

## CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE  
725 FRONT STREET, SUITE 300  
SANTA CRUZ, CA 95060  
(408) 427-4863

W15f



## MEMORANDUM

August 27, 2003

TO: Commissioners and Interested Parties

RECORD PACKET COPY

FROM: Charles Lester, Deputy Director  
Liz Fuchs, Project Manager  
Steve Monowitz, Coastal Planner *SM 8/27/03*

RE: **Draft Letter to San Luis Obispo County Regarding Implementation of the San Luis Obispo County Periodic Review (Agenda Item W15f).** For Public Hearing and possible Commission action at its meeting of September 10, 2003, to be held at the Eureka Inn, 518 7<sup>th</sup> Street, Eureka.

On March 5 and June 12 of this year, the Commission conducted public hearings regarding the status of current efforts to carry out the recommendations of the Periodic Review of the San Luis Obispo County Local Coastal Program, adopted by the Coastal Commission on July 12, 2001. Information presented to the Commission during these hearings indicates that although some progress has been made, many important corrective actions identified in the periodic review have not been adequately addressed.

After considering several possible responses to this situation, the Commission directed staff to draft a letter to the County, identifying priority recommendations and a suggested timeline and procedure for their implementation. Accordingly, the attached letter has been prepared for Commission consideration and possible action at its meeting of September 10, 2003 in Eureka.

Staff recommends that, after conducting the public hearing, the Commission approve the attached letter for transmittal to the San Luis Obispo County Board of Supervisors. The letter complements what was set forth in the periodic review, and will facilitate ongoing collaboration between the County and the Commission towards implementing the actions needed to provide effective protection of the valuable natural, scenic, recreation, and cultural resources of San Luis Obispo County's coastal zone.

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# DRAFT



September 10, 2003

Chairperson Mike Ryan  
San Luis Obispo County Board of Supervisors  
County Government Center  
San Luis Obispo, CA 93408

**Subject:** San Luis Obispo County Response to the *San Luis Obispo County Local Coastal Program Periodic Review*, adopted by the California Coastal Commission on July 12, 2001

Dear Chairman Ryan and San Luis Obispo County Supervisors:

I am writing to convey the California Coastal Commission's concerns regarding the implementation of its recommendations in the San Luis Obispo County Periodic Review. On July 12, 2001, the Coastal Commission adopted the Periodic Review of San Luis Obispo County's Local Coastal Program (LCP), which identified 165 actions the Commission determined are necessary and appropriate to fully carry out Coastal Act policies in San Luis Obispo County in light of new information and changed circumstances since certification of the LCP in 1988. Both the County and the Commission have committed significant resources towards implementing the recommended actions, and some progress has been made in carrying out the less controversial recommendations. However, in the two years that have transpired since periodic review completion, few substantive changes to the LCP have been made, and many important recommendations have yet to be addressed. The Commission reviewed the status of periodic review implementation efforts at its March and June 2003 meetings, and after considering several possible responses to the situation, determined that renewed collaborative efforts between the County and the Commission, working toward effective implementation of the major recommendations, is the most productive way to proceed. In the interest of facilitating implementation of what the Commission deems to be the most important recommendations in the periodic review, we submit the following recommendations for action in Phases 1 and 2 of the County's implementation program:

I. Phase 1

The Phase 1 amendments recently submitted for Commission certification partly respond to 67 of approximately 100 recommendations that the County originally agreed to consider. Notwithstanding the beneficial changes contained in the submittal, some modifications will be needed to effectively implement the corrective actions<sup>1</sup>. The County should coordinate with the

<sup>1</sup> Please refer to the Commission's staff's analysis of the draft Phase 1 amendments included in the staff report prepared for the Coastal Commission hearing of March 5, 2003.

Commission staff regarding these adjustments so that the modified amendments can take effect before March 31, 2004.

## II. Phase 2

As part of the Phase 2 program, the following actions should be submitted as LCP amendments for Commission certification by August 31, 2004, in order to carry out high priority periodic review recommendations:

### A. Sensitive Habitat Protection

Phase 2 should complete the Phase 1 effort to replace the LCP's reliance on outdated maps for delineation and protection of environmentally sensitive habitat areas (ESHA) with a process to use actual on-the-ground, site-specific ESHA determinations (Recommendations 4.1, 4.2). Similarly, Phase 2 should include the incorporation of new standards to ensure accurate delineation of wetlands (Recommendation 4.30).

Other actions needed to protect important biological resources involve updating the LCP to effectively avoid, minimize, and mitigate the adverse impacts of new development on ESHA. Accordingly, the Commission supports the County's proposal to address Recommendations 4.2, 4.3, 4.5, 4.9, 4.10, 4.14, 4.15, 4.18, and 4.53 during Phase 2. A related action that should be included in this effort is the establishment of an LCP requirement to record conservation easements and/or deed restrictions to permanently protect ESHA on sites where new development occurs (Recommendation 4.13).

### B. Water Quality

The Phase 1 amendments submitted by the County propose to apply, County-wide, the water quality protection standards recently put in place for residential and commercial development in Cambria and Avila Beach through the certification of the specific plans for these areas. At the same time, the County is developing related water quality standards as part of other planning efforts such as the Estero Area Plan Update, and a separate set of water quality standards is contained in the modified Grading and Drainage Ordinance Update recently approved by the Commission. In order to avoid internal inconsistencies, and provide consistent and effective implementation of water quality standards, the County should consolidate and complete the various LCP changes currently under consideration. In particular, the County should adopt the Commission's modifications to the grading and drainage ordinance update as a means to establish baseline water quality standards, and develop complementary Phase 2 amendments that support and supplement these standards as well as eliminate redundancies and outdated language from the LCP. Ideally, this should include an update of the Chapter 9 Policies to better protect coastal water quality in accordance with periodic review Recommendation 3.7a.

With regard to broader watershed planning efforts called for by Recommendation 3.7b, the Commission has recognized that the development of watershed plans will require the

involvement of multiple agencies. To facilitate these efforts, Phase 2 should incorporate a program into the LCP that will provide a framework for enhanced watershed planning. In addition, since the County is currently pursuing updates to Title 19 standards for septic systems, this update should also be coordinated with the Phase 2 amendments in response to Recommendation 3.6e.

#### C. Scenic Resources

Enhancing LCP protections for the highly scenic North Coast and "Morro Corridor" areas of the San Luis Obispo County coastal zone is an important component of the Periodic Review. The Commission therefore supports the County's decision to include a response to Recommendation 8.1 (protection of North Coast and Estero critical viewsheds) as part of the Phase 2 effort, recognizing that the initial focus will be on implementing this recommendation within the Estero Area, through the Estero Area Plan Update, as discussed below. We would expect, though, that updates to the North Coast Area Plan visual resource standards will be pursued in a timely fashion in a later phase of implementation. Phase 2 should also strengthen visual resource protection countywide by completing the Phase 1 effort to recognize and protect sensitive scenic resource areas (Recommendation 8.2), and by enhancing viewshed protection policies and ordinances in accordance with Recommendation 8.6.

#### D. Hazards

The Estero and North Coast Updates provide the appropriate opportunity to address coastal erosion hazard issues in the areas they are most prevalent, Cambria and Cayucos. However, an important periodic review recommendation applicable to the entire coastline is to avoid new development in areas at risk of coastal erosion by, among other ways, requiring development to assume the risk of building in hazardous areas and prohibiting future seawalls to protect new development (Recommendation 7.7). This provision should be included in the Phase 2 amendments. Among the other hazard recommendations that the County has proposed to deal with during Phase 2, an update of LCP fire clearance requirements (Recommendation 7.20) should be addressed as a priority.

#### E. Implementation Procedures

An essential step in the coastal development review process is determining whether a proposed development is the "principally permitted use" within the certified land use designation; this determination affects appealability, processing procedures, and the application of particular development standards. In order to enable accurate and consistent determinations, Phase 2 should include the modifications to Table O called for by Recommendations 4.4 and 12.8. Other important procedural changes that should also be addressed by Phase 2 include the need to limit Coastal Development Permit Exemptions to those authorized by Section 30610 of the Coastal Act (Recommendation 12.4), and to provide for the appeal of all LCP Variances (Recommendation 12.18).

### III. Grading and Drainage Ordinance Update

As an efficient means of implementing Water Quality Recommendations 3.2b-c, 3.6b-c, 3.9 and 3.12, as well as ESHA Recommendation 4.27, the County should adopt the modifications to the grading and drainage ordinance update (LCP Amendment 1-01 Part C) suggested by the Commission on March 5, 2003. Given that the County's acceptance may be contingent upon the Commission's certification of exclusions to permit requirements for specific categories of development (e.g., grading associated with agricultural production), the County should submit the proposed Categorical Exclusions before November 1, 2003, and work for full certification of both the exclusion and the modified Grading and Ordinance Update by August 31, 2004.

### IV. North Coast Area Plan Update

The Board's recent authorization to initiate Phase 2 of the North Coast Area Plan Update, focused on the urban areas, provides the appropriate opportunity to address the significant public service and natural resource constraints to future development in Cambria, among other ways, by reducing buildout levels to those that can be sustained by available services without adverse impacts to coastal resources and public access and recreation opportunities (Recommendations 2.16 – 2.20). For example, submittal of the Update should be accompanied by a detailed analysis showing the level of development allowed by the plan, and how such development can be accommodated within existing public service capacities and resource constraints.

The Update should also include a comprehensive habitat protection plan for Cambria's valuable forest habitats (Recommendations 4.6, 4.36 – 4.47), and updated standards to minimize shoreline armoring along Cambria's coastal bluffs (Recommendations 7.1-7.7). Additionally, the Update should evaluate and update the Cambria TDC program as necessary to protect Community character, preserve forest resources, and maximize buildout reduction (Recommendation 8.9). Finally, the Update should include a specific Public Access component, in partial fulfillment of Recommendation 6.1. A draft of this Update should be available for public review by March 31, 2004, and the locally approved Update should be submitted for Commission certification by August 31, 2004.

### V. Estero Area Plan Update

Similarly, the Estero Area Plan Update currently underway provides the appropriate vehicle for the County to:

- implement a comprehensive habitat protection plan to protect the sensitive dune habitats of the Los Osos area (Recommendations 4.6 and 4.36 – 4.47 );
- address public service constraints to the buildout of the South Bay Urban Area (Recommendations 2.16 – 2.20);

- designate the Morro Corridor as a critical viewshed and enact improved visual protection standards for this and other scenic areas such as the Irish Hills (Recommendations 8.1, 8.2, and 8.6);
- develop a Shoreline Management Plan to address shoreline erosion and armoring issues in Cayucos (Recommendation 7.8); and,
- incorporate a Public Access component within the Area Plan (Recommendation 6.1).

Submittal of the Estero Update for Commission certification should occur prior to January 31, 2004.

#### VI. Other Outstanding Recommendations

Coastal Act Section 30519.5 requires the County to implement the actions recommended by the Periodic Review, or submit a report setting forth its reasons for not taking recommended actions within one year of the transmittal of the recommendations. However, the County has not yet responded to approximately 30% of the recommendations contained in the Periodic Review. The County should therefore, prior to January 31, 2004, submit a report explaining the reasons why it has declined to move forward with the adoption and implementation of the recommended actions that have not yet been addressed.

#### VII. Phase 3

The recommended schedule for submitting the various LCP amendments identified above concludes in September 2004. These submittals should be followed by the submittal of a Phase 3 Implementation Work Plan, which should be submitted for Commission review and comment by January 1, 2005. Priorities for Phase 3 should include implementation of recommendations regarding:

- Lot-line Adjustments on Agricultural Lands (Recommendation 5.4)
- Processing of Certificates of Compliance (Recommendation 5.7)
- Residential Development on Agricultural Land (Recommendation 5.8)
- Access Components for remaining Area Plans (Recommendation 6.1)
- A comprehensive update of archaeological resource protection provision, including but limited to the changes recommended in Chapter 9 of the Periodic Review
- Critical Viewshed for North Coast Rural Area (Recommendation 8.1)

- Special Community designation for the Town of Harmony (Recommendation 8.11)

We hope that this letter, setting forth the priority recommendations of the periodic review and the timetable we think is reasonable for completion of the identified actions, is constructive and will be taken by the County in the collaborative spirit in which it is transmitted. We are confident that the County shares the Commission's goal of achieving an updated LCP that reflects our mutual experience implementing the certified LCP with new information and changed circumstances. This letter complements what was set forth in the periodic review and will, if acted upon in a timely fashion, ensure more effective protection and enhancement of the valuable natural, scenic, recreation, and cultural resources of San Luis Obispo County's coastal zone. We look forward to further cooperation in this regard.

Sincerely,

Mike Reilly  
Chairman