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Staff: MF-Eureka
Report: July 28, 2005
Hearing Date: August 12, 2005

TO: Commissioners and Interested Parties

FROM: Peter Douglas, Executive Director
Robert S. Merrill, North Coast District Manager

SUBJECT: **City of Point Arena LCP Amendment No. PTA-MAJ-02-04
(Wasserman), Mendocino County**

PURPOSE: Redesignate and rezone 7.4-acre parcel from Agriculture Exclusive (20-acre minimum) to Residential Agriculture (2-acre minimum).

STAFF RECOMMENDATION: Staff recommends that the Commission deny the proposed Local Coastal Program (LCP) amendment as submitted and certify the LUP and Implementation Program components if modified as recommended (pages 8 – 10). The recommended modifications would a) ensure that site development constraints are addressed in a manner that allows the future division of the 7.4-acre parcel into a maximum of two parcels, instead of the three parcels that might otherwise be created subsequent to the LCP amendment if certified as submitted, and b) limits development to a suitable building site should a lot-split be approved in the future, consistent with the protection of the scenic corridor in which the entire parcel is located.

MOTIONS & RESOLUTIONS: Pages 5 - 8

SYNOPSIS

The City of Point Arena seeks to redesignate and rezone a 7.4-acre parcel located west of Highway 1, at 240 Port Road, within the urban area identified by the urban/rural boundary line, from Agriculture Exclusive (minimum lot size 20 acres) to Residential Agriculture (minimum lot size 2 acres). The parcel presently contains one single family residence.

The proposed amendment would result in changes to the LUP and coastal zoning maps for the subject parcel only. No changes to the text of the LCP are proposed by the City.

If the amendment is certified as submitted, the subject 7.4-acre parcel could potentially be divided into as many as 3 parcels in the future (based solely on minimum lot size requirements). Division of the parcel is not included in the pending amendment, and would require a coastal development permit subsequent to certification of this LCP amendment.

The additional residential development potentially afforded by the amendment would occur within a logical neighborhood boundary and would be separated from continued agricultural use of the Agriculture Exclusive lands to the south by Port Road. The relatively large parcels would help to buffer the more densely zoned residential lands immediately north and east of the subject site from the agricultural lands south of the site, thus helping to ensure the continued compatibility between residential and agricultural land uses divided by Port Road. Public sewer and water connections are available at the foot of the subject parcel, along Port Road, where future driveway access would likely be provided.

An "Economic Feasibility Evaluation" dated October 14, 2004, prepared in support of the LCP amendment indicates that the subject parcel is not adequate to support viable agricultural operations. The site is relatively steep, with poor, thin soils that limit its suitability for crop cultivation. The site is better suited for marginal grazing, and was once part of the grazing holdings of a much larger, early twentieth century dairy operation. The Economic Feasibility Evaluation indicates that a 7.4-acre parcel is too small for viable return to cattle grazing, and even sheep grazing could not be undertaken profitably on such a small parcel. The Mendocino County General Plan states that the average "break even point" for coastal sheep ranching occurs when a farm is at least 865 acres.

The entire parcel is located within the designated View Corridor of Port Road, established in the certified LCP. Located on a relatively steep, south-facing coastal bluff, the site contains a significant Monterey pine stand, and mixtures of coastal sage scrub, grasslands, and riparian vegetation (a spring-fed corridor identified as a Movement Corridor for the federally-endangered Point Arena Mountain Beaver is located along the easterly parcel boundary, in a portion of the parcel that is already developed with an existing single family residence).

Except for one existing residence on the far eastern boundary of the parcel, the acreage is relatively undisturbed. The proposed amendment, if certified as submitted, could facilitate future land divisions that would result in three lots, with significant additional residential development (particularly considering the slopes of the site and the requirements for fuel modification that would accompany

residential development) within the designated View Corridor leading from Port Road to Arena Cove. The landowner's geotechnical consultant has identified only one additional, potentially suitable building site that could be developed without significant visual impacts. As only one suitable additional development site has been demonstrated to exist on the 7.4-acre parcel, creation of a third parcel (should the maximum allowable density proposed in the LCP amendment eventually be applied) would result in significant adverse impacts to coastal resources.

No residential zone district presently exists in the certified LCP that would increase the minimum lot size sufficiently to ensure that only two lots would eventually be created subsequent to the pending LCP amendment. Under the certified LCP, the minimum lot size jumps from 2-acre minimum in the proposed RA zone district to the existing 20-acre minimum lot size of the AE district.

However, the certified LCP contains an Implementation Program provision that refines the specifics of any zoning district, tailoring the underlying zoning to fit site-specific conditions when applied in addition to the zoning district. The "combining designations" function in the same way a zoning overlay would. Combining designation B-3 and B-7, respectively, if applied to the subject parcel (recommended modification 2) would modify the 2-acre minimum lot size to require a minimum lot size of three acres, and require that a building site be shown on the Parcel or Final Map of Record.

If B-3 and B-7 are applied to the subject parcel future division of the parcel would require a minimum of three acres for the lot containing the landowner's existing single family residence (B-3), and the remaining 4.4 acres would only support one additional parcel, which could only be developed on the designated building site location (B-7).

The City of Point Arena staff concur that the subject parcel is best suited for a total of two lots, which is consistent with conceptual plans submitted by the property owner in support of the amendment. The landowner indicates that he plans to seek a lot split and build a personal residence on the second lot, thereafter selling the lot containing his presently existing residence on the eastern boundary of the existing parcel. Accordingly, City staff and the landowner have expressed support for the recommended modifications.¹

City staff further explained that the City did not apply the combining designations when this amendment was processed because at that time a pending update of

¹Staff communications with City of Point Arena Administrator/Planning Director Fred D. Patten and with the owner of the subject parcel, Richard Wasserman, July 11, 2005.

the General Plan and LCP had already been prepared without including the combining designations (a "streamlining" measure). The question of whether to retain the designations in the certified LCP has not been taken up by the Commission because the City's LCP update remains pending. Because the matter of retaining or eliminating combining designations in the future LCP is unsettled, a policy basis must be established within the certified LUP for application of the combining designations specifically to the subject parcel. Recommended Modification 1 therefore ensures that the proposed redesignation component of the LUP amendment is consistent with sections 30250(a) (locating new development), 30251 (visual resources), and 30253 (minimizing impacts) of the Coastal Act and with applicable provisions of the certified LUP.

Staff Recommendation:

For these reasons, staff recommends that the Commission, upon completion of the public hearing, **(1) deny the proposed Land Use Plan (LUP) amendment as submitted, and (2) certify the LUP amendment with the suggested modification herein, (3) deny the proposed Implementation Program as submitted and (4) certify the Implementation Program amendment with the suggested modification herein.**

Analysis Criteria:

To certify the amendment to the Land Use Plan (LUP) portion of the City of Point Arena Local Coastal Program (LCP), the Commission must find that the LUP, as amended, is consistent with the policies of Chapter 3 of the Coastal Act. To certify the amendment to the Implementation Program (IP) portion of the LCP, the Commission must find that the IP, as amended, conforms with and is adequate to carry out the amended LUP.

Deadline for Commission Action:

On December 23, 2004, the Commission received the proposed amendment from the City of Point Arena. Upon receipt, the Executive Director determined that the City's LCP amendment submittal was in proper order and legally adequate to comply with the requirements of Section 30510 of the California Coastal Act and Sections 13551-13552 of the Commission's regulations.

Section 30512 of the California Coastal Act requires that an LUP amendment must be scheduled for public hearing and the Commission must take action within 90 days after receipt of a complete transmittal. The 90th day after the submittal of PTA-MAJ-02-04 (Wasserman) was determined to be complete was March 23,

2005, therefore necessitating Commission review at or before the Commission's March 16-18, 2005 hearings. Commission staff determined that additional time would be necessary to both analyze consistency of the proposed amendment with the Coastal Act and prepare a staff recommendation to the Commission. Coastal Act Section 30517 states that the Commission may extend for good cause the 90-day time limit for Commission action for a period not to exceed one year. Pursuant to this statute, on March 17, 2005, the Commission extended the 90-day time limit for Commission action by one year to March 23, 2006.

Additional Information:

For further information, please contact Robert Merrill at the North Coast District Office (707) 445-7833. Correspondence should be sent to the District Office at the above address.

I. MOTIONS, STAFF RECOMMENDATIONS, AND RESOLUTIONS FOR LCP AMENDMENT NO. PTA-MAJ-02-04

A. DENIAL OF LUP AMENDMENT NO. PTA-MAJ-02-04, AS SUBMITTED:

MOTION I: *I move that the Commission certify Land Use Plan Amendment No. PTA-MAJ-02-04 as submitted by the City of Point Arena.*

STAFF RECOMMENDATION TO DENY:

Staff recommends a **NO** vote. Failure of this motion will result in denial of the amendment as submitted and adoption of the following resolution and findings. The motion to certify as submitted passes only by an affirmative vote of a majority of the appointed Commissioners.

RESOLUTION I TO DENY CERTIFICATION OF THE LAND USE PLAN AS SUBMITTED:

The Commission hereby denies certification of the Land Use Plan Amendment No. PTA-MAJ-02-04 as submitted by the City of Point Arena and adopts the findings set forth below on the grounds that the land use plan amendment does not conform with the policies of Chapter 3 of the Coastal Act. Certification of the land use plan amendment would not comply with the California Environmental Quality Act because there are feasible alternatives or mitigation measures which could substantially lessen

any significant adverse impact which the land use plan amendment may have on the environment.

B. CERTIFICATION OF LUP AMENDMENT NO. PTA-MAJ-02-04 WITH SUGGESTED MODIFICATIONS:

MOTION II: *I move that the Commission certify Land Use Plan Amendment No. PTA-MAJ-02-04 for the City of Point Arena if it is modified as suggested in this staff report.*

STAFF RECOMMENDATION TO CERTIFY WITH SUGGESTED MODIFICATIONS:

Staff recommends a **YES** vote. Passage of the motion will result in the certification of the land use plan amendment with suggested modifications and adoption of the following resolution and findings. The motion to certify with suggested modifications passes only upon an affirmative vote of the majority of the appointed Commissioners.

RESOLUTION II TO CERTIFY WITH SUGGESTED MODIFICATIONS:

The Commission hereby certifies Land Use Plan Amendment No. PTA-MAJ-02-04 for the City of Point Arena if modified as suggested and adopts the findings set forth below on the grounds that the land use plan amendment with suggested modifications will meet the requirements of and be in conformity with the policies of Chapter 3 of the Coastal Act. Certification of the Land Use Plan amendment if modified as suggested complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the land use plan amendment on the environment, or 2) there are no further feasible alternatives or mitigation measures that would substantially lessen any significant adverse impacts which the land use plan amendment may have on the environment.

C. DENIAL OF IMPLEMENTATION PROGRAM PORTION OF AMENDMENT NO. PTA-MAJ-02-04, AS SUBMITTED:

MOTION III: I move that the Commission reject Implementation Program Amendment No. PTA-MAJ-02-04 for the City of Point Arena as submitted.

STAFF RECOMMENDATION OF REJECTION:

Staff recommends a **YES** vote. Passage of this motion will result in rejection of Implementation Program Amendment and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

RESOLUTION III TO DENY CERTIFICATION OF THE IMPLEMENTATION PROGRAM AS SUBMITTED:

The Commission hereby denies certification of the Implementation Program submitted for the City of Point Arena and adopts the findings set forth below on grounds that the Implementation Program Amendment as submitted does not conform with and is inadequate to carry out the provisions of the Land Use Plan as certified. Certification of the Implementation Program Amendment would not meet the requirements of the California Environmental Quality Act, as there are feasible alternatives and mitigation measures that would substantially lessen the significant adverse impacts on the environment that will result from certification of the Implementation Program as submitted.

D. APPROVAL OF IMPLEMENTATION PROGRAM PORTION OF AMENDMENT NO. PTA-MAJ-02-04, WITH SUGGESTED MODIFICATION:

MOTION IV: *I move that the Commission certify Implementation Program Amendment No. PTA-MAJ-02-04 for the City of Point Arena, if modified as suggested in this staff report.*

STAFF RECOMMENDATION OF CERTIFICATION AS SUBMITTED:

Staff recommends a **YES** vote. Passage of this motion will result in certification of the Implementation Program amendment with suggested modification and adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

RESOLUTION IV TO CERTIFY THE IMPLEMENTATION PROGRAM AMENDMENT NO. PTA-MAJ-02-04 WITH SUGGESTED MODIFICATION:

The Commission hereby certifies the Implementation Program Amendment No. PTA-MAJ-02-04, for the City of Point Arena, if modified as suggested, and adopts the findings set forth below on grounds that the Implementation Program amendment, if modified as suggested, conforms with, and is

adequate to carry out, the provisions of the certified Land Use Plan as amended. Certification of the Implementation Program amendment complies with the California Environmental Quality Act, because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the implementation program amendment on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment.

II. SUGGESTED MODIFICATION TO LUP PORTION OF THE PROPOSED CITY OF POINT ARENA LCP AMENDMENT (PTA-MAJ-02-04)

SUGGESTED MODIFICATION NO. 1

Add the following language to Policy 38 of City of Point Arena LUP (LUP Page 38). Language to be added to the existing policy is incorporated where proposed, and is shown in **underlined bold**. There are no proposed deletions to the text of the policy:

Policy 38 Port Road (West):

(a) The existing open, rural drive from town to the wharf shall be protected by establishing special set back criteria pursuant to planned development (PD) zoning of lands adjacent the north side of the Road (see Location of New Development); and by protecting the Point Arena Creek and adjacent bluff areas with agricultural and/or open-space zoning. Such zoning is appropriate for the lands south of Port Road due to sensitivity of the Creek to impacts posed by development and the hazards posed to urban development by bluffs (see Hazards). Hazards and /or development constraints, together with existing grazing uses dictate this assignment outside the Urban Boundary.

(b) The 7.4-acre parcel identified as of July 21, 2005 as APN 027-081-12, that is ineligible for consideration for redesignation or rezoning to PD due to lot size less than the requisite 15-acre minimum, shall be redesignated and rezoned from Agriculture Exclusive (AE) to Residential Agriculture (RA) two-acre minimum, with the additional application of combining designation B-3 adjusting the RA minimum lot size to a three-acre minimum lot size thereby, and the application of combining designation B-7 requiring the identification of a specific building site to be shown on the Parcel or Final Map of Record.

(c) APN 027-081-12 shall remain subject to the three-acre minimum for a maximum of 2 lots on APN 027-081-12 and the need to identify a specific building site prior to any future land division whether or not an LCPA to eliminate the B-3 and B-7 combining designations as LCP combining designations is subsequently approved.

(d) APN 027-081-12 may thereby be considered for future land division only for a maximum of two lots and the subject parcel shall not be recombined with other lands to achieve a redivision of land that would increase development intensity beyond that which would otherwise result from a simple division of APN 027-081-12 into two lots, utilizing the present parcel boundaries.

(e) In this manner, development of one additional single family residence may be considered under a future land division of the parcel provided all standards protective of visual resources, and any other applicable policy or provision of the certified Local Coastal Program, are satisfied. Such standards may include but are not limited to, limiting total building height to preserve public views of the bluffs and open space corridors north of Port Road, limiting landform alteration and vegetation removal, restricting length and location of access driveway to limit landform alteration, limiting building envelope and total building size, limiting building design, coloration, exterior lighting, or use of reflective glass, and clustering and otherwise limiting the number, location, and size of accessory structures to the area within the identified building site required pursuant to combining designation B-7. In addition, approved development on the subject parcel or on such additional parcel as may be derived therefrom in the future shall only be sited where it will not cause or contribute to significant adverse impacts on coastal resources either individually or cumulatively.

SUGGESTED MODIFICATION NO. 2

Combining designations B-3 and B-7 set forth in the certified Implementation Program of the City of Point Arena's certified LCP (see Implementation Program, Page 23, Section 5.02) shall apply to the subject parcel, known as APN 027-081-12 as of July 21, 2005. The text of Section 5.02 is set forth below for reference but no changes to the text are proposed in this suggested modification:

Sec. 5.02 Special building site combining or B zone: The special building site combining or B zone is intended to be combined with any zone in order to make lots conform to the character of the surrounding

development and to the terrain. This will ensure that lot sizes are generally large enough to accommodate the intended use and have adequate area for septic tank and leach field sewage disposal systems. Geologic instability or the preservation of scenic areas may cause the implementation of the B combining zone. The following regulations shall apply in any zone which is combined with a Special Building Site or B Zone in lieu of the lot area requirements normally applicable in such principal zone.

<u>Combining Designation</u>	<u>Minimum lot area</u>
B-1	1 acre
B-2	2 acres
B-3	3 acres
B-4	4 acres
B-5	5 acres
B-6	As specified on the Zoning map, except that in no Case less than 5 acres.
B-7	Building Site shown on Parcel or Final map of Record.

III. Description of Proposed LCP Amendment & Affected Site:

The proposed amendment to the City of Point Arena Local Coastal Program would change the land use designation and zoning classification of approximately 7.4 acres of land from Agriculture Exclusive (AE) 20-acre minimum lot size, to Residential Agriculture (R-2) 2 acre minimum lot size. The affected parcel is located west of Highway 1, at 240 Port Road, within the urban area identified by the urban/rural boundary line, which parallels Port Road at the southerly border of the parcel. The parcel presently contains one single family residence at the easterly boundary (see Exhibits 1 – 3).

If the LCP amendment is certified as submitted, the two-acre minimum lot size could be interpreted in the future to allow as many as three lots to be divided from the existing 7.4-acre parcel. The parcel lays entirely within a highly scenic area that leads along Port Road to Arena Cove. The corridor has been designated as a View Corridor in the City's certified LCP.

The parcel includes bluffs and slopes ranging from approximately 20 percent to almost 70 percent in some areas, according to the biological evaluation prepared in support of the amendment request. Vegetative cover is relatively undisturbed and includes a mature stand of Monterey pines trees as well as native coastal

scrub, open grasslands, and a spring-fed riparian corridor on the easterly boundary of the parcel (near the existing single family residence).

The Port Road corridor at the foot of the subject parcel divides the exclusively agricultural lands south of Port Road from more densely zoned residential lands to the north and east of the subject parcel. Port Road comprises most of the westerly boundary of the parcel, and parallels the urban/rural boundary line in this location (the subject parcel is on the urban side of the line). Hence, limited additional residential development of the parcel would be consistent with buffering the transition between the two land uses, consistent with the requirements of the Coastal Act and the certified LCP.

One building site (other than the existing single family residence) has been identified on the westerly portion of the parcel on a relatively flat area of the site, but other areas of the parcel could not be developed without contributing significant, adverse visual impacts to this primary View Corridor protected by the LCP. The steep slopes and relatively undisturbed stands of natural vegetation could not support a third development site, particularly combined with fuel modification requirements for vegetation removal, without significant landform alteration. A third development site would also be visible from Port Road and would permanently intrude into the Scenic View Corridor.

Evidence supplied by the City in support of the amendment indicates that the additional residential development of one additional parcel that might be divided from the existing parcel in the future could be developed within a logical neighborhood boundary. The City Administrator confirmed on request on July 11, 2005 that sewer and water utilities are available at Port Road, at the parcel boundary.

The City has favorably addressed the question of the viability of agricultural use of the subject site as required by Section 30241 of the Coastal Act. An "Economic Feasibility Evaluation" dated October 14, 2004, prepared in support of the LCP amendment, indicates that the subject parcel is not adequate to support viable agricultural operations. The parcel is small, from an agricultural development perspective, and unsuitable for crop cultivation: The slopes on the site range from about 20 percent to almost 70 percent, and over 90 percent of the site contains poor, highly erosive soils. The site has never been cultivated, but was once part of a much larger, early twentieth century dairy operation. The parcel was then subject to open grazing, however return of the parcel to cattle grazing, or even sheep grazing, could not be undertaken profitably on such a small parcel. The Mendocino County General Plan indicates that the minimum size of a viable coastal sheep grazing operation is at least 865 acres.

IV. Background of LCP Amendment Request:

The proposed LCP amendment was originally prompted by the property owner's request for a rezoning to one-half-acre minimum lot size for the subject parcel. The City identified site constraints that resulted in consideration of the RA zoning instead, but the supporting information supplied by the applicant (including a geotechnical report) provides evidence that there is only one additional building site on the 7.4-acre parcel that could potentially be developed (provided a subsequent lot split is first approved) without adverse impacts to coastal resources.

Subsequent discussion with the property owner and with the City staff indicates that a maximum of two parcels would be satisfactory to the landowner, and consistent with the City's concerns about future development in the visually-sensitive Port Road corridor as well. A tool exists in the certified LCP to address the problem of increasing the minimum lot size sufficiently to match the appropriate lot size consistent with the parcel's physical constraints yet allow for the creation of one additional lot. As set forth in Modification 2, the combining designations B-3 and B-7), if applied to the parcel in addition to the City's recommended redesignation and rezone, would refine the potential development intensity (set a 3-acre minimum lot size, per B-3) and determine the location of future development of the parcel (require designation of an acceptable building site, per B-7).

As noted in the staff synopsis, the City did not apply the combining designations when this amendment was processed because at that time a pending update of the General Plan and LCP had already been prepared without including the combining designations (a "streamlining" measure). The question of whether to retain the designations in the certified LCP has not been taken up by the Commission because the City's LCP update remains pending. Because the matter of retaining or eliminating combining designations in the future LCP is unsettled, a policy basis must be established within the certified LUP for application of the combining designations specifically to the subject parcel. Recommended Modification 1 therefore ensures that the proposed redesignation component of the LUP amendment is consistent with sections 30250(a) (locating new development), 30251 (visual resources), and 30253 (minimizing impacts) of the Coastal Act and with applicable provisions of the certified LUP, as discussed below.

In addition, Section 30241 and 30241.5 of the Coastal Act set forth policies that address the conversion of agricultural lands to other uses. The City submitted an Economic Analysis in support of the requested LCP amendment that indicates that return of the 7.4-acre parcel to agricultural use (it was formerly part of a much larger grazing holding for former dairy operation) is not economically viable. In addition, providing for one moderate additional residential use of the subject parcel

would complete a logical neighborhood and conform to a stable urban/rural boundary, consistent with the requirements of the Coastal Act.

V. Land Use Plan Amendment Findings

A. Introduction/Criteria for Analysis

The standard of review for the proposed amendment to the Land Use Plan (LUP) portion of City of Point Arena LCP is the Chapter 3 policies of the Coastal Act. In the case of the present amendment request, the proposed land use designation change from exclusively agricultural land use to a higher density residential/agricultural land use (AE to RA), with the attendant decrease in the minimum lot size (20-acres to 2-acre minimum lot) in a designated View Corridor protected by the certified LCP, principally requires analysis of Coastal Act Sections 30250 (addressing location of new development), Coastal Act Section 30241 (addressing conversion of agricultural land), and 30251 (addressing visual resource protection). In addition the proposed amendment must be evaluated for consistency with Coastal Act Section 30241 to ensure that the redesignation from agricultural to residential agricultural is appropriate.

B. Conversion of Agricultural Land to Other Uses

The Coastal Act provides for the preservation of agricultural land and discourages conversion to other uses unless certain tests have been met:

Section 30241 Prime agricultural land; maintenance in agricultural production

The maximum amount of prime agricultural land shall be maintained in agricultural production to assure the protection of the areas, agricultural economy, and conflicts shall be minimized between agricultural and urban land uses through all of the following:

(a) By establishing stable boundaries separating urban and rural areas, including, where necessary, clearly defined buffer areas to minimize conflicts between agricultural and urban land uses.

(b) By limiting conversions of agricultural lands around the periphery of urban areas to the lands where the viability of existing agricultural use is already severely limited by conflicts with urban uses or where the conversion of the lands would complete a logical and viable neighborhood and contribute to the establishment of a stable limit to urban development.

(c) By permitting the conversion of agricultural land surrounded by urban uses where the conversion of the land would be consistent with Section 30250.

(d) By developing available lands not suited for agriculture prior to the conversion of agricultural lands.

(e) By assuring that public service and facility expansions and nonagricultural development do not impair agricultural viability, either through increased assessment costs or degraded air and water quality.

(f) By assuring that all divisions of prime agricultural lands, except those conversions approved pursuant to subdivision (b), and all development adjacent to prime agricultural lands shall not diminish the productivity of such prime agricultural lands.

Section 30241.5 Agricultural land; determination of viability of uses; economic feasibility evaluation

(a) If the viability of existing agricultural uses is an issue pursuant to subdivision (b) of Section 30241 as to any local coastal program or amendment to any certified local coastal program submitted for review and approval under this division, the determination of "viability" shall include, but not be limited to, consideration of an economic feasibility evaluation containing at least both of the following elements:

(1) An analysis of the gross revenue from the agricultural products grown in the area for the five years immediately preceding the date of the filing of a proposed local coastal program or an amendment to any local coastal program.

(2) An analysis of the operational expenses, excluding the cost of land, associated with the production of the agricultural products grown in the area for the five years immediately preceding the date of the filing of a proposed local coastal program or an amendment to any local coastal program.

For purposes of this subdivision, "area" means a geographic area of sufficient size to provide an accurate evaluation of the economic feasibility of agricultural uses for those lands included in the local coastal program or in the proposed amendment to a certified local coastal program.

(b) The economic feasibility evaluation required by subdivision (a) shall be submitted to the commission, by the local government, as part of its

submittal of a local coastal program or an amendment to any local coastal program. If the local government determines that it does not have the staff with the necessary expertise to conduct the economic feasibility evaluation, the evaluation may be conducted under agreement with the local government by a consultant selected jointly by local government and the executive director of the commission.

The subject 7.4-acre parcel is presently designated and zoned Agriculture Exclusive, with a 20-acre minimum lot size. The City has submitted a geotechnical report in support of the requested amendment that indicates that there are no prime soils on the relatively steeply sloping site. Thus, the proposed redesignation and rezoning would not result in the loss of prime agricultural soils.

Section 30241 further limits conversions of agricultural lands around the periphery of urban areas to the lands where the viability of existing agricultural use is already severely limited by conflicts with urban uses or where the conversion of the lands would complete a logical and viable neighborhood and contribute to the establishment of a stable limit to urban development. In this case, the subject parcel has not been in agricultural use since the early twentieth century, and was once part of a marginal grazing holding for a much larger dairy operation that was subdivided prior to the implementation of the Coastal Act. The subject parcel is on the urban side of the Urban/Rural boundary line (which parallels Port Road), and would complete a logical and viable neighborhood (more dense residential zoning adjoins the parcel on the north and east sides, and public service connections are available at the foot of the parcel, at Port Road.

The City of Point Arena has properly submitted an adequately prepared Economic Feasibility Evaluation compliant with the requirements of Section 30241.5 of the Coastal Act. In summary, the evaluation notes that the subject parcel has never been cultivated, and is too steep, and generally of such poor soil quality, that cultivation of crops is not possible. In the early twentieth century, as stated above, the site was part of much larger dairy operation grazing lands. The City's Economic Feasibility Evaluation determined that return to cattle grazing would not be feasible because the parcel size is so small, and the parcel separated from larger agricultural parcels south of Port Road, thus making recombining with larger lots infeasible. Sheep grazing is often more profitably undertaken than cattle grazing in many areas of the Mendocino coast, but the Mendocino County General Plan, cited in the Economic Feasibility Evaluation, states that the average "break even point" for coastal sheep ranching occurs when a farm is at least 865 acres in size. Clearly, a 7.4-acre parcel cannot meet that standard.

For these reasons, the Commission finds that the redesignation and rezoning of the subject 7.4-acre parcel requested by the City of Point Arena is consistent as submitted with the requirements of Sections 30240 and 30241.5 of the Coastal Act.

C. Location of New Development; Visual Resources; Minimizing Impacts

Coastal Act Section 30250 states in pertinent part:

Section 30250 Location; existing developed area

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

Coastal Act Section 30251 states:

Section 30251 Scenic and visual qualities

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

Coastal Act Section 30253 (2) states in pertinent part:

Section 30253 Minimization of adverse impacts

New development shall:

(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.

The proposed LUP amendment would change the Land Use Plan (LUP) designation of approximately 7.4 acres of Agriculture Exclusive to Residential Agriculture – specifying a 2-acre minimum parcel size (RA). The change in land use designation results in a parcel that could potentially be divided into three lots under the new LUP designation.

Because this amendment would result in a parcel that, unlike the previous configuration, could potentially be subdivided and further developed, the Commission must determine if the LUP as amended, would in fact be consistent with Sections 30250, 30251, and 30253 of the Coastal Act. These provisions of the Coastal Act address appropriate location of new development, preservation of significant public coastal views, and minimizing impacts of new development. Together, these sections emphasize the need to plan for new development in a manner that ensures that there are adequate public services to support the development without contributing to sprawl and where such development will not have significant adverse effects, either individually or cumulatively, on public coastal views or other resources.

The City's certified LUP states:

Policy 42 The city shall adopt a land use plan emphasizing the need to "fill-in" vacant lands that are served by roads, water and sewer systems prior to expanding urban development into areas where such services are lacking or inadequate...

The City Administrator/Planning Director of the City of Point Arena has verified on request that sewer and water service lines are available at the foot of the subject parcel, along Port Road, where service would be required should the subject parcel be further divided. An existing single family residence has already been developed along the eastern boundary of the subject parcel, therefore additional requirements for provision of infrastructure would only be triggered upon future further division of the parcel. In addition, the subject parcel is located within the existing planned urban boundaries of the community, as delineated by the urban/rural boundary line. In these respects, the proposed amendment is consistent with the requirement of Coastal Act Section 30250(a) that new development be located in areas contiguous to existing similar development. Therefore, the proposed amendment is consistent with the requirement of Section 30250(a) that adequate infrastructure be present to serve the proposed development.

The parcel already contains one single family residence, however, and only one other site suitable for development on the 7.4-acre parcel has been identified. City staff and the landowner's geotechnical consultant have identified a site on the western portion of the parcel, between the 90 and 100-foot contour lines, that is

relatively flat and could be developed with a single family residence without significant landform alteration, vegetation removal, or permanent adverse visual impacts to the designated Port Road West View Corridor, provided adequate site location and development restrictions are imposed (see development review standards set forth in Modification 1).

The City's certified LUP establishes and identifies Scenic Corridors, emphasizing the preservation of public views available from Port Road from which the subject parcel is highly visible. Port Road is the primary scenic corridor leading through the City of Point Arena, to Arena Cove. Figure 12 of the certified LCP, "Scenic Corridors" establishes that the entire parcel is located within the View Corridor along Port Road. The LCP states (page 67) also states:

4. Port Road West This public road provides the only vehicular access from the City's center to Arena Cove. As discussed in previous sections, it is generally a narrow and gently winding road from town to the wharf. In that it is located adjacent to Point Arena Creek and at the bottom of the "draw" between the bluffs, automobile passengers and/or hikers can enjoy the view afforded by the open bluffs on both sides of the road and the grazing lands which are broken by the vegetation along the Point Arena Creek.

The subject parcel is located entirely within, and is visible from, the View Corridor associated with Port Road (West).

The landowner's geotechnical consultant evaluated the parcel in a report entitled "Geologic Report of 7.4-acre Parcel, 240 Port Road, Point Arena, California, APN 027-01-12," dated July 30, 2002, prepared by Thomas E. Cochrane, California registered geologist. The report was prepared for the purpose of evaluating the suitability of the subject parcel for a potential land division (a split into two lots is what the land owner states he intends to pursue subsequent to the certification of the pending LCP amendment).

The report states that the hillsides of the subject parcel slope in the 44 to 50 percent grade on average and that soils examined are thin and subject to erosion. The report identifies only one site for further development that may have been originally graded as an old logging road on the western portion of the parcel, and states that the site could be served by a driveway at less than 20 percent grade from Port Road (where sewer and water service is available). The old roadbed between the 90 and 100-foot topographic contour lines provides a location for future development that is relatively flat, in contrast to the slopes elsewhere on the site, and affords the possibility of constructing a modest additional house without the need to undertake any significant grading. Thus, development of the one identified site could be undertaken without altering the bluffs parallel to Port Road.

The City's Negative Declaration prepared pursuant to the California Environmental Quality Act included a finding that the parcel appears suitable for one additional house site on the only relatively flat area of land available in the otherwise relatively steep terrain that would afford a logical parcel split in the future. The potential house site, according to the City, could be located West from the center of the parcel, between the 90- and 100-foot contour lines.

No additional suitable building sites were identified that would not result in visual impacts if developed in the future. The sloping terrain of the subject parcel precludes construction elsewhere of a building pad unless significant landform alteration, vegetation clearance, or alteration of bluffs and cliffs occurs, which would be inconsistent with the requirements of Coastal Act Section 30250, 30251, and 30253.

The City's proposed amendment provides support for a potential split of the subject parcel into two parcels, but does not support development of a third parcel. However, the City's proposed amendment establishes a 2-acre minimum lot size and therefore does not serve to limit the potential division of the parcel into more than two parcels. The City staff indicate that no residential zoning district was available that offered a three-acre minimum parcel size, which would have limited future division of the parcel into a maximum of two lots. The combining designation in the certified LCP that would have this effect if applied to the subject land was not used, according to City staff, because by the time the City processed the subject amendment, it had previously submitted an overall General Plan/LCP update amendment (that remains pending) and that submittal proposes to eliminate the use of the combining districts.

For these reasons the LUP amendment component, as submitted, without a policy requiring site-specific restrictions on the location and intensity of future additional development that would be enabled thereby, is not consistent with the applicable provisions of Coastal Act Sections 30250, 30251, or 30253. With regard to Section 30250(a), a division of the parcel into more than two lots would result in significant individual and cumulative adverse impacts to visual resources, including impacts associated with the extension of a driveway, sewer and water lines through steep, naturally vegetated areas of the parcel and the intrusion of permanent improvements into the scenic corridor visible from Port Road. The attendant landform alteration and vegetation removal necessary to develop a third lot on the 7.4-acre parcel would additionally be inconsistent with the requirements of Section 30251, which specifically requires that new development limit landform alteration and be subordinate to the character of its setting in highly scenic areas such as the Port Road View Corridor. Development of a third lot on the subject parcel would require installation of a driveway on steep slopes and would require significant grading and the construction of retaining walls to achieve access. Section 30253

prohibits development that would substantially alter natural landforms along bluffs and cliffs, therefore dividing the subject parcel into three lots could result in a demand for construction on a third, but unsuitable location that contributes to impacts on the bluffs or areas supportive of the bluffs on the subject parcel, or elsewhere on the steep parcel. Such development could contribute to erosion, loss of vegetation, and other impacts that adversely affect the visual resources of the Port Road corridor, which would be inconsistent with the requirements of Coastal Act Section 30251 as well as Coastal Act Section 30253.

The LUP also contains the Planned Development (PD) designation which could be utilized for overall planning for large parcel conversions, thus providing an alternative means of ensuring that the subject parcel is divided and developed in the future in a manner consistent with the Coastal Act and LUP. However, the PD designation requires a minimum lot size of 15 acres, which is twice the size of the subject 7.4-acre parcel, and is therefore not available.

The application of the combining designations is the only remaining tool in the certified Implementation Program that would resolve these issues. The combining designations would not only modify the minimum lot size to three acres (B-3) but would also require identification of a suitable building site (B-7), if applied to the subject parcel would render the zoning consistent with the requirements of the Coastal Act and the LUP. However, there presently is not an adequate policy basis in the LUP to specifically impose the combining designations on the subject parcel in the event that the pending overall LCP update is certified without the combining designations (which as submitted, the City proposes to eliminate as a streamlining measures). Therefore, Modification 1, set forth below, is necessary to provide such a policy basis and to establish the applicable standards that would render the LUP component of the pending LCP amendment consistent with the applicable requirements of Coastal Act Sections 30250, 30251, and 30253.

Modification 1 states:

SUGGESTED MODIFICATION NO. 1

Add the following language to Policy 38 of City of Point Arena LUP (LUP Page 38). Language to be added to the existing policy is incorporated where proposed, and is shown in **underlined bold**. There are no proposed deletions to the text of the policy:

Policy 38 Port Road (West):

- (a)** The existing open, rural drive from town to the wharf shall be protected by establishing special set back criteria pursuant to planned development (PD) zoning of lands adjacent the north side of the Road (see Location of New

Development); and by protecting the Point Arena Creek and adjacent bluff areas with agricultural and/or open-space zoning. Such zoning is appropriate for the lands south of Port Road due to sensitivity of the Creek to impacts posed by development and the hazards posed to urban development by bluffs (see Hazards). Hazards and /or development constraints, together with existing grazing uses dictate this assignment outside the Urban Boundary.

(b) The 7.4-acre parcel identified as of July 21, 2005 as APN 027-081-12, that is ineligible for consideration for redesignation or rezoning to PD due to lot size less than the requisite 15-acre minimum, shall be redesignated and rezoned from Agriculture Exclusive (AE) to Residential Agriculture (RA) two-acre minimum, with the additional application of combining designation B-3 adjusting the RA minimum lot size to a three-acre minimum lot size thereby, and the application of combining designation B-7 requiring the identification of a specific building site to be shown on the Parcel or Final Map of Record.

(c) APN 027-081-12 shall remain subject to the three-acre minimum for a maximum of 2 lots on APN 027-081-12 and the need to identify a specific building site prior to any future land division whether or not an LCPA to eliminate the B-3 and B-7 combining designations as LCP combining designations is subsequently approved.

(d) APN 027-081-12 may thereby be considered for future land division only for a maximum of two lots and the subject parcel shall not be recombined with other lands to achieve a redivision of land that would increase development intensity beyond that which would otherwise result from a simple division of APN 027-081-12 into two lots, utilizing the present parcel boundaries.

(e) In this manner, development of one additional single family residence may be considered under a future land division of the parcel provided all standards protective of visual resources, and any other applicable policy or provision of the certified Local Coastal Program, are satisfied. Such standards may include but are not limited to, limiting total building height to preserve public views of the bluffs and open space corridors north of Port Road, limiting landform alteration and vegetation removal, restricting length and location of access driveway to limit landform alteration, limiting building envelope and total building size, limiting building design, coloration, exterior lighting, or use of reflective glass, and clustering and

otherwise limiting the number, location, and size of accessory structures to the area within the identified building site required pursuant to combining designation B-7. In addition, approved development on the subject parcel or on such additional parcel as may be derived therefrom in the future shall only be sited where it will not cause or contribute to significant adverse impacts on coastal resources either individually or cumulatively.

D. Conclusion

Therefore, for all of the reasons set forth above, the Commission finds the LUP component of the requested LCP amendment consistent with the applicable provisions of the Coastal Act and the standards of the certified LUP only if the amendment is modified in accordance with Modification 1, as suggested herein.

VI. IMPLEMENTATION PROGRAM FINDINGS

A. Introduction/Criteria for Analysis

The standard of review for the proposed amendment to the Implementation Program (IP) of the City of Point Arena LCP is whether the IP, as amended, conforms with and is adequate to carry out the certified LUP as modified. The proposed amendment to the IP seeks to re-zone 7.4 acres of land presently zoned Agriculture Exclusive with a 20-acre minimum parcel size to Residential Agriculture with a 2-acre minimum parcel size.

The 7.4-acre area to be rezoned is the same area over which the City proposes to change the land use designation in the LUP discussed above. Accordingly, the purpose of the zoning reclassification is to make the zone boundary consistent with the land use plan boundary. No lot line adjustment or division of land is proposed as part of this amendment.

B. IP Consistent With, and Adequate to Carry Out LUP

As discussed in detail in Section V above, the City's LCP amendment request proposes to rezone the subject 7.4-acre parcel to match the new designation of Residential Agriculture. The zoning district, Residential Agriculture, provides a 2-acre minimum lot size. For a variety of reasons set forth above, the Commission finds it necessary to suggest Modification 1 to the LUP component of the amendment. Modification 1 establishes parcel-specific standards, including the requirement that Combining Designations B-3 and B-7 set forth in the certified Implementation Program be applied to the subject parcel known as APN 027-081-12, in addition to the RA-2 zoning.

Suggested Modification 2 does not change the text of the applicable IP section, but requires the application of combining designations B-3 and B-7 to APN 027-01-12:

SUGGESTED MODIFICATION NO. 2

Combining designations B-3 and B-7 set forth in the certified Implementation Program of the City of Point Arena's certified LCP (see Implementation Program, Page 23, Section 5.02) shall apply to the subject parcel, known as APN 027-081-12 as of July 21, 2005. The text of Section 5.02 is set forth below for reference but no changes to the text are proposed in this suggested modification:

Sec. 5.02 Special building site combining or B zone: The special building site combining or B zone is intended to be combined with any zone in order to make lots conform to the character of the surrounding development and to the terrain. This will ensure that lot sizes are generally large enough to accommodate the intended use and have adequate area for septic tank and leach field sewage disposal systems. Geologic instability or the preservation of scenic areas may cause the implementation of the B combining zone. The following regulations shall apply in any zone which is combined with a Special Building Site or B Zone in lieu of the lot area requirements normally applicable in such principal zone.

<u>Combining Designation</u>	<u>Minimum lot area</u>
B-1	1 acre
B-2	2 acres
B-3	3 acres
B-4	4 acres
B-5	5 acres
B-6	As specified on the Zoning map, except that in no Case less than 5 acres.
B-7	Building Site shown on Parcel or Final map of Record.

C. Conclusion

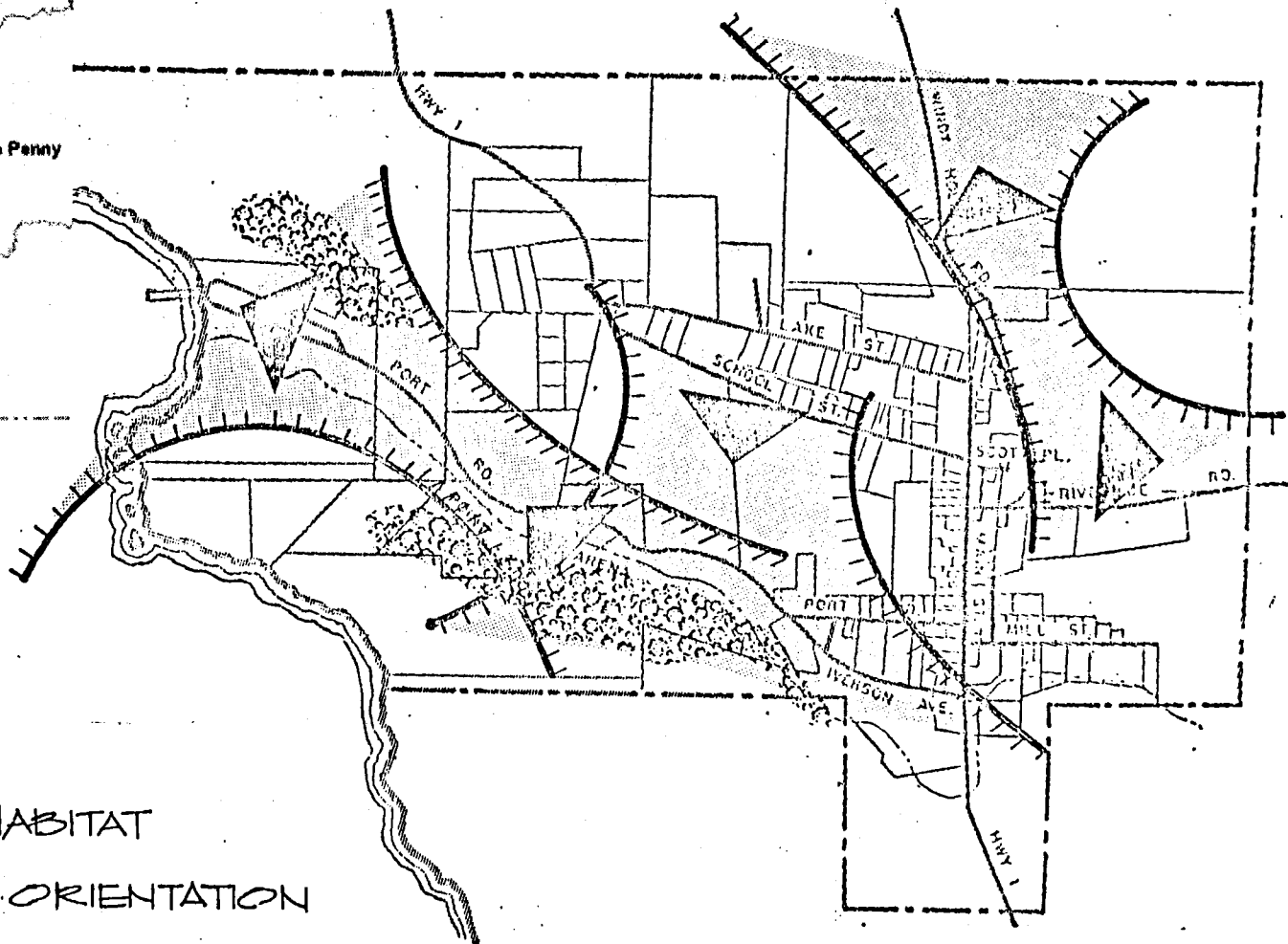
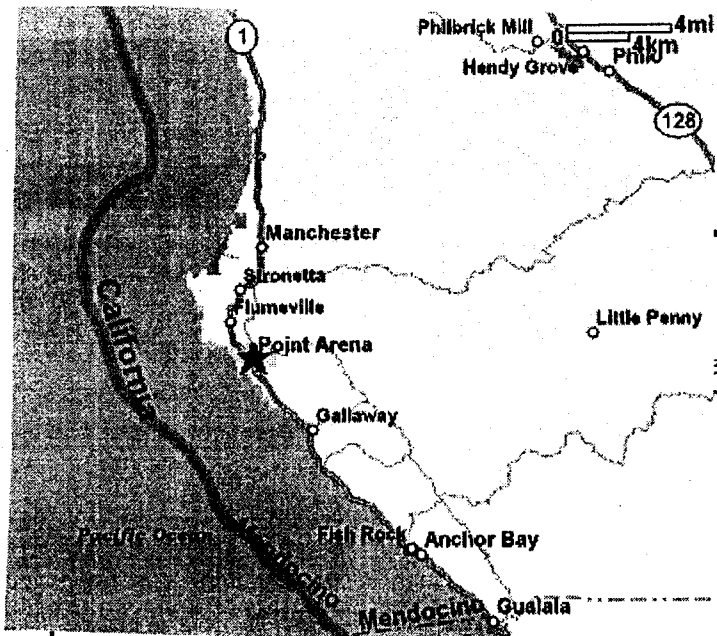
For the reasons described herein, therefore, the Commission finds that Suggested Modification 2 is necessary to ensure that the requested IP component of the LCP amendment is adequate to carry out the LUP component of the LCP amendment as modified.

VII. CEQA

In addition to making a finding that the amendment is in full compliance with the Coastal Act, the Commission must make a finding consistent with Section 21080.5 of the Public Resources Code. Section 21080.5(d)(2)(A) of the Public Resources Code requires that the Commission not approve or adopt an LCP:

... if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effects which the activity may have on the environment.

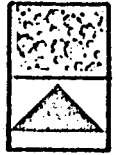
As discussed in the findings above, the amendment request, as modified, is consistent with the California Coastal Act and will not result in significant environmental effects within the meaning of the California Environmental Quality Act.



NOT TO SCALE



LEGEND



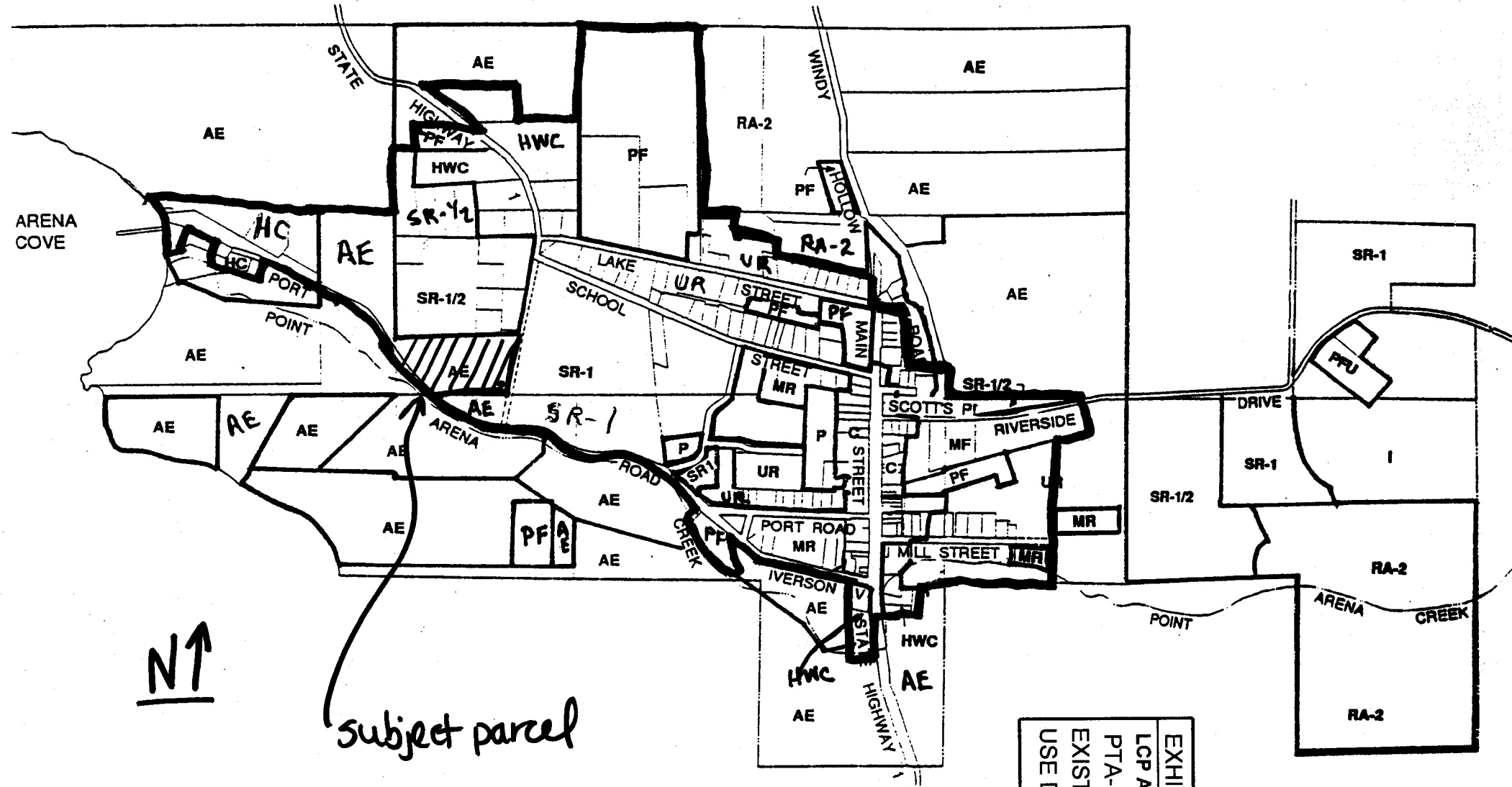
SEMI-RIPARIAN HABITAT
 VIEW CORRIDOR ORIENTATION

EXHIBIT NO. 1
 LCP AMENDMENT NO.
 PTA-MAJ-2-04
 REGIONAL & VIEW
 CORRIDOR MAP

SCENIC CORRIDORS

FIGURE 12



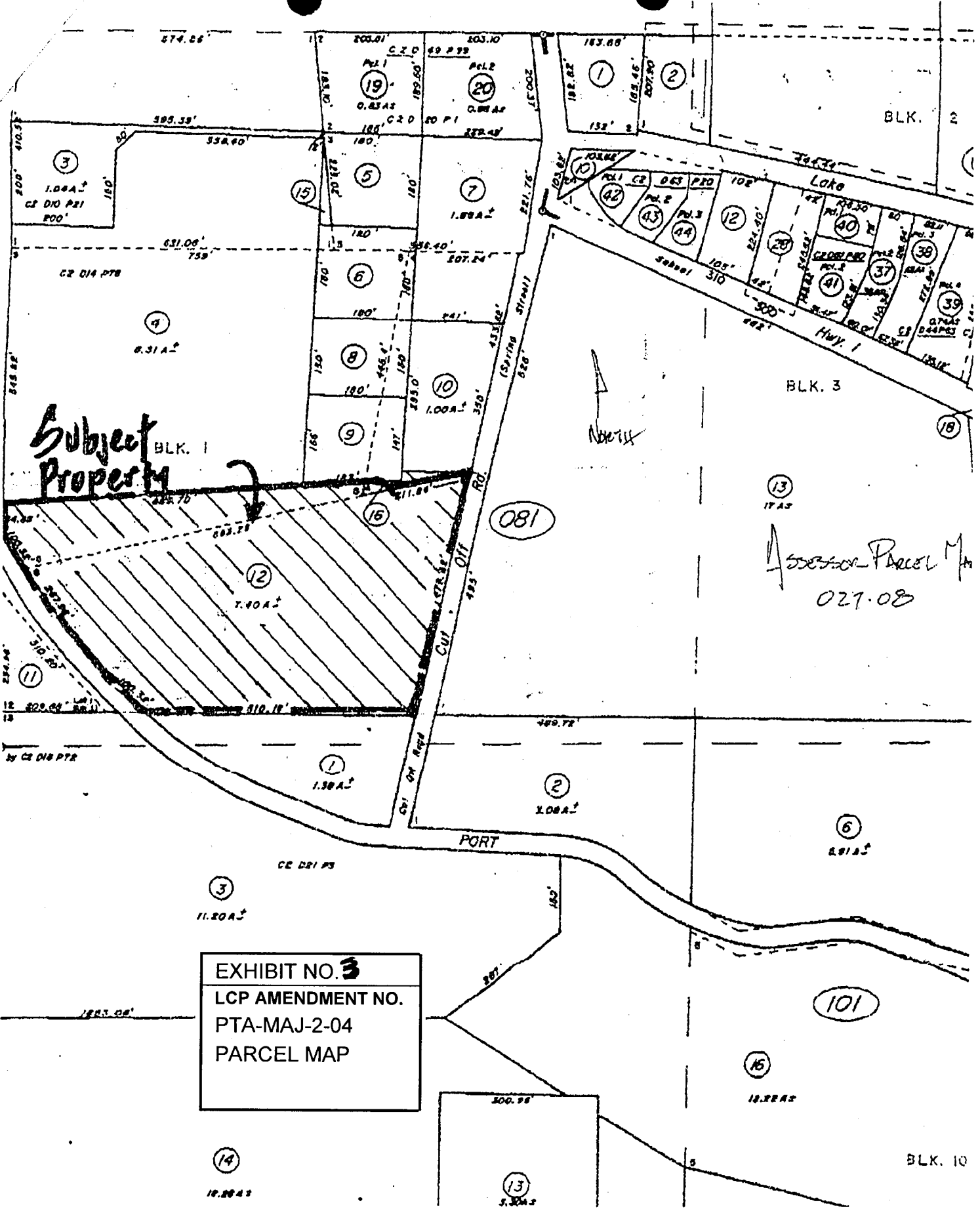


subject parcel



Existing Land Use Designations
City of Point Arena

EXHIBIT NO. 2
LCP AMENDMENT NO.
PTA-MAJ-2-04
EXISTING LAND USE DESIGNATIONS



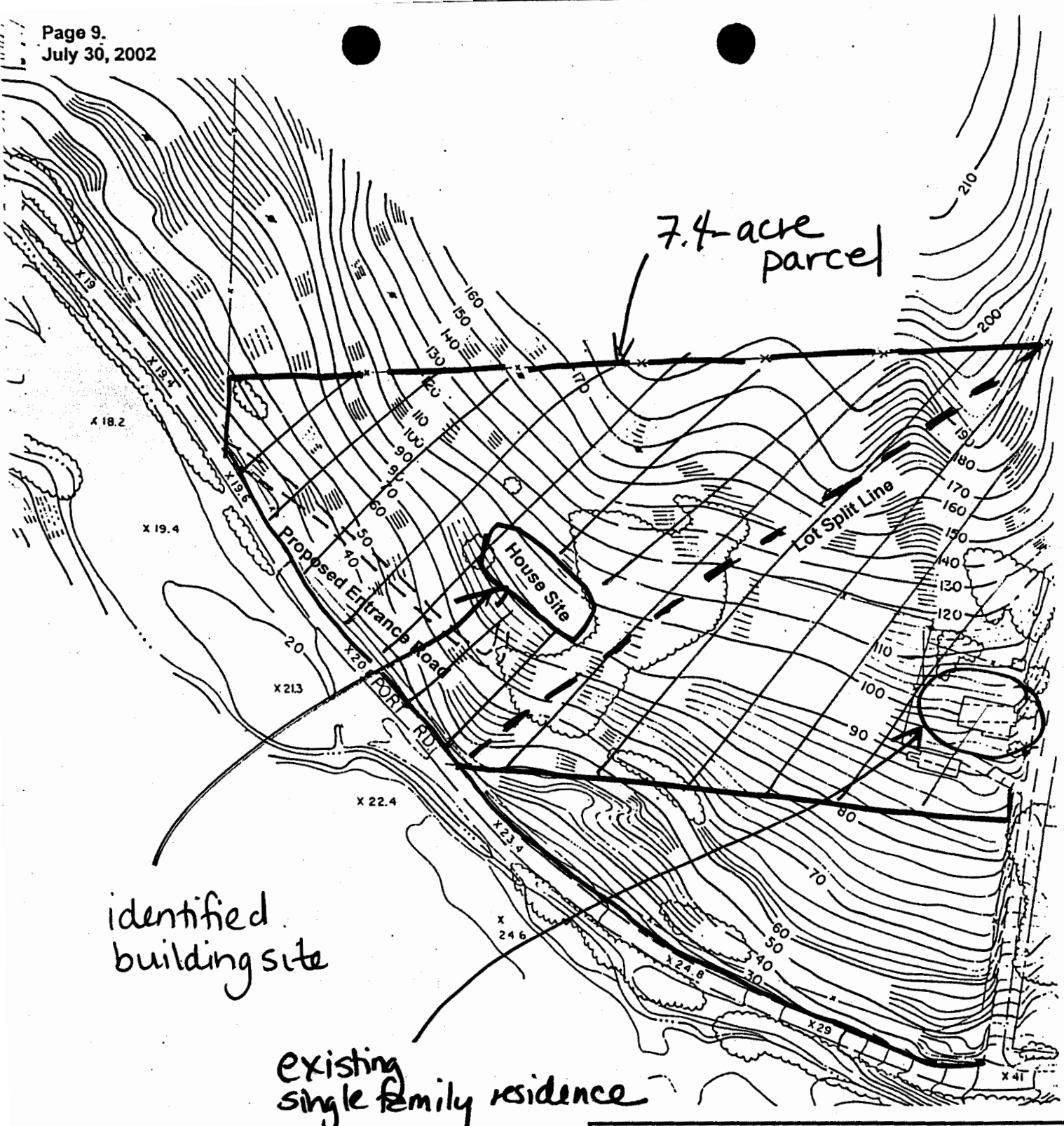


EXHIBIT NO. 4
LCP AMENDMENT NO.
PTA-MAJ-2-04
CONCEPTUAL
LOT SPLIT

GEOLOGIC REPORT POINT ARENA AREA	
Figure 2. TOPOGRAPHIC MAP Richard Wasserman Property.	
T.E. Cochrane	July 30, 2002