Goleta Community Plan planning area and a desalination facility is available to provide desalinated water to the GWD by contract, private desalination facilities are not currently appropriate. Region-wide provision of desalination facilities, prevents proliferation of smaller individual desalination facilities, thereby reducing cumulative impacts on coastal resources, including marine resources, created by individual facilities. A region-wide approach supports the Commission's consolidation policy, Section 30260, which encourages coastal-dependent industrial facilities, such as portions of desalination facilities, as determined on a case by case basis. These facilities are encouraged to expand within existing sites so long as they are designed to permit reasonable long term growth consistent with the Coastal Act and certified LCP.

It should be noted that the Commission has allowed a private desal facility on Santa Catalina Island. That facility, however, was consolidated with an Edison electrical power facility and there is no municipal or public water system at that location. The circumstances on Santa Catalina Island were thus different in important respects from those in the Goleta Planning Area."

As discussed earlier, in addition to the area already within the Cambria Urban Services Line (USL), there are approximately 300 acres (18 parcels) of the East/West Ranch that are not within the USL but are surrounded by urban development. (Please see Exhibit 9.) This site is a logical urban infill area and is currently designated for a maximum of 340 residential units in the Certified North Coast Plan. The plan update reduces the maximum unit count to 265. If this site

develops at an urban density as anticipated by its' owners, it will require urban services and must be included within the urban service line. The creation of isolated pockets of urban level development outside of the urban boundary is inconsistent with Coastal Act Policy 30250 which supports the location of urban uses in urban areas. The North Coast update requires that this site be brought into the urban service area if it is subdivided into more than 35 lots. (Standard 11B, page 7-60) Subsequent annexation into the Cambria Community Services District is, however, optional for any development scenario on the West Ranch (Standards 11B, C, D, pg. 7-60).

The Plan anticipates that if the CCSD does not annex the West Ranch it could obtain its water supply from a private desalinization plant. This proposal is inconsistent with Coastal Act policies and the Commission's action in similar planning situations in the past. Therefore, the NCAP should be modified to prohibit the use of single project desalinization plants (see Modification 109). An alternative method of water supply, other than CCSD, is by new wells on the lower reaches of Santa Rosa Creek which curves through the north-east corner of the West Ranch. Correspondence from representatives of the East/West Ranch state that they hold a pre-1914 appropriative right to the creek waters and would be entitled to 186 AF a year based on past ranch use. The letter goes on to say that while this appropriative right exists, they would prefer to be served by water from a desalinization plant and not exercise their appropriative right.[ix]

Based on the discussion and conclusions reached in the earlier analysis of the productivity of Santa Rosa Creek, additional withdrawals from this creek are problematic. The use of water from Santa Rosa Creek to serve the domestic needs of development on the East/West Ranch is simply not a realistic option at this time. Therefore, if the West Ranch is to be subdivided and developed as proposed in the North Coast Update, the plan must be modified to require inclusion within the Urban Service Line and annexation to Cambria Community Services District so that water service and wastewater treatment service can be provided to accommodate the urban development. (Please see Suggested Modification 115.)

Finally, in order to achieve consistency with Coastal Act Sections 30260 and 30250, a new, areawide standard is needed that requires that desalinization plants serve urban intensity development within or in close proximity to existing urban areas must be owned and operated by a public agency. (see Suggested Modification 109.) Planning standard 9K (pg. 7-59) for development on the East/West Ranch also should be clarified to preclude private desalinization facilities (see Suggested Modification 114) and Standard 10B, C and D (pg. 7-59) must be revised to require annexation to Cambria Community Services District prior to approval of further subdivision of the property (Please see Suggested Modification 115.) Companion changes to Standard 11 B, C and D relevant to CCSD annexation and the table on pg. 7-64 are also required (pg. 7-60). (see Suggested Modification 116).

[i] Table I, Fiscal Analysis, Haurrath Economic Group, 1997.

[ii] "Fiscal Analysis of Plan Alternatives, Infrastructure Costs and Visual Simulation", Hausrath Economics Group, April 1997.

[iii] Please see letter from the North Coast Advisory Board to Chairman Brackett, dated October 27, 1997.

[iv] See State Water Resources Control Board, Application 28158, 1989, pg. 18.

[v] Hydrogeology, Water Quality, Water Budgets and Simulated Responses to Hydrologic Changes in Santa Rosa and San Simeon Groundwater Basins, USGS 1994, Yeates and Van Konyberg

[vi] Hydrogeology, Water Quality, Water Budgets and Simulated Responses to Hydrologic Changes in Santa Rosa and San Simeon Creek Groundwater Basins, San Luis Obispo County, July 12, 1994, by Eugene Yates and Katherine M. Van Kroynenburg.

[vii] North Coast Area Update, Fiscal Analysis of Plan Alternatives, Infrastructure Costs and Visual Simulation, May 1997, prepared by Hausrath Economic Group

[viii] 1996 water production records show that during the three lowest water use months a total of 137 AF was consumed; during the three highest water use months a total of 223 AF was consumed -- a 40% increase.

[ix] Please see full text of letter from Susan Petrovich and Robert Saperstein, attorneys for East/West Ranch, to the Board of Directors of the Cambria Community Services District, dated October 9, 1997.

Recommendation 2.13

The County agrees with portions of this recommendation, including the proposed 1% growth rate in Cambria until January 1, 2002; and the need to coordinate with the Commission and the Cambria CSD to complete necessary studies and to pursue more proactive management of the water supply problem in Cambria. The County, though, proposes to defer RMS action to enact a development moratorium until a resource capacity study is completed. As mentioned, the Cambria CSD has also submitted comments, and with respect to the water supply issue, has emphasized the on-going and prior efforts of the CSD to address this problem (see Exhibit D, pp. D-542). The CSD has also met with Commission staff twice since the February hearing on the *Preliminary Report*, and has provided additional information for Commission consideration. The United Lot Owners of Cambria (UNLOC) have also provided extensive comments, including submitting an independent review of existing water supply information for Cambria. Others have expressed concern about the property rights of lot owners on the CSD water waiting list.

Preliminary Recommendation 2.13 framed out a number of alternative approaches to the Cambria water supply problem to help move the discussion of potential resource management responses forward. As mentioned, Commission staff have met with the County and the CCSD, and considered the current state of information, management actions taken by the County and the CSD, and other matters related to this problem. Although progress is being made, there still remains considerable uncertainty as to when more aggressive action will be taken to curb new development approvals in light of the limited water supply for Cambria. Over three years have past since the Commission's finding in the 1998 NCAP Update that aggressive action was needed to address the inadequate water supply for urban development in Cambria. In that action, the Commission recommended that the County's LCP be modified to include a requirement that if certain performance standards to address habitat protection, development of a water management strategy, and buildout reduction in Cambria weren't met by January 1, 2001, that no further development that would draw on Santa Rosa and San Simeon Creeks be allowed. These standards have yet to be met.

It should be acknowledged, though, that since 1998 the CCSD has made progress on a number of fronts to address both short and long-term water supply issues in Cambria. First and foremost, a Baseline Water Supply Analysis has been completed that provides a report on the capacities of Santa Rosa and San Simeon Creeks (see below). The CSD is also moving forward with the development of a Water Master Plan, including a build-out reduction analysis, to identify long run strategies for providing a reliable water supply to Cambria. Last year the CSD also adopted two updated ordinances (3-2000; 4-2000) establishing an emergency water conservation program and strengthening prohibitions against water waste. The CSD has also been pursuing a revised desalination plant proposal (the Commission's previous coastal development permit approval for a plant has expired), and the Congress has authorized (but not yet appropriated) $10 million to begin the initial studies and environmental review. In terms of denying new water connections,

though, the CCSD has stated that it is constrained under California Water Code sections 350-59 to first declare a water shortage emergency (based on "insufficient water for human consumption, sanitation, and fire protection") before adopting restrictions on water use. Under Water Code 356, such restrictions may include denial of new service connections.[1]

Even a brief review of the current water situation and recent information makes it apparent that serious action must be taken immediately to assure that new development in Cambria is sustainable. As described in the *Preliminary Report*, a recent Baseline Water Supply Analysis conducted for the CCSD has concluded that the District's current water supplies are "marginal to inadequate to provide a 90 percent level of reliability" (in one of ten years there may not be enough water for current customers).[2] When all of the foreseeable water commitments of the CSD are considered, including pending construction permits, intent to serve letters previously issued, and the CSD's water waiting list, the report concludes that the water supply is "inadequate to provide either a 90 or 95 percent level of reliability." This is consistent with the Commission's 1998 NCAP Update findings that the North Coast Area Plan, as proposed for amendment by the County, was inconsistent with the Coastal Act because it provided for continued urban development that could not be supported by existing water supplies.[3] Of particular note in that action was the emphasis on the potential for another drought similar to the 1975-77 period when the Santa Rosa Creek groundwater basin was damaged through subsidence.

In terms of this Periodic Review, the new water supply study also supports a finding that the standards of the certified LCP to assure sustainable new development are not being met. Specifically, Public Works Policy 1 requires that:

> *prior to permitting all new development, a finding shall be made that there are sufficient services to serve the proposed development given the already outstanding commitment to existing lots within the urban service line for which services will be needed . . . .*

At face value, the conclusion that the existing water supply for Cambria is inadequate to provide either a 90 or 95 percent level of reliability for foreseeable water commitments does not meet this LCP requirement for sufficiency. Moreover, there is considerable

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[1] Water Code 350 states:

> The governing body of a distributor of a public water supply, whether publicly or privately owned and including a mutual water company, may declare a water shortage emergency condition to prevail within the area served by such distributor whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be insufficient water for human consumption, sanitation, and fire protection.

[2] *Baseline Water Supply Analysis*, Cambria Community Services District, December 8, 2000, p. ES-1.
[3] *North Coast Area Plan Update, Adopted Findings*, California Coastal Commission (1998) p. 51.

uncertainty, and a variety of assumptions underlying the Baseline Supply study, that cast even more doubt on the sustainability of Cambria's current water supply.

First, the Baseline Water Supply analysis was based on 3,796 existing connections in December of 1999 (3,586 residential and 210 commercial). As of April, 2001, there are now 3891 connections (3,678 residential, 213 commercial), an increase of 2.5%. In addition, according to the CSD, there are an additional 150 outstanding will-serve commitment letters, including 45 with connection permits. Assuming these all result in new water connections, the total number of water connections in Cambria will have increased by 6.5% since the Baseline Water Supply Analysis. This also does not account for the 650 remaining CSD customers on the waiting list for a water connection.

Second, and critical to the County's and Commission's responsibilities to protect sensitive coastal habitats, the Baseline Water Supply Analysis does not address the question of whether there are sufficient in-stream flows to maintain and protect sensitive species and their habitats. The study states:

> *The District intends to evaluate the appropriate minimum groundwater levels to avoid adverse environmental impacts to downgradient habitats. Accordingly, it is recommended that the assumed minimum groundwater levels be reviewed when these evaluations have been completed.*[4]

In addition, the California Department of Fish and Game has asserted that prior dry season pumping of the Santa Rosa creek wells has had negative impacts on habitats for sensitive species, including tidewater goby, red-legged frog, and steelhead trout.[5] In more recent months, the U.S. Fish and Wildlife has initiated discussions with the CCSD about preparing a multi-species Habitat Conservation Plan for sensitive habitats of the North Coast, including steelhead and red-legged frog.

One of the NCAP performance standards adopted by the Commission in 1998, but not accepted by the County, was a requirement to conduct in-stream flow studies of both San Simeon and Santa Rosa creeks to assure that continued and future water withdrawals would not adversely impact sensitive riparian habitats. This modification adopted by the Commission mirrors an existing condition of the CCSD permit for water withdrawals from Santa Rosa Creek that required that instream flow study be initiated to determine necessary water levels to protect steelhead.[6] As mentioned above, instream flow studies have not been completed for either Santa Rosa or San Simeon creek.

The CCSD has funded a study that examined steelhead and habitat trends in San Simeon Creek. Nonetheless, this study does not directly address the relationship between the pumping of San Simeon Creek underflows and steelhead and other sensitive species

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[4] *Id.*, 2-5.
[5] *Id.*, A-6.
[6] CSD Water Diversion and Use Permit 20387, Condition 18.

habitats.[7] The study, though, does show correlations between reduced base stream flows and sedimentation on one hand, and reduced relative abundances of juvenile steelhead on the other. The study is also a limited time series (six years), making it difficult to draw firm conclusions about the impact of CSD municipal withdrawals on instream habitats. Even so, the study concludes:

> *The persistence of the San Simeon Creek steelhead population has become more tenuous, with the further deterioration of non-streamflow related aspects of habitat from sedimentation . . . , combined with reduced summer baseflow and likely increased streamflow diversion from well pumping by new streamside development in the heretofore perennial reaches.*[8]

Again, this conclusion does not speak directly to the question of how Cambria's urban water withdrawals may be impacting in-stream habitats. It also indicates that the habitat values of the coastal creeks in San Luis Obispo are impacted by multiple uses up and downstream. Nonetheless, until more systematic habitat and in-stream flow study is completed, it is difficult to conclude that the County's approval of new development that relies on water withdrawals from San Simon and Santa Rosa creeks are consistent either with Coastal Act (sections 30250, 30240, 30231) or the certified LCP.

Third, the sustainability of the current Cambria water situation with respect to Coastal Act concerns is also drawn into question when one considers that the certified LCP requires that 20% of Cambria's water and sewer capacity be reserved for visitor-serving and commercial uses. In terms of actual water consumption, the CSD appears to be meeting this goal, due to the high level of water consumption per commercial connection compared to residential connections. Thus, of the approximate 800 acre-feet of water produced in 2000, less losses to the system, nearly 25% was delivered to non-residential (primarily visitor-serving) with 75% going to residential uses. However, in order to meet the 20% visitor-serving reservation standard in new development approvals, a finding would need to be made that the actual water available at the time of a residential permit approval is 25% higher than that normally required for a residential use. In other words, the conclusion of the Baseline Water Supply Analysis underestimates the actual water needed for urban sustainability in Cambria if one takes into account Coastal Act priority uses in the approval of new developments.

Fourth, to implement the Coastal Act priority for agriculture, the LCP also requires that water extractions, consistent with habitat protection, give highest priority to preserving available supplies for existing or expanded agricultural uses (Agriculture Policy 7). No systematic monitoring or data is available concerning agricultural production water needs or pumping in the Santa Rosa and San Simeon Creek Basins. Although State Water Resources Control Board water permits require the CSD to deliver water to upstream

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[7] Alley, D. W. and Associates, *Comparison of Juvenile Steelhead Production in 1994-99 for San Simeon Creek, San Luis Obispo County, California, With Habitat Analysis and an Index of Adult Returns* (August, 2000).

[8] *Id.*, p. 36.

riparian users if their wells become unusable, it is unclear whether Agriculture will be protected if withdrawals for urban uses continue, particularly during severe drought years. Moreover, the findings of the Baseline Water Supply study are based on an assumption that agricultural water use remains similar to historical volumes and patterns. As discussed in the Agricultural chapter of *the Preliminary Report*, water use for agricultural land uses can vary and change quickly, depending on agricultural markets, weather, etc. When current and potential urban and agricultural water needs are combined, it is by no means clear that groundwater basins are being protected. In fact, as discussed by the Commission in 1998, there is some data that shows that past combined withdrawals have exceeded the supposed safe annual yield of San Simeon Creek.[9]

Fifth, as discussed in the Preliminary Report, the CCSD has also been responding to an MTBE emergency contamination situation near its Santa Rosa Creek wells, which has placed severe stress on its ability to meet Cambria's water needs. The District is currently unable to pump from its Santa Rosa wells due to the proximity of the MTBE plume. Although the CSD has drilled an emergency supply well further upstream, this well is not yet ready for use, and in any event will only provide an emergency water supply. The unavailability of the Santa Rosa Creek wells puts additional stress on San Simeon Creek. The Baseline Water Supply study concludes that without Santa Rosa Creek, the CSD's current water supplies are inadequate to meet current demands.[10]

Sixth, although visitor-serving uses are a priority use under the Coastal Act, the potential for increases in visitor-serving water use through existing connections adds still more uncertainty to the conclusions about available supply. Current water demand in Cambria peaks in the summer months, due to both increased visitors in the commercial sector (restaurants and overnight accommodations), and increased residential landscape irrigation. It is unclear as to how future increases in visitors to Cambria may lead to actual increases in water pumpage from San Simeon and Santa Rosa Creeks, notwithstanding that no new connections may be added. This point has been made by many concerned about the State Park's effort to increase off-season visitation to Hearst Castle, which would no doubt place added demands on Cambria's infrastructure. In addition, many of Cambria's existing residences are not occupied by full-time residents but rather, serve as vacation rentals to weekend or summer visitors. There is some indication, though, that there is a trend away from vacation rentals, as more Cambria homeowners take up full-time residence. This, too, will mean an increase in actual water withdrawals without any real increase in water connections.[11]

Finally, it should be noted that the United Lot Owners of Cambria have submitted an independent analysis of existing water information from Navigant that concludes that water supply in Cambria "can be managed to support an approximate 10 percent increase

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[9] *North Coast Area Plan Update Findings*, p. 47.

[10] *Baseline Water Supply Analysis*, p. 3-4.

[11] The County's recent LCP amendment submittal states that there is no reliable survey data as to the exact number of vacation rentals in Cambria, although some data has been presented from the industry suggest at least 150 rentals producing 5000 days per year or approximately 33 days a year per unit.

in use."[12] Although every detailed comment of the Navigant review cannot be analyzed here, a few observations are needed. First, even if the Navigant study is correct its 10 percent estimated buffer, there are currently 3891 connections and 800 outstanding commitments (150 will-serve letters and 650 on the waiting list). Thus, an increase of over 20% in supply would be needed to serve outstanding commitments.

Second, the overall conclusion of this independent analysis relies heavily on a recently published U.S. Geological Survey analysis of Santa Rosa and San Simeon Creek groundwater basins.[13] The USGS report presents a simulated water budget for the two creeks for the period April 1988 through March 1989. This budget shows that the net water flow into each basin is negative (-50 acre feet for Santa Rosa and –10 for San Simeon), meaning that more water is flowing out of the basin through withdrawals and creek seepage than is flowing back into the basin through rainfall, seepage, irrigation return-flows, etc. The USGS. study is careful to point out that the water budget is simulated for a "dry year", and has a certain margin of error, and thus should not be interpreted as necessarily showing a long-term deficit or imbalance in the groundwater basins.

The Navigant review analyzes the USGS water budget analysis, but it does so by aggregating the data for the two creeks, and by substituting a 760 acre-foot municipal pumpage number for the 800 acre-foot number of actual pumpage in 1988. In aggregate, this analysis shows a total deficit of only 10 acre-feet. Factoring in error, the Navigant study asserts that "from a groundwater management standpoint, an increase in municipal pumpage of approximately ten percent is considered reasonable, and should have a minimal impact on the local hydrologic system." The USGS model, though, actually shows a deficit of 50 acre-feet for Santa Rosa Creek and 10 acre-feet for San Simeon Creek (60 acre-feet if aggregated). Moreover, the USGS model was simulated for a year when the CSD was withdrawing water from both creeks (250 afy from Santa Rosa and 550 afy from San Simeon). In more recent years, the CSD has been pumping mostly from San Simeon Creek, with recent production exceeding 700 afy from San Simeon Creek alone. Although this could be better for Santa Rosa Creek, it raises significant uncertainty for San Simeon Creek, particularly concerning the protection of in-stream habitats. In addition, the CSD again reached 800 afy of pumping in 2000. As discussed in the Preliminary Report, although significant gains in efficiency of use have been made since 1988, aggregate water use has continued to rise with the steady increase in new connections.

The Navigant review cites other findings of the USGS report to support a more optimistic view of Cambria's water supply, including analyses that show the likelihood of consecutive "extremely dry years" to be very low (e.g. one every 430 years in San Simeon Creek basin). These citations, though, are selective and indeed, do not address

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[12] See Correspondence from Navigant, 11/28/00, Exhibit D, p. 227-228.

[13] *Hydrogeology, Water Quality, Water Budgets, and Simulated Responses to Hydrologic Changes in Santa Rosa and San Simeon Creek Ground-Water Basins, San Luis Obispo County, California*, U.S.G.S., Report 98-4061 (1998).

the various factors discussed above that create additional uncertainty about the available supply. In particular, groundwater basin damage from excessive withdrawals can occur, as they did in 1976, in dry years that do not meet the USGS study definition of an extremely dry year (2 or more consecutive years with incomplete basing recharge).[14] Nor do they directly address the Coastal Act policy requirements of protecting groundwater basins and sensitive habitats. Moreover, the USGS report itself draws overall conclusions that at best are neutral with respect to available supply and at worst, support the finding that there is inadequate water to support new development. These conclusions include the following:

- The most significant long-term trend in water levels has been a gradual increase in the amount of dry-season water-level decline in the San Simeon Basin. This change is the result of increases in municipal and agricultural pumping during the dry season (p. 98). [As shown in the Baseline Water Supply Analysis, since 1988 (the last data year of the USGS study), dry-season water levels in San Simeon Creek have continued to be drawn down to near sea-level. At these levels, damage to the groundwater basin and seawater intrusion become an issue, to say nothing of threats to instream habitats.]

- Municipal pumpage affects water levels throughout the San Simeon Basin (100).

- Simulations indicated that at 1988 agricultural and municipal pumping rates, water levels decline almost to the threshold at which some subsidence could occur in the Santa Rosa Basin even during dry seasons with a recurrence interval of only 5 years (101).

- Incomplete basin recharge was estimated at every 18 years for Santa Rosa and every 25 years for San Simeon. In light of the "considerable uncertainty" with these estimates, though, these recurrence levels are short enough to warrant consideration during water-supply planning (101).

- Simulated effects of a winter without streamflows showed wells in both basins going dry, subsidence in Santa Rosa, and seawater intrusion in San Simeon Creek basin (101).

Overall, the weight of the evidence, including analysis of water use trends and available information about safe-yields of the two creeks, still supports a finding that there is currently insufficient water supply to support new development served by the Cambria CSD, particularly given the uncertainty in weather patterns and critical shortages that may occur in dry years. Indeed, based on interpretation of the 127 year rainfall record for San Luis Obispo County, one local water expert has concluded that the current demand

[14] *Id.*, p. 86: "Land subsidence and ground deformation occurred in Cambria in the summer of 1976 and could occur again if the minimum dry-season water is close to or less than the record low level reached that year."

for water would have exceeded the carrying capacity of San Simeon Creek four times (see Exhibit C Attachment from Shirley Bianchi). Although the Navigant review finds that from a "groundwater management standpoint" there is a 10% buffer in available supply, this finding appears to be based not only on aggregate data (as opposed to individual groundwater basin analysis), but also on assumptions about the error inherent in the available data.[15] The Navigant review does not explain what is meant by a "groundwater management standpoint," although presumably it means that additional water to support new development could be squeezed out of the system through better management and conservation. Again, the Navigant study does not address sensitive habitat concerns.

But the uncertainty inherent in the water supply questions for Cambria, coupled with a focus on improving management, underscores the importance of curbing new water extractions until the many questions can be answered, and until meaningful management decisions are made. As previously mentioned, in December of 2000, the Board of Supervisors adopted a 1% growth rate for 2001, and directed that a Resource Capacity Study be completed for review by the Board in the Spring of 2001. The County has suggested that further restrictions on new water connections await the completion of this RMS study. Although the County has initiated the scoping for the study, is unclear when such a study would be completed. More important, the burden of the uncertainty in the water supply must not be placed on coastal resources. Rather, a precautionary approach should be taken until such time as better knowledge is gained about both the capacity of San Simeon and Santa Rosa Creeks, including the needs of instream habitats, and about additional water supplies (e.g. a desalination plant) that might support new development. For example, without completion of instream flow studies and the newly-launched HCP to address sensitive species, the capacity of San Simeon Creek to support new development cannot be known. Fundamentally, this approach is necessary to meet the Coastal Act requirement that new development be environmentally-sustainable. It cannot reasonably be concluded at this time that new development in Cambria is currently sustainable.

Nonetheless, in order to provide reasonable notice to property owners in Cambria contemplating beginning the development review process, or that may not yet have received basic land use approvals, it is reasonable to allow the completion of the 1% percent growth rate for the remainder of 2001 (approximately 37 connections for the year). In the meantime, new applications for development should not be accepted for filing until certain water management objectives are met. Developments approved in Cambria after January 1, 2002, that rely on new water withdrawals from the CSD system, may be subject to appeal to the Coastal Commission on the basis of inconsistency with LCP Public Works Policy 1.

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[15] Moreover, if the intent is to simply identify a margin of error in the analyses of available supply, it is just as likely that the error is in the other direction also – i.e. 10% less water than identified.

In summary, Preliminary Recommendation 2.13 is amended to confirm the application of a 1% growth rate in Cambria until 1/1/02, but to also make clear that no new development that relies on a Cambria CSD water connection should be approved after that date, unless findings can be made that (1) water withdrawals are limited to assure protection of instream flows that support sensitive species and habitats; (2) there is adequate water supply reserved for the Coastal Act priority uses of agricultural production, and increased visitors and new visitor-serving development; (3) a water management implementation plan is incorporated into the LCP, including measures for water conservation (see discussion of Recommendation 2.15 below also), reuse of wastewater, alternative water supplies, etc., that will assure adequate water supply for the planned build-out of Cambria or that will guarantee no net increase in water usage through new water connections (e.g. by actual retrofitting or retirement of existing water use); (4) substantial progress has been made by the County and the CCSD on achieving implementation of buildout reduction plan for Cambria; and (5) there is adequate water supply and distribution capacity to provide emergency response for existing development.[16]

> ~~Preliminary~~ **Recommendation 2.13. Address Cambria Short-term Development Constraints**. ~~The short-term problem of water supply in Cambria could be addressed in a number of ways, including limiting short-term growth rates. At a minimum it would seem that the current 1.0% growth should be kept in place, rather than increasing potential new development back to the 2.3% growth rate anticipated by the County's growth management ordinance. However, this would not address the Commission's 1998 findings that would have required a development moratorium by January 2001 unless certain performance standards had been met (which have not). As discussed, the CSD has conducted additional studies, and the County has recently evaluated water supply and demand in Cambria in the NCAP project description. There is a need for the County and CSD to work collaboratively to complete critical information needs. To the extent that this recent study may raise uncertainties about how much water is available, coordination discussion with Commission staff over the next several months would be useful. The habitat and in-stream flow studies that the Commission identified as being necessary in 1998 should be conducted as well. One option, therefore, would be to allow 1.0% until 1/1/02, subject to finishing the resource capacity study. Another option that would be the most precautionary in terms of protecting coastal resources, would be to enact a development moratorium through the RMS system, until such time as the water problems for future development is more definitively resolved.~~ Continue implementation of the 1% growth rate in Cambria until 1/1/02, after which time coastal development permits for new development that would require a new water connection or that would otherwise create additional water withdrawals from Santa Rosa or San Simeon Creeks should not be approved unless the Board of Supervisors can make findings that (1) water withdrawals are limited to assure protection of instream flows that support sensitive species and habitats; (2) there is adequate water supply reserved for the Coastal Act priority uses of agricultural production, and increased visitors and new visitor-serving development; (3) a water management implementation plan is incorporated into the LCP, including measures for water conservation, reuse of wastewater, alternative water supplies, etc., that will assure adequate water supply for the planned build-out of Cambria or that will guarantee no net increase in water usage

[16] Although emergency response capacity is more a function of water distribution capacity, it is an additional uncertainty in the Cambria system. Currently the CSD has approximately 980,000 gallons of storage for fire –fighting – enough water to fight 8-9 houses burning simultaneously for two hours.

through new water connections (e.g. by actual retrofitting or retirement of existing water use); (4) substantial progress has been made by the County and the CCSD on achieving implementation of buildout reduction plan for Cambria; and (5) there is adequate water supply and distribution capacity to provide emergency response for existing development.