

CALIFORNIA COASTAL COMMISSION

SOUTH COAST DISTRICT OFFICE
200 OCEANGATE, SUITE 1000
LONG BEACH, CA 90802
(562) 590-5071



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Hearing Date: 6/11-13/03

W11 & W12

TO: Commissioners and Interested Persons

FROM: Deborah Lee, District Director
Teresa Henry, District Manager
Anne Blemker, Coastal Program Analyst

RECORD PACKET COPY

SUBJECT: **PWP 4-82-A2 CRYSTAL COVE PUBLIC WORKS PLAN AMENDMENT and PWP 4-82-14 CRYSTAL COVE PUBLIC WORKS SPECIFIC PROJECT.** For public hearing and Commission action at its meeting of June 11-13, 2003, to be held at the Queen Mary, Long Beach.

SUMMARY OF STAFF REPORT**DESCRIPTION OF THE PUBLIC WORKS PLAN AMENDMENT and SPECIFIC PROJECT REQUEST**

The California Department of Parks and Recreation (DPR) has submitted an application to amend the *Crystal Cove Public Works Plan*, and also requests Commission concurrence to implement specific projects referenced in the proposed amendment. The Commission approved the *Crystal Cove Public Works Plan* in May of 1982 (PWP 4-82). As a condition of approval of that plan, the Commission required submittal of the *Crystal Cove Historic District Development and Public Use Plan* and *On-Site Maintenance Program*. The proposed public works plan amendment would replace those documents with the *Crystal Cove Historic District Preservation and Public Use Plan* (PPUP), recently approved by the State Parks and Recreation Commission (PRC). DPR also requests specific project review of "First Phase Implementation" activities associated with the PPUP, including cottage rehabilitation, adaptive reuse of the structures, public access improvements and utility upgrades.

The standard of review for the amendment to the *Crystal Cove Public Works Plan* is consistency with the Coastal Act (CCR Title 14, Section 13356 (b)), because no local coastal program was certified within the subject area at the time the *Crystal Cove PWP* was originally approved. The Newport Coast LCP has since been certified and affects property surrounding Crystal Cove State Park, but does not affect the park itself. The standard of review for a specific project submitted concurrently with the public works plan amendment is also the Coastal Act (CCR Title 14, Section 13358 (a)).

SUMMARY OF STAFF RECOMMENDATION

Staff recommends that the Commission **approve with conditions** the proposed Public Works Plan amendment submitted by the California Department of Parks and Recreation for the reasons given in this report. Staff also recommends that the Commission **approve with conditions** the specific project request.

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SUMMARY OF ISSUES

The proposed Public Works Plan amendment will substantially change and update all components of the Crystal Cove State Park PWP relating to the Historic District. Concerns with the proposed amendment include 1) clarification of the minimum and maximum number of cottages provided for each program; 2) occupancy range for cottages in the Overnight Accommodations program; 3) rate structure parameters for the Overnight Accommodations program; 4) maximum provision of public parking; 5) environmentally sensitive habitat area; and 6) typographical corrections and clarifications.

The proposed specific project will allow State Parks to undertake First Phase implementation activities, including cottage renovation, road widening, utility updates and access improvements. These activities are illustrated in Exhibit 9. Concerns with the corresponding specific project include 1) clarification of the specific number of cottages provided for each program in the First Phase; 2) identification of the specific number of overnight accommodations provided in the First Phase; 3) specific rate charged for overnight accommodations in the First Phase; 4) siting of the new stairway at Pacific Coast Highway; 5) use of the new 20-space parking lot; 6) coastal sage scrub mitigation; 7) future shoreline protection; 8) assumption of risk and 9) construction-related best management practices (BMPs).

ADDITIONAL INFORMATION

For further information about this report or the public works plan process, please contact Anne Blemker, Coastal Program Analyst, at 200 Oceangate, Suite 1000, Long Beach; Telephone (562) 590-5071.

EXHIBITS

1. Vicinity Map
2. Crystal Cove State Park Map
3. MOU Between State Parks and Coastal Commission
4. Planning Areas Map
5. Chart H—Matrix of Adaptive Uses
6. Adaptive Uses Map
7. General Plan Amendment Language
8. FEIR Project Description
9. First Phase Project Plans
10. Summary of Consultation with Local Staff
11. DPR Staff Directed Changes
12. CCSP First Phase Spreadsheet
13. Fiscal/Operations Plan
14. Sensitive Terrestrial Species Map

1. Staff Recommendation: Motions and Resolutions

A. Approval of Public Works Plan Amendment

Staff recommends that the Commission, after public hearing, **approve** the proposed public works plan amendment subject to the modifications below. Staff recommends a **YES** vote on the following motion. An affirmative vote by a majority of the Commissioners present is needed to pass the motion.

***Motion.** I move that the Commission approve Crystal Cove Public Works Plan Amendment PWP 4-82-A2 submitted by the California Department of Parks and Recreation, as conditioned.*

***Resolution.** The Commission finds that proposed Crystal Cove Public Works Plan Amendment PWP 4-82-A2, as modified, is in conformity with the provisions of Chapter 3 of the Coastal Act; and that there are no feasible alternatives, or feasible mitigation measures available, as provided in the California Environmental Quality Act, which would lessen any significant adverse impact that the development as finally proposed and conditioned may have on the environment.*

B. Approval of Public Works Specific Project

Staff recommends that the Commission, after public hearing, **approve** the proposed public works specific project subject to the conditions below. Staff recommends a **YES** vote on the motion that would result in approval of the project, as conditioned. An affirmative vote by a majority of the Commissioners present is needed to pass the motion.

***Motion.** I move that the Commission approve proposed public works project PWP 4-82-14 contained in the Crystal Cove Public Works Plan Amendment (PWP 4-82-A2) submitted by the Department of Parks and Recreation, as conditioned.*

***Resolution.** The Commission hereby **approves** the specific project proposed to be undertaken at the Crystal Cove Historic District, on the grounds that the developments, as conditioned, will be in conformity with the provisions of Chapter 3 of the Coastal Act, as conditioned, and that there are no feasible alternatives, or feasible mitigation measures available, as provided in the California Environmental Quality Act, which would lessen any significant adverse impact that the development as finally proposed and conditioned would lessen any significant adverse impact that the development as finally proposed and conditioned may have on the environment.*

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2. Recommended Conditions

Recommended Conditions for Crystal Cove Public Works Plan Amendment (PWP-4-82-A2)

1. Program Use of Cottages

The Public Works Plan shall establish a minimum and maximum number of cottages to be utilized for each program.¹ No more than eight (8) cottages shall be used for the Operations Program. The PWP shall include an explanation of the variables that will affect the exact number of cottages serving each program.

2. Cottage Occupancy

The Public Works Plan shall specify the minimum and maximum number of occupants allowed in each cottage designated for overnight use. A minimum of 65 overnight occupants must be accommodated in the cottages within the First Phase Implementation.

3. Rate Structure

The Public Works Plan shall establish the parameters for the overnight accommodations rate structure, consistent with the Fiscal/Operations Plan attached as Exhibit 13. The rates charged for overnight accommodations shall be maintained at a rate comparable with fees charged at similar State Parks system facilities.

4. Parking

To ensure maximum public parking at the Los Trancos Parking Lot and the new Blufftop Parking Lot, the following restrictions shall be included in the PWP:

- a) The permanent use of the Los Trancos office shall be limited to Crystal Cove Historic District dependent functions.
- b) The use of the new twenty-space parking lot within the Blufftop Area shall be allocated as follows: Ten (10) spaces for 15-minute overnight check-in, visitor orientation and deliveries, two (2) spaces for authorized State Parks vehicles, and eight (8) spaces to serve activities at the Cultural Center.

5. Environmentally Sensitive Habitat Area

The Public Works Plan shall incorporate a revised policy for addressing impacts to environmentally sensitive habitat areas, including coastal sage scrub (CSS), which requires the following:

- (a) Environmentally sensitive habitat areas shall be protected against any significant disruption

¹ The PPUP identifies four program areas: 1) Operations Program, 2) Interpretation and Community Arts, Resources and Education Program, 3) Overnight Accommodations and Rentals Program and 4) the Visitor Services Concession Program.

of habitat values, and only uses dependent on those resources shall be allowed within those areas.

- (b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas.
- (c) Future development that affects potentially sensitive habitat area must come back to the Commission for specific project review or a coastal development permit. A site-specific biological survey must accompany any specific project proposal or CDP application so that a determination of ESHA can be made.

6. Edits and Corrections

The following corrections and updates shall be incorporated into the final PWP:

- Incorporate "Staff Directed Changes," attached as Exhibit 11, into text of document.
- Revise Chart H (Matrix of Adaptive Uses) to reflect currently proposed uses of Cottage 17 (Operations) and Cottage 27 (Overnight Accommodations)
- Revise Map 5 (Historic District Adaptive Building Uses Map) and Map 6 (Adaptive Use) to reflect currently proposed uses of Cottage 17 (Operations-Green) and Cottage 27 (Overnight-Pink).
- Add a note to Map 5 and Map 6 stating that the maps are illustrative and may be revised to include additional overnight accommodations in the future, consistent with Conditions 1-3.
- Correct misspelling in Map 3 as follows: "Fire Protection Veehicle Access"

Recommended Crystal Cove Public Works Plan Specific Project Conditions (PWP-4-82-14)

1. Cottage Use in First Phase

PRIOR TO COMMENCEMENT OF CONSTRUCTION, the California Department of Parks and Recreation shall identify the specific number of cottages used for each program in the First Phase Implementation of the CCHD rehabilitation.

2. Overnight Accommodations in First Phase

PRIOR TO COMMENCEMENT OF CONSTRUCTION, the California Department of Parks and Recreation shall identify a specific number of overnight accommodations to be provided in the First Phase Implementation of the CCHD rehabilitation. The PWP shall identify the specific number of occupants to be housed in each cottage.

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3. Overnight Accommodations Rate

PRIOR TO COMMENCEMENT OF CONSTRUCTION, the California Department of Parks and Recreation shall provide a specific rate structure for the overnight accommodations provided in the First Phase Implementation.

4. New Stairway Alignment

PRIOR TO COMMENCEMENT OF CONSTRUCTION, the California Department of Parks and Recreation shall submit final plans of the new stairway leading from the Historic District South Beach to Pacific Coast Highway for the review and approval of the Executive Director. The plans shall demonstrate:

- The stairway footprint will be limited to the minimum size necessary to provide safe access;
- There will be no encroachment into coastal sage scrub habitat.

Development shall be carried out in accordance with the approved plan.

5. New Parking Lot

PRIOR TO COMMENCEMENT OF CONSTRUCTION OF THE PARKING LOT, the California Department of Parks and Recreation shall submit final plans for the new 20-space parking lot in the Blufftop Area for the review and approval of the Executive Director. The plans shall demonstrate:

- The parking lot will provide ten (10) spaces for 15 minute overnight check in, visitor orientation and deliveries; two (2) spaces for authorized State Parks vehicles and eight (8) spaces for the cultural center and other parking related to scheduled on-site activities.
- Signage and/or stenciling will be provided to identify the parking restrictions referenced above. Time limits shall be clearly posted.

Development shall be carried out in accordance with the approved plan.

6. Coastal Sage Scrub Mitigation

To minimize the impact of the First Phase Implementation activities on sensitive wildlife species, Coastal Sage Scrub (CSS) habitat will be monitored by a qualified biologist during the gnatcatcher breeding season (annually) to determine the extent of gnatcatcher habitat that may be affected by proposed development. Development affecting CSS habitat that is not being historically utilized for gnatcatcher habitat shall be mitigated at a replacement ration of 2:1 (2 acres replaced for every acre impacted) within the coastal portion (seaward side of PCH) of Crystal Cove State Park. The removal of any qualifying CSS vegetation shall occur during the gnatcatcher's non-breeding season (September 1 through February 14 of any year). During any CSS removal operations, a qualified biologist shall monitor CSS removal operations to assure that project activities are not disturbing any sensitive species. In the event that project activities disturb sensitive species, the impacting activities shall be either rescheduled or modified to avoid impacts. CSS habitat which historically supports gnatcatchers shall not be disturbed or otherwise removed to facilitate proposed development. Mitigation credits from the NCCP/HCP cannot be applied to fulfill the replacement requirement.

7. Assumption of Risk, Waiver of Liability, and Indemnity Agreement

- A. By acceptance of this permit, the applicant acknowledges and agrees (i) that the site of the Crystal Cove Historic District may be subject to hazards from waves, storm events, flooding, and erosion; (ii) to assume the risks to the applicant and the property that is the subject of this permit of injury and damage from such hazards in connection with this permitted development; (iii) to unconditionally waive any claim of damage or liability against the Commission, its officers, agents, and employees for injury or damage from such hazards; and (iv) to indemnify and hold harmless the Commission, its officers, agents, and employees with respect to the Commission's approval of the project against any and all liability, claims, demands, damages, costs (including costs and fees incurred in defiance of such claims), expenses, and amounts paid in settlement arising from any injury or damage due to such hazards.
- B. Prior to any conveyance of the property that is the subject of this coastal development permit, the applicant shall execute and record a deed restriction, in a form and content acceptable to the Executive Director incorporating all of the above terms of subsection (A) of this condition. The restriction shall include a legal description of the applicant's entire parcel. The deed restriction shall run with the land, binding all successors and assigns, and shall be recorded free of prior liens that the Executive Director determines may affect the enforceability of the restriction. This deed restriction shall not be removed or changed without a Commission amendment to this coastal development permit.
- C. **PRIOR TO COMMENCEMENT OF CONSTRUCTION**, the applicant shall submit a written agreement in a form and content acceptable to the Executive Director, incorporating all of the above terms of this condition.

8. No Future Shoreline Protective Device

- A(1) By acceptance of this permit, the applicant agrees, on behalf of itself and all successors and assigns, that no shoreline protective device(s) shall ever be constructed to protect the Historic District improvements approved pursuant to PWP Specific Project 4-82-14 including, but not limited to, the repaired cottages and boardwalk, and any other future improvements in the event that the development is threatened with damage or destruction from waves, erosion, storm conditions, bluff retreat, landslides, or other natural hazards in the future. By acceptance of this permit, the applicant hereby waives, on behalf of itself and all successors and assigns, any rights to construct such devices that may exist under Public Resources Code Section 30235.
- A(2) By acceptance of this permit, the applicant further agrees, on behalf of itself and all successors and assigns, that the permittee and/or landowner shall remove the development authorized by this permit, including the restroom structure and stairway, if any government agency has ordered that the structures are not to be occupied due to any of the hazards identified above. In the event that portions of the development fall to the beach before they are removed, the landowner shall remove all recoverable debris

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associated with the development from the beach and ocean and lawfully dispose of the material in an approved disposal site. Such removal shall require a coastal development permit.

- A(3) In the event the shoreline recedes to within 10 feet of the cottages but no government agency has ordered that the structures not be occupied, a geotechnical investigation shall be prepared by a licensed coastal engineer and geologist retained by the permittee, that addresses whether any portions of the development is threatened by wave, erosion, storm conditions, or other natural hazards. The report shall identify all those immediate or potential future measures that could stabilize the boardwalk and/or cottages without shoreline protection including, but not limited to, removal or relocation of portions of the development. If the geotechnical report concludes that the cottages or any portion of the development is unsafe, the permittee shall, in accordance with a coastal development permit, remove the threatened portion of the development.
- B. Prior to any conveyance of the property that is the subject of this coastal development permit, the applicant shall execute and record a deed restriction, in a form and content acceptable to the Executive Director incorporating all of the above terms of subsection (A) of this condition. The restriction shall include a legal description of the applicant's entire parcel. The deed restriction shall run with the land, binding all successors and assigns, and shall be recorded free of prior liens that the Executive Director determines may affect the enforceability of the restriction. This deed restriction shall not be removed or changed without a Commission amendment to this coastal development permit.
- C. **PRIOR TO COMMENCEMENT OF CONSTRUCTION**, the applicant shall submit a written agreement in a form and content acceptable to the Executive Director, incorporating all of the above terms of this condition.

9. Storage of Construction Materials, Mechanized Equipment and Removal of Construction Debris

The California Department of Parks and Recreation shall comply with the following construction-related requirements:

- (a) No construction materials, debris, or waste shall be placed or stored where it may be allowed to enter coastal waters;
- (b) Any and all debris resulting from construction activities shall be removed from the project site within 24 hours of completion of construction;
- (c) Best Management Practices (BMPs) designed to prevent spillage and/or runoff of construction related materials, sediment or contaminants associated with construction activity, shall be implemented prior to the on-set of such activity. Selected BMPs shall be maintained in a functional condition throughout the duration of the project.

- (d) Construction debris and sediment shall be removed from construction areas each day that construction occurs to prevent the accumulation of sediment and other debris which may be discharged into coastal waters. Debris shall be disposed at a debris disposal site outside the coastal zone.

3. Recommended Findings

The Commissions finds and declares as follows:

A. Public Works Plan and Project Background

The California Department of Parks and Recreation (DPR) has submitted a request to amend the *Crystal Cove Public Works Plan (PWP)*, and also requested Commission concurrence to implement a public works specific project referenced in the proposed amendment. The Commission approved the Crystal Cove PWP with conditions on May 20, 1982 (PWP 4-82), and subsequent to that action, approved a number of public works projects (PWP 4-82-1 through PWP 4-82-13). As a condition of approval of the PWP in 1982, the Commission required preparation and approval of the *Crystal Cove Historic District Development and Public Use Plan* and *On-site Maintenance Program*.

The *Crystal Cove Historic District Development and Public Use Plan* (accepted by the Commission in August 1982) provided a detailed analysis of conditions at the site at the time. The Plan included an examination of the interiors and exteriors of the building, a matrix of findings, plan for development and public use, and recommendations for relocation of tenants. The Plan concluded that almost all of the structures could be retained and converted to an adaptive use. The Plan laid out the two objectives of the Historic District: 1) to preserve and protect the special quality of this unique example of a Southern California beach community and 2) to provide full public use and enjoyment of the historic district in a manner consistent with the preservation purpose. A variety of adaptive uses were identified in the 1982 Plan. These include the following:

- *Hostel Uses*
- *Overnight Rental Units*
- *Interpretive Uses*
- *Various Group Uses including, environmental education classes; marine studies, art and photography classes and seminars, small workshops/conferences, and student intern programs;*
- *Docent/Volunteer Uses;*
- *Park Administrative Uses;*
- *Food and Sundry Goods—Concession Uses.*

The *On-site Maintenance Plan* (also accepted by the Commission in August 1982) identified specific measures and techniques to be taken to safeguard the Historic District properties from deterioration or damage. The plan outlined concession operation and maintenance, responsibilities of park ranger staff residing on-site, utility upgrades and emergency access.

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The proposed amendment would replace the *Crystal Cove Historic District Development and Public Use Plan* and *On-Site Maintenance Program* with the *Crystal Cove Historic District Preservation and Public Use Plan* (PPUP) and update the *Crystal Cove General Plan* references to the Historic District. The amendment identifies adaptive public uses for the Historic District's historical structures and landscape, largely consistent with the concepts anticipated in the Certified PWP. In addition to the PWP amendment, DPR is requesting specific project review by the Commission of the "First Phase Implementation" activities associated with the PPUP, including cottage rehabilitation, public access improvements and utility upgrades, as will be described in the following section.

While developing the current plan for future use of the Historic District, DPR developed the *Investigations and Interim Development Plan* (2001). The project included development that was both contained in, and consistent with, the public works plan and development which was not contained in the Crystal Cove PWP. The Commission found that the proposed interim work was not previously contemplated in the PWP and therefore required a Commission-issued permit. On November 13, 2001, the Commission approved Coastal Development Permit No. 5-01-269, which allowed implementation of the *Investigations and Interim Development Plan* for the Crystal Cove Historic District, including the placement of an interim sewage holding system; conversion of certain cottages to an interpretive center, lifeguard headquarters and temporary staff housing; installation of signage; and repairs to cottages, boardwalk and stairways. The project involved short-term structural repairs and improvements to maintain the cottages while the long-term plan (*Preservation and Public Use Plan*) was being developed.

B. Project Location and Description

Crystal Cove State Park is located in Orange County between the communities of Corona del Mar to the north and Laguna Beach to the south (Exhibit 1). The 2,791-acre State Park includes a 3.25-mile long coastal section west of Pacific Coast Highway (PCH) and several inland areas, as shown in Exhibit 2. The proposed project site is the Crystal Cove Historic District, located on the seaward side of PCH. The Historic District consists of forty-six (46) seaside cottages. The Historic District was listed on the National Register of Historic Places in June 1979 for its significance as a unique self-contained Southern California coastal community with a vernacular character that has remained intact since the 1930s. The cottages were previously leased as private residential units, but have been vacant since the tenants were required to move out in July 2001.

Since the departure of the cottage tenants in 2001, DPR assumed all routine maintenance responsibilities of the Historic District while developing a plan for long-term use of the site. DPR conducted several planning efforts to preserve and manage the Historic District prior to 2001, but abandoned them after public controversy and tenant litigation. DPR cancelled the implementation of one recent planning effort, a resort concession contract, early in 2001 after public concerns were expressed. With the cancellation of the resort concession contract, DPR reinitiated planning efforts for the Historic District. The current *Preservation and Public Use Plan* and associated Final Environmental Impact Report (FEIR) are a culmination of those recent efforts.

The PPUP contains four parts—1) Context for Plan Proposals, 2) Preservation and Public Use Proposals, 3) General Plan Amendment Needed to Implement New Proposals and 4) Maps and Supplementary Charts. Part 1 provides background material and describes the Historic District's historical and natural resource values, planning history, planning influences and constraints. Part 2 offers planning and design

guidelines for the adaptive use of the Historic District. Part 3 includes the proposed General Plan amendment language, with explanations for the proposed changes.

The FEIR evaluates both the long-term effects of the PPUP and the project level implementation effects of the proposed improvements, including the First Phase Implementation efforts. In this case, the PPUP is considered the public works plan amendment (4-82-A2) and the First Phase Implementation activities are considered the Specific Project (4-82-14).

PPUP Part 1

Part 1 (Context for Plan Proposals) provides background information and outlines the resource and historical context for the recommendations contained in the PPUP. This part of the report describes the location, cultural and natural features, and planning history of the Historic District. Within the "Planning History" section, the 1982 *Crystal Cove General Plan*, hostel planning, 1994 Legislative Report and the 2001 *Interim Preservation and Protection Plan* are discussed.

As referenced previously, the General Plan for Crystal Cove State Park was certified by the Commission in 1982. The General Plan was prepared following park acquisition in 1979. The General Plan provides comprehensive guidelines for the preservation, management and development of the entire state park, including the Historic District. The General Plan includes recommendations for the Historic District that promote preservation, public access and adaptive reuse of the cottages.

The 1994 Legislative Report provided a comprehensive inventory of the Historic District, including project cost, economic information and evaluations. The Legislative Report also refined and expanded Historic District plans and recommendations. At that time, the report recommended that a concessionaire rehabilitate and operate overnight accommodations at the Historic District. State Parks ultimately abandoned the concession project approach suggested in the Legislative Report. However, the information provided in the report is useful for evaluating cottage conditions and project costs.

Part 1 also discusses hostel planning efforts, including the Memorandum of Understanding (MOU) between State Parks and the Coastal Commission. On June 6, 1991, State Parks and the Commission entered into a five-year MOU agreement for the purpose of establishing a hostel or low cost overnight accommodation visitor facility at Crystal Cove. At the time, the Commission had approximately \$1.4 million to be applied towards a hostel project that resulted from a separate permit requirement. The funds were placed in an interest bearing account and now total over \$2.9 million. The original MOU expired in 1996 by its own terms. A revised MOU was completed and transfer of funding for low-cost accommodations at Crystal Cove was completed in June 2002 (Exhibit 3). As described in the PPUP, the current MOU terms include:

- ◆ *A hostel and/or low-cost overnight visitor serving accommodations should be established in Crystal Cove State Park.*
- ◆ *Number of accommodations should not be less than 90 except where costs could not be feasibly limited to the funding amount and also would prevent reasonable operation as low-cost visitor-serving units. The number of accommodations shall not be less than 65 in any event.*
- ◆ *The overnight rates for hostel or low-cost accommodations should be similar to other hostel or low-cost visitor-serving facilities providing comparable amenities (such as plumbing and electricity)*

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PPUP Part 2

Part 2 (Preservation and Public Use Proposals) contains the preponderance of information regarding the manner in which the Historic District structures will be rehabilitated and adaptively reused. This part of the report establishes general goals, program uses and activities to be accommodated in subsequent specific projects. Part 2 provides design criteria and structural requirements for the Historic District. Utility upgrades and plan implementation phases are also discussed.

Part 2 describes the seven planning areas within the Historic District. They include the Entrance Area and Pacific Coast Highway Edge, the Historic District Village Center/Hollow, South Beachfront, North Beachfront, Blufftop and Los Trancos. These areas are depicted in Map 1 (Exhibit 4).

This section of the PPUP also provides the vision, goals, objectives and guidelines for the Historic District. As stated in the report, the 1982 Crystal Cove Historic District Development and Public Use Plan established the following two part public goal for the Historic District:

First to preserve and protect the special quality of this unique example of a Southern California beach community; and second, to provide full public use and enjoyment of the Historic District in a manner consistent with the preservation purpose.

State Park's goal at the Historic District has been to provide visitors with broad public access and a unique experience of what a Southern California seaside community was like in the 1920s and 1930s. State Parks intends to provide public access and preserve the character and integrity of the Historic District while converting the buildings to a variety of appropriate adaptive public uses. The objectives in the PPUP are outlined under the headings of Cultural Resources Preservation, Natural Resources Preservation, Accessibility/Recreational Opportunity, Cottage Adaptive Use, and Community-Building.

Visitor capacity, access and parking are discussed in this part of the PPUP. Past visitor attendance figures are evaluated and future visitor capacities and occupancies are estimated. The future use intensity or visitor capacity for Crystal Cove is evaluated for the Historic District and the beach area. Based on the proposed PPUP adaptive uses, the estimated visitor capacity within the Historic District will be 246 visitors per day. According to DPR calculations, a maximum number of 1,956 visitors per day could be physically accommodated on the beach in front of the cottages.

The PPUP provides an estimate of parking and amenities necessary to serve the expected visitors to the Historic District and beach. The majority of parking to serve the various uses at the Historic District and beach will be provided at the Los Trancos parking lot (389 standard spaces and 5 ADA spaces). Some parking, including ADA parking and authorized staff parking, will be provided within the Historic District (approx. 50 spaces). Parking within the Historic District will be limited in order to preserve the pedestrian character of the area and to reduce the need to alter the site through the creation of new parking areas. One new 20-space parking lot will be created within the Blufftop Area of the Historic District. This area will provide 10 spaces for overnight check-in, visitor orientation and deliveries, 2 spaces for authorized vehicles (State Parks employees), and 8 spaces for the Cultural Center and other parking related to scheduled on-site activities.

The various programs and activities proposed at the Historic District are also discussed in this part of the PPUP. They are divided into four categories, including the 1) Operations Program, 2) Interpretation and Community Arts, Resources and Education Program, 3) Overnight Accommodations and Rentals Program and 4) Visitor Services Concession Program. Chart H--Matrix of Proposed Adaptive Uses identifies the proposed use of each cottage by program area (Exhibit 5). Map 6-Adaptive Use Map illustrates the various components of the PPUP.

Operations Program

The Operations Program will provide the security, safety, resource protection, and sanitation needs for the park. The PPUP discusses staffing needs and facility guidelines for the Operations Program. This program will require space for park operations and maintenance staff, a lifeguard substation, a research facility and park staff security housing. Eight (8) cottages will be needed to serve the Operations Program. Of these eight, five (5) staff security-housing cottages are recommended in the PPUP to provide on-site surveillance and security.

Community Arts, Resources and Education Program

The Community Arts, Resources and Education Program will allow visitors to learn about the Historic District's cultural, historical and natural resources through various media. The State Parks interpretive staff will coordinate this program's education efforts. Programs will be created and conducted by both State Parks interpreters and volunteer docents and facilitators. Classes, meetings and tours may be provided through this program. Five (5) cottages will be required for the Community Arts, Resources and Education Program.

Overnight Accommodations Program

As described in the PPUP, the Overnight Accommodations Program will provide "general public access to affordable short-term overnight accommodations in designated cottages within the Historic District." The program involves the renovation of certain cottages to accommodate overnight visitors in either individual-style accommodations or dormitory-style accommodations. The program also requires a rental office, manager's quarters and registration area. Thirty (30) cottages will be required for the Overnight Accommodations Program. However, the number of sleeping accommodations is not specifically addressed in this section of the PPUP.

Visitor Services Concession Program

The Concession Program will allow DPR to contract with outside parties to provide food service, beach supplies and rentals, visitor transportation (such as shuttle services) management of overnight accommodations, and other visitor services. As described in the PPUP, concessions will help provide appropriate services that DPR may not have the resources or expertise to provide. Three (3) cottages will be required for the Concession Program.

This section of the PPUP outlines the manner in which the cottages will be restored. Due to the Historic District's status as a National Register property, the structures must be rehabilitated in a manner which preserves the historic vernacular landscape. As such, the PPUP indicates that a Historic Landscape Management Plan (HLMP) will be prepared for the Historic District. The HLMP will provide site-specific guidelines for the rehabilitation and long-term managements of the CCHD and all its contributing features and elements. The PPUP acknowledges that these guidelines should be consistent

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with the *Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for the Treatment of Cultural Landscapes*.

It is in Part 2 of the PPUP that the following is stated:

"There is much that State Parks and involved community members can learn only during the implementation phases of the Preservation and Public Use Plan so this plan is written to try to avoid unduly tying the hands of those who will be encountering these unpredictable realities later. The Preservation and Public Use Plan will provide the direction of general policies, goals, objectives activities and desired facilities and functions, but will not specifically dictate how long-term objectives will be accomplished and managed, the Preservation and Public Use Plan's short-term objectives are given definition in the form of initial (Phase 1) implementation recommendations. The details of cooperating and concession agreement, participating organizations, budgeting, and management will be left to future implementation processes."

The Commission acknowledges that issues may arise in the future that could not be anticipated during the preparation of the PPUP. However, a Public Works Plan is intended to *"promote greater efficiency for the planning of any public works or state university or college or private university development projects and as an alternative to project-by-project review."* (Coastal Act Section 30605) As such, a PWP must provide an adequate level of specificity to anticipate and evaluate the effects of specific projects to be undertaken pursuant to the certified plan. Where specificity is lacking, projects must obtain an amendment to the Public Works Plan or a coastal development permit issued by the Commission. Therefore, it is in the Department of Parks and Recreation's best interest to provide as much detailed information in the Crystal Cove PWP as possible to prevent the need for project-by-project review in the future.

PPUP Part 3

Part 3 (General Plan Amendment Needed to Implement New Proposals) of the PPUP provides an update to those sections in the *Crystal Cove State Park General Plan* that pertain to the Historic District. This part discusses the proposed General Plan amendment and provides specific language revisions necessary to implement the PPUP, as shown in Exhibit 7. New language proposed by DPR is shown in **bold**. Language to be deleted is in ~~strike-out~~.

Final Environmental Impact Report (FEIR) and Specific Project

The proposed specific project (4-82-14), referred to as "First Phase Implementation," is described in the FEIR for the *Preservation and Public Use Plan* (PPUP). The specific project includes cottage preservation and adaptation, circulation and visitor management improvements, utility upgrades, slope stabilization, and site accessibility improvements. The list provided below identifies work to be carried out in the First Phase. A full project description and project plans are included as Exhibits 8 and 9.

First Phase Implementation Activities:

1. *Water, sewer and electrical main connections*—Utilities will be upgraded to accommodate the proposed uses at the Historic District.
2. *Main sewer system and some localized pump units*—Sewage from the Historic District will be lifted to the municipal sewer gravity line at PCH via two pump stations.

3. *Entry kiosk and turnaround*—A new kiosk will be constructed within the main entrance road. An attendant will direct incoming traffic.
4. *Operations parking*—Authorized vehicles (State Parks employees) will be allowed to park in the new 20-spaces parking lot in the Blufftop Area and at smaller lots within the CCHD.
5. *Parking area abandonment*—Existing parking areas will be relocated and resurfaced with pervious surface material.
6. *Entrance road widening*—Roads will be widened to 20' to accommodate emergency vehicles and two-way traffic.
7. *Bluff Top entrance road widening*
8. *Resurfacing of some existing roads*—Pervious material will be used where possible.
9. *Park shuttle drop off*—to be located directly outside the Hollow area.
10. *New trail at northwestern edge of site*—Trail will provide connection to PCH and will eliminate conflicts with vehicle traffic.
11. *New Pacific Coast Highway stairway*—A stairway will replace an existing unofficial dirt trail that provides access to the Shake Shack (adjacent to PCH) from the Historic District.
12. *Restorations/reconstructions of existing stairways and boardwalk*—Timber piles and stringers will be replaced along beachfront boardwalk below grade so as not to inhibit wave overtopping or movement of beach sand.
13. *ADA parking/drop-off*—to be located within the Hollow
14. *Concessions, operations, dormitory, ADA, education/research, museum, visitor check-in, and community uses rehabilitations/restorations*
15. *Use of seasonal tents to accommodate special events, restrooms, etc. in keeping with the historic period theme of tents intermingled with the cottages*
16. *Reconstruction of pedestrian bridge across Los Trancos Creek*—A single span accessible bridge will be constructed across Los Trancos to replace the original destroyed by flooding in 1997. Construction activities will be limited to areas outside the stream channel.
17. *Replacement and upgrade of retaining wall systems on South Beach*—Several walls are failing and must be replaced in order to preserve the cottages. New walls will be of the soil nail type and restored to a surface compatible with the Historic District.

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C. Proposed Amendment Consistency with the Coastal Act

Pursuant to Section 30605 of the Coastal Act,

If any plan for public works or state university or college development project is submitted prior to certification of the local coastal programs for the jurisdictions affected by the proposed public works, the commission shall certify whether the proposed plan is consistent with Chapter 3 (commencing with Section 30200).

The Crystal Cove Public Works Plan was certified by the Commission in May 1982. The Newport Coast (formerly Irvine Coast) Local Coastal Program (LCP) was certified by the Commission in January 1988. The Newport Coast LCP acknowledges that Crystal Cove State Park is certified separately under the PWP. Therefore, the standard of review for this public works plan amendment are the Chapter 3 policies of the Coastal Act.

Although formal local agency approval was not required, DPR consulted with the City of Newport Beach, the City of Laguna Beach, and the County of Orange when developing the PPUP. DPR also consulted with the Irvine Ranch Water District, the Orange County Sanitation District, the Regional Water Quality Control Board (Region 8), the US Fish and Wildlife Service, Caltrans and the Department of Fish and Game. According to DPR staff, "*Orange Coast District staff [of DPR] had regular contact with local agency representatives and provided brief planning updates, but there were no requests for specific PPUP briefings or involvements.*" A summary of consultations and discussions with agency representatives is provided as Exhibit 10.

Public Access

Section 30211 of the Coastal Act states:

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

The proposed development is located between the first public road and the sea at Crystal Cove State Park. As defined by Section 30106 of the Coastal Act, "*development*" means change in the density or intensity of use of land or construction, reconstruction, demolition, or alteration of the size of any structure. The proposed Public Works Plan amendment allows for structural repairs and conversions in use of the former residential cottages. Road widening, utility upgrades and parking lot construction is proposed during the various phases of the Historic District renovation. Due to the proposed change in intensity of use and associated construction activities, the project is considered development under the Coastal Act.

The Coastal Act provides that development should maintain and enhance public access to the coast and encourages the provision of lower cost visitor and recreational facilities. Section 30252 of the Coastal Act requires that new development should maintain and enhance public access to the coast. It states, in relevant part:

The location and amount of new development should maintain and enhance public access to the coast by...(4) providing adequate parking facilities or providing substitute means of serving the development with public transportation.

Section 30213 of the Coastal Act requires that lower cost visitor and recreational facilities be protected, encouraged and where feasible, provided. It states:

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

Public access and recreation is discussed in the Land Use and Facilities Element of the Certified PWP General Plan as follows:

The emphasis for recreation use at Crystal Cove State Park will be placed on providing a variety of appropriate recreation opportunities to enhance visitor enjoyment of the park.

General Plan objectives #3 and #5 state the following:

- 3. To provide opportunities for a variety of recreational uses of low to high intensity that will be compatible with the surroundings, and consistent with the park purpose.*
- 5. To protect and interpret the significant natural and cultural resources of the park.*

Overnight Accommodations

As cited previously, Section 30213 of the Coastal Act requires that lower cost visitor and recreational facilities be protected, encouraged and where feasible, provided. The PPUP provides for increased visitor-serving development at the Historic District in the form of both day use and overnight use. Day use activities will be provided through the Interpretation and Community Arts Resources and Education Program, which will provide indoor and outdoor classrooms, house museums, an underwater park educational facility and a community exhibits and art demonstration area. Overnight use will be provided through the Overnight Accommodations Program, which will allow the public to rent individual style cottages or dormitory style cottages.

Although the Commission supports the increased public use of the cottages, it is unclear how many cottages will be used for each program. According to Map 5 (Adaptive Building Uses), of the 46 cottages and various "out-buildings" at the Historic District, eight (8) will be designated for the Operations Program, five (5) will be used for the Interpretation and Community Arts Resources and Education Program, thirty (30) will be used for the Overnight Accommodations Program and three (3) will serve the Beach Store/Snack Bar Concession Program. However, in Chart H (Matrix of Proposed Adaptive Uses), more than one use is assigned to some cottages. For example, Cottage 2 is slated for "individual style accommodations" or "park operations & maintenance use." The Commission is concerned that too many cottages will be used for State Parks operational use, rather than being used for visitor-serving uses. This concern was also addressed at the Parks and Recreation Commission. As stated in the "Staff Directed Changes" (Exhibit 11):

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In consideration of concerns about the quantity of Operations Program cottages, the following clarification is proposed:

Parks Operation Program (p. 107)

The additional fourth paragraph will be added to the general description of the Operations Program: "If determinations are made by the Department that it can perform its responsibility and effectively manage the Historic District with fewer cottage than recommend in the PPUP, any available surplus cottages should be redesignated for visitor-serving use in the Overnight Accommodations Program or the Park Interpretation and Education Program."

The PWP must incorporate the "Staff Directed Change" cited above and provide further clarification regarding the number of cottages used for each program in order to ensure that adequate visitor-serving uses are provided within the Historic District. Toward this end, the Commission imposes Condition 1. Condition 1 requires that the PWP identify the minimum and maximum number of cottages to be used for each program. The condition specifies that no more than eight (8) cottages shall be used for the Operations Program.

Once the range of cottages used for each program is clarified, the number of overnight accommodations must also be more specifically defined. The PPUP and corresponding documents include general information regarding the number of accommodations to be provided. The text of the PPUP states, *"the primary rental consideration is actually the number of 'keys' or separate rental spaces and not the number of cottages. A fair number of existing cottages have multiple separate 'keyable' subunits or might be easily subdivided."* However, the number of keys, or beds, is not specified in the PPUP. Although a minimum of 65 beds is addressed in the PPUP in order to comply with the MOU, the PPUP does not clearly establish a minimum or maximum number of beds to be provided. After subsequent discussions with State Parks staff, occupancy information was submitted in a spreadsheet entitled "Crystal Cove SP-HD Proposed First Phase Use Adaptations/Rehabilitations" dated 5/15/03 (Exhibit 12). The information submitted focuses on the First Phase Implementation of the project, which is being considered as a specific project (4-82-14) concurrent with the proposed amendment. The specific project will be discussed in Section D of the current staff report.

According to the spreadsheet provided by DPR, of the 30 cottages to be used for overnight use, 13 cottages will be provided in the First Phase. These include cottages 1, 2, 16, 18, 19, 24, 27, 29, 32, 33, 37, 38, and 39. The individual-style cottages will accommodate 4 to 10 occupants per night. Dormitory-style cottages will accommodate 10 to 20 occupants. Consequently, occupancy will range from 80 to 140 in the First Phase. Subsequent phases will provide additional sleeping accommodations. After completion of First Phase Implementation, the remaining cottages recommended in the PPUP for overnight cottage adaptive use are: 3, 4, 6, 7, 8, 9, 10, 11, 12, 20, 23, 25, 26, 31, 36, 37, and 40. The cumulative number of bedrooms for these cottages from 1994 Legislative Report inventory survey is 36. Assuming a minimum of two beds per bedroom, approximately 72 additional beds will result from future CCHD rehabilitation phases. Room size and configuration as well as rehabilitation design/feasibility/accessibility evaluations will determine actual bed count in each phase of project implementation.

The occupancy information provided above was submitted in a supplemental spreadsheet and is not incorporated in the PWP document. To ensure that maximum overnight public use is provided, the Commission imposes Condition 2. Condition 2 requires that the range of cottage occupancies be specified in the PWP. The condition requires a minimum of 65 keys be provided in the First Phase, consistent with the MOU between State Parks and the Coastal Commission.² While Condition 1 requires clarification of cottage use, Condition 2 requires further specification of the number of overnight accommodations to be provided.

Similarly, rate information for the Overnight Accommodations Program was not provided in the PPUP, but was submitted subsequently. A *Preliminary Fiscal/Operations Plan for Crystal Cove Historic District* prepared by Williams-Kuebelbeck & Associates, Inc. was submitted on May 13, 2003 (Exhibit 13). The Fiscal/Operation Plan provides a market overview, program guidelines, projected operations and describes the use of operating surpluses. The purpose of the report is to "assist in determining the long-term feasibility and fiscal implications of operating overnight accommodations at Crystal Cove in accordance with the goals and objectives of DPR." The report evaluates lodging operations in California State Parks, hostels near the coast, and resorts in the local market for comparative purposes. The Fiscal/Operations Plan analyzes a range of rates for be charged at the Historic District—from \$25 per night for the dormitory accommodations to \$100 to \$150 per night for the individual cottages. Based on the location and amenities offered at the Crystal Cove Historic District compared to lodging in State Parks and hotels in the local market, the rate structure established for the Historic District is determined to be below market rate. As such, the proposed rate structure is consistent with Section 30213 of the Coastal Act, which requires the provision of low cost visitor-serving uses. However, the rates must be formally included in the PWP to assure that they are maintained at an affordable rate. Therefore, the Commission imposes Condition 3, which requires that the rate parameters outlined in the Fiscal Operations Plan be included in the PWP. The condition requires the rates be maintained at a rate comparable with fees charged at similar State Parks system facilities. This will allow for flexibility to adjust the price as necessary, while maintaining the affordability of the cottages.

The conditions imposed by the Commission regarding overnight accommodations require the establishment of more detailed parameters for visitor serving uses in order to ensure the maximum provision of public access at the Crystal Cove Historic District. The Commission finds that, only as modified by Conditions 1, 2 and 3, can the amendment be found consistent with the public access and recreation policies of the Coastal Act.

Parking

One of the strongest legislative mandates of the Coastal Act is the preservation of coastal access. Section 30252 of the Coastal Act requires that new development maintain and enhance public access to the coast by providing adequate parking or alternative means of transportation. When new development does not provide adequate on-site parking and there are inadequate alternative means of reaching the area (such as public transportation), users of that development are forced to occupy public parking that

² Pursuant to the MOU, "If the proposed plan is for less than 132 sleeping accommodations, the Department shall explain in detail the reasons that the total number of accommodations cannot be provided. ...The number of accommodations shall not be reduced below 90 except upon a showing that the costs cannot feasibly be limited to the amount available in the fund, and that the costs would prevent reasonable operation of the accommodations as low-cost visitor serving units. In no event shall the number of units established with the funds provided pursuant to this MOU be less than 65."

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could be used by visitors to the coast. A lack of public parking and public transportation will discourage visitors from coming to the beach and other visitor-serving activities in the coastal zone. A parking deficiency will therefore have an adverse impact on public access.

As described previously, the majority of parking to serve the Historic District will be provided at the Los Trancos parking lot located inland of PCH. The Los Trancos parking lot will provide 394 spaces (389 standard spaces and 5 ADA spaces). A tunnel leads from the parking lot to the Historic District on the seaward side of PCH. A temporary State Parks office facility located within the Los Trancos parking lot will become permanent under the proposed amendment. However, use of the parking lot for an office takes up area that could be used for public parking. According to comments in Chart 1 (Guidelines for Park Operations Program) of the PPUP, the Los Trancos office will be utilized for "*non-CCHD park needs*" and as a staging area for CCHD visitor groups. If the office is to remain in that location, effectively displacing public parking, it should serve Historic District only. Therefore, the Commission imposes Condition 4 (a), which requires the Los Trancos parking lot to be designated for Historic District uses in the PWP.

In addition to the parking available at Los Trancos, there will be limited parking available within the Historic District. Approximately 50 parking spaces will be provided in various lots throughout the Historic District. A minimum of 9 ADA parking spaces will be provided. A new 20-space lot is proposed in the Blufftop Area. The PPUP indicates that the new lot will be used for "authorized vehicles, overnight registration, and multi-use facility operations." However, the document does not specify the allocation of parking within this lot. DPR has clarified the uses in subsequent correspondence. To ensure that maximum public parking is provided, the Commission imposes Condition 4b. The condition requires the use of the new twenty-space parking lot to be allocated as follows: ten (10) spaces for 15-minute overnight check-in, visitor orientation and deliveries, two (2) spaces for authorized State Parks vehicles, and eight (8) spaces to serve activities at the Cultural Center.

The proposed amendment also includes a public drop-off area within the Historic District. The general public will be allowed to drop off beach equipment such as coolers, chairs, dive gear, etc., near the existing garage area and then park their vehicles at the Los Trancos lot. Alternative access programs, such as a public shuttle are also contemplated in the PPUP.

As conditioned, the parking provided for the proposed amendment is considered adequate to serve the proposed uses at the Historic District. Therefore, the Commission finds the amendment, as conditioned, consistent with Section 30252 of the Coastal Act.

Environmentally Sensitive Habitat Areas

Coastal Act Section 30240 addresses sensitive species and/or habitats and states in full,

- (a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.*
- (b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of*

those habitat and recreation areas.

Section 30107.5 of the Coastal Act defines an environmentally sensitive areas as follows:

"...any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments.

The Crystal Cove Historic District is located within a State Park that features approximately three miles of coastline, wooded canyon, brush-covered bluffs and offshore waters designated as an Underwater Park. The Historic District contains primarily ornamental non-native vegetation. The bluffs and terraces adjacent to the Historic District support southern coastal bluff scrub and coastal sage scrub. Exhibit 14 provides an illustration of "Sensitive Terrestrial Species." Additionally, two rare plant species are known to occur on the coastal terrace, including many-stemmed dudleya and Turkish rugging.

The park is located within the Reserve System identified in the Natural Community Conservation Plan & Habitat Conservation Plan, County of Orange, Central Coastal Subregion (NCCP/HCP). As described in the FEIR, the purpose of the NCCP/HCP is to provide *"long-term regional protection an perpetuation of natural vegetation and wildlife diversity, while allowing compatible and appropriate development and growth."* The program requires that construction-related measures be integrated to minimize impacts to gnatcatchers and other sensitive coastal sage scrub (CSS) species. New development proposed as part of the PWP amendment will be located in the Reserve System. According to DPR staff, up to 18 acres of "take" within the NCCP/HCP area is available for implementation of the Crystal Cove General Plan. Regardless of the "take" credits available through the program, the NCCP/HCP requires that any impacts to habitats within the Reserve System that occur in accordance with the Crystal Cove General Plan be evaluated by the regulatory agencies and appropriate mitigation be determined. As such, the Commission and other regulatory agencies have the opportunity to review the project for consistency with the appropriate standard of review. In this case, the standard of review is Section 30240 of the Coastal Act, which restricts development impacts within or adjacent to sensitive areas.

According to the FEIR, actions involving the manipulations of vegetation to accommodate an entrance road kiosk/turnaround, road widening, stairways, and trails to improve circulation have the potential to affect special status CSS habitat and sensitive plan species. A 100-foot wide vegetation transition zone, which will serve as a fuel modification zone for the Historic District, may also affect special status CSS habitat. Proposed improvements, including the 100 foot transition zone, will affect 6 acres or less of CSS habitat. According to the PPUP, temporarily disturbed areas will be replaced at a 1:1 ratio with appropriate plant species, either historic landscape plantings or CSS species.

Mitigation is incorporated in the FEIR to avoid or minimize impacts to CSS. In addition, impacts to CSS will be mitigated through the NCCP bank at a 1:1 ratio. However, the FEIR relies heavily on the NCCP/HCP program, which has not been reviewed for consistency with the Coastal Act. In order to assure consistency with Section 30240 of the Coastal Act, the Commission imposes Condition 5. Condition 5 requires the PWP be modified to include language to address development within and adjacent to environmentally sensitive habitat area (ESHA), as defined above. The condition, mirroring Section 30240 of the Coastal Act, requires ESHA to be protected and limits allowable development within or adjacent to ESHA. In addition, the PWP must specify that future projects that involve potential impacts to ESHA must to come back to the Commission for review. The condition requires a

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site-specific biological survey to accompany any specific project approval or CDP application so that a determination of ESHA can be made. As conditioned, the Commission finds the proposed amendment consistent with Section 30240 of the Coastal Act.

Updates and Typographical Corrections

The PPUP text and graphics contain outdated information and minor typographical errors. As such, the Commission imposes Condition 6, which requires that various changes be incorporated into the final Public Works Plan document:

Final Document Format

Although not a condition of PWP amendment approval, the Commission requests that State Parks consolidate the *Crystal Cove Public Works Plan* into one document for easier reference and use. In addition to the main documents referenced above, several supplemental documents, including the *Fiscal and Operations Plan*, "Staff Directed Changes" and First Phase Use Adaptation/Rehabilitations spreadsheet, were submitted. At a minimum, the General Plan, PPUP and FEIR should be modified to reflect the Commission-imposed conditions, the supplemental information submitted, and made internally consistent and condensed into one comprehensive document.

D. Proposed Specific Project Consistency with the Coastal Act

Under CCR § 13358, the Commission may concurrently consider a public works plan amendment and specific project(s). The standard of review for public works projects, when submitted concurrently with an amendment, is that they must be consistent with the Coastal Act (CCR § 13358).

As discussed, the DPR is requesting authorization to proceed with the First Phase Implementation Plan. First Phase Implementation includes:

1. Water, sewer and electrical main connections
2. Main sewer system and some localized pump units
3. Entry kiosk and turnaround
4. Operations parking
5. Parking area abandonment
6. Entrance road widening
7. Bluff Top entrance road widening
8. Resurfacing of some existing roads
9. Park shuttle drop off
10. New trail at northwestern edge of site
11. New Pacific Coast Highway stairway
12. Restorations/reconstructions of existing stairways and boardwalk
13. ADA parking/drop-off
14. Concessions, operations, dormitory, ADA, education/research, museum, visitor check-in, and community uses rehabilitations/restorations
15. Use of seasonal tents to accommodate special events, restrooms, etc. in keeping with the historic period theme of tents intermingled with the cottages

16. Reconstruction of pedestrian bridge across Los Trancos Creek
17. Replacement and upgrade of retaining wall systems on South Beach

Public Access and Recreation

As discussed in the Section C, Section 30213 of the Coastal Act requires the provision of low cost visitor serving uses.

Overnight Accommodations

The specific project submittal did not specify the number of cottages to be used for each program, including the Overnight Accommodations Program. Instead, multiple options were presented for each cottage. In order to ensure that maximum public access opportunities are provided in the First Phase, the Commission imposes Condition 1, which requires DPR to provide an accounting of the number of cottages to be used for each program. DPR must also specify the exact number of "keys," or beds, to be provided in the First Phase. As such, the Commission imposes Condition 2, which requires a numerical specification of beds. In order to maintain consistency with the overnight accommodations requirements of the MOU, a minimum of 65 overnight accommodations must be provided in Phase 1. Lastly, the rate charged for overnight accommodations in the First Phase must be specified. Supplemental information provided by DPR staff indicates that \$25 will be charged for the dormitory-style cottages, and \$100-150 will be charged for the individual style cottages. It is unclear if the range will vary based on season or cottage size/amenities. This must be clarified in order for a First Phase rate structure to be established. Therefore, the Commission imposes Condition 3, which requires a clarification of the specific rates charged in the First Phase to be submitted to the Executive Director for review and approval.

In summary, the proposed First Phase Implementation Project raises three public access or recreation issues relating to the Overnight Accommodations Program. These issues can be addressed by 1) clarification of the specific number of cottages provided for each program in the First Phase; 2) identification of the specific number of overnight accommodations provided in the First Phase and 3) specification of a specific rate charged for overnight accommodations in the First Phase. Therefore, the Commission finds that, only as modified by Conditions 1, 2, and 3, can the proposed public works project be consistent with the public access and recreation policies of the Coastal Act.

Parking

Section 30252 of the Coastal Act requires that new development should maintain and enhance public access to the coast.

The project involves the construction of a new parking lot within the Historic District. As initially submitted, it is unclear how parking use will be divided among State Park employees and visitors to the Historic District. DPR staff provided subsequent information stating that the parking lot will be used as follows: ten (10) spaces for 15-minute overnight check-in, visitor orientation and deliveries, two (2) spaces for authorized State Parks vehicles, and eight (8) spaces to serve activities at the Cultural Center. To ensure that the new parking lot provides maximum public access, the Commission imposes Condition 4. Condition 4 requires DPR to submit a signage plan for the parking lot in accordance with the use allocations they have proposed. The plan must include the language of the sign/stencil, dimensions of each sign/stencil and the location of sign/stencil placement.

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The Commission finds the proposed specific project, as conditioned, consistent with the public access and recreation policies of the Coastal Act.

Environmentally Sensitive Habitat Areas

As cited previously, Section 30240 of the Coastal Act requires protection of environmentally sensitive habitats and requires development in areas adjacent to environmentally sensitive habitat areas to be sited and designed to prevent impacts which would significantly degrade those areas.

While the Historic District contains primarily ornamental non-native vegetation, the bluffs and terraces on either side of the Historic District support native vegetation of southern coastal bluff scrub and coastal sage scrub (CSS). This habitat supports the federally threatened California Gnatcatcher and other native wildlife species. Additionally, two rare plant species are known to occur on the coastal terrace, including many-stemmed dudleya and Turkish rugging. As discussed in Section C, projects in Crystal Cove State Park are covered by the Natural Community Conservation Plan & Habitat Conservation Plan (NCCP/HCP), County of Orange, Central Coastal Subregion. According to the NCCP/HCP program, DPR has 18 acres of "take" credit. However, as stated previously, the NCCP/HCP has not been evaluated for consistency with the Coastal Act and therefore, cannot be used as guidance for projects undertaken pursuant to the PWP. The standard of review is Section 30240 of the Coastal Act.

Approximately six (6) acres of coastal sage scrub will be removed for new construction associated with the First Phase Implementation activities (Specific Project). Some of the proposed work, including slope stabilization, stairway construction, parking lot construction and road widening, has the potential to affect sensitive resources. As such, DPR has evaluated the project area and established a "Sensitive Terrestrial Species" Map (Exhibit 14). Work will be sited in a way that will minimize impacts to sensitive areas. In addition, a State Park ecologist will monitor all activities to prevent potential impacts to rare plants or the gnatcatcher. The FEIR determined that mitigation for disturbance of CSS for activities associated with the First Phase Implementation project would be mitigated to a less than significant level. CSS areas will be avoided where possible and mitigation of 1:1 will be provided if any take occurs.

In the area of the proposed Blufftop Parking lot, approximately $\frac{1}{2}$ to $\frac{3}{4}$ acre of low quality CSS will be removed. DPR has indicated that this is the minimum amount necessary to accommodate the new parking lot. Additionally, a site-specific biological survey has been provided for the proposed parking lot so that a determination of environmentally sensitive habitat area (ESHA) can be made. The areas of disturbance for the new parking lot and road widening activities will be limited to those with low quality coastal sage scrub, which do not rise to the level of ESHA. Although the areas are not considered ESHA, appropriate mitigation is required. As such, the Commission imposes Condition 5, which requires that the 6 acres of coastal sage scrub affected during First Phase activities be replaced at a 2:1 ratio, consistent with past Commission actions. The condition requires the replacement to occur on-site. Mitigation credits from the NCCP/HCP cannot be applied.

As shown on the Adaptive Use Map (Exhibit 6), a new stairway will be sited in a denuded area between exotic plants and coastal sage scrub. Construction of the new stairway from the cottages to the Shake Shack has the potential to affect coastal sage scrub. The stairway is considered necessary to prevent

further erosion and vegetation disturbance in an area where a footpath has been created. However, the specific siting of the stairway has not been established and specific biological information has not been provided for the proposed stairway. The Commission imposes Condition 6, which requires the submittal of final plans demonstrating that the stairway minimizes its footprint and avoids coastal sage scrub habitat. Only as conditioned for submittal of final plans, does the Commission find the proposed specific project consistent with Section 30240 of the Coastal Act.

Hazards

Section 30253 of the Coastal Act states:

New development shall:

(1) Minimize risks to life and property in areas of high geologic, flood, and fire hazard.

(2) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs.

Wave and Flooding Hazards

The subject site at Crystal Cove Historic District is subject to seasonal wave attack. The beach located seaward of the wooden boardwalk does not adequately buffer the beachfront development from wave uprush during storm events and high tides (particularly during the winter months). Based on staff reconnaissance and acknowledgment by the applicant, waves often run up onto the boardwalk. Wave activity has caused much of the damage necessitating the current repairs to the boardwalk. These circumstances present obvious potential for wave uprush damage and flooding to occur at the subject site in the future.

Therefore, the Commission finds that it is necessary to require the preparation of an assumption-of-risk agreement (Condition No. 7). With this standard waiver of liability condition, the applicant is notified that the boardwalk and ultimately the cottages are located in an area that is potentially subject to flooding and wave uprush hazards that could damage the applicant's property. The applicant is also notified that the Commission is not liable for such damage as a result of approving the permit for development. In addition, the condition ensures that future tenants will be informed of the risks and the Commission's immunity of liability.

The assumption-of-risk condition is consistent with prior Commission actions for beachfront development in Orange County since the 1982-83 El Nino storms. For instance, the Commission approved CDPs 5-00-262 (Punteriero) and 5-99-477 (Watson) with assumption-of-risk deed restrictions for improvements to existing homes. In addition, the Commission has consistently imposed assumption-of-risk deed restrictions on construction of new beachfront homes throughout Newport Beach and Seal Beach, whether on vacant lots or in conjunction with the demolition and replacement of an existing home. Recent examples include coastal development permits 5-00-492 (Palm), 5-00-466 (Steffensen), 5-00-420 (Collins), 5-00-285 (Collins), 5-00-192 (Blumenthal) and 5-99-423 (Evans).

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Future Protective Devices

Section 30253 of the Coastal Act requires that new development shall not require construction of protective devices that would substantially alter natural landforms. The project involves repairs to the existing boardwalk and to the existing cottages that will extend the usable life of each structure. The proposed development could not be approved as being consistent with Section 30253 of the Coastal Act if continued wave activity would affect the proposed development and necessitate construction of a shoreline protection device.

The Coastal Act limits construction of protective devices because they have a variety of negative impacts on coastal resources including adverse affects on sand supply, public access, coastal views, natural landforms, and overall shoreline beach dynamics on and off site, ultimately resulting in the loss of beach. Under Coastal Act Section 30235, a shoreline protective structure must be approved if: (1) there is an existing principal structure in imminent danger from erosion; (2) shoreline altering construction is required to protect the existing threatened structure; and (3) the required protection is designed to eliminate or mitigate the adverse impacts on shoreline sand supply.

No shoreline protection device is currently proposed. The applicant recognizes that the site is subject to wave uprush activity, but sees no need for a seawall now or in the future. In addition, the proposed ADA path will be removable during severe storm events. More importantly, it is the position of the State Department of Parks and Recreation to discourage construction of structural protective devices.

To ensure that the applicant acknowledges and accepts the prohibition of future protective devices, the Commission imposes Condition No. 8, which requires the applicant to submit a written agreement placing the applicant and their successors in interest on notice that no protective devices shall be permitted to protect the proposed development and that the applicant waives, on behalf of itself and all successors and assigns, any rights to construct protective devices that may exist under Coastal Act Section 30235. In addition, the Commission imposes Special Condition 3 to notify the applicant that all future development at the site, including implementation of the *Preservation and Public Use Plan* (the long-term plan for the site), requires Commission approval either as a CDP or through the PWP process. As conditioned, the Commission finds that the proposed project is consistent with Section 30253 of the Coastal Act.

Water Quality

Section 30230 of the Coastal Act states, in pertinent part:

Marine resources shall be maintained, enhanced, and where feasible, restored.

Section 30231 of the Coastal Act states:

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

preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

Sections 30230 and 30231 of the Coastal Act require maintenance and restoration of marine resources and ensure that the biological productivity of coastal waters is upheld and restored where feasible. Specially, Section 30231 requires the quality of coastal waters to be maintained through the minimization of adverse effects of wastewater discharges. Storm water flows from the Historic District discharge into coastal waters via direct runoff or via Los Trancos Creek. As described previously, the coastal waters located directly off the Historic District are within a designated Area of Special Biological Significance (ASBS). In addition, the site is subject to Cease and Desist Order (CDO) 00-87 issued by the Santa Ana Regional Water Quality Control Board on November 16, 2001. Discharges from nearby construction projects, Pacific Coast Highway and the Historic District septic system were suspected of contributing to non-point source pollution. As such, the CDO required the dischargers (including DPR, the Irvine Company and Caltrans) to cease and desist from discharging or threatening to discharge wastes directly to the Crystal Cove ASBS.

The proposed project involves various structural repairs (including those to the cottages and boardwalk), roadway expansion and will result in increased public use at the Historic District. As such, appropriate measures must be taken to ensure that water quality is protected. According to the FEIR, the following construction-related mitigation is proposed:

All soil disturbing activities, including grading and excavating, associated with road construction and other construction activities, will be subject to restrictions and requirements set for in resource agency permits. To ensure that the project would not result in adverse effects to water quality due to storm runoff, activities are subject to the requirements of the Clean Water Act and National Pollution Elimination System (NPDES). State Parks will use Best Management Practices throughout construction to avoid and minimize indirect impacts associated with the proposed project.

As stated above, construction activities will be subject to requirements imposed by resources agencies. In order to avoid adverse construction-related impacts upon marine resources, the Commission imposes Condition 9. Condition 9 outlines construction-related requirements to provide for the safe storage of construction materials and the safe disposal of construction debris. Post-construction BMPs will include a combination of bio and mechanical filters. Permeable surfaces will be used where possible for new paving areas and vegetated swales will capture parking lot runoff.

The FEIR contains appropriate construction and BMPs to prevent adverse impacts on water quality at Crystal Cove. These will be supplemented by the Commission's conditions. Therefore, the Commission finds that the proposed specific project, as conditioned, is consistent with Sections 30230 and 30231 of the Coastal Act.

Staff Report

Crystal Cove State Park

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E. California Environmental Quality Act

The California Department of Parks and Recreation issued an Environmental Impact Report for the proposed plan amendment and specific project. Public comments were received. The Commission notes that most facilities at the Crystal Cove Historic District already exist and proposed new development is necessary to improve public access and upgrade utilities. There are no feasible alternatives, or feasible mitigation measures available, as provided in the California Environmental Quality Act, which would lessen any significant adverse impact that the Public Works Plan amendment and proposed project, as conditioned, may have on the environment.

FIGURE 1.1 LOCATION MAP

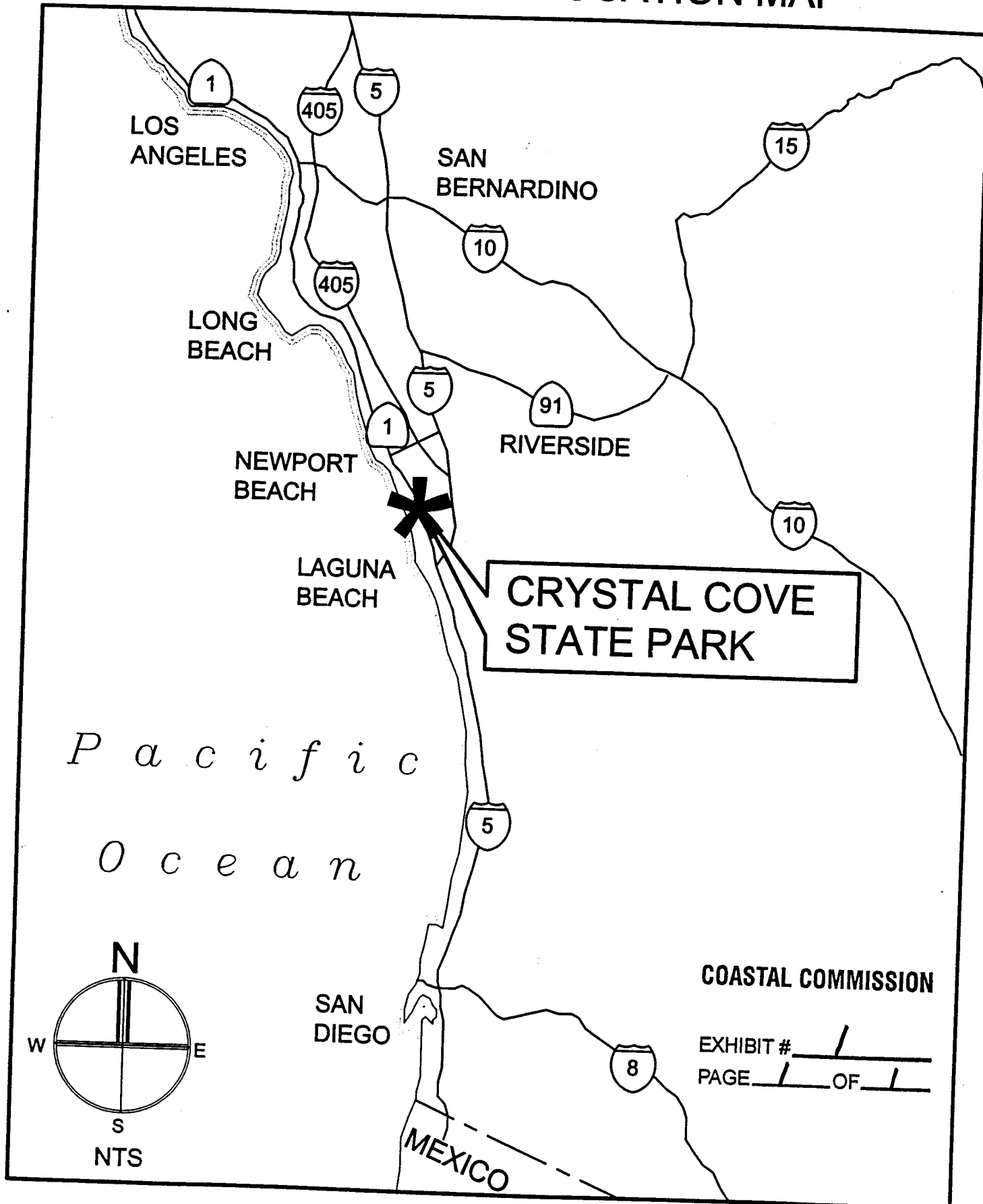
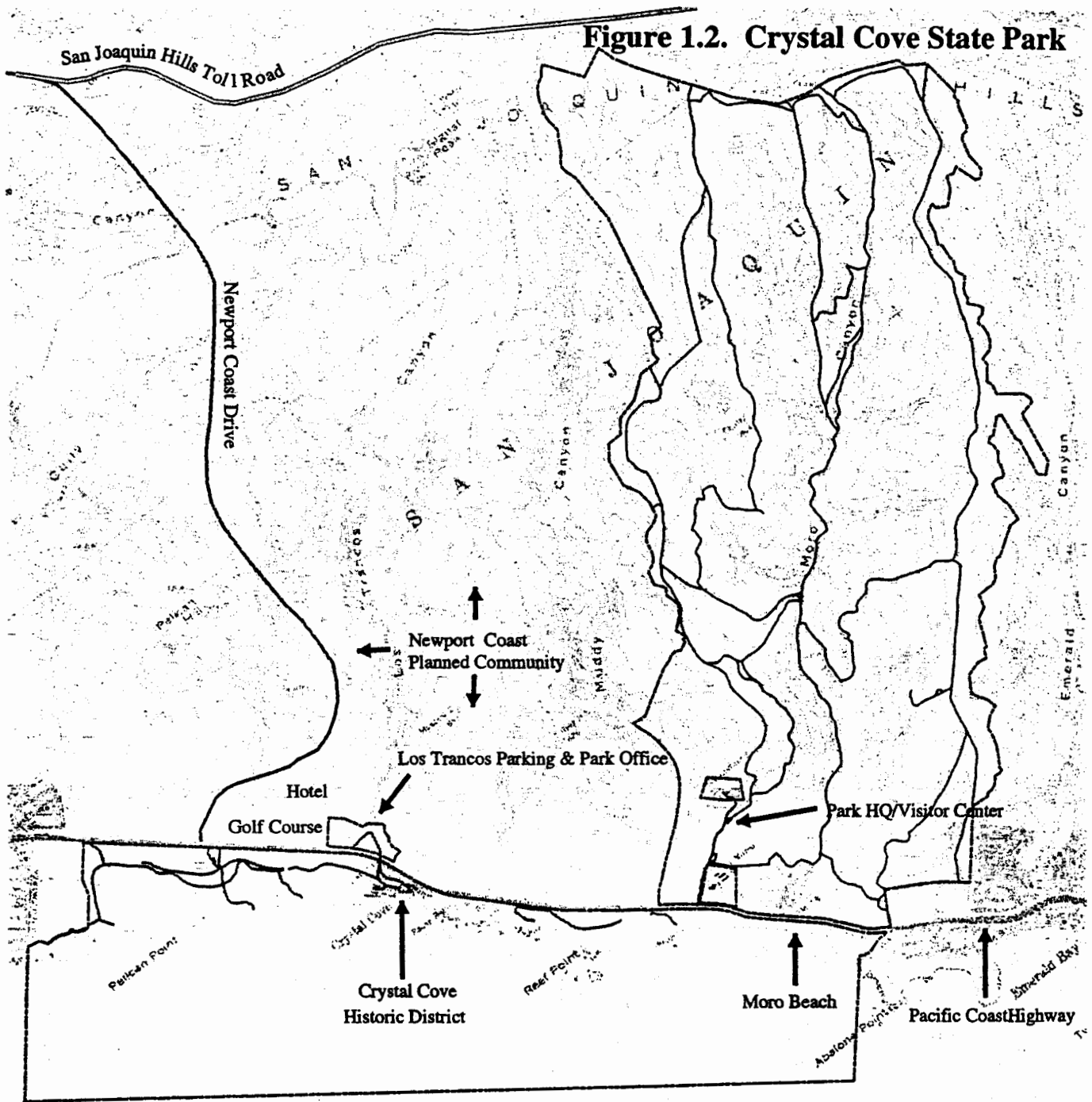


Figure 1.2. Crystal Cove State Park



COASTAL COMMISSION

EXHIBIT # 2 G U
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Legend

- Trail
- == Highway
- Paved Road
- Park Boundary

500 250 0 500 1,000 1,500
Meters



1916 653 4458 # 3/ 9

**MEMORANDUM OF UNDERSTANDING BETWEEN THE CALIFORNIA COASTAL
COMMISSION AND THE STATE OF CALIFORNIA DEPARTMENT OF PARKS AND
RECREATION REGARDING THE EXPENDITURE OF MITIGATION FUNDS**

This Memorandum of Understanding ("MOU") is entered into by and between the California Coastal Commission ("Commission"), a public agency, and the State of California Department of Parks and Recreation ("Department"), a public agency, through their duly elected, appointed, qualified or acting representatives.

I. RECITALS

- A. The "Laguna Niguel Hostel/Crystal Cove Improvement Fund" ("Fund"), held by the State Treasurer for the Commission in a Special Deposit Fund Account, consists of mitigation fees collected by the Commission pursuant to special conditions included in Coastal Development Permit No. 5-87-980, as amended. These funds have been designated to develop low-cost overnight visitor serving accommodations within Crystal Cove State Park, an area located along the Southern California coast between the cities of Newport Beach and Laguna Beach, Orange County. Authorized expenditures from the "Laguna Niguel Hostel/Crystal Cove Improvement Fund" include the development of hostel facilities and/or low-cost overnight visitor serving accommodations, as defined in "Definitions," below;
- B. The Commission and the Department desire to use the funds in the "Laguna Niguel Hostel/Crystal Cove Improvement Fund" in furtherance of the purpose of the Fund. The Commission and the Department agree that hostel facilities and/or low-cost overnight visitor serving accommodations shall be established in Crystal Cove State Park using the funds from the "Laguna Niguel Hostel/Crystal Cove Improvement Fund." Responsibility for any development within Crystal Cove State Park is within the Department's purview pursuant to Public Resources Code sections 5001 and 5003;
- C. The Department, pursuant to Public Resources Code section 5053, may provide hostel facilities in any unit of the State Park System consistent with the General Development Plan for such unit. In the case of the Historic District of Crystal Cove State Park, the General Development Plan, approved by the California State Park and Recreation Commission in March 1982, allows for hostel facilities. The current Public Works Plan for the Historic District of Crystal Cove State Park, which allows for low-cost overnight facilities consistent with the Department's current General Development Plan, was approved by the Commission in May 1982, pursuant to Public Resources Code section 30605. Accordingly, both plans recommend the establishment of hostel and other low-cost overnight visitor serving facilities at Crystal Cove State Park;
- D. To ensure the establishment of hostel facilities and/or low cost overnight visitor serving accommodations in Crystal Cove State Park and to carry out the conditions of the coastal development permit, the Commission will transfer monies from the "Laguna Niguel Hostel/Crystal Cove Improvement Fund" with accrued interest, deposited solely for this

COASTAL COMMISSION

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PAGE 1 OF 16

*Memorandum of Understanding
Between the California Coastal Commission and the
State of California Department of Parks and Recreation*

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undertaking, to the Department for the development of hostel facilities and/or low cost overnight visitor serving accommodations in accordance with the terms of this MOU. The Department, pursuant to Public Resources Code section 5002.2, shall proceed with the development of the hostel or low-cost overnight visitor serving projects described herein, upon transmittal to the Department from the Commission of the monies available in the "Laguna Niguel Hostel/Crystal Cove Improvement Fund" and approval in accordance with the terms and conditions of this MOU;

- E. The Laguna Niguel/Crystal Cove Improvement Fund contains \$2,800,000 as of April 30, 2002; and
- F. This MOU supplants and entirely supersedes a previous MOU of June 6, 1991, entered into by the parties relating to the expenditure of funds at Crystal Cove State Park. The 1991 MOU expired in 1996 by its own terms.

II. DEFINITIONS

Hostel Facility means a supervised overnight covered and enclosed lodging or sleeping accommodation provided for use by individuals of all ages, including bicyclists and hikers. Hostel facilities shall include sleeping areas for individuals or groups, water, washrooms, and sanitary facilities and may also include kitchen facilities for individual or group use (Public Resources Code section 5052a).

Low Cost Overnight Visitor Serving Facility means a covered and enclosed lodging or sleeping accommodation provided primarily for individual, family or group use. Facilities shall include sleeping accommodations, water, washrooms, access to sanitary facilities nearby, and may include kitchen facilities.

III. TERMS AND CONDITIONS

The Commission and the Department do hereby agree as follows:

- 1. Upon execution of this MOU by both parties, the Commission shall effectuate a transfer to the Department of all of the funds, together with accrued interest, in the "Laguna Niguel Hostel/Crystal Cove Improvement Fund."
- 2. The Department shall use the transferred funds, and any interest which may accrue, solely for the purposes identified in this MOU.
- 3. In entering into this MOU, the parties agree that hostel facilities and/or low cost overnight visitor serving accommodations shall be established in Crystal Cove State Park

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using monies from the "Laguna Niguel Hostel/Crystal Cove Improvement Fund." The Department, with approval of the Commission's Executive Director, as provided below, shall have the right to select the particular project(s) that will be developed using these monies from the following options: (1) the renovation of existing cottages and/or the construction of new cottages located in the Historic District of Crystal Cove State Park for the purpose of establishing hostel facilities and/or low cost overnight visitor serving accommodations; and/or (2) the construction of hostel facilities and/or low cost overnight visitor serving accommodations at the Los Trancos area of Crystal Cove State Park.

4. Before spending any funds, the Department shall provide a proposed plan containing the following information:
 - (a) The proposed plan shall identify the number of accommodations the Department proposes to establish with the funds; the precise location of the proposed accommodations; the physical amenities, such as plumbing and electricity, to be provided; a proposed schedule for construction and/or renovation of the cottages or facilities; a specific budget for the construction and/or renovations; a statement of the rates that visitors will be charged; and a fiscal and operations plan for the long-term management and maintenance of the facility.
 - (b) The plan may include a proposed amount, not to exceed \$250,000, for necessary preparatory components, including architectural, design, engineering work, and a fiscal/operations plan. The Department shall specifically explain how the amount proposed for this purpose will be used.
 - (c) If the proposed plan is for less than 132 sleeping accommodations, the Department shall explain in detail the reasons that the total number of accommodations cannot be provided. The Department shall indicate the number of accommodations it proposes to provide, and include a specific discussion of the architectural, engineering and construction costs which limit the number of accommodations, and shall indicate the maximum number of accommodations which can be established with the funds provided pursuant to this MOU. The Executive Director shall work with the Department to assure that the maximum feasible number of accommodations is provided. The number of accommodations shall not be reduced below 90 except upon a showing that the costs cannot feasibly be limited to the amount available in the fund, and that the costs would prevent reasonable operation of the accommodations as low-cost visitor serving units. In no event shall the number of units established with the funds provided pursuant to this MOU be less than 65.
5. The proposed plan required pursuant to paragraph four shall be submitted by the Department to the Commission within twelve months of transfer of the Funds pursuant to this agreement. The Executive Director agrees to notify the Department within 60 days

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*Memorandum of Understanding
Between the California Coastal Commission and the
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after receipt of the proposed plan that it is either acceptable or not acceptable, provided, however, that the Executive Director may extend this review period by notifying the Department in writing. Upon receipt of notice from the Executive Director of approval of the plan, either as submitted or as modified through subsequent discussions, the Department can proceed accordingly with expenditure of the funds in accordance with the approved plan. If the Department receives no such notification within the prescribed time, the plan shall be deemed approved as submitted. Approval of the plan by the Executive Director is not a substitute for any coastal development permit or other regulatory approval needed by the Department or any other person or entity to undertake the projects to be built with the transferred funds.

6. The rates charged to visitors shall not exceed those charged at similar hostel or low-cost overnight visitor serving facilities in the Western United States providing similar physical facilities and amenities, such as plumbing and electricity.
7. During any period that funds transferred pursuant to this MOU are held by the Department, the funds shall be deposited in an interest bearing account. All of the transferred monies, along with accrued interest, and interest which may accrue while the Department holds the funds, shall be utilized solely for the purposes set forth in this MOU. Any reference to the funds or monies to be utilized pursuant to this MOU shall include such interest.
8. The Department shall ensure that the hostel or other lower cost overnight visitor serving accommodations shall continue to be operated in accordance with the terms of this MOU, including the rate provisions set forth herein, whether operated by the Department or in the event that the Department transfers ownership or operation of any facility established pursuant to this MOU.
9. The terms of this MOU shall become effective upon execution by both parties and shall continue thereafter until the satisfactory completion of the obligations of the parties as described herein, whichever comes first, unless extended by written and signed amendment of this MOU. The MOU may be altered, changed, or amended by mutual consent of the parties. Any changes or amendments must be in writing and signed by the parties before such change or amendment shall take effect.
10. The Department shall use the transferred funds exclusively to finance projects described in this MOU, as approved by the Executive Director in the Department's final plan. Administrative costs in implementing this MOU, computed in accordance with applicable State Administrative Manual sections, shall not exceed five percent (5%) of the total funds transferred to the Department under this MOU. The Department shall maintain accurate accounts of its expenditures in accordance with generally accepted accounting principles.

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*Memorandum of Understanding
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11. The Department shall submit a report to the Executive Director of the Commission within eighteen months of the transfer of funds as to the status of the use of the funds. If the authorized projects have not been completed within that time and the transferred funds have not all been spent, the Department shall submit another status report to the Executive Director every twelve months that reports on the expenditure of the transferred funds, until such time as all of the funds are expended. If all of the transferred funds are not used by the Department within five years of the date of transfer, the Department shall submit a report to the Commission's Executive Director detailing why the projects have not been completed and why all of the funds have not been spent. The Commission's Executive Director may, at his or her discretion, grant to the Department an extension of time for use of the transferred funds upon a showing of good cause. The Executive Director shall review all submitted status reports to insure compliance with the terms of the special conditions imposed by the Commission in granting the permit referred to in Paragraph A and with this MOU. If less than all of the transferred funds are used by the Department in completing the subject projects and/or all of the funds have not been expended with five years of the date of transfer of the funds and the Commission's Executive Director has not granted an extension of time for the Department's expenditure of the funds, the balance of the funds shall be returned by the Department to the Commission or a Commission-approved alternate entity within 60 days of notification to the Department by the Commission.
12. Either party to this MOU may, for good cause, terminate this MOU by providing written notification 30 days prior to termination. In the event of termination, any and all remaining funds shall be transferred by the Department to the Commission or a Commission-approved alternate entity within 60 days of termination.
13. The parties shall retain their contracting records for a period of three (3) years after the transfer of funds under this MOU for potential examination and audit by the Auditor General.
14. The MOU is executed in counterparts, each of which shall be considered a duplicate original.
15. Notices: Any demand upon or notice required or permitted to be given by one party to the other shall be in writing, shall be made in the following manner, and shall be effective (a) upon receipt if given by personal delivery, (b) on the date indicated on the receipt if given by certified or registered mail, return receipt requested, or (c) on the succeeding business day after mailing or deposit if given by Express Mail or by deposit with a private delivery service of general use (e.g. Federal Express), postage or fee paid, as appropriate, addressed to the parties in Section II, Paragraph 16. Notice of a change of address shall be given by written notice in the manner set forth in this section.

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*Memorandum of Understanding
Between the California Coastal Commission and the
State of California Department of Parks and Recreation*

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16. For the purposes of this MOU, all information, requests, or other business including any demand upon or notice required shall be coordinated through the following agency representatives:

Department: California Department of Parks and Recreation
1416 9th Street
Sacramento, California 94296

with copy to: California Department of Parks and Recreation
3030 Avenida Del Presidente
San Clemente, California 92672

Commission: California Coastal Commission
Peter M. Douglas, Executive Director
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

with copy to: California Coastal Commission
South Coast District Office
P.O. Box 1450
200 Occangate, 10th Floor
Long Beach, CA 90802-4325


17. This MOU shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.
18. This MOU shall be governed by, and construed and enforced in accordance with, the law of the State of California.

STATE OF CALIFORNIA
DEPARTMENT OF PARKS AND RECREATION

By: 
RUTH COLEMAN
Acting Director

Date: 6/18/02

CALIFORNIA COASTAL COMMISSION

By: 
PETER M. DOUGLAS
Executive Director

Date: 6/18/02

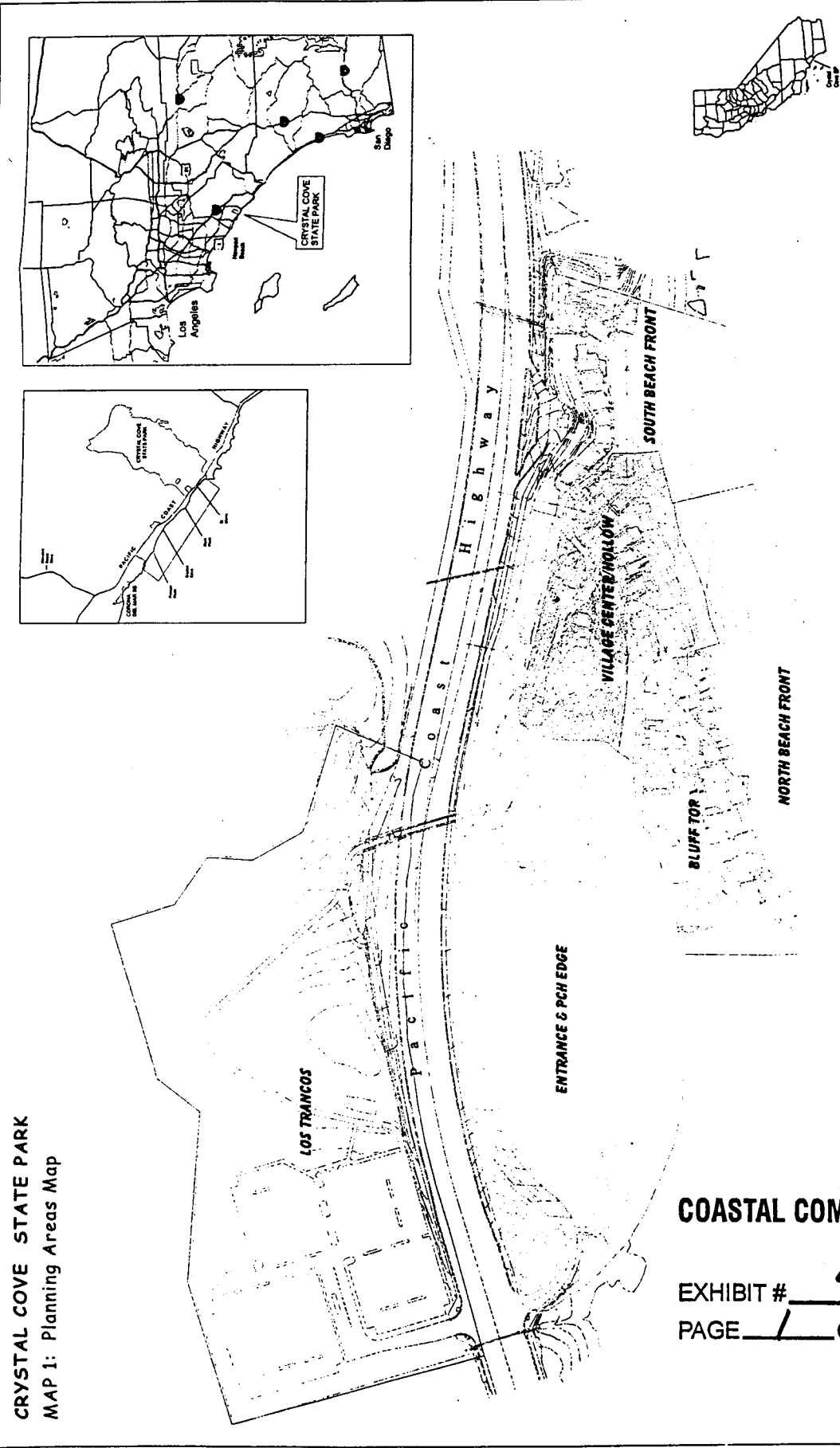
EX. 3
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GENERAL
PLANNING
SECTION
One Capital Mall
Sacramento, CA
95814

CRYSTAL COVE STATE PARK
MAP 1: Planning Areas
PRESERVATION AND PUBLIC USE PLAN

Date: 9/25/02
Projection:
Source: Air Photo
Survey



CRYSTAL COVE STATE PARK
MAP 1: Planning Areas Map

COASTAL COMMISSION

EXHIBIT # 4
PAGE 1 OF 1

Crystal Cove Historic District

[illegible]

KEY

Recommended PPUP adaptive use

Abbreviations

Y Store
G Garages
C Creekside yard area
N New building

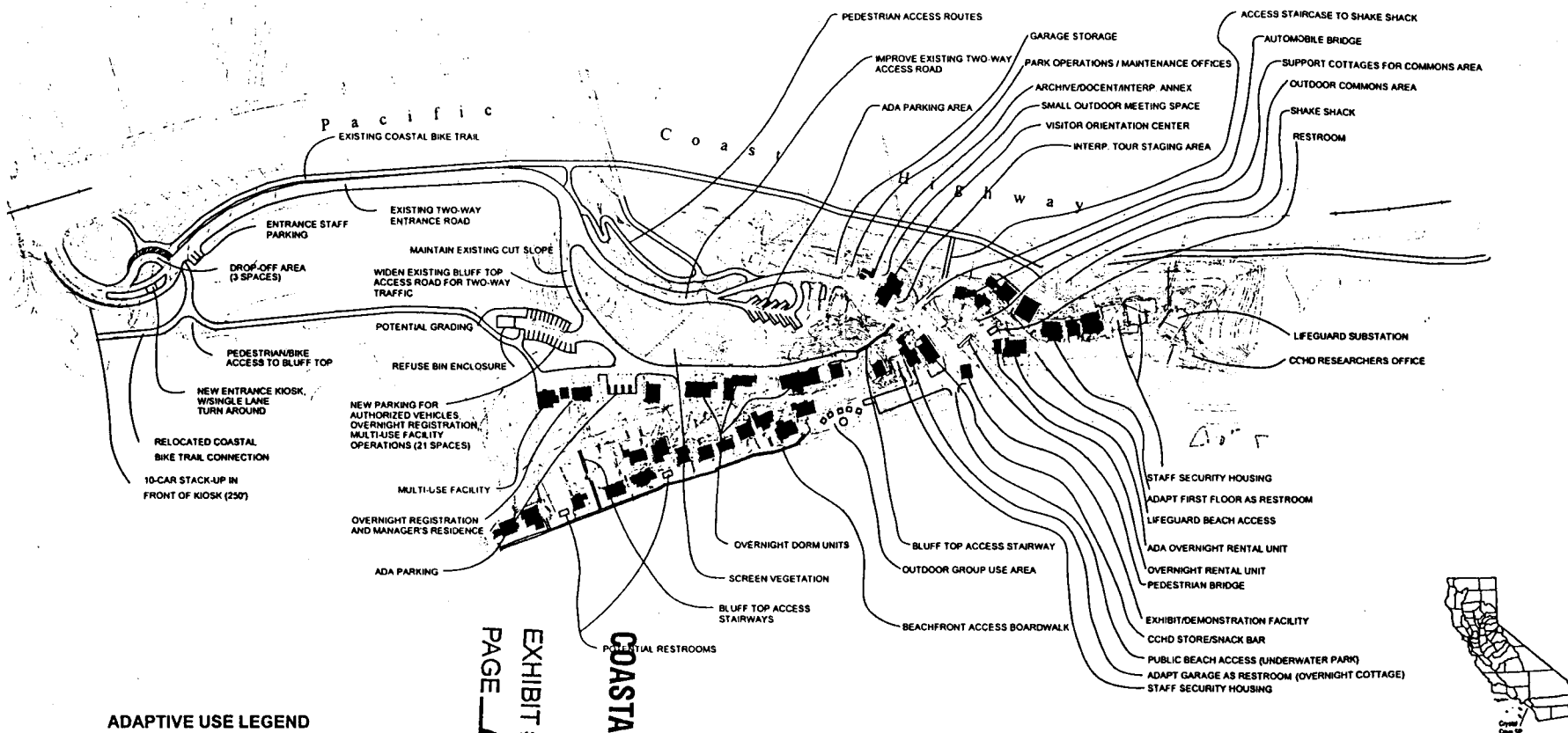
COASTAL COMMISSION
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CRYSTAL COVE STATE PARK

MAP 6: Adaptive Use



GENERAL
PLANNING
SECTION



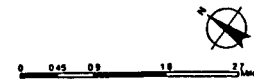
ADAPTIVE USE LEGEND

- STATE PARK OPERATIONS
- PARK INTERPRETATION AND COMMUNITY ARTS, RESOURCES, & EDUCATION
- OVERNIGHT ACCOMMODATIONS AND RENTALS
- BEACH STORE/SNACK BAR CONCESSION

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COASTAL COMMISSION

Pacific Ocean



CRYSTAL COVE STATE PARK

MAP 6: Adaptive Use

PRESERVATION AND PUBLIC USE PLAN

Date: 9/12/02
Projection:

Source:
Air Photo
Survey

AMENDMENT REVISIONS

Amendment revisions and purpose are described in this section and include the pertinent General Plan text excerpt with revision changes indicated. Proposed General Plan Amendment additions are highlighted in **boldface type** and deletions are highlighted as ~~strike-throughs~~. The following is a detailed description of the amendment changes to the existing Crystal Cove State Park General Plan:

1. Appropriate Cottage Modifications and Additional Structures. Allow for some appropriate modification or additions to the existing structures. Also allow for addition of some new appropriate buildings (entrance kiosk and restroom buildings) to serve recommended adaptive uses in the Crystal Cove Historic District. Additions are to be consistent with the character of the Crystal Cove Historic District as well as with federal and state historic rehabilitation guidelines.

The Crystal Cove PPUP emphasizes adaptive uses in rehabilitated, existing Crystal Cove structures. However some flexibility is needed for certain proposed facilities, particularly public restrooms for day use visitors and for overnight accommodation facilities to adequately serve those proposed functions. It is the intent of State Parks and the PPUP that any modification, addition, or new structure be consistent with the character of Crystal Cove.

Historic rehabilitation does not preclude new buildings or modification of historic structures. It does mean that the historic character of a property be retained and preserved. Any new additions, exterior alterations, or related new construction will not destroy historic materials, features, or spatial relationships that characterize the property. Therefore, General Plan language is revised as follows:

Resource Element
Protection of the Crystal Cove Historic District
(Page 25)

Policy:

It is the policy of the department to maintain the structures in the Crystal Cove Historic District in accordance with federal **historic property treatment** standards. No maintenance, modification, or removal shall take place on any structure or site in the Historic District without prior approval of the director, after appropriate reviews by the department's ~~Resource Protection~~ **Cultural Resource Division** and Office of Historic Preservation.

In a manner consistent with the purpose of the Historic District, the department shall provide access as necessary for public enjoyment of the recreational, cultural, and natural values of the Crystal Cove Historic District.

Resource Element
Protection of the Crystal Cove Historic District
(Page 25 continued)

To permit optimum use by the public, the department shall prepare a comprehensive ~~description~~ **historic resource evaluation** of all the structures for the purpose of determining the following:

- 1) The number and location of structures that are necessary to preserve and protect the historical character of the district;
- 2) The number and location of structures that can be converted to adaptive or commercial public uses without substantial alteration of their exterior visual appearance;
- 3) The number and location structures that should be removed to provide space for appropriate recreational activities.

~~Preparation of this description remains incomplete at the time of this writing. A full evaluation of the dwellings will require a thorough examination of the interior and exterior of each structure. The department's request for permission to enter the structures for this purpose was denied by the current occupants. The descriptions called for in this General Plan policy have been fulfilled by the Crystal Cove Historic District "Preservation and Public Use Plan (PPUP)" (2002) and the "Individual Building Inventories and Evaluations" (1999) as well as by the inventories and studies used in preparing these documents. The future preferred disposition of each structure is identified in the PPUP and will be confirmed by current on-site studies. Furthermore, on-going studies will determine if public safety conditions or environmental site hazards require that structures be left in arrested decay/stabilized condition or removed.~~

Proposed Visitor Facilities
Crystal Cove Historic District
(Page 41)

In accordance with federal standards **for treatment of structures and landscape features** in historic districts, ~~maintenance of structures in Historic Districts~~, no new structures will be constructed in the Crystal Cove Historic District, except for ~~interim, portable~~ restrooms required to serve day-use visitor use **that cannot be accommodated through adaptive use of historic structures.**

Interpretive Services
Crystal Cove Historic District
(Page 62)

~~Construction of new buildings or additions of trailers should not be done. The present buildings should be used for any facilities needed in the Historic District. The exterior appearance of the buildings cannot be modified, i.e. remodeling, additions, etc., due to the status of the district on the National Register of Historic Places. The interiors may be modified, but the district's integrity must not be disturbed.~~ Preservation of the integrity of the Crystal Cove Historic District will be accomplished in accordance with the Secretary of the Interior's Standards for Treatment of Historic Properties. Public use conversion will emphasize adaptive use of the existing structures and contributing landscape features. Addition of new buildings or structures will be for necessary uses that cannot be adapted or located within existing buildings and must be in done accordance with federal and state historic preservation standards.

2. Visitor Use Facilities and Adaptive Use. Update proposals for Crystal Cove Historic District visitor facilities and consolidate proposed facilities designation or development text to the Visitor Facilities and Access section.

The existing General Plan suggests adaptive uses and facilities in several sections. The plan recognized at that time that inventories, evaluations, studies, and preliminary project planning would be needed to make more assured recommendations regarding appropriate visitor uses and facilities. The needed project activities have taken place over the past twenty years and have culminated in the Crystal Cove Historic District PPUP proposals. This Amendment updates and consolidates General Plan references to proposed visitor facilities in the Crystal Cove Historic District to the "Proposed Visitor Facilities, Crystal Cove Historic District" section in the Land Use and Facilities Element.

Proposed Visitor Facilities
Crystal Cove Historic District
Page 40

The purpose of the Crystal Cove Historic District is to preserve it as a unique example of a 1920-30s rustic California coastal recreational community. Park visitor use of the cottages and the site is focused on historic rehabilitation of the structures and landscape features with appropriate adaptive use and access of those structures and features.

The uses and facilities determined for the Historic District are intended to be consistent with conveying the spirit of place and story of Crystal Cove to the park visitor. These facilities are intended to be implemented in concert with site concepts that support the historic and rustic coastal community theme.

EX. 7
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Proposed Visitor Facilities
Crystal Cove Historic District
Page 40 (continued)

These site concepts include:

- Establish the Los Trancos area as the visitor staging area site of a satellite park office.
- Make arrival at the Historic District an important part of the visitor experience.
- Limit vehicular traffic and parking within Crystal Cove to preserve the solitude and pedestrian character of the area.
- Encourage the experience of community in the Crystal Cove Village Center. Park operations facilities are included as a part of this communal mixture of uses and facilities.
- Provide a variety of affordable overnight accommodations
- Respect natural beach processes when rehabilitating beachfront areas.

The PPUP identifies the following adaptive building uses and facilities under four main programs as appropriate and suitable for the Crystal Cove Historic District:

Park Operations

- Entrance Kiosk
- Restroom Facilities
- CCHD Park Operations and Maintenance Office
- Park Operations Garage Storage
- Lifeguard Substation
- CCHD Research Facility
- Park Staff Security Housing

Park Interpretation and Education

- Visitor Orientation Center
- Archive Center and Docent and Park Interpreter Annex
- Outdoor Multi-use Commons
- Multi-purpose Meeting/Classroom Facility
- Park and Community Rotating Exhibit Facility
- Crystal Cove House Museum
- Underwater Park Education Center

Overnight Accommodations

- Overnight Rental Office, Resident Manager's Quarters, and Registration Parking
- Overnight Rental Housekeeping, Maintenance, and Storage
- Individual-style Accommodations
- Dormitory-style Accommodations and Commons

Visitor Services Concessions

- Snack Bar
- Park Store

Proposed Visitor Facilities
Crystal Cove Historic District
Page 40 (continued)

~~Interpretive concepts, potential historical and architectural emphasis, and themes for the Historic District are discussed in the Interpretive Element.~~ In addition to the **adaptive uses in the historical features district**, there are potentials for other visitor activities in keeping with the character of the area that have been identified. These include various day-use activities such as general beach-related recreation, picnicking, sightseeing, photography, painting and sketching, art education, and nature study. Visitor parking in the Historic District will be limited to a small area for temporary parking available for ~~seuba divers and disabled persons and overnight registration.~~ A turnaround and ~~passenger loading area for buses drop-off area~~ will be located near the entrance road and the highway. **Primary visitor parking for this area of the park will be provided at the Los Trancos Creek area.** Parking for about ~~600~~ 400 cars and 4-5 buses ~~will be~~ is located inland of the highway, with a pedestrian trail connection under the highway to the Historic District and the beach. If it is determined in the future that a shuttle service is feasible, shuttle vehicles will also use ~~this route the Historic District entrance road~~ to move people from the parking area to the Historic District or other various beach destinations in the park.

Interpretive concepts, potential historical and architectural emphasis, and themes for the Historic District are discussed in the Interpretive Element.

The 1982 General Plan did not have sufficient information about the Historic District and its structures to make determinations about adaptive use. It suggested certain appropriate possibilities but recognized that studies were needed to determine appropriate and feasible adaptive uses. Inventories, evaluations, and numerous feasibility studies conducted since 1982, along with public input and an understanding of the requirements for proposed use, have enabled the PPUP to make more informed and current determinations regarding adaptive uses in Crystal Cove. As a result, the following Amendment revisions deletes suggested uses from the Interpretive Services section and replaces it with the new updated language for the Proposed Visitor Facilities section on pages 40-41 (see: 2. Proposed Visitor Facilities). This is a more appropriate section for describing proposed adaptive uses and facilities. The deleted description of suggested uses is shown below:

Interpretive Services
Crystal Cove Historic District
(Page 62)

~~Adaptive uses for the cottages, other than continuation of their present use as residences, cannot be determined on a house by house basis until access is given to the interior of each building. A number of uses have been proposed including: hostels, a visitor center, a decent administration center, an environmental education display, concessionaire operated shops or rental units, and house museums. These proposed uses may not fit the cottages, but this cannot be determined without further investigation.~~

EX.
5/9

3. Park Operations Offices and Facilities. Establish park operations adaptive use facilities in the Crystal Cove Historic District and convert the Los Trancos temporary park office into a permanent park office and interpretive facility and staging area for group tours of the Crystal Cove and the coastal portions of the park.

The PPUP planning effort has identified a range of programs and facilities to provide adequate operations and security for the Crystal Cove Historic District. The PPUP recommendations reflect a clearer and more detailed understanding of the operational and security needs under current conditions in the Crystal Cove Historic District than what Department had when the original General Plan was prepared. The recognition of these conditions include not only the physical changes in the surrounding area, but also the pattern and amount of visitor use that the park is currently experiencing and will be experiencing in the future. The proposed changes will help meet current and future operational needs at the Crystal Cove Historic District.

As a part of Historic District operations and visitor needs, the existing temporary Los Trancos park office is proposed to be designated as a permanent park and interpretive office. This facility has become a vital park operations facility for park business meeting activities that cannot be accommodated elsewhere in the park. Furthermore, it is also currently a staging area for large school group interpretive park and Historic District tours and activities. Continued use of the Los Trancos facility will help reduce traffic, reduce use intensity, and accommodate large group visits that cannot be adequately provided for by facilities in the Crystal Cove Historic District.

When the original General Plan was prepared, the park visitor orientation center and administrative headquarters office was to be located in the Historic District. The ten-year leases given to the Crystal Cove tenants by the legislature in 1983 as well as subsequent lease extensions prevented State Parks from implementing this at that time. In order to provide for necessary park operations facilities, these necessary facilities were located in the El Morro area. Those existing park headquarters facilities at El Morro continue to serve the park well and are recommended to continue in that capacity. This Amendment designates the proposed park operations facilities in the Crystal Cove Historic District, Los Trancos Creek area, and the future El Morro campground and day use area to be satellite support facilities for those specific areas of the park.

Amendment changes are identified below:

Park Operations Offices and Facilities
Park Offices
(Page 46)

A total of ~~five~~ **thirteen** administrative and operational facilities are proposed for the park:

- Entrance kiosk at Pelican Point Coastal Strip area
- Entrance at Los Trancos area (parking lot and trail)
- **Entrance at the Crystal Cove Historic District**
- Entrance at Reef Point area
- Entrance at El Moro area
- **Park unit administration facilities in the El Morro area**
- ~~Visitor orientation and unit administration office at Crystal Cove Historic District~~
- **Crystal Cove Historic District entrance kiosk**
- **Crystal Cove Historic District visitor orientation**
- **Crystal Cove Historic District satellite ranger/maintenance office**
- **Crystal Cove Historic District aquatics program substation**
- **Crystal Cove Historic District park staff security housing**
- **Crystal Cove Historic District storage.**
- **Los Trancos park office and interpretive facility**

Entrance kiosks will consist of small check stations located on park entrance roads. These buildings will include facilities for collecting fees and answering visitor inquiries, with two-radio communications.

The full development and visitor use potentials of lower Moro Canyon will not be realized until after the until after the mobile home park is removed in 1999 2004. Because of this, the Department has determined that **park** visitor orientation and administration facilities should be located ~~in the Historic District area~~ **at the El Morro trail staging area.**

This will be the principal administrative facility for the park, and should include:

- Administrative office space
- A lobby and information center for visitor services
- Restrooms

Once the department is able to complete the evaluation of possible adaptive uses of structures in the Historic District, ~~a suitable building could be designated for this purpose~~ **suitable buildings in the Crystal Cove Historic District will be designated for adaptive use for operational facilities.** These designations have been recommended by the Crystal Cove Historic District PPUP and the suitability's will be verified by on-going site studies and project preparations. Although modifications of the interior would likely be required, the architectural character of the building would be retained to preserve the atmosphere of the district.

When visitor support facilities can be provided in the El Morro area, a secondary park **campground** office can be provided for this part of the park, at the proposed entrance kiosk.

4. Cottage Occupant Relocation. Delete General Plan language regarding schedule for relocation of cottage occupants because it is no longer applicable. Language regarding relocated entrance road will be added.

At the time of park acquisition in 1979 and General Plan approval in 1982, Crystal Cove tenants were on a month-to-month lease arrangement. 1983-84 state legislation provided Crystal Cove tenants with 10-year leases provided that tenants forego all claims to relocation benefits. Lease extensions subsequent to the expiration of the 10-year lease in 1993 retained this same condition for all tenants. In July of 2001, all tenants were vacated in order to comply with Santa Ana Regional Water Quality Control Board directives on local water quality and to proceed with site studies necessary for the PPUP planning effort. The departure of the tenants renders any General Plan reference to relocation of occupants as unnecessary. Therefore, this Amendment proposes to delete the following reference:

Cultural Resources
Protection of Crystal Cove Historic District
(Page 26)

~~To insure that the orderly transition from present residential uses to the public uses of the district will take place, The department shall prepare a phased development program identifying capital outlay funding priorities for the development of visitor support facilities, and determining the future disposition of all historic structures and landscape features. The program will also include a time schedule for relocation of occupant.~~

5. General Plan Map Revisions. Update the General Plan language and Land Use and Facilities Plan map (drawing number 18142) regarding proposed facilities and access to reflect current site conditions and the Crystal Cove Historic District Preservation and Public Use Plan (PPUP). Pacific Coast Highway widening in the early 1990's relocated the Crystal Cove Historic District entrance 1500 feet northward opposite the Los Trancos entrance. The Amendment updates the change to the CCHD entrance road. The Amendment's park facilities text revisions for the Crystal Cove Historic District and Los Trancos Creek areas of the park are identified as follows:

General Plan (Map)
Land Use and Facilities
Drawing Number 18142

Crystal Cove National Historic District

- Improve Crystal Cove Entrance Road and Turnaround
- Entrance Station
- Interpretive and Education Facilities & Displays
- *House Museum(s)
- *Hostel & Rental Units
- Overnight Cottage Rental & Dormitory Units with Operational Support Facilities
- Day Use Area
- Short-term Beach Loading-Unloading Area
- Underwater Use Access Point
- Comfort Stations
- Bus Turnaround
- Park Operations Facilities
- Staff Security Housing
- Food Service/Park Store Concessions

*Subject to Further Study

Los Trancos Creek Area

- Day Use, Overnight, and Staff Parking for ~~600~~ 400 autos and 5 Buses w/
Entrance Off Proposed Road
- Access Trail From Parking Area to Crystal Cove N.H.D. Use Existing Los Trancos Creek Culvert as Trail Underpass.
- Satellite Park and Interpretive Office
- Interpretive Display

2 PROJECT DESCRIPTION

State Park's *Mission* includes the protection of natural and cultural resources, therefore, the most effective and appropriate combination of resource avoidance, mitigation, and monitoring will be employed throughout the project design, construction, and operations. Approximately 16 acres will be permanently affected by the project implementation on the west-side of PCH, much of which is already developed. Project implementation on the east-side of PCH would affect about 5 acres of currently developed areas, primarily the Los Trancos parking lot. Please see Figure 2.1.

Resource data, operational support needs, and public desires discovered during the planning, public workshops, and design of the project were incorporated to develop the proposed project. The proposed project is described in Parts Two and Three of the *Preservation and Public Use Plan*, pages 61 to 169, with a summary listed below in Section 2.1. Additionally, the project description for the Proposed project includes design detail for project implementation. This design detail may have minor variations to the plans shown in the *PPUP* and may be further refined during in final plans provided that the refinements decrease potential environmental effects. State Park historians, ecologists and archaeologists will review all final plans prior to construction.

In order to describe the proposed site work the project description has been separated into the following subject areas: circulation, cottage adaptation, utilities, and improvements at Los Trancos and refers to Planning Areas Map in the *PPUP*. The circulation and utility proposals affect areas both within and outside of the Historic District. Cottage adaptation is located within the Historic District and must adhere to State Parks preservation policies which are conducted in accordance with *The Secretary of the Interior's Standards for the Treatment of Historic Properties (Weeks & Grimmer)*. Los Trancos is located east of PCH, outside of the Historic District and adjacent to the Newport Coast Planned Community and golf course.

2.1 Proposed Project

State Park's goal at Crystal Cove has been to provide visitors with broad public access and a unique experience of what a Southern California seaside community was like in the 1920's and 1930's. State Parks intends to provide public access and preserve the character and integrity of the Historic District while converting the buildings to a variety of appropriate adaptive public uses.

The proposed public use program is comprised of four separate yet interrelated subprograms. These programs include the:

State Park Operations Program
State Park Interpretation and Community Arts, Resources and Education Program
Overnight Cottage Accommodations and Rentals Program
Visitor Services Concession Program

COASTAL COMMISSION

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The Park Operations Program provides the security, safety, resource protection, and sanitation needs that enable visitors to enjoy their experience at Crystal Cove. The other three programs (education, accommodations, and visitor services concession) could be guided in their development and operation by the following guiding principles and quality of visitor experience. State Parks wants these programs and facilities to be: community-building in nature, flexible in scheduling and use, and to offer a variety of appropriate visitor experiences. Generally State Parks and many local community members want to preserve the Historic District's unique ambiance that seems to be a blend of intangible qualities such as: "low-key," "casual," "rustic," "old-fashioned," "laid-back," "natural," "secluded," "original," "creative," "unpretentious," "informal," "relaxed," "quirky," "cozy," and "welcoming."

As Crystal Cove rehabilitation is completed and Crystal Cove programs are established, periodic reevaluation of the program functions, activities, staffing, facilities, and their location will be needed to assure continued relevant, effective and efficient operations. Periodic reevaluation is also necessary to effectively respond to changing future conditions, resources, and visitor use patterns. As programs and design guidelines are reevaluated in the future, necessary adjustments or revisions should remain consistent with the overall *Preservation and Public Use Plan* vision and concepts.

A portion of the overnight accommodations will meet the requirements for the Memorandum of Understanding (MOU) with the Coastal Commission. The current MOU terms and conditions include:

- A hostel and/or affordable overnight visitor serving accommodations should be established in Crystal Cove State Park.
- Number of beds should not be less than 90 except where costs could not be feasibly be limited to the funding amount and also would prevent reasonable operation as low-cost visitor-serving units. The number of accommodations shall not be less than 65 in any event.
- The overnight rates for hostel or affordable accommodations should be similar to other hostel or low-cost visitor-serving facilities providing comparable amenities (such as plumbing and electricity).

The PPUP planning effort seeks to provide for affordable accommodations partly in the form of hostel or dormitory-style facilities. These facilities may be operated as a hostel or they may be operated as dormitory units that are part of a variety of Crystal Cove overnight accommodations. A certain portion of the overnight individual cottage rentals with limited utilities may possibly also serve as affordable accommodations.

The PPUP also establishes Los Trancos as the visitor staging area for the Crystal Cove Historic District and the site of a satellite park office. Designating the Los Trancos parking area on the inland side of PCH as the primary public visitor arrival location for the Crystal Cove Historic District will greatly reduce vehicle use and congestion in the Historic District. This is essential for effective functioning of new Historic District uses and other site concepts because there is insufficient area in Crystal Cove for public, staff and program vehicular access and parking.

Crystal Cove Historic District
MATRIX OF PROPOSED ADAPTIVE USES

Program Facility		Cottage/Structure																																														
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	42	43	44	45	Y	G
1	Operations Program																																															
1a	Entrance kiosk																																															
1b	Restrooms																																															
1c	Park operations. & maintenance office																																															
1d	Operations storage																																															
1e	Lifeguard substation																																															
1f	CCHD park research office																																															
1g	Park staff security housing																																															
1h	Los Trancos park office																																															
2	CCHD Park Interpretation & Community Involvement																																															
2a	Visitor orientation center																																															
2b	Archive center/docent & park interpreter annex																																															
2c	Outdoor commons area & support facilities																																															
2d	Multi-purpose meeting/classroom facility																																															
2e	Park & community exhibit facility (w/ Underwater Park educ. facil.)																																															
2f	House museum																																															
3	Overnight Accommodations																																															
3a	Overnight rental office/manager's residence																																															
3b	Overnight rental housekeeping/maint./storage																																															
3c	Individual-style accommodations																																															
3d	Dormitory-style accommodations																																															
4	Concession																																															
4a	Beach store/food service																																															
4b	Concessions storage																																															

KEY

■ Recommended PPUP adaptive use

Abbreviations

Y Store

G Garages

C Creekside yard area

N New building

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The initial funding will be used to implement the priority components of the *PPUP*. Although the public will have access to the Historic District during implementation of the project, the priority components will provide the basis for opening the *PPUP* programs to the public, which is anticipated in mid 2004. The priority components of the first phase of implementation include circulation and visitor management improvements, public restroom facilities, base utilities, selecting cottages to represent as many overall program adaptations and restorations as possible, and the localized utility improvements to support the adaptations. These include:

1. Water, sewer, and electrical main connections
2. Main system (2) and some localized pump units
3. Entry Kiosk and turnaround
4. Operations parking
5. Parking area abandonment
6. Entrance road widening
7. Bluff Top entrance road widening
8. Resurfacing of some existing roads
9. Park shuttle drop off
10. New trail
11. Pacific Coast Highway stairway
12. Stairway and boardwalk restorations/reconstructions
13. ADA parking/drop off
14. Concessions, operations, dormitory, ADA, education/research, museum, visitor check-in, and community use rehabilitations/restorations
15. Use of seasonal tents to accommodate special events, restrooms, etc. in keeping with the historic period theme of tents intermingled with the cottages.

Future phases will consist of continued cottage adaptation/restoration, utility support and construction of visitor support facilities at Los Trancos.

2.1.1 Circulation

The proposed improvements are intended to establish a contact point outside of the Historic District for effectively controlling vehicular entry, improving emergency vehicle access, providing safe pedestrian circulation separate from the most frequently used vehicular traveled ways, and relocating as much parking as possible to areas outside of the Historic District. This will be accomplished with a new kiosk/turnaround and a drop off area, widening of some existing roads, new trail and stairway, reconstruction of historic stairways and the north beach boardwalk, abandonment of some existing parking areas and new construction of others in the first phase of implementation.

Entrance Road Kiosk/Turnaround

Kiosk - A kiosk will be constructed within the existing main entrance road approximately 150' from its intersection with the southbound Pacific Coast Highway edge of pavement (Figure 2.2 Sheet S-11). The purpose of the kiosk is to facilitate the management of vehicles attempting to enter the Historic District. The kiosk attendant will direct authorized entries such as ADA, guest check in, emergency vehicles, and operational

related vehicles including delivery of supplies. Unauthorized vehicles will be redirected to the turnaround located immediately adjacent to the kiosk. Kiosk placement maximizes available site distance and provides adequate turnaround space, and avoids impacts to the existing coastal sage scrub mitigation site located approximately 8' from the coastal side of the existing edge of pavement.

The Kiosk is oriented to manage both inbound and outbound traffic and requires shifting the outbound lane of the main entrance road 12' towards Pacific Coast Highway for a distance of approximately 300' (Figure 2.3). Realignment necessitates a corresponding shifting of an existing Class I bike path.

The kiosk is located outside of the Historic District boundary, however, its architecture will be compatible with other elements of the Historic District, including, roof, siding, and window features. Low-level lighting will be incorporated into the kiosk. The kiosk will be ADA accessible and include a self-contained restroom. Water is located in close proximity and electrical conduit currently exists at the proposed kiosk location.

Turnaround - A vehicle turnaround will be constructed adjacent to the kiosk. The area includes space for attendant parking (ADA accessible) at the interior of the turnaround. The turnaround radius is 40' with 16' of traveled way to accommodate the inner wheel track of larger trucks and or motor homes. This configuration efficiently supports the majority of vehicles likely to enter the area from Pacific Coast Highway. The surface of the turnaround will be constructed of a pervious material and include a PCC curb at the outside edge of traveled way.

Bike Path Realignment - Placement of the kiosk/turnaround requires realignment of an existing 10' wide Class I accessible bike path which, is offset from the outbound lane of the main entrance road by approximately 5'. The realignment will join an existing PCC walkway from Pacific Coast Highway at its crest and match the current crossing of the main entrance road. The crossing is not currently striped but pavement markings to delineate this as a pedestrian crossing will be placed. The finished surface will match existing which, is asphalt. Grades will be less than 5% and a 5' min buffer between the top of slope of the turnaround and the bike path will be provided.

Road Widening

Bluff Top Access - The bluff entrance road which, diverges from the main entrance road prior to entering the Village/Hollow, is to be widened from 10'-12' to 20' (Figure 2.2 Sheet S-3, 4 & 9). Widening is needed to accommodate emergency vehicles and two-way to traffic to the Bluff Top. The widening will be placed partly on new fill, a portion of which will be imported from off site, and placed on an existing bench. The surface will be asphalt. A "stop" pavement marking and sign for Bluff Top traffic will be placed at its intersection with the main entrance road.

Entrance Road to Village/Hollow - The entrance road to the Village/Hollow is proposed to be widened by 4'- 9' for a total width of 20' (Figure 2.2 Sheet S-3 & 9) for approximately 300' (Figure 2.4). Widening is needed to accommodate emergency vehicle access and two-way to traffic to the Village/Hollow. With the proposed widening, a

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minimum contiguous two way road width of 20' will be provided from the main entrance road to the ADA Parking/Drop Off area. The surface will be asphalt. Within the Historic District Hollow Area, the asphalt should be colored to minimize visual impacts to the District.

Stairways/Trails/Boardwalk/Pedestrian Bridge

Stairway to Pacific Coast Highway - An existing unofficial dirt trail that provides access to the bike path adjacent to Pacific Coast Highway and descends down the Pacific Coast Highway fill slope (Figure 2.2, S-7), will be replaced by a stairway. This path is part of an established pedestrian route and provides a direct and secondary point of pedestrian entry into the Historic District and is beneficial to overall circulation. However, footing is difficult in dry conditions, and inconsistent or hazardous when the trail is wet. Additionally, frequent use of the trail promotes erosion, results in minor slope degradation, and denudes the vegetation. Slope degradations due to the existing trail use will be revegetated. Final design of the stairway may include a bench or small viewing platform with a slightly different configuration over the utility corridor than shown on Figure 2.2, S-7.

The stairway will be constructed on elevated PCC piers, providing vertical clearance from existing ground (Figure 2.5). The framing will be wood and the layout will include intermediate landings. Due to excessive grades the stairway will not be ADA accessible.

Stairway from North Beach and from Hollow - Two existing stairways from North Beach and the Village/Hollow to the Bluff Top will be restored (Figure 2.2 Sheet S-2 & 6). The framing will be configured to the greatest degree possible to match the layout of the existing stairways. Extensions or add-ons to the stairways are not proposed.

New Trail - An existing unofficial, heavily used dirt trail which, provides access to the bike path adjacent to Pacific Coast Highway and merges with the entrance road (Figure 2.2 Sheet S-3 & 9), will be extended into the Village/Hollow (Figure 2.4). This trail is part of an established pedestrian route and provides a direct and secondary point of pedestrian entry into the Historic District and is beneficial to overall circulation.

The existing trail presently merges with the outbound lane of the main entrance road and poses a concern for pedestrian safety and ultimately conflicts with the park shuttle and emergency vehicles. The trail will eliminate potential conflicts by separating the two uses. The path will be constructed of a pervious material. A "parallel contour" versus "rapid switchback" layout was selected to minimize impacts to vegetation, visual invasiveness, and erosion potential. A retaining wall approximately 3' high and 125' in length is proposed as an alternative to placement of fill and a corresponding alteration in topography. The wall will be aesthetically designed to be compatible with existing features in the Historic District. The proposed trail width was limited to 6' to minimize footprint disturbance and is separated from the outbound lane of the entrance road by a minimum of 4'.

Boardwalk - The existing boardwalk fronts the North Beach and joins the existing North Beach parking area. Boardwalk condition and construction varies, but primarily consists

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of planks of varied dimension spanned by stringers, which are either placed directly on grade and or spanned between timber pilings.

The proposal is to rehabilitate the boardwalk for its entire length by placing timber piles and stringers similar to the existing configuration (Figure 2.6). The stringers would be embedded below existing grade so as not to inhibit wave overtopping or movement of beach sand. Original materials will be re-used to the greatest extent possible and replacement materials selected to match the original materials in like-kind style, design, and size. Railings are not proposed for portions where such did not exist historically.

Natural processes will likely erode material beneath the walkway for portions of its length, effectively exposing the walkway to drop offs on either side. During these times, it may be necessary to temporarily close portions of the boardwalk, or fit it with wheel curbs, where railings are not provided. The unique and undulating nature of this feature will require a close evaluation of potential for accessibility. This may require an alternative programming solution to access to the North Beach boardwalk feature.

Replace Pedestrian Bridge. A single span accessible pedestrian bridge will be constructed across Los Trancos to replace the original structure destroyed during flood staging of Los Trancos in 1997. Replacement of the bridge is proposed to facilitate ease of access to the commons area of cottages #42, #43, #44, and #40 and provides for ADA access to this central area.

The new structure will have a clear deck width of 48 inches to provide ADA accessibility and is approximately 12 inches wider and 4 feet longer than the original structure. Additionally, the working design load for the bridge complies with the 1998 Uniform Building Code.

The new structure will have a wooden exterior and an internal steel frame. The metal substructure will be hidden from view by the exterior framing. The steel substructure allows for the single span design and minimizes the structure's depth. The framing eliminates the need for a mid-span structural "pillar" which was part of the original bridge design. Rather, a façade pillar designed to move freely (attached at the bridge sub-structure and not founded in the stream channel) with stream flows is proposed. Additionally, the abutments will be placed approximately 2-feet outside of the existing channel walls to provide vertical freeboard and lateral separation from possible overtopping of the channel during severe storm events.

The new structure will be supported on 18-inch diameter "cast-in-drilled-hole" (CIDH) reinforced concrete pile footings, which will be approximately 20 feet in depth. Bridge architecture will be compatible with other features in the Historic District and its components will closely resemble those of the original bridge. However, new landings and ramps will be required for reasons of accessibility. Ramp grades will be the maximum allowed to keep the scale of these additions at a minimized.

Construction activities will be limited to areas outside of the stream channel. Groundwater effluent from drilling and concrete pouring operations will be captured and disposed of off-site in an approved sanitary sewer system.

Park Shuttle Drop Off

A drop off directly outside the hollow is proposed (Figure 2.2 Sheet S-3). It will be used by a Park shuttle operating to and from the Los Trancos parking area. It may also be used as a secondary turnaround for errant vehicles not authorized to travel further into the Village/Hollow. The surface should be a soil colored asphalt or like surface and a "stop" pavement marking and sign will be placed at its junction with the entrance road. It is separated from the existing pathway that emerges from the Los Trancos tunnel.

ADA Parking/Drop Off

An ADA parking and drop off is proposed for the Village/Hollow area at the location of the existing parking area (Figure 2.2 Sheet S-3). Access to the area diverges from the entrance road on existing pavement. It will support both parking and drop off activities. All surfaces will be pervious, and will include hardened, but aesthetically compatible, accessible sections. Parking delineation will be accomplished with PCC at grade borders, which will also restrain the hardened sections. To avoid grading impacts to sensitive vegetation, a retaining wall approximately 3' high and 150' in length could be required. The wall will be hidden from view or aesthetically designed to be compatible with existing features in the Historic District.

New Parking

New parking for purposes of maintenance and operations is proposed in an area primarily outside of the Historic District boundary. This area is proposed to support the various programs planned for the Historic District. It will be accessed from the Bluff Top access road and consists of a driveway and a parking pad with a refuse/recyclable collection area. Its positioning places it outside the boundary of the Historic District and provides visual separation for visitors approaching or leaving the Bluff Top area. The parking lot shown on Figure 2.2, Sheet S-4 represents a "worst case" scenario for intrusion into the coastal terrace and may be reduced in size or moved within the Historic District in the final plans. Final design of the parking lot will need to avoid high quality habitat and rare plants. The site for the parking lot was chosen to reduce visual impacts and avoid geotechnical issues associated with the fill slope. Should the parking lot be moved within the Historic District, a retaining wall up to 5' high could be required that would have higher construction costs, associated visual impacts within the Historic District, and possibly require slope remediation.

The portion of the existing dirt bike trail that intersects the Bluff Top access road will be converted to a 20' entry drive to the parking pad and be surfaced with asphalt. Approximately 20 spaces will be provided in the parking area. The pad is recessed approximately 5' feet vertically from surrounding grade (Figure 2.3). The cut slopes will be contoured for reasons of aesthetics and improved erosion control. The pad surface will be pervious. Pervious drainage swales will be constructed at the parking area perimeter to capture runoff from adjoining drainage areas and provide filtering of parking area sheet flow.

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In conjunction with this parking improvement, the existing non ADA dirt bike trail that originates at Pelican Point and intersects the Bluff Top entrance road (Figure 2.2 Sheet S-4 & 12) will be realigned and connected to the existing open area, currently used for parking, adjacent to the proposed Multi-Purpose Meeting/Classroom Facility (Cottage #34). The realignment may vary from the alignment shown in order to avoid rare plants, as necessary, or may be placed closer to the proposed new parking lot to provide direct access. The trail surface will be pervious and it will remain non-ADA accessible.

The existing bike trail will be regraded to correct drainage by reestablishing natural sheet flow of surface runoff. The current geometry includes a centerline crown and 18 inch deep swales on each side of the trail which capture runoff and redirect it towards the proposed parking area. The natural topographic drainage pattern is sheet flow towards the ocean. The crown will be removed and a cross slope from the inland to the coastal side of the bike trail will be established. All work will be constrained to the existing footprint (Figure 2.10).

Parking Area Abandonment and Resurfacing

Parking areas at the North Beach, and on the Bluff Top (at the Multi-Purpose Meeting/Classroom Facility except for an ADA space) will be abandoned and re-surfaced with a pervious material (Figure 2.2 S- 2 & 4). Parking areas that are not in a high use area or on a grade, (for example, the South Beach) will also be resurfaced with a pervious material that matches historic surfaces.

2.1.2 Cottage Adaptation and Stabilization

Cottage preservation and adaptation work will undertake the entire range of historic property treatments (preservation, restoration, rehabilitation, reconstruction). Factors including the historical significance, amount of existing historic fabric, structural and physical condition, proposed adaptive uses, will all help to determine which of these four historic property treatments will be used. Compliance with the Secretary of the Interior's Standards and Guidelines for Historic Property Treatment is a requirement of both state and federal mandates and DPR resource management guidelines and policies. As such all Cottage preservation and adaptation work will include structural stabilization, acceptable floor plan modifications for adaptive use, and new construction will be in compliance with these Standards and Guidelines. Additionally, sprinklers will be added to the structures for fire protection per Historic Building Code requirements.

Structural Stabilization

Structural Stabilization of the cottages will consist of minor pad alterations to control localized drainage patterns, framing or foundation modifications required to resist dead, seismic/wind, or their combined, loading. Scope may include replacement in-kind of those features and elements impractical or cost prohibitive to preserve due to overly decayed or non-functioning architectural elements and containing un-mitigable, hazardous material. All new features or structures will be hidden from view or designed in a compatible style to avoid adverse effects to historic structures. Structural stabilization may also include replacement or repair of existing landscape features such as

failing retaining walls, new walls to support localized (surficial) slope failures, and slope reconstruction to stabilize global/deep seated slides.

Pad Alterations - Some grade alterations to areas immediately adjacent to building foundations will be required to direct drainage away from these areas. An option to install "french" drains as an alternative to the grade alterations may be employed. All such work will be designed and completed in accordance with the Secretary of the Interior's Standards for Cultural Landscapes to avoid adverse effects to such contributing landscape features.

Framing Modifications - Significant structural systems including portions or complete systems such as foundation, floor, lateral bracing, and roofing will be retrofitted to support imposed seismic and existing/adapted dead loads (Figure 2.8). Additionally, framing components are decayed due primarily to years of termite infestation, and will be replaced on a case by case basis in like-kind, as required by the Secretary of the Interior's Standards.

Foundational supports consist of various concrete stem wall, pier, wood, and direct contact or a combination of these. These supports will be retrofitted by a combination of underpinning existing concrete foundations and the pouring of new ones. Access will be accomplished via crawl spaces, bracing and temporary cottage lifting, removing and replacement, and temporary removal and replacement of siding and or flooring. Existing foundations will be preserved according to their historical contributions to cottage historical integrity and will be evaluated on a case by case basis. An example would be floor posts that serve an aesthetic, but not structural function such as rocks directly in contact with earth. Such features would be kept intact with the goal of preserving those elements that contribute to the integrity of the structure/site.

Flooring support will include the addition of floor joists/beams and associated posts as necessary and should be designed so as to not adversely affect appearance or other elements of integrity.

Lateral bracing in the main could consist of new interior walls outside of the contributing cottage core, retrofitting of existing exterior walls which are non contributing, collar ties added to existing rafters that will appear distinctively different than existing historic ties (if they exist), and/or the addition of interior moment frames whose elements are distinctively different than existing historic interior framing members. These would be required in the main to provide lateral stiffness not present in the prevailing single wall type construction. Hold downs, and shear frames may also be added where they would not impact core elements and historic integrity. A seismic resistance of up to 75% of that required by the 1998 Uniform Building Code, or it necessary to provide alternatives that will not adversely affect historic integrity, the State Historic Building Code, will be pursued.

Roof system modifications could include adding rafters where existing spans are deficient, adding connections to plates (if they exist), and roof sheathing.

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Replacement of Architectural Elements

All treatments requiring replacement will involve the use of in-kind or like-kind replacement of cottage features that are degraded and must be replaced in order to preserve the cottage. . In the main this would include siding, rafter tails, and fascia. It would also include the addition of weather-related components such as drip edges and weather-stripping. Windows that are currently inoperable would be repaired and or restored at a minimum of one operable window per room.

Existing chimneys, if contributing features, will be restored or stabilized on a case by case basis. However, future use of these units is not planned due to the inherent fire threat they pose. This may require a locking device to keep patrons from inadvertently or intentionally attempting to make use of these elements.

Existing electrical systems will be abandoned in place. A minimum new 100 amp service panel and drops will be installed. Interior devices will be in the main surface run to avoid impacts to interior contributing features. Heaters will be forced air surface mount wall units.

Replacement of plumbing lines will be evaluated on a case by case basis in consideration of preservation of cottage fabric and condition.

Retaining Walls/Slope Reconstruction

Several of the existing retaining walls and other historic landscape structures or features which consist of rock (including dry stack), wood, brick, block, stacked cell, and pored in place concrete are failing and will need replacing in order to preserve the cottages. Wall stabilization might require building new replacement structures that (Figure 2.2 various sheets) will primarily be either poured in place, block, or soil nail type walls, all of which will be restored or reconstructed to best match the original wall finish and character.

New walls may be required to retain slopes exhibiting failure or sloughing. These walls would be of the soil nail type (Figure 2.11) and restored to a surface compatible with slope surfaces in that area of the Historic District.

Potential of a global slope failure (Figure 2.9) was identified at North Beach and extends from cottage #9 to cottage #36. A section of this slope slid in the recent past. The preferred correction method would be a combination of slope reconstruction that would require the removal of existing material and placement of an engineered type soil and placement of soil nail walls. Reconstruction would require the temporary removal and replacement of these cottages. The cottages would likely be stored within the existing North Beach parking area and their removal would take place in the summer months in order to avoid cottage exposure to winter storm activity and associated higher tides. During this process the cottage foundations could also be reconstructed. Slope reconstruction would be contoured so as best to replicate the pre-existing land form. However, some slope flattening would be required. In areas where flattening would conflict with cottage pads, a soil nail wall place partially up slope would be preferred.

Ex. 8
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Such walls would need to be disguised to make them compatible with the historic character of the District.

Other alternatives considered for mitigating this type of slope deficiency were a soil nailed wall and buttressing of the slope. Neither are preferred due to the visual invasiveness or topographic alteration that would result.

Floor Plan Modification

Cottage adaptation should consist of minimal modification of existing floor plans for all program uses but the single unit non-ADA type accommodation. The adaptation effort preserves contributing elements of the "core" or original cottage floor plan while modifying some elements that took place as part of non-historic alterations to the original structure (Figure 2.8, Sheets 1-4). Such modifications should be done only when changes are documented to be modern, non-contributing features. For example, Cottage #34, was formerly a Japanese school house. This cottage could be adapted to service as a multi-use/meeting facility for 20 to 30 (or fewer) people without altering contributing historic features.

New Structures

A new general use accessible public restroom is recommended to be constructed within the footprint of the existing garage structure located adjacent to cottage #5 (Figure 2.8, S-4). The garage was evaluated and determined to be non-contributing to the cottage fabric or to that of the Historic District. The new restroom will be the main public restroom within the Historic District. The exterior of the restroom will be designed to replicate the exterior (including roofing) of the garage unit it replaces. The location is ideal in that it is situated in close proximity to the representative entry/exit point of the Historic District.

A new accessible restroom will serve the Outdoor/Multi-use Commons and is proposed as an addition of the garage of cottage #1. It would require the removal of a non-contributing shed that is a recent addition. The restroom will primarily be used to serve public group activities held within the Outdoor/Multi-use Commons. Portable restroom units will be placed along the existing North Beach parking area during the summer months. The units could be modified to closely simulate the "beach tent structures" that were prevalent during the historic period of the Historic District. Additionally, a portable accessible key operated unit with running water may be placed within the existing asphalt parking space behind cottage #15 to serve the concessions operation.

Additionally, some cottages or other structures may be adapted to house new restrooms or other facilities for the overnight accommodations based on the ability to hide the new use, accessibility, and availability of utility connections. This need would be determined by how many cottages are used as rustic overnight rentals.

2.1.3 Utilities

Connections to municipal utilities are located adjacent to Pacific Coast Highway. A longitudinal utility easement may be required from Caltrans. Currently, gas and water

EX. 8
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connections to the Historic District exist within Caltrans operating right of way. The corridor lies within and adjacent to a section of Pacific Coast Highway fill slope that has been evaluated and is considered to be stable in both the lateral and vertical directions.

Fire fighting support appurtenances are included within the scope of utility improvements.

The utility corridor connecting to municipal services is routed longitudinally beneath the existing paved recreational trail which is offset approximately 13' from the Pacific Coast Highway edge of pavement, and is routed transversely on the existing Pacific Coast Highway fill slope (Figure 2.2 Sheet S-7).

Sewer

The municipal sewer line for the Historic District is located adjacent to Pacific Coast Highway. Sewage will be lifted from the Historic District to the municipal sewer gravity line via two pump stations. A 48" diameter manhole will be constructed to connect the force main from the Historic District to the municipal gravity line. The Orange County Sanitation District has issued a permit to discharge up to 13,800 gallons per day (gpd) to DPR. The Irvine Ranch Water District (IRWD) will oversee connection to the municipal system. Cumulative discharge will be monitored at the pump stations. The estimated maximum demand for the Historic District is less than the 13,800 gpd per the current agreement with IRWD.

Pump stations are located to independently serve the Hollow/ Bluff/North Beach (Station 1) and the South Beach (Station 2). The stations will have pump duplicity for purposes of maintenance and pump redundancy. They may be equipped with a backup diesel power unit to maintain operation in the event of power outage. Additionally, Station 1 will have overflow capacity via two 7' diameter above ground polyethylene storage tanks, which will be visually screened. Small pump units at low points (cottages 9, 13, 15, and 43) will be required to move sewage to the pump stations. Wet wells for the stations will be constructed of reinforced concrete and their interiors will be lined with a non-pervious reinforced membrane with high elastic properties. Geotechnical and archaeological investigations for the proposed sites have been performed to establish geology, resource constraints, and ground water elevations. Both are located out of the Los Trancos floodplain and the zone of wave uprush.

The sewer force mains will traverse Los Trancos Creek. The lines will be jacked or directionally drilled at least 48 inches below the depth of creek bed scour.

There are special considerations for sewer at the North Beach cottages. Only 6 of the 17 cottages in this sub planning area are positioned at an elevation where sewer can be gravity collected and pumped to a gravity system on the Bluff Top without threat of system exposure due to wave up rush. Options for protected placement of local pump equipment or identifying one of the 6 above mentioned cottages to serve as a centralized community shower, bathroom, and kitchen unit for the remaining North Beach cottages will be explored as an adaptive use.

Water

A new 8" minimum water line will be provided to serve water demands within the Historic District. This line will satisfy domestic and fire fighting needs. Additionally, a separate non-potable irrigation line may be placed and connected to the same at Pacific Coast Highway.

The water line could be secured to the existing auto bridge, but likely will be jacked below Los Trancos Creek at least 48" below the depth of bed scour. A non-potable line, if introduced in the Historic District, will be jacked below the creek bed as well.

Electrical

The Southern California Edison Company serves the Historic District with underground single phase power which, is distributed overhead to individual cottages. The current overhead configuration will have new wire strung as needed, while replaced lines will be de-activated and abandoned in place. New three-phase underservice will be routed in existing conduit to serve the pump stations. The existing pad mounted transformer in the Village/Hollow will be removed and replaced with a slightly larger three phase unit. A new line will be jacked below Los Trancos Creek at least 48" below the depth of creek bed scour to serve the pump station located at South Beach.

Gas

All existing gas lines have been abandoned in place. There are no plans to re-introduce natural gas within the Historic District

Fire Equipment

Fire fighting equipment including hydrants will be located at strategic locations with input from the state park historian, Newport Beach Fire Department and as directed by the State Fire Marshall. Such features will be placed/designed to minimize adverse effects to the historic district setting while providing access to fire personnel. Additionally, sprinklers will be added to the structures per Historic Building Code requirements.

2.1.4 Los Trancos Parking, Visitor Orientation, and Park Office

As previously discussed, the Los Trancos area will serve as a support area to the Historic District while physically and visually separated from it. No new facilities will be constructed outside of the existing developed footprint of the parking lot, park office, restroom, and trail system. The existing park office trailer will be left on site until funding for a permanent building can be developed. As the programs at the Historic District are implemented, the need for a new visitor center/park office will be evaluated. If necessary, such a center would be constructed within the footprint of the existing parking lot and may require further environmental documentation depending on the scope and scale of the proposal. Other work within the Los Trancos area would include

restriping and signs for the proposed shuttle pick up and for staff and overnight visitor parking and possible security fencing.

Overnight guests will be encouraged to check in during daylight hours and State Park operations personnel will greet the majority of these guests at the Los Trancos kiosk. Vehicles of overnight guests (other than ADA) will receive a dated window pass and park in a section of the Los Trancos parking lot. A four-pin combination lock will be installed to allow overnight guests the ability to leave for the evening and return after the day-use parking lot is closed.

2.2 Construction Management

The most effective and appropriate combination of resource avoidance and monitoring will be employed by State Parks during all phases of project construction and cottage adaptation. Construction timeframe windows will be placed on the project to prevent disturbance of nesting birds.

Best Management Practices (BMPs) will be used to protect the resources on site and nearby for all phases of work activity. Environmentally Sensitive Areas will be fenced and/or avoided.

Sediment control during construction will be implemented through a variety of erosion control features or construction BMPs identified as part of the comprehensive *Stormwater Pollution Prevention Plan* which will prevent or minimize the potential of sediment leaving the project site. The major principles that will be incorporated into the erosion control and grading plans include: 1) minimizing the extent of the disturbed area and duration of exposure, 2) stabilizing and protecting the disturbed area as soon as possible, 3) keeping runoff velocities low, 4) protecting disturbed areas from contact with runoff, and 5) retaining sediment within the construction area. The construction BMPs that will be applied to the project may include: 1) temporary desilting basins, 2) silt fences, 3) gravel bag barriers, 4) temporary soil stabilization through mattress or mulching, 5) temporary drainage inlet protection, and 6) diversion dikes and interceptor swales 7) containment of removed lead paint or other hazardous substances per State statutes and protocols.

The Stormwater and pollutants will be contained on site and/or evacuated offsite to an appropriate, approved facility. No pollutants or sediment will be allowed to enter Los Trancos Creek or the ocean. Disposal of potential pollutants will be conducted according to accepted protocols. Due to the sensitive nature of surrounding land uses and natural and cultural resources, all work will be coordinated to reduce impacts whenever possible.

In order to eliminate public safety and fire hazards, State Parks proposes to block off rehabilitation sites, construction areas, unsafe/unrepaired stairways, tripping hazards, or overhead obstacles; and prune vegetation to keep fire hazards reduced. Closures will be temporary and State Parks will endeavor to keep as much of the Historic District open to public as possible during the implementation of the *PPUP*. The first phase of construction and implementation of the priorities identified in Section 2.1 should be complete and open to the public in mid 2004. However, the treatment plan for all the

Ex. 8
15/16

cottages will be implemented as funding is approved and may take up to ten years to fully complete.

Additionally, the final site plans must be approved by a qualified state historian, state resource ecologist and state archaeologist prior to implementation.

Construction staging areas will be located in existing or proposed parking areas. Also, work on the realigned bike path will be staged to keep the path usable during construction.

EX. 8
16/16

CRYSTAL COVE STATE PARK

HISTORIC DISTRICT: FIRST PHASE IMPROVEMENT

CALIFORNIA
COASTAL COMMISSION

MAY 22 2003

RECEIVED
South Coast Region



APPLICABLE CODES: 2000 CALIFORNIA BUILDING CODE, 2000 CALIFORNIA FIRE CODE, 2000 CALIFORNIA ELECTRICAL CODE, 2000 CALIFORNIA MECHANICAL CODE, 2000 CALIFORNIA PLUMBING CODE

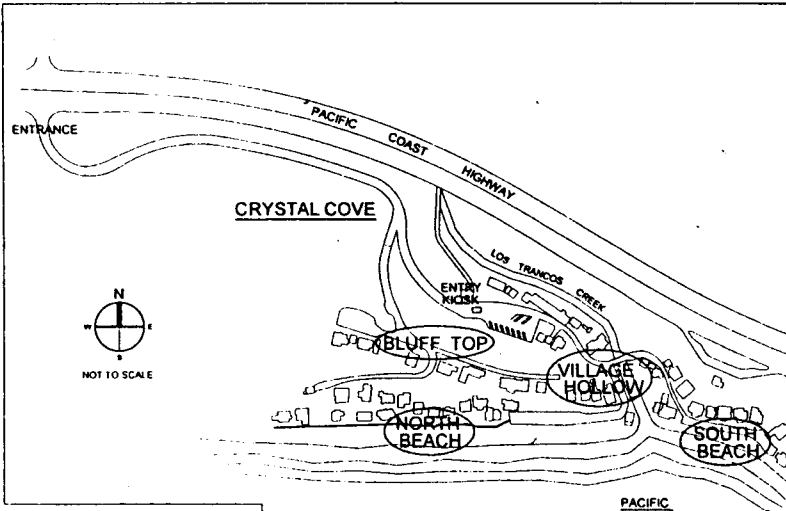
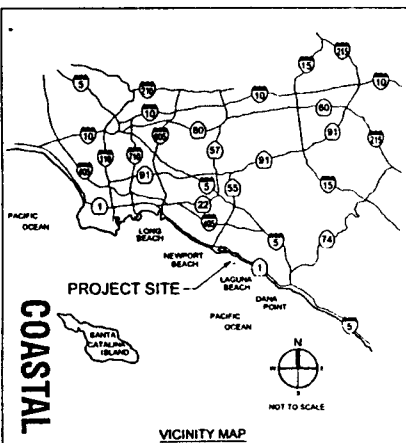
TYPE OF CONSTRUCTION: TYPE V - MR

OCCUPANCY GROUP: EXISTING-GROUP S-1 (STORAGE 1200 SF), EXTENSION GROUP S-1 (STORAGE 800 SF)

TOTAL BUILDING AREA: 1800 SF (EXISTING + PROPOSED)

TOTAL ALLOWABLE AREA FOR TYPE V-MR BUILDINGS: 8000 SF

FIRE MARSHAL NOTES



ORANGE COAST DISTRICT
(NORTH SECTOR)
8471 PACIFIC COAST HIGHWAY
LAGUNA BEACH, CALIFORNIA
92651
(949) 494-3539

PARK DISTRICT

CRYSTAL COVE HISTORIC DISTRICT AREAS

SHEET GROUPINGS

TS1
TS2
TS3
SP1
GH1
C1
C2
A1
A2
A3
A4
S1
S2

GROUP DESCRIPTIONS

MAPS, NOTES & SHEET GROUPINGS
MASTER SHEET INDEX
MASTER SHEET INDEX CONT.
SITE PLAN
GENERAL NOTES
SITE IMPROVEMENT PLANS
SITE IMPROVEMENT DETAILS
SCHEDULES: DOOR & WINDOWS
FLOOR PLANS
EXTERIOR ELEVATIONS
SECTION, DETAILS & INT. ELEVATIONS
STRUCTURAL FLOOR & ROOF PLANS
STRUCTURAL DETAILS

SHEET GROUP INDEX



APPROVALS



SOUTHERN
SERVICE CENTER
8885 RD SAN DIEGO
DRIVE, SUITE 270
SAN DIEGO, CA
92108

DATE
1-19-03
DESIGNED
VCS
DRAWN
HBT
CHECKED
JMS

REVISIONS
DATE

NO.	DATE
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

CRYSTAL COVE STATE PARK
HISTORIC DISTRICT:
FIRST PHASE IMPROVEMENTS
TITLE SHEET



DRAWING NO.
925-594-35

SHEET NO.

TS-1

X of XX

EX. 9
2/16

SYMBOL LEGEND:



HATCHED COTTAGES (WITH HISTORIC COTTAGE NUMBERING) INDICATE COTTAGES TO RECEIVE FIRST PHASE IMPROVEMENTS
NOTE: ALTERATION OF EXISTING COTTAGES FOOTPRINT, ROOF OR FINISHED FLOOR ELEVATIONS ARE NOT PROPOSED



NON-HATCHED COTTAGES (WITH HISTORIC COTTAGE NUMBERING) INDICATE COTTAGES TO BE PROTECTED IN PLACE



CONTRACTOR ROAD ACCESS APPROVED (SEE PLANS FOR ROAD IMPROVEMENTS)



CONTRACTOR ROAD ACCESS DENIED-EXCEPT DURING SITE ROAD IMPROVEMENTS (SEE PLANS FOR ROAD IMPROVEMENTS)



EXISTING CONCRETE CHANNELLED STREAM



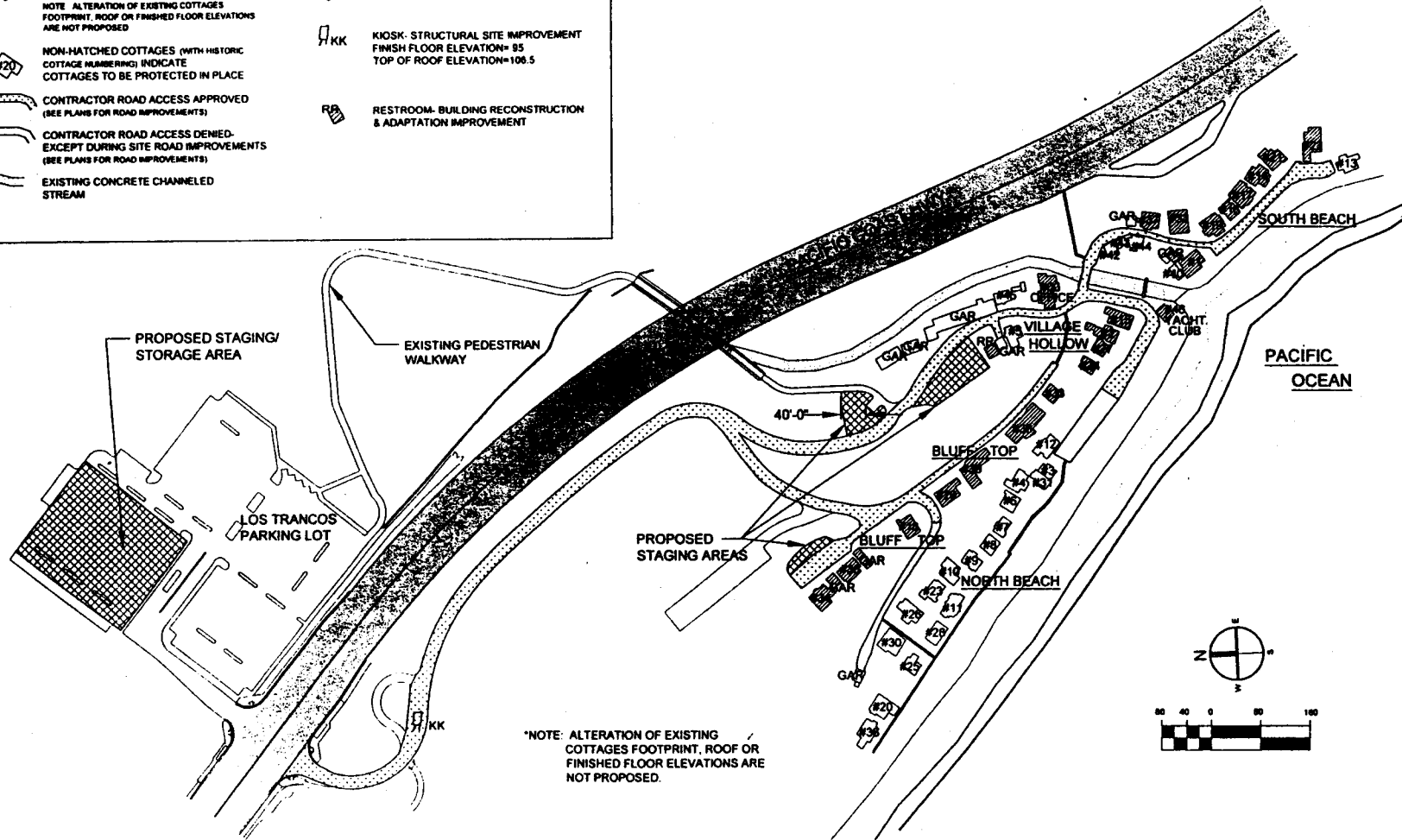
PROPOSED STAGING/STORAGE AREAS



KIOSK- STRUCTURAL SITE IMPROVEMENT
FINISH FLOOR ELEVATION= 85
TOP OF ROOF ELEVATION= 108.5



RESTROOM- BUILDING RECONSTRUCTION & ADAPTATION IMPROVEMENT



SITE PLAN

FIRST PHASE IMPROVEMENTS

22x34SHT- SCALE: 1"=80'-0"

11X17SHT- SCALE: 1"=160'-0"



SOUTHERN SERVICE CENTER
1885 HWY 94 SAN DIEGO
CALIF. 92108

DATE: 1-18-83
DESIGNED BY: VCO
DRAWN BY: JMT
CHECKED BY: JMT

REVISIONS	
NO.	DATE

CRYSTAL COVE STATE PARK
HISTORIC DISTRICT
FIRST PHASE IMPROVEMENTS
SITE PLAN

DRAWING NO.
025-594-35

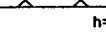
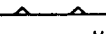
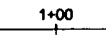
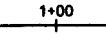

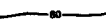
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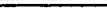


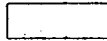
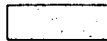

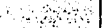

SP-1

X OF XX

SITE WORK LEGEND








SITE WORK

-  RETAINING WALL (Replace)
h= EXPOSED HEIGHT
 RETAINING WALL (New)
H= EXPOSED HEIGHT
 EXISTING (RE-SURFACED) OR
WIDENED ALIGNMENT (NEW SURFACE)
 NEW ALIGNMENT
 ORIGINAL GROUND CONTOUR
 FINISHED GRADING (F.G.) CONTOUR







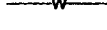
-  CURB OR DIKE
 DRAINAGE INLET/CATCH BASIN WITH FILTER
 SD STORM DRAIN
 HARDENED PERMEABLE SURFACE
 SOIL CEMENT SURFACE WITH WOOD BORDER
 BARK ALL WEATHER SURFACE
 GRAVEL SURFACE
 ASPHALT SURFACE

UTILITIES LEGENDS





SEWER

-  LIFT STATION
 PLUG VALVE, 8"
 MANHOLE
 CLEANOUT
 FM FORCE MAIN
2"-6"
 S GRAVITY SEWER
6" (Unless otherwise noted)
 L GRAVITY LATERAL, 4"

WATER

-  VALVE BOX
 FIRE HYDRANT
 VALVE AND VALVE BOX
6" (Unless otherwise noted)
 DBL CHECK BACKFLOW ASSEMBLY
(6") IN CONCRETE BOX
 AIR AND VACUUM RELIEF VALVE
(IRWD STANDARD)
 HOUSE CONNECTION
3/4" (Unless otherwise noted)
 W WATER MAIN
8" (Unless otherwise noted)

ELECTRICAL

-  EXISTING TRANSFORMER
 NEW TRANSFORMER
 EXISTING UNDERGROUND ELECTRIC
 E NEW UNDERGROUND ELECTRIC

SITE IMPROVEMENT LEGEND



SOUTHERN
SERVICE CENTER
1000 RIV. SAN DIEGO
CALIF. STATE 270
SAN DIEGO, CA
92101

DATE
6/25/00
DESIGNED
WCD
DRAWN
MT, CS, DB
CHECKED
DB

REVISIONS	
NO.	DATE

CRYSTAL COVE STATE PARK
HISTORIC DISTRICT
FIRST PHASE IMPROVEMENTS
SITE IMPROVEMENTS: LEGEND

DRAWING NO.
925-584-35

SHEET NO.
C1-2

X = X

4/11/00
EX. 9

The plan shows a site bounded by Pacific Coast Highway to the north and an 'APPROX LIMIT CALTRANS RW' to the east. The site contains several buildings labeled R #1 through R #40, with their respective finished floor (FF) elevations. Key features include a 'DECK' and 'SSHACK' near the top, 'ADA PARKING' at the bottom, and various site lines (R1, R14, R17, R19, R21, R22, R32, R37) with heights. Matchlines C1-4 and C1-9 are indicated. A north arrow and a scale bar (1"=15') are provided.

SITE IMPROVEMENT PLAN

22x34SHT - SCALE: 1"=15'

11x17SHT - SCALE: 1"=30'





DATE
87-75-63
DESIGNATED
VCD
DRAINING
HT. CS. BE
CHECKED
RNR

[illegible]

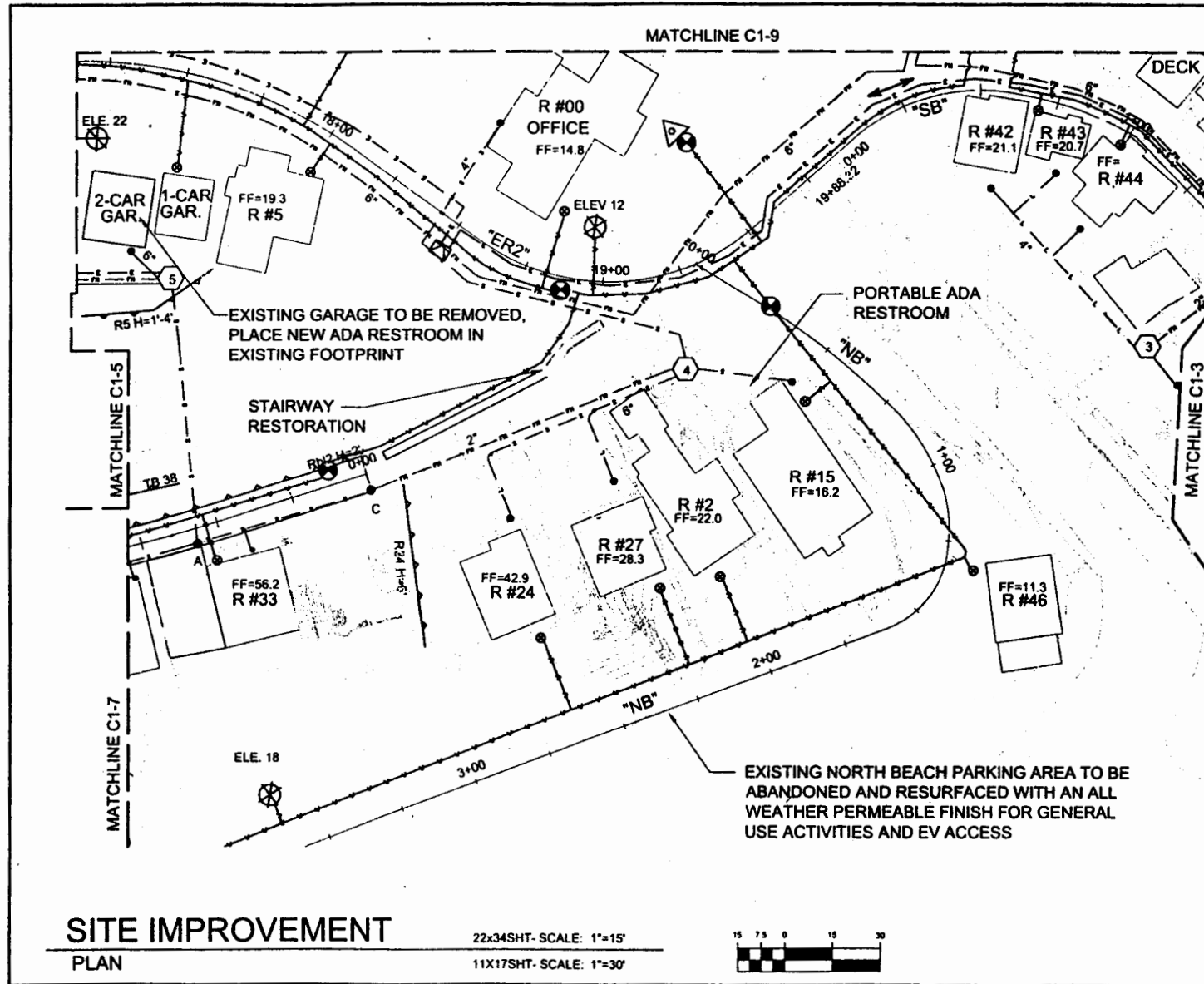
**CRYSTAL COVE STATE PARK
HISTORIC DISTRICT:
FIRST PHASE IMPROVEMENTS
SITE IMPROVEMENTS: PLAN**

925-594-35

SHEET NO

C1-4.

$X \approx X$



SITE IMPROVEMENT PLAN

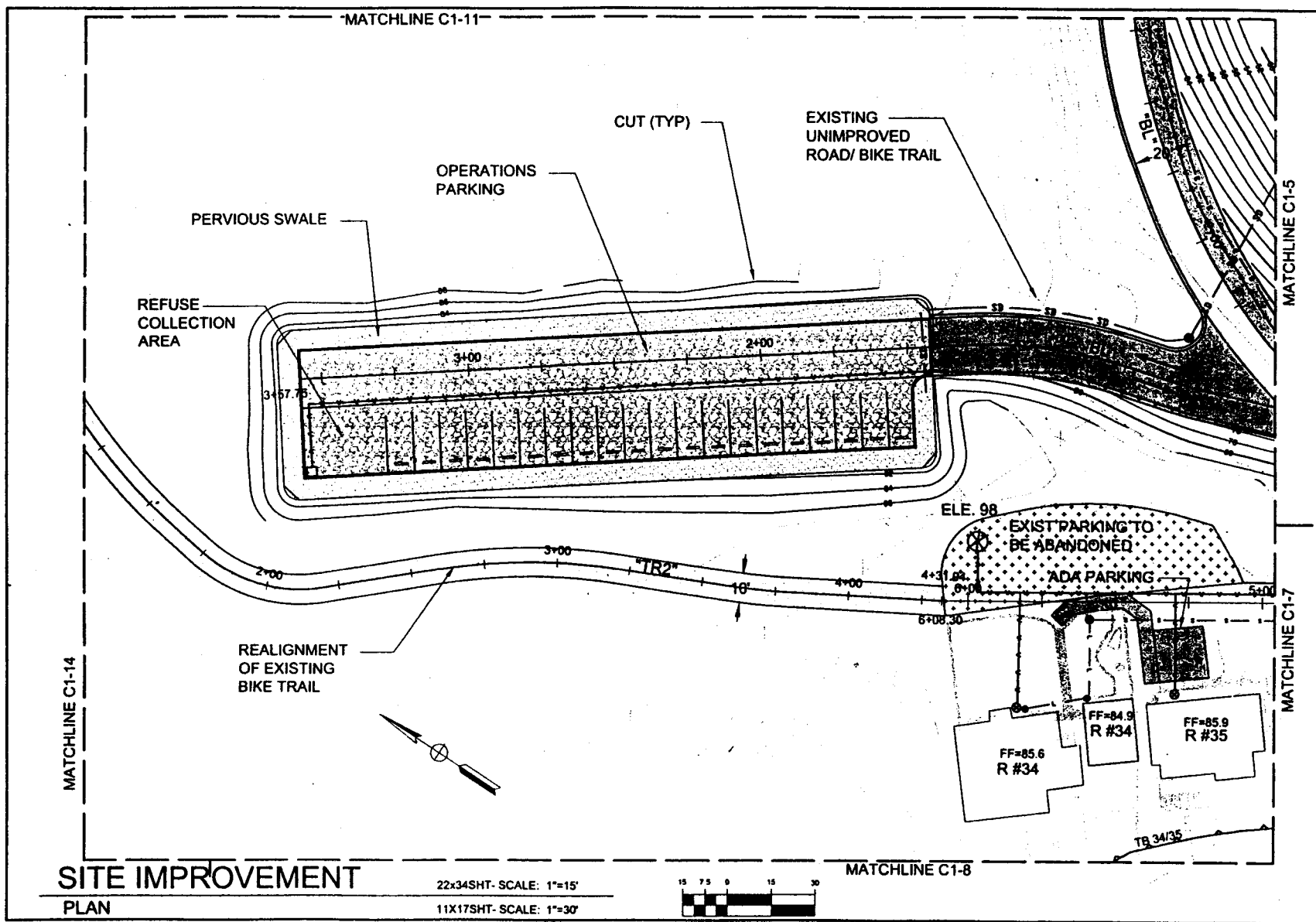
22x34SHT- SCALE: 1"=15'

11X17SHT. SCALE: 1"=30'





EX 9
8/16



**SITE IMPROVEMENT
PLAN**

22x34SHT- SCALE: 1"=15'
11x17SHT- SCALE: 1"=30'



SOUTHERN SERVICE CENTER
2000 WEST SAN DIEGO
DRIVE, SUITE 270
SAN DIEGO, CA
92108

DATE	02-24-05
DESIGNED	VED
DRAWN	VED
CHKD	MT, CS, NE
CHECKED	NE

REVISIONS	
NO	DATE

CRYSTAL COVE STATE PARK
HISTORIC DISTRICT
FIRST PHASE IMPROVEMENTS
SITE IMPROVEMENTS: PLAN

DRAWING NO
925-594-35

SHEET NO

C1-6

X = X



Ex. 9
9/16



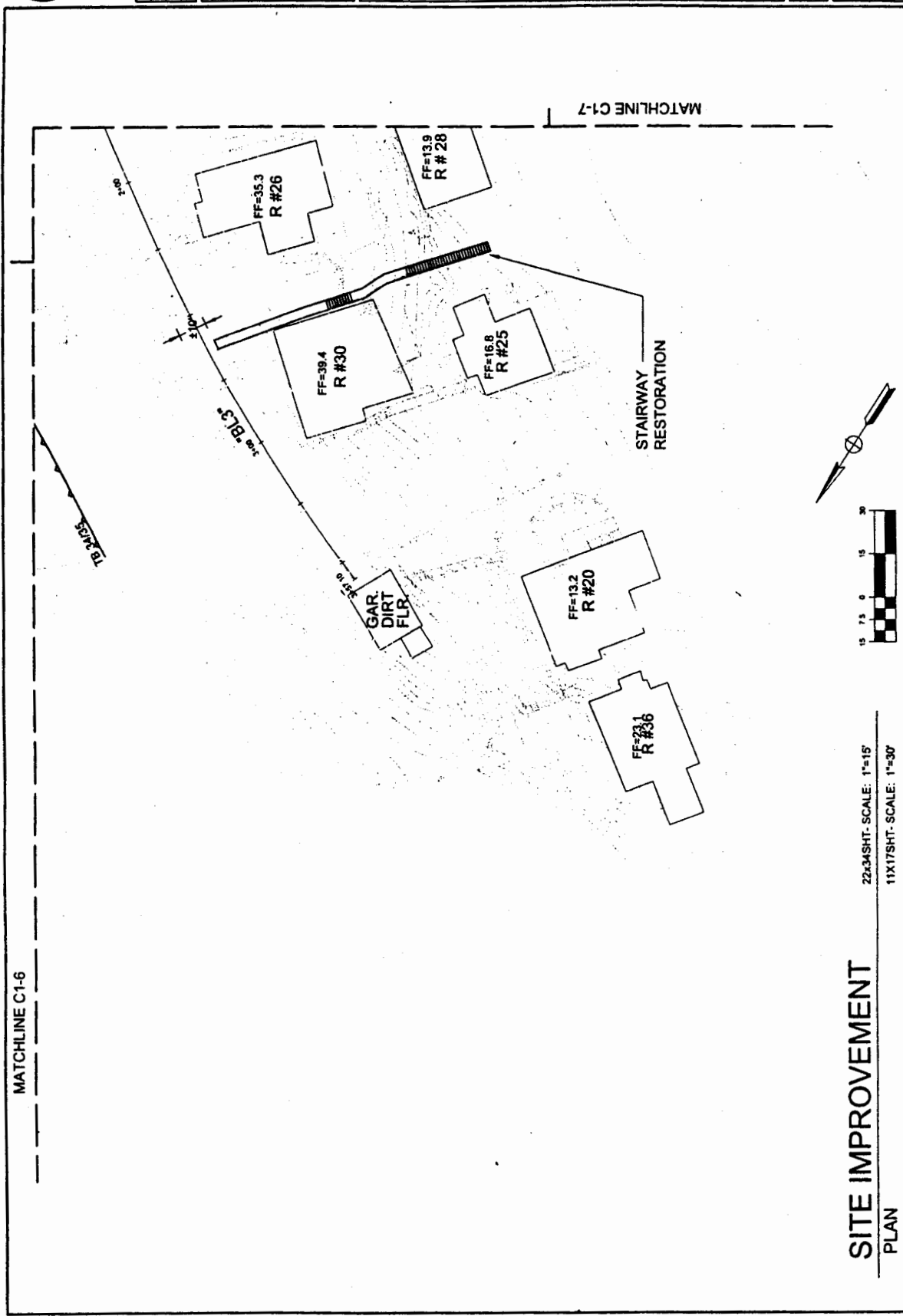
DATE	08-29-00
DEBORGIO	VCD
BRUNING	MT. CB. BR
CHICATO	

[illegible]

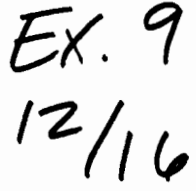
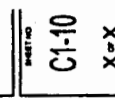
CRYSTAL COVE STATE PARK
HISTORIC DISTRICT:
FIRST PHASE IMPROVEMENTS
SITE IMPROVEMENTS: PLAN

925-594-35
Our Promise

SECRET NO
C1-8
X-1



EX. 9
10/16





X = X

DATE
07-25-88
DESIGNED
VCD
DRAWN
HT. C.S. 88
CHECKED
RM

[illegible]

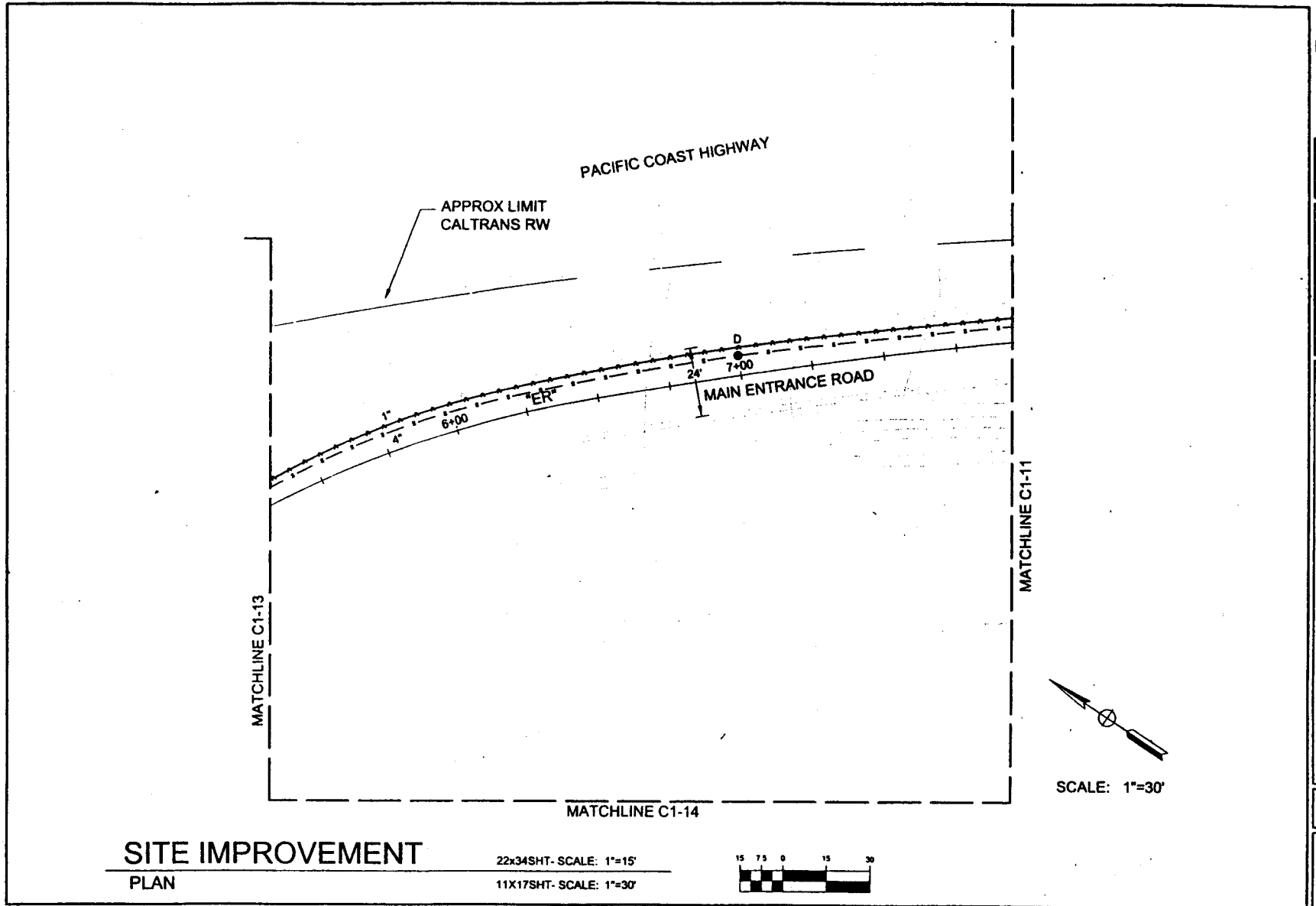
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HISTORIC DISTRICT:
FIRST PHASE IMPROVEMENTS
SITE IMPROVEMENTS: PLAN**

DRAWING NO
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SHEET NO

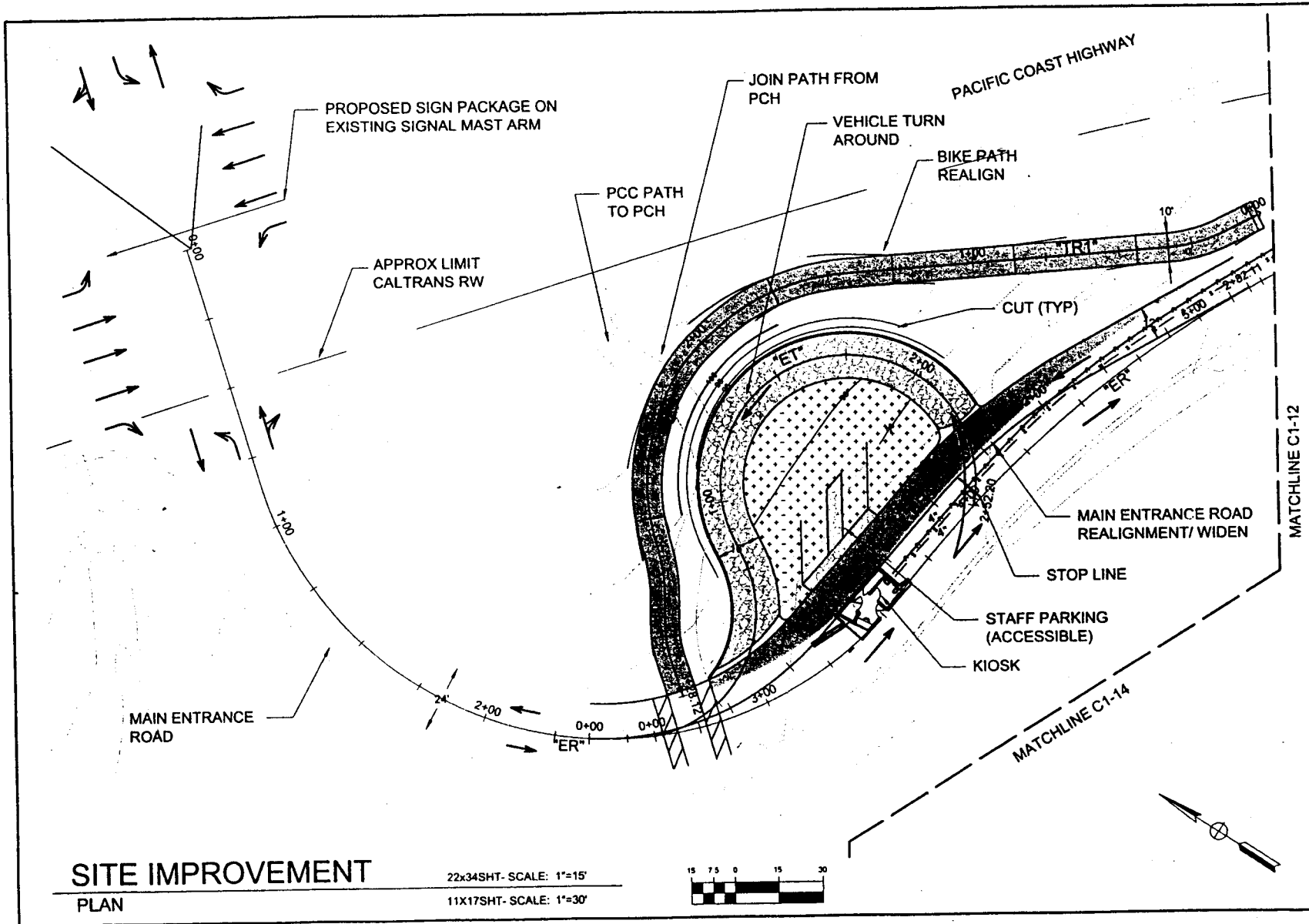
C1-12

$X \approx X$



Ex. 9
14/16

EX. 9
15/116



**SITE IMPROVEMENT
PLAN**

22x34SHT - SCALE: 1"=15'
11x17SHT - SCALE: 1"=30'



**SOUTHERN
SERVICE CENTER**
8800 MID SAN DIEGO
DRIVE, SUITE 275
SAN DIEGO, CA
92108

DATE	10/20/88
DESIGNED	WCO
DRAWN	MT CS BS
CHECKED	BS

REVISIONS	
NO	DATE

CRYSTAL COVE STATE PARK
HISTORIC DISTRICT
FIRST PHASE IMPROVEMENTS
SITE IMPROVEMENTS: PLAN

DRAWING NO
825-584-35

SHEET NO

C1-13

X-X



SOUTHERN
SERVICE CENTER
1000 W. 10TH STREET
SANTA ANA, CA 92701-5000
TEL: 949/433-8000
FAX: 949/433-8001

DATE	10/15/15
BY	WJL
CHECKED	WJL
DATE	10/15/15
BY	WJL
CHECKED	WJL

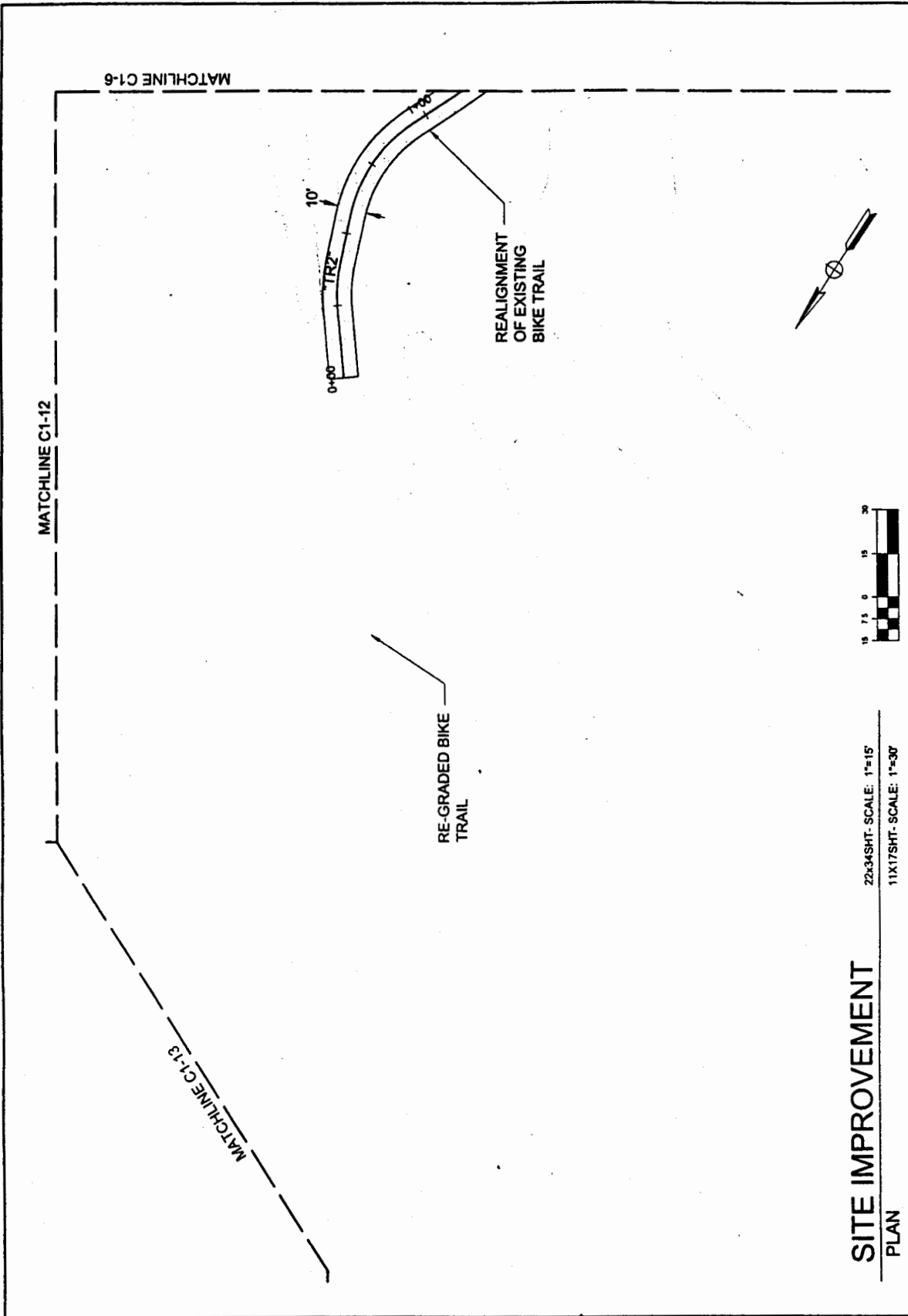
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CRYSTAL COVE STATE PARK
HISTORIC DISTRICT
FIRST PHASE IMPROVEMENTS
SITE IMPROVEMENTS: PLAN

DRAWING NO.
822-500-35

SCALE
C1-14

X= X



SITE IMPROVEMENT
PLAN

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Crystal Cove Historic District Preservation and Public Use Plan
Government agencies contacted during PPUP planning process

The following is a summary of government agency contacts that were a part of the Crystal Cove Historic District Preservation and Public Use Plan (PPUP) process as well as preparation of the First Phase Implementation project.

Government agency contacts during preparation of the PPUP & the First Phase Implementation project

City of Newport Beach, Planning Department

County of Orange

Irvine Ranch Water District

Newport Beach Fire Department

Newport Beach Police Department

Orange County Sanitation District

Regional Water Quality Control Board, Region 8 (Santa Ana)

U.S. Fish and Wildlife Service

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Although the agencies identified above were contacted during the PPUP planning process, consultation and involvement by other government agencies or representatives during the PPUP process was limited. This was due in part to the politically volatile and controversial circumstances with which the PPUP process began. Many agencies kept their distance to avoid becoming involved in the complexities of the PPUP planning issues. Local governments such as the City of Laguna Beach and the City of Newport Beach were placed on the PPUP mailing list and sent notices and newsletters. Orange Coast District staff had regular contact with local agency representatives and provided brief planning updates but there were no requests for specific PPUP briefings or involvement. The following is a summary of consultations or discussions with agency representatives:

1. **City of Newport Beach, Planning Department:** planning staff discussions concerning how the City's annexation of Newport Coast areas would affect provision of utility services to the CCHD.
2. **Irvine Ranch Water District and Orange County Sanitation District:** planning staff discussions concerning how municipal water and sewer service will be provided for CCHD.
3. **Newport Beach Fire Department:** planning discussions with NBFD staff on fire protection strategies and infrastructure in the CCHD.
4. **Newport Beach Police Department:** agency coordination concerning law enforcement response, mutual aid, and State Park access/location familiarization.
5. **Regional Water Quality Control Board, Region 8 (Santa Ana):** Discussions about the CCHD and all other development in Crystal Cove State Park regarding water quality issues and compliance with the Clean Water Act. Park wide cease and desist order was issue in regard to water quality problems. Mitigation measures responding to the order will be incorporated into the rehabilitation of CCHD, including First Phase Implementation actions.
6. **U.S. Fish and Wildlife Service and Department of Fish & Game:** consultation regarding project proposals in the CCHD and in the northern coastal terrace NCCP habitat area.

PPUP CEQA distribution

California Coastal Commission

California Coastal Conservancy

California Department of Fish and Game, Region 5

California Department of Water Resources

California Highway Patrol

Caltrans, District 12

County of Orange, Planning and Development Services Department

Native American Heritage Commission

Office of Historic Preservation

Regional Water Quality Control Board, Region 8 (Santa Ana)

Resources Agency

State Lands Commission

Southern California Association of Governments (SCAG)

Agencies that are highlighted in **boldface** submitted written comments during the PPUP CEQA period. The draft EIR was prepared for both the PPUP and the Crystal Cove Historic District First Phase Implementation project. Those comments and the Department's responses are included in the PPUP Final Environmental Report (SCH #2002021112, February 2003).

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Crystal Cove Historic District
Preservation and Public Use Plan
Staff Directed Changes

2-14-03.

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Based on public and staff review of the Preliminary Preservation and Public Use Plan (PPUP) and Draft Environmental Impact Report (DEIR), the following text clarifications are recommended. These changes are being submitted to the State Park and Recreation Commission for their consideration and support to be part of the PPUP policies and guidelines. The following are recommended text clarifications/changes (highlighted in boldface) to the Preservation and Public Use Plan (PPUP), reference is made to CEQA comment identification number as applicable:

1. Comment #29

In consideration of concerns about the quantity of Operations Program cottages, the following clarification is proposed:

Park Operations Program (p. 107)

The following additional fourth paragraph will be added to the general description of the Operations Program: **"If determinations are made by the Department that it can perform its responsibilities and effectively manage the Historic District with fewer cottages than recommended in the PPUP, any available surplus cottages should be redesignated for visitor-serving use in the Overnight Accommodations Program or the Park Interpretation and Education Program"**.

2. Comment #30

PPUP clarification: Park Interpretation and Education Program, (p. 118-120)

A description of the Underwater Park interpretation description (as paragraph four) will be added to the program description on page 120: **"Crystal Cove's**

underwater park is an important feature of the coastline and has special interpretive and educational potential for visitors. An Underwater Park Education Center at the Historic District can realize this unique potential.

This proposed facility would involve many aspects including exhibit displays as well as a unique underwater video internet broadcast program. Interim Crystal Cove visitor use locates underwater park programs in 'The Store' which is proposed to be the Exhibit Facility. Further program research and development is needed to define future facility needs. It is anticipated that the Underwater Park Education Center should continue to be combined with another interpretive facility such as the Exhibit Facility and/or Visitor Orientation Center."

3. Comment #30

PPUP clarification: Park Interpretation and Education Program, (p. 118-120)

The following guidelines will be added to the Outdoor Commons Facility for consistency with cottage use designations in Chart H and Map 5 **"Adjacent**

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cottage(s) may serve as support facilities for Outdoor Commons activities and events. This could include (but is not limited to) storage for educational equipment, audio-visual equipment, public address systems, etc.; simple food preparation or serving areas; or temporary offices/accommodations for program/event/research preparation."

4. Comment #30
Item 2c of Chart H, Matrix of Proposed Adaptive Uses will be revised to read **"Outdoor commons area & support/ flexible office facilities"** description for consistency with Chart 2 (Guidelines to for Interpretation and Education Program).
5. Comment #30
The Flexible Office Facility in the estimated cottage quantity for the Interpretation and Education Program will be clarified for consistency with Chart H, **change estimated quantity from 1 to 3.**
6. Comment #30
The following adaptive building use clarifications will be made:
Cottage #34 will be changed from Park Operations to Interpretation and Education use on Map 5, Historic District Adaptive Building Uses.

Clarify adaptive use discrepancy for cottage #34 on Map 5. On Map 5, change designation from State Park Operations Program (green) to State Park Interpretation and CARE Program (orange) for consistency with the designation on Map 6, Chart H: Matrix of Proposed Adaptive Uses, and Classroom Facility discussion on pages 124 and 125.

Also clarify the adaptive use discrepancy for cottage #35 on Map 5. On map 5, change the designation State Park Operations Program (green) to Overnight Accommodations (pink) for consistency with the designation on Map 6, Chart H: Matrix of Proposed Adaptive Uses, and response to comment #53.
7. Comment #30
The following adaptive building use clarification will be made:
The archives may be also located at Cottage # 5, away from the creek and potential flooding.
8. Comment #47
The following adaptive building use clarification will be made:
The garage at Cottage #5 will be retrofitted as a public restroom. At full implementation, visitors would have both the cottage #5 garage-restroom and the Los Trancos restroom to serve their needs upon arrival or departure. For beach visitors there are other proposed restroom facilities also.

Crystal Cove SP -HD proposed First Phase Use Adaptations/Rehabilitations
Living Space Configurations
5/15/2003

Cottage #	Location	Occupancy		Use	Living Room	Bedrooms	**Family Room	*Enclosed Outdoor	Dinning	Garage	Kitchen	Bathroom
		Low	***Max									
00	Village Hollow	0	0	Visitor Services	1	4	1	0	1	N	1	2
1	South Beach	4	10	ADA OVN	1	3	0	0	0	Y	1	1
2	Bluff Top	4	10	OVN	1	1	0	0	1	Y	1	1
14	South Beach	NA	NA	****Staff	1	2	1	0	0	Y	1	2
15	Village Hollow	0	0	Café	1	1	1	0	0	N	1	1
16	South Beach	4	10	OVN	1	2	0	0	1	N	1	1
17	South Beach	0	0	****Staff	1	2	0	1	1	N	1	1
18	Bluff Top	4	10	ADA OVN	1	1	1	0	0	N	1	1
19	South Beach	4	10	OVN	1	2	0	0	0	N	1	1
21	South Beach	NA	NA	****Staff	1	2	1	0	1	N	1	1
22	South Beach	NA	NA	Lifeguard/Office								
24	Bluff Top	4	10	OVN	1	1	0	0	0	N	1	1
27	Bluff Top	4	10	OVN	1	1	0	0	0	N	1	1
29	Bluff Top	10	10	DORM								
32	South Beach	4	10	OVN	1	2	0	1	1	N	1	1
33	Bluff Top	4	10	OVN	1	1	1	0	1	N	1	1
34	Bluff Top	NA	NA	Cultural Center	1	2	0	0	0	N	1	1
34S	Bluff Top	NA	NA	Cultural Center	0	1	0	0	0	N	1	1
35	Bluff Top	NA	NA	OVN Check In	1	1	0	0	1	N	1	1
35S	Bluff Top	NA	NA	Mgr. Res	0	1	0	0	0	Y	1	1
37	South Beach	4	10	OVN	1	2	0	9	1	Y	1	1
38	Bluff Top	20	20	DORM								
39	Bluff Top	10	10	DORM								
46	Village Hollow	NA	NA	Museum								

Total Overnight 80 140

Note: Funded cottage improvements consist of complete repair, restoration, and adaptation required to support intended use.

* FYI Airy accommodations but possible use as a separate bedroom.

** Possible use as a separate sleeping area if needed

*** Max cottage occupancy allowed by State Fire Marshall

****Use governed by emergency response access limitations

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COASTAL COMMISSION

PRELIMINARY FISCAL/OPERATIONS PLAN FOR CRYSTAL COVE HISTORIC DISTRICT

Prepared for

California Department of Parks and Recreation

COASTAL COMMISSION

EXHIBIT # 13
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Prepared by:
Williams-Kuebelbeck & Associates, Inc.

PRELIMINARY FISCAL/OPERATIONS PLAN FOR CRYSTAL COVE HISTORIC DISTRICT

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INTRODUCTION

The Crystal Cove Historic District is a 12.3 acre parcel with beach cottages that lie along the Orange County Coast between Corona del Mar and Laguna Beach, and is a portion of Crystal Cove State Park. Over the years, this popular vacation spot evolved into an enclave of beach cottages which typify a California beach community of the 1930's and 1940's. The district was listed on the National Register of Historic Places on June 15, 1979. A National Register District by definition possesses a significant concentration of buildings or structures united historically or aesthetically by plan or physical development.

It is the goal of the Department of Parks and Recreation to realize enough economic benefit from the Crystal Cove Historic District to operate the facility and make some contribution to the capital costs, but at the same time, keep the user costs to the public as affordable as possible. The renovation of the cottages will be undertaken in phases.

ENGAGEMENT BACKGROUND

Williams Kuebelbeck and Associates has been retained by the California Department of Parks and Recreation to prepare a preliminary fiscal and operations analysis for the Crystal Cove Historic District Historic Park. The purpose of this report is to assist in determining the long-term feasibility and fiscal implications of operating overnight accommodations at Crystal Cove, in accordance with the goals and objectives established by the DPR.

SCOPE OF WORK

The specific Scope of Work for this assignment is outlined below.

- Task 1: Meet with the Client to refine goals, obtain background information and obtain client input on the principal alternatives which should be evaluated. During this meeting the DPR provided the Consultant with parameters and direction regarding the overall goals and objectives of the Master Plan.
- Task 2: Inspect the site and consider its advantages and disadvantages.
- Task 3: Survey selected competitors in the area.
- Task 4: Interview selected persons with knowledge of the regional and local market including facility operators and local visitor bureaus.
- Task 5: Review industry statistics relating to overnight accommodation operations of various types.
- Task 6: Estimate a range of affordable room rates and occupancy rates for the accommodations.

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- Task 7: Prepare a proforma financial analysis of the proposed accommodations proposed for Phase I, utilizing all of the above inputs.
- Task 8: Estimate the impact of alternative room rate structures.
- Task 9: Prepare a Draft Report.
- Task 10: Based on comments from the Client, and consistent with the parameters and direction provided by the DPR in the kick-off meeting, Consultant will prepare the Final Feasibility Report.

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Section 1: MARKET OVERVIEW

This section of the report presents a market overview for overnight accommodations in the market area. The concept proposed for Crystal Cove Historic District (CCHD) is unique for several reasons:

- The location directly on the beach in an undeveloped natural park is unduplicated on the California Coast.
- It is a historic district
- There are only a limited number of units in phase I
- The units will be a mix of large cottages and dorm-type accommodations
- The rate for the accommodations will be set at an "affordable" rate.
- The accommodations will be located within a State Park
- The nature and location of the site will limit the amount of general tourist traffic to support food service and retail on the site.
- The maintenance of the surrounding property will be provided by Department of Parks and Recreation.

For these and other reasons, there are no directly comparable resort accommodations in the State. However, it is still useful to review the experience of various types of lodging in the market area in order to better understand the potential for Crystal Cove accommodations. For this reason this report reviews the characteristics of resort accommodations in three categories;

- Lodging in other California State Parks
- Hostels Near the Coast
- Resort Hotels in the Local Market.

LODGING IN STATE PARKS

Table 1 summarizes the characteristics of the three lodging operations in California State Parks, and also for comparison shows two Parks with cabins. The Big Sur Lodge is perhaps the most similar to the proposed CCHD in that it contains 61 units and is in a park, but does not have water views. The financial information for this operation is integrated into summary information which includes the operation of a store, gift shop and ice cream stand, so the data is directly applicable to Crystal Cove. However, it is interesting to note that the room rates at Big Sur range from \$99 to \$229 depending on the units size and the season.

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Table 1
CHARACTERISTICS OF SELECTED LODGING
IN CALIFORNIA STATE PARKS

Location	Type	Number Rooms/Units	Rate	Annual Occupancy	Amenities
Big Sur Lodge	Lodge	61	\$99-229	na	Pool, sauna, some fireplaces Restaurant, grocery, laundry nearby
Marconi Center	Lodge	40	175-372	78% (1)	Higher prices include meeting space and meals
Asilomar	Lodge	317	114-165	85% (2)	Pool, some fireplaces, breakfast included
Mt. Tamalpais	Cabins	10	\$ 27.00	na	Bed platform, no mattress no running water
Big Basin Redwoods	Tent Cabin	35	\$ 49.00		2 double size platform beds shower, laundry nearby

(1) In 2002. Dropped to 60% in current year, ending June 2003.

(2) Only 20% of room revenues come from tourists.

na means not available.

Source: California Department of Parks and Recreation

The Marconi Conference Center in Point Reyes Station is similar to CCHD in that it has a limited number of rooms and is in park setting. However, the facility is almost entirely dedicated to conference uses and thus has different operating characteristics than traditional lodging. Most of the usage at this facility is by groups who pay a conference rate which includes three meals and meeting space.

Asilomar is the largest of the lodging operation in State Parks. It too is heavily oriented toward conference business. Approximately 16% of its overnight business is from this segment. Overall its occupancy rate was 85% in 2001-2002.

It is difficult to state the room rates at these three facilities precisely because they vary by unit type, unit size, season, and type of user. However Table 2 present a comparison of the room rates using similar criteria for these factors. As show, the tourist rate at Asilomar for a typical hotel room ranges from \$141 to \$165. The rate for the Guest Inn, which sleeps six, is \$221. The tourist rate for a standard room with kitchenette at the Marconi Center is \$175 and these rooms can only be reserved 3 days ahead. A room with a fireplace and kitchenette, at the Big Sur Lodge rents for \$229 per night. These rates are indicators of the room rate range at other lodges in State Parks.

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Table 2
SELECTED ROOM RATES AT LODGES IN STATE PARKS

Location	Rate per room per Night (1)	Room Type
Asilomar	\$ 141	Tourist-standard room with fireplace, includes breakfast
	\$ 165	Tourist-suite
	\$ 221	Tourist-Guest Inn (sleeps 6)
	\$ 202	Conference rate standard room for two
	\$ 425	Conference rate, Guest Inn (sleeps 6)
Marconi	\$ 175	Standard room with kitchenette (sleeps 2), includes breakfast
	\$ 310	Conference rate, standard room (for 2)
Big Sur Lodge	\$ 229	Room with fireplace and kitchenette
	\$ 259	Two-bedrooms with fireplace and kitchenette

(1) Double Occupancy. Conference rates include meeting space and three meals.

HOSTELS NEAR THE COAST

Table 3 presents the characteristics of hostels that are located near the coastal areas of California. All of these hostels are operated by Hostelling International, a non-profit organization which operates virtually all of the hostels in California. The typical rates at these are hostels \$16 to \$22 (including linens), with the higher rates generally charged at the urban hostels. All of the hostels provide a kitchen and dining area. Almost all of them provide a self-serve laundry.

Table 3
CHARACTERISTICS OF SELECTED HOSTELS ON OR NEAR THE WATERFRONT

Location	Dorm		Private		Occupancy Rate (1)		Facilities			
	Beds	Rate	Rooms	Rate	FY 01	FY 02	Linens	Kitchen	Laundry	Internet café
Pigeon Pt (State Park)	42	16-19	4	47-53	69%	61%	x	x		
Montara	35	15-18	5	47+	57%	53%	x	x	x	x
Redwood National Park	30	14-16	1		48%	49%	x	x	x	
Fort Mason (S.F.)	163	22-29			93%	79%	x	x	x	x
Marin Headlands	80	15-18	7	45	64%	55%	x	x	x	
Point Reyes	44	14-16			51%	47%	x	x		
Point Loma, SD	58	16-17	5	38-44	54%	63%	x	x	x	x
Gaslamp Quarter	171	19-22	17	45-55	52%	49%	x	x	x	x
LA/Santa Monica	228	24	9	59	88%	71%	x	x	x	x
San Pedro	54	15-17	6	37	51%	43%	x	x	x	x
Monterey	45	18-22	2	54-88	41%	49%	x	x		x
Santa Cruz	40	18-20	3	46-80	66%	55%	x	x	x	x

(1) FY is October 1 through September 30.

Source: Hostelling International

The occupancy rates at these facilities vary widely depending on the location. In general, occupancy rates are a few percent lower in 2002 because of the effects of September 11 and the general slow down in the travel industry. In 2002, occupancy at the Fort Mason (San Francisco) hotel was 79% and at the Santa Monica hostel it was 71%. Occupancy rates at the other facilities generally ranged from 50% to 70%.

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RESORTS IN THE LOCAL MARKET

Table 4 presents summary data for hotels in Orange County and Laguna Beach. The overall occupancy rate for hotels in Orange County in 2002 was 67%. The hotels in Laguna Beach on average do somewhat better. In particular the hotels on the waterfront, which currently represent about half of the rooms in the city, have an annual occupancy rate of approximately 75%. In the period of June through September these rooms are approximately 90% occupied. (July and August are virtually 100%.)

Table 4
OCCUPANCY RATES AND ROOM RATES
FOR ORANGE COUNTY HOTELS

	Rooms	Occupancy %	ADR
Orange County			
Rooms-Total	50,000		
By Number of Rooms			
Over 501		68%	\$ 130.57
300-500		67%	\$ 77.44
200-299		51%	\$ 65.71
100-199		73%	\$ 74.07
under 100		65%	\$ 69.04
Overall		67%	\$ 91.96
Laguna Beach			
Rooms-Total	1,500		
Waterfront-Properties	784 (1)		
June-Sept		90%	
October to May		68%	
Annual Average		75%	
Non-Waterfront-Properties	716		
June to Sept		80%	
October to May		66%	
Annual Average		70%	

(1) Includes recently opened Montage Resort and Spa with 264 rooms

Source: Orange County Convention and Visitors Bureau
and Laguna Beach Visitors Bureau.

There is also a considerable difference in the room rates at the hotels on the waterfront in along the coast of Orange County including Laguna Beach. As shown the waterfront rooms in these hotels in the peak season ranges from \$225 to \$695, depending on the view and the general level of quality of the property. The midrange for these rooms in the summer (excluding the luxury resort properties) is \$350 to \$490.

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Table 5
CHARACTERISTICS OF SELECTED LOCAL LODGING
ON OR NEAR THE WATERFRONT

City	Hotel	Location	Number Rooms	AAA Rating	Room Rates (1)	
					Waterview	Garden/Pool
Huntington Beach	Waterfront Hilton	waterview	300	4 diamond	\$ 289	\$ 229
	Hyatt Regency *	waterview	517		\$ 275	
Newport Beach	Hyatt Newporter	bayfront	403	3 diamond	\$ 210	\$ 180
	Balboa Bay Club *	bayfront	160		\$ 375	\$ 225-295
	Doryman's Inn	waterfront	11	3 diamond	\$ 225-380	
Laguna Beach	Montage Resort	waterview	264		\$ 485-620	
	Surf and Sands	waterfront	150	4 diamond	\$ 490	(2) \$ 305
	Vacation Village	waterfront	150		\$ 240-346	\$ 112
	Inn at Laguna Beach	waterfront	70	3 diamond	\$ 349-489	\$ 169-229
	Hotel Laguna	waterfront	70	2 diamond	\$ 225	\$ 175
	Capri Laguna	waterfront	40	2 diamond	\$ 247	\$ 112-175
	Laguna Riviera	waterfront	65	2 diamond	\$ 230	\$ 110
Dana Point	Ritz Carlton	waterfront	341	5 diamond	\$ 595	\$ 395
	St. Regis	waterview	400		\$ 695	\$ 545
	Laguna Cliffs Marriott	waterview	346	3 diamond	\$ 269	\$ 229

(1) Two people, high season.

(2) Ocean front suites are \$1000.

*=Newly opened.

Source: California AAA Tourbook; various local visitor bureaus; and hotel marketing representatives.

Table 6 shows that cottages and villas near the water are also very expensive. Cottages within a block of the beach and with two bedrooms range from \$200 to \$275. Luxury apartments with two bedrooms range from \$600 to \$650 per night.

Table 6
PRICING FOR LAGUNA BEACH COTTAGES AND VILLAS
NEAR THE WATER

Bedrooms	Price Per Day (1)	
	Cottages in Town	Villas/Condos Oceanfront
Studio	150	
1 BR	150 - 185	274 - 359
2 BR	200 - 275	617 - 659
3 BR	285 - 350	588 - 890

(1) Peak season: June to September.

Source: Survey of Vacation Rentals in Laguna Beach, May 2003.

Off-season discounts are offered. Hotels offer 5% to 15% discounts in the shoulder months and 15% to 30% discounts in the winter (November to March). Overall the discounts are approximately 18% to 20%.

While the accommodations at Crystal Cove will not exactly like any of these other properties, these room rates are an indicator of the very high prices that are commanded for ocean view and oceanfront accommodations in the local market area.

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Section 2: PROGRAM GUIDELINES

PROPOSED ACCOMMODATIONS

The current plan for overnight accommodations at Crystal Cove focuses on a Phase I Program. This phase includes several structures which will be used for an office public meetings and a museum. In addition there are a total of thirteen structures that will be converted to overnight accommodations.

Table 7 outlines the features of each of the structures that will be used for overnight accommodations. As shown there are ten buildings ranging in size from 552 square feet to 1362 square feet that will be rented as cottages. These units will accommodate up to 60 people. In addition, three other buildings will be used for dorm type of accommodations, which will accommodate up to 40 people, for a total capacity in Phase I of 100 overnight guests.

Table 7 PROPOSED ACCOMMODATIONS BY TYPE					
Bldg. #	Unit Type	Number of BR	Square Feet	Guest Capacity (1)	Location
24	Cottage	1	576	4	bluff top
1	Cottage	2	700	6	beach
2	Cottage	2	998	6	bluff top
18	Cottage	2 *	722	6	bluff top
16	Cottage	2	930	6	beach
17	Cottage	2	1,121	6	beach
27	Cottage	2	672	6	bluff top
32	Cottage	2	1,178	6	beach
33	Cottage	2 *	552	6	bluff top
19	Cottage	3	1,362	8	beach
	Subtotal			60	
29	Dorms		1,201	10	bluff top
38	Dorms		1,950	20	bluff top
39	Dorms		1,295	10	bluff top
	Subtotal			40	
	Total			100	94

* These units have a family room which can be used as a second bedroom.
 (1) All units have a living room which is assumed to sleep two.
 (2) BF=Beachfront; OV=Ocean View; CW=Creek/Woods

Source: California Department of Parks and Recreation

PRICING STRUCTURE

This report evaluates the economic potential of the lodging facilities at CCHD using three different base room rates for the cottages: \$100; \$125; and \$150. Based on the review of comparable prices for lodging in State Parks and for hotels in the local market, each of these room rates is considered to be a below market rate.

Room rates typically vary by season and room size and features. However, because the rates used here are below market, they are not reduced even further to reflect seasonality. Thus, a party of two staying in a 550 square foot bluff top cottage in December will pay the same rate as a party of six staying in a 1,200 square foot cottage on the beach in the summer season. Table 8, which presents the alternative rate structures, indicates that the smallest cottage would be charged slightly less and the largest cottage slightly more.

Table 8
RENTAL RATE GUIDELINES

Bldg. #	Unit Type	Number of BR	Guest Capacity	Room Rate Alternatives (1)		
24	Cottage	1	4	100	125	\$ 125
1	Cottage	2	6	100	125	\$ 150
2	Cottage	2	6	100	125	\$ 150
16	Cottage	2	6	100	125	\$ 150
17	Cottage	2	6	100	125	\$ 150
18	Cottage	2	6	100	125	\$ 150
27	Cottage	2	6	100	125	\$ 150
32	Cottage	2	6	100	125	\$ 150
33	Cottage	2	6	100	125	\$ 150
19	Cottage	3	8	175	175	\$ 175
Subtotal			60			
29	Dorms		10	\$ 25	\$ 25	\$ 25
38	Dorms		20	\$ 25	\$ 25	\$ 25
39	Dorms		10	\$ 25	\$ 25	\$ 25
Subtotal			40			
Total			100			

(1) Dorms rates are per person.

(1) BF=Beachfront; OV=Ocean View; CW=Creek/Woods

Source: California Department of Parks and Recreation

Based on the survey of hostels near the California Coast, the price for a dorm bed is set at \$25 per night. This is slightly above the rate at the hostels, but the location and setting and amenities at Crystal Cove justify this. Thus a family of four in the dorms would pay the same as a family of four in a two-bedroom cottage.

PROJECTED OCCUPANCY RATES

The projected occupancy rates at Crystal Cove are based on consideration of the experience of the comparables reviewed earlier in this report and the unique character of the site. As reported the annual occupancy for waterfront accommodations in Laguna Beach is approximately 75%.

It is anticipated that there will be a limit on the number of days that each party can stay at the overnight accommodations, which will require more parties to achieve the same

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occupancy rates. However, because of the small number of units and the relatively low price structure, we estimate that the Crystal Cove cottages will achieve an annual occupancy of approximately 82%. This rate will be achieved by the third year of operation and continue at this level thereafter. Based on the experience of the local market, these units will be virtually full from June through September, but will experience a lower occupancy during the shoulder and winter seasons.

Occupancy rates at the hostels on the California coast ranged from 50% to 70% with the exception of Fort Mason located adjacent to San Francisco Bay. Given this experience and the availability of 40 beds at Crystal Cove, the occupancy rate for the dorms is estimated at 75% on an annual basis.

Table 9 presents these estimated occupancy rates by type of unit. Because all of the three rates structures evaluated are considered to be below market, it is not expected that these occupancies will change appreciably no matter which of these rates is adopted.

<p style="text-align: center;">Table 9 <u>RENTAL RATE GUIDELINES</u></p>				
Bldg. #	Unit Type	Number of BR	Guest Capacity	Average Annual Occupancy Rate
24	Cottage	1	4	82%
1	Cottage	2	6	82%
2	Cottage	2	6	82%
16	Cottage	2	6	82%
17	Cottage	2	6	82%
18	Cottage	2	6	82%
27	Cottage	2	6	82%
32	Cottage	2	6	82%
33	Cottage	2	6	82%
19	Cottage	3	8	82%
	Subtotal		60	
29	Dorms		10	75%
38	Dorms		20	75%
39	Dorms		10	75%
	Subtotal		40	
	Total		100	

Source: Williams-Kuebelbeck & Associates, Inc.

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Section 3: PROJECTED OPERATIONS

PROPOSED MANAGEMENT APPROACH

The Marconi Conference Center is operated by non-profit organizations and a similar approach is proposed for the Crystal Cove accommodations. This could be done through a concession agreement with a non-profit group. The advantages of operation by a non-profit organization include lower operating costs due to:

- No franchise fee is paid
- No corporate overhead is charged
- Operating profits can be directed back into the property rather than to shareholders.

However, the non-profit organization would need to retain professional management for the property. It will also be important to establish performance criteria to assure that a reasonable target for operating surplus is achieved.

For purposes of this analysis, this non-profit approach to the management of the property is assumed.

The financial analysis focuses on the operation of the overnight accommodations and the related food service. The Department of Parks and Recreation will operate a museum and interpretive program. The other activities on the site will include:

- Shake Shack concession
- Weddings
- Parking Fees
- A small store.

These activities will generate revenues that could be used to support the lodging operation, if necessary, or to contribute to future phases of structural renovation. However, for purposes of the financial analysis, they are considered separately from the lodging operations.

OPERATING REVENUES

As noted earlier in this report, the accommodations at Crystal Cove will be a unique type of operation for various reasons. Thus, there is no one specific financial operations model which can be applied directly. After reviewing the operations of various type of lodging, we developed a model that incorporates the elements of a small resort with the unique features of the Crystal Cove operation.

Because there is a range of pricing alternatives under consideration, this analysis first projects the operating results for the alternative that charges \$150 per night for a cottage. Based on sensitivity testing it was determined that this model provided the minimum level of operating budget necessary for staffing and other costs. At the end of this section, there is a summary table that shows the effects of charging lower rates for the cottages.

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Based on the room rates of \$150 for a cottage and \$25 for a bed in the dorm, and the occupancy rates presented earlier in this report, the estimated room revenues for Crystal Cove would be \$722,700.

Food and beverage (F&B) expenditures are typically estimates as a percent of total revenues. For a typical small resort, food and beverage will be approximately 30% of total revenues. On the one hand, the guests staying in the dorms might spend less on food and beverage on average than the other guest. On the other hand, because of the nature of the site and the limited length of stay, it is expected that the guests will eat most of their meals at the café on the site.

Based on the experience of similar accommodations, other revenues are estimated to be 13% of total revenues. Other revenues could include deposit forfeitures, souvenirs, meeting fees, valet service, interest income, miscellaneous rentals, and so forth.

OPERATING EXPENSES

Table 10 presents a summary of the projected operating expenses for the overnight accommodations, under the \$150 rate structure.

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Table 10		
PROFORMA OPERATING STATEMENT FOR OVERNIGHT ACCOMMODATIONS		
2BR Cottage Rate= \$ 150		Occupancy= 82%
Hostel Rate= \$ 25		Occupancy= 75%
	Dollars	Percent
Revenues		
Rooms	\$ 722,700	56.5%
F&B	\$ 383,289	29.7%
Phone	\$ 11,615	0.9%
Other	\$ 167,770	13.0%
Total	\$ 1,290,536	100.1%
Department Expenses		
Rooms	\$ 201,633	27.9%
F&B	\$ 315,830	82.4%
Phone	\$ 9,025	77.7%
Other	\$ 99,320	59.2%
Total	\$ 625,808	48.5%
Undistributed Expenses		
Admin & Gen.	\$ 113,567	8.8%
Marketing	\$ 25,811	2.0%
Energy	\$ 63,236	4.9%
Maint. & Operat.	\$ 101,952	7.9%
Total	\$ 304,566	23.6%
Total Expenses	\$ 930,374	72%
Gross Operat. Profit	\$ 360,161	28%
Fixed Charges		
FF&E Reserve	38,716	3.0%
Insurance	12,905	1.0%
licenses	-	-
Total	51,621	4.0%
Gross Operat. Income	\$ 308,540	24%

Gross Operating Profit

Operating expenses are projected based on industry standards for small resorts, with some adjustments to reflect the unique characteristics of the Crystal Cove accommodations. For example marketing expense was reduced from 7% at the typical small resort to 2% at Crystal Cove to reflect the marketing value of being located in a State Park. On the other hand, department expenses were slightly higher because the high margin non-room revenues were lower than at other resorts. Maintenance and operations expenses will be lower because the Department of Parks and Recreation will maintain the grounds and utilities; however, the proportion of revenues estimated for this category is increased in order to reflect the age of the buildings. Overall the Gross Operating Profit will be 28% of revenues, about the same as the typical small resort.

It is important to note that these figures include all personnel costs, which typically represent 35% to 40% of revenues, depending on the size and efficiency of the operation.

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In order to evaluate the adequacy of the estimated operating budgets, a preliminary staffing plan was prepared for the available staffing budget.

Table 11 presents a prototype staffing plan for the overnight accommodations. As shown there would be a total of 19 employees for the operation, with a total labor budget of \$505,000. This represents 39% of the revenues using the \$150 rate alternative. This staffing plan is considered to be the minimum number of employees required to operate the facilities effectively.

Table 11 <u>PROTOTYPE STAFFING PLAN</u>				
Department	Position	Number	Salaries Each	Salaries Total
Rooms				
	Housekeeper	1	30,000	30,000
	Cleaner	2	20,000	40,000
F&B				
	Cashier	1	25,000	25,000
	Cooks	2	25,000	50,000
	Waitperson	4	20,000	80,000
	Dishwasher	1	14,000	14,000
	Busboy	2	10,000	20,000
Administration				
	General Manager	1	60,000	60,000
	Assist./Human Res.	1	30,000	30,000
	Desk Clerk	1	20,000	20,000
	Bookkeeper	1	20,000	20,000
Facility Operations				
	Maintenance person	1	35,000	35,000
	Night Security	1	25,000	25,000
Subtotal		19		394,000
Payroll Taxes and Benefits (at 22% of total comp.)				111,128
Total Labor Costs				505,128
Percent of Total Revenues (at \$150 rate)				39%

Gross Operating Income (After Fixed Charges)

Certain fixed charges will not apply to this property. There will be no property tax because it is owned by the State. There will be no management fee (corporate overhead) because it will be operated by a non-profit organization. There will be no rent to the State because any operating surplus will be used to finance future renovations. The FF&E Replacement Reserve is 3% of revenues, which is normal for this type of property. Insurance is estimated at 1.2% of revenues.

Given these circumstances, the fixed charges will total 4.0% of revenues. Gross Operating Income will be 24% of revenues, which is consistent with other small resort operations. For the alternative shown in Table 10, this will result in an annual operating surplus of \$309,000.

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OPERATING PERFORMANCE WITH ALTERNATIVE RATES

All of the above analysis was prepared for the \$150 rate alternative. The effect of charging lower rates was evaluated under the following assumptions:

1. The room revenues are calculated using the lower rates
2. All other revenues remain at the same level.
3. All operating expenses remain at the same level as in the analysis presented above, because these expenses would not be reduced as a result of charging lower rates for the rooms, and the expenses estimated above are at or near the minimum required to operate the facilities.

Using these assumptions, Table 12 presents the effects of charging \$100 and \$125 for the cottages. (The rate for dorm beds remains at \$25 in all of the alternatives.) As expected, with revenues reduced and expenses remaining constant, the operating income is reduced when lower rates are charged. Charging \$125 for the cottages reduces the Operating Income to \$202,000 per year. Charging \$100 for the cottages reduces the Operating Income to \$82,000.

Table 12
SUMMARY OF OPERATING PERFORMANCE
WITH THREE DIFFERENT RATES

2 BR Cottage Rate	\$ 150.00	\$ 125.00	\$ 100.00
Dorm Rate	\$ 25.00	\$ 25.00	\$ 25.00
Operating Revenues	1,290,536	1,183,643	1,063,388
Total Expenses	930,374	930,374	930,374
Gross Operating Profit	360,161	253,269	133,014
Fixed Charges	51,621	51,621	51,621
Gross Operating Income	308,540	201,648	81,393

Source: Williams-Kuebelbeck & Associates, Inc.

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Section 4: USE OF OPERATING SURPLUSES

LODGING SURPLUS USES

Obviously the amount of operating surplus from the lodging operations will depend on the base rate that is charged for the cottages. If all of the surpluses estimated above were reserved for future renovations, they would support the future capital investments shown in Table 13.

Table 13 POTENTIAL FISCAL EFFECTS FROM LODGING SURPLUS				
Base Rate for Cottages	Annual Surplus	Cumulative Value In: (1)		Supportable Debt (2)
		10 Years	15 Years	
\$150	308,540	4,186,887.64	7,389,533	4,861,194
\$125	201,648	2,736,359.32	4,829,462	3,177,055
\$100	81,393	1,104,498.97	1,949,355	1,282,381

(1) Assuming interest earned at the rate of 6% per annum.
(2) If borrow at 5% interest for 30 years.

Source: Williams-Kuebelbeck & Associates, Inc.

As can be seen, if the base rate for cottages is \$150, then in 15 years the surpluses will accumulate to \$7.4 million. If the base room rate is \$100, then the surpluses will accumulate to \$1.9 million in 15 years.

Alternatively the surplus from the \$150 rate alternative could be used to amortize \$4.9 million in debt issued today, compared to \$1.3 million in debt from the \$100 rate alternative.

The operating surpluses that were estimated in the previous section of this report would normally be used to cover the capital costs of a project. However, because the initial capital costs for CCHD are being provided by other sources (State of California Park Bonds funds and Coastal Commission funding), these operating surpluses can be used for other purposes. In order to determine the total surpluses available for use within CCHD, the overall revenues and expenses of the parks operations need to be compared.

OVERALL PARK OPERATIONS

Table 14 presents estimates of the overall annual revenues and expenses from park operations. The potential revenue sources include:

- Store
- Day Use Fee
- Special Events

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- Shake Shack concession.

Table 14
PROJECTED REVENUES AND EXPENSES FOR PARK OPERATIONS

Park Revenues	
Store (net) (1)	17,500
Day Use Fee (2)	250,000
Special Events (3)	84,000
Shake Shack (4)	57,300
Total	408,800
Park Expenses	
Interpretive Program	35,000
Maintenance	235,000
Aquatic safety	51,000
Public safety	240,000
Shuttle	44,000
Total	605,000
Park Shortfall	(196,200)

(1) 700 square feet with sales of \$70,000; net operating income of 25%.

(2) Projection.

(3) Estimated at 42 events per year @ \$2,000 each.

(4) Based on current concession agreement. (\$321,000 sales and 18% rent.)

Source: California Department of Parks and Recreation

The major potential operating expenses for CCHD include:

- The Interpretive Program
- A museum
- Grounds maintenance
- Park security.

As shown in Table 14, based on preliminary estimates, the operating shortfall from these activities will be approximately \$196,200 annually. Thus there will be no additional funds available from the park operations to support the overnight accommodations.

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Figure 3.4 Crystal Cove Historic District
Sensitive Terrestrial Species

COASTAL COMMISSION

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