

CALIFORNIA COASTAL COMMISSION

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Hearing Date: 11/18/05
Commission Action:

STAFF REPORT: MATERIAL AMENDMENT

APPLICATION NO.: A5-RPV-02-324-A4

APPLICANT: Long Point Development, LLC, Attn: Keith Lamparter

PROJECT LOCATION: 6610 Palos Verdes Dr. South, Rancho Palos Verdes
(Los Angeles County)

DESCRIPTION OF PROJECT PREVIOUSLY APPROVED: Construction of a 582-room resort: 400 hotel rooms and 82 units (consisting of 50 three-keyed "casitas", and 32 "villas"), golf practice facility, club house, conference center, 4 restaurants, related commercial uses, public trails; 100 public parking spaces, open space and 784,550 cubic yards of grading on a 102.1 acre site. The proposed project includes Tentative Parcel Map No. 26073, which creates four parcels.

DESCRIPTION OF AMENDMENT PREVIOUSLY APPROVED: Authorize the conversion of 82 units (50 casitas and 32 villas totaling 82 rentable spaces) into condominiums, enabling the units to be sold as independently owned condominiums, which would be operated by the hotel as limited occupancy resort condominiums.

DESCRIPTION OF PROPOSED AMENDMENT: Long Point Development requests to amend Appeal #A5-RPV-02-324 in order to provide funding to partially offset the Commission's costs for its consideration of the permit application and condition compliance. This funding will provide additional temporary personnel to work with permanent Commission staff to expedite the review of prior to issuance documents for Appeal #A5-RPV-02-324.

I. STAFF RECOMMENDATION, MOTION AND RESOLUTION OF APPROVAL

The staff recommends that the Commission make the following motion and adopt the following resolution:

Motion: *I move that the Commission approve Coastal Development Permit Amendment No. A5-RPV-02-324 pursuant to the staff recommendation.*

Staff recommends a YES vote. Passage of this motion will result in approval of the amendment as conditioned and adoption of the following resolution and findings. The motion passes only by affirmative vote of majority of the Commissioners present.

Resolution to Approve Permit Amendment No. A5-RPV-02-324:

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

II. STAFF RECOMMENDATION, FINDINGS AND SPECIAL CONDITION:

The Coastal Commission has lost \$3,821,000 in state general funds and 33.7 positions since FY 2001-2002. One of the positions eliminated in budget cuts was one of the Commission's two legal analysts. With only one Legal Analyst to review all legal documents for recordation (OTDs, deed restrictions, etc.) the backlog of workload has continued to grow. Currently there is a one to two year wait for the review and sign off of recorded legal documents that establish easements or offer to dedicate easements.

The Coastal Commission's regulations 13055 (15) (e) allow the Commission to require applicants to cover expenses in addition to permit fees. The regulation subsection states:

"In addition to the above fees, the Commission may require the applicant to reimburse it for any additional reasonable expenses incurred in its consideration of the permit application, including the costs of providing public notice."

The Commission has a history of requiring funding to offset staff costs for condition compliance and enforcement of several major energy projects. The Commission required funding for condition compliance and enforcement as a part of the permit approval and required that the Executive Director work with the applicants to determine the most efficient and cost-effective method of implementation. The best method we have found to date is for the applicant to provide funds to a non-profit (such as Environmental Careers Organization or a university foundation). The non-profit would then recruit and hire a temporary employee based on the Commission staff's direction. The temporary employee would work in the Commission's office and under the supervision of Commission staff, but be an employee of the selected non-profit.

Hearthside Homes, Inc. was the first permittee to ask the Commission to consider expediting the review of permit documents if they provided funding for temporary staff to assist the Commission with the workload. Hearthside Homes' amendment request to provide funding to partially offset the Commission's cost for its consideration of the permit condition compliance documents. When Hearthside Homes fulfills the special condition in their amendment, this funding will provide additional temporary personnel so that a team of permanent Commission staff can expedite the review of prior to issuance documents for Permit 5-05-020 and ensure that the approved coastal development permit can be issued by December 7, 2005. This expedited condition compliance review is needed so that the pending escrow for the public purchase of the lower Bolsa Chica bench can close by the December 31, 2005 deadline.

Marblehead was the second permittee to ask the Commission to expedite the review of prior to issuance permit documents if they provided funding for staff. When Marblehead fulfills the special condition in their amendment, the Commission will expedite the review of the Marblehead documents by moving Marblehead ahead on the waiting list.

Long Point Development was the third permittee to ask the Commission to expedite the review of prior to issuance permit documents if they provided funding for staff. When Long Point fulfills the special condition in this amendment, the Commission will expedite the review of the Long Point development documents by moving Long Point Development ahead on the waiting list. The Commission finds that the applicant's proposal is consistent with the above-cited fee regulation and that the development as amended is consistent with the Coastal Act.

Staff recommends that the Commission approve the amendment request with the following special condition:

SPECIAL CONDITION:

- I. **Funding Condition Compliance and Document Review:** Within 30 days of the approval of this amendment and consistent with its proposal, Long Point Development shall fund necessary cost for condition compliance and expedited document review of this permit by the Coastal Commission. These costs will include staff or temporary help salaries and associated operating costs incurred by the Coastal Commission to review legal documents and evaluate compliance with the conditions of this permit.

The Executive Director will determine the form and manner of payment by Long Point Development consistent with the requirements of state law and which will ensure efficiency and reasonable costs to Long Point Development. The Executive Director will prepare a written request specifying all needed funding. If Long Point Development and the Executive Director cannot agree on the funding or the schedule, the disagreement will be submitted to the Coastal Commission for resolution.