

CALIFORNIA COASTAL COMMISSION

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COASTAL DEVELOPMENT PERMIT AMENDMENT APPLICATION

- Application number** **A-3-SLO-00-118-A3 (KK Ranch Palm Trees, Modular Home, and Well Amendment)**
- Applicant**..... Khosro Khaloghli
- Project location** 7292 Exotic Gardens Drive, Cambria, San Luis Obispo County
- Approved project** 10,487 sq. ft. single-family residence including an attached garage and workroom; 600 sq. ft. guesthouse with a 480 square foot garage; 2,400 sq. ft. storage barn with 600 square foot loft; and 4,200 sq. ft. garage/storage building.
- Proposed Amendment** Revise permit condition 3c requiring landscaping with native species to allow retention of non-native palm trees planted in July 2005 (2 canary island palms planted at the entrance gate, and a mix of 36 Canary Island and Mexican fan palms around the residence); delete permit condition 7 requiring removal of an existing 2,400 square foot modular home; eliminate the 2,400 square foot barn (not built) from the scope of the approved project; and, obtain after-the-fact authorization for two recently drilled wells that will supply water to the modular home.
- Local Approvals** The San Luis Obispo County Planning Commission approved Minor Use Permit/Coastal Development Permit D990019V for the original project on June 22, 2000. There are no discretionary approvals required by the County for the proposed CDP amendment.
- File documents**..... San Luis Obispo County certified Local Coastal Program; Coastal Development Permit Files A-3-SLO-00-118, A-3-SLO-00-118-A1, and A-3-SLO-00-A2; A3 application materials and associated correspondence.
- Staff recommendation** **Approve with conditions**

Summary: In June 2002, San Luis Obispo County approved a coastal development permit for a single-family residential estate development on a 78-acre parcel located on the inland side of Highway One, immediately north of the Cambria Urban Area, in the North Coast Planning Area of San Luis Obispo County. The County's permit authorized a 9,700 square foot home to replace an existing modular home, a 1,080 square foot guesthouse, a 2,400 square foot barn with 600 square foot loft, a well within 50 feet of Leffingwell Creek, and a man made pond. The County's approval was appealed to the Coastal

California Coastal Commission
June 15, 2006 Meeting in Santa Rosa

Staff: Steve Monowitz Approved by:

Commission, and during the processing of the appeal, the applicant removed the well from the permit application. The Commission subsequently approved a permit for a further revised version of the project in March 2002, subject to conditions that, among other things, requires that landscaping be comprised of native plants and screen the development from public view within three years of its construction. Since that time, two permit amendments authorized an increase in the size of the residence to 10,487 square feet and added a 4,000 square foot detached garage/storage building to the scope of the permit. All elements of the approved project have been constructed, with exception to the 2,400 square foot barn.

In July 2005, toward the completion of project construction, the applicant planted close to one hundred non-native palm trees in conflict with the terms of the approved CDP. Upon being informed of the violation, the applicant removed 56 palm trees planted along the entrance driveway, in direct view of Highway One, and applied for a permit amendment to retain 36 palms planted around the residence, and two at the driveway entrance. The amendment application also requests authorization to retain the existing 2,400 modular home required to be removed prior to occupancy of the new residence, in exchange for deleting the yet to be built 2,400 square foot barn currently allowed by the CDP. In addition, the application seeks after-the-fact approval for two wells recently drilled on the property in order to supply water to the modular home.

Key issues raised by the amendment include protection of coastal views, water supplies, and environmentally sensitive habitats. The uniqueness and importance of the native Monterey Pine Forest and riparian habitats adjacent to the project site are familiar issues to the Commission, as are the scenic views of rural coastal California along this section of Highway One. Water supply constraints are a similarly significant issue. The San Luis Obispo County certified Local Coastal Program (LCP) is the standard of review for the amendment, and contains policies and ordinances that require protection of these coastal resources.

Despite the unfortunate circumstances under which the amendment application has been submitted, Commission staff has determined that, with conditions, the amendment will conform to the applicable development standards of the certified LCP, as summarized by the following table:

LCP Issue	Project Consistency	Revised Conditions
Scenic Coastal Views	The palm trees are not consistent with the visual character of the area. Although the palm trees planted around the residence are mostly screened from public view by other plantings, they have the potential to spread on the site and to other adjacent properties, in a manner that would detract from the aesthetic character of the native pine forest and grassland habitats surrounding the site. The manufactured mobile home is visible at a distance for a brief instant to northbound motorists on Highway One. The visibility of this structure will be minimized by the applicant's proposal to paint it an earth-tone green, as well as by the growth of required native landscaping.	The two Canary Island date palms planted at the entry gate shall be removed due to their visual prominence, and all Mexican fan palms shall be removed due to their potential to spread. In order to avoid the spread of Canary Island date palms, all female date palms shall be removed. The modular home shall be painted and maintained in an earth-tone green color until it is completely screened from public view by native landscaping. If ornamental plantings or the modular home are not completely hidden from public view within three years, they shall be removed from the site.
Monterey Pine Forest	The proposed palm trees are not native to the area, and have the potential to spread in a manner that could disrupt the biological productivity of the surrounding forest, grassland, and riparian habitats. Substitution of the yet to be built 2,400 barn with the existing manufactured home will prevent additional construction activities and thereby avoid impacts to the forest.	Require removal of all Mexican fan palms, which have the ability to reproduce independently, and the removal of any female Canary Island date palms, which require both male and female trees to reproduce. Limit the location and maximum number of non-native trees to the 26 Canary Island date palms (males only) planted around the residence.
Riparian and Wetland Habitats	The two wells are well over 100 feet away from Leffingwell creek and its associated riparian and wetland habitats, and are outside the Santa Rosa and San Simeon watersheds. A report by the project geologist states that operation of the wells is not expected to impact riparian and wetland areas.	Restrict use of the wells to supplying water to the modular home. Prohibit future connection of the modular home to a municipal water supply system unless approved through an amendment to this permit.



<p>Water Supply</p>	<p>The two wells will not draw upon the Santa Rosa or San Simeon watersheds, and therefore will not impact Cambria water supplies. Since the property is outside of the LCP’s urban services line, on-site wells rather than municipal water supplies, are the appropriate source of water for new development, provided that the wells will not adversely impact coastal resources or priority uses such as agriculture, as is the case here.</p>	<p>Restrict use of the wells to supplying water to the modular home. Prohibit future connection of the modular home to a municipal water supply system unless approved through an amendment to this permit. Require evidence of well approval by San Luis Obispo County Environmental Health Department prior to issuance of the amended permit.</p>
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Accordingly, **staff recommends approval of the permit amendment subject to the revised and supplemental permit conditions summarized above**, on the basis that as conditioned, the amended project is consistent with the San Luis Obispo County certified LCP.

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I. Staff Recommendation on CDP Amendment

The staff recommends that the Commission, after public hearing, **approve** the proposed permit amendment A-3-SLO-00-118-A3 subject to the standard and special conditions below.

Motion. I move that the Commission approve the proposed amendment to Coastal Development Permit No. A-3-SLO-00-118-A3 pursuant to the staff recommendation.

Staff Recommendation of Approval. 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 a majority of the Commissioners present.

Resolution to Approve the Coastal Development Permit. The Commission hereby approves the coastal development permit amendment on the ground that the development as amended and subject to conditions, will be in conformity with the policies of Chapter 3 of the Coastal Act and will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

II. Conditions of Approval

A. Standard Conditions

- 1. Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the Permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
- 2. Expiration.** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
- 3. Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
- 4. Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.



- 5. Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the Permittee to bind all future owners and possessors of the subject property to the terms and conditions.

B. Special Conditions

- 1. Existing Conditions.** All existing conditions of Coastal Development Permit A-3-SLO-00-118, as amended by A-3-SLO-00-118-A1 and A-3-SLO-00-118-A2 and attached to this report as Exhibit 1, remain in effect, except as modified and supplemented below.
- 2. Revised Scope of Permit.** Existing permit condition 1.c. is revised to replace the 2,400 square foot storage barn with 600 square foot loft with the following: “Retention of the existing 2,400 square foot modular home, in its current location, as a secondary residential unit, subject to the landscape screening requirements established by Special Conditions 3 and 4. **WITHIN 60 DAYS OF COMMISSION ACTION ON THIS AMENDMENT**, the applicant shall submit photographic evidence, for the review and approval of the Executive Director, that the modular home has been painted an earth-tone green, in order to minimize its visibility from Highway One. The permittee and all future property owners shall be responsible for maintaining the earth-tone paint color of the modular home until such a time that it is completely screened from public view in accordance with Special Conditions 3 and 4. In the event the modular home is not completely hidden from public view within three years from the date of approval of Amendment A-3-SLO-00-118-A3 it shall be removed from the site.” In addition, the following new condition 1.d is added to the Scope of the Permit: “Two wells, drilled in the location described and mapped by the January 27, 2006 letter from project hydrogeologist Timothy Cleath, for the sole purpose of providing water to the existing modular home. No future connection of the modular home to a municipal water supply shall be allowed unless authorized through an amendment to this permit. **WITHIN 60 DAYS OF COMMISSION ACTION ON THIS AMENDMENT**, the applicant shall submit written evidence, for the review and approval of the Executive Director, that the San Luis Obispo County Department of Environmental Health has determined that the wells will provide an adequate quantity and quality of water to support the secondary residence, and issued all necessary well permits.”
- 3. Palm Tree Removal.** **WITHIN 60 DAYS OF COMMISSION ACTION ON THIS AMENDMENT**, the permittee shall submit, for Executive Director review and approval, written and photographic evidence that the 2 Canary Island date palms planted at the entrance to the site, all Mexican fan palms, and any female Canary Island date palms have been removed from the site, as confirmed by qualified horticulturist. The number, type and location of palm trees on the site shall be limited to the 26 Canary Island date palms planted around the residence (male only). The permittee and all future property owners shall be responsible for immediately removing any other palm trees that may become established on the site.
- 4. Permit Amendment Expiration and Condition Compliance**

Because some of the proposed development has already commenced, this coastal development permit amendment shall be deemed issued upon Commission approval and will not expire. Failure to comply with the special conditions of this permit may result in the institution of an action to

enforce those conditions under the provisions of Chapter 9 of the Coastal Act.

III. Recommended Findings and Declarations

The Commission finds and declares as follows:

A. Project Location and Description

The development project that is the subject of the current amendment application is on a 78 acre parcel located at 7292 Exotic Gardens Drive, on the east side of Highway One, in the Rural Lands category north of the Cambria urban area (see Exhibit 2 for location and site maps). The parcel is bounded by San Simeon State Park to the North, undeveloped private land to the east, and a few residential estates (i.e., the Brown estate and the Leimert subdivision) to the south/southeast. There is an existing restaurant (“The Hamlet”) adjacent to the northwest corner of the site, which also gains access from Exotic Gardens Drive and fronts on Highway One. Leffingwell creek, a perennial stream, forms the southern boundary of the property and supports riparian and wetland habitats.

The parcel has a generally long and thin configuration, with the widest part of the property fronting on Highway One for a distance of approximately 1,400 feet. The parcel tapers down to a narrow strip about 600 feet wide at its eastern end, which is about 3,600 feet inland of Highway One. The wider, western half of the site is comprised mainly of grasslands, while the narrower eastern portion contains Monterey Pine forest. The portion of the site where the development has been sited was previously excavated in order to provide a source of fill for Highway One construction, and has remained generally devoid of trees native vegetation since that time.

The Coastal Development Permit approved by the Commission in March 2002, and subsequently amended, authorized the construction of a 10,487 square foot single-family residence, a 1,080 square foot guesthouse, a 2,400 square foot barn with 600 square foot loft, and a 4,000 square foot detached garage/storage building within the previously disturbed portion of the site. Conditions of permit require, among other things, that the development be hidden from public view within three years of its construction, through the use of native tree landscaping.

In July 2005, toward the completion of project construction, the applicant planted close to one hundred non-native palm trees in conflict with the terms of the approved CDP. Upon being informed of the violation, the applicant removed 56 palm trees planted along the entrance driveway that were in direct view of Highway One, and applied for a permit amendment to retain 36 palms planted around the residence, and two at the driveway entrance. The amendment application also requests authorization to retain the existing 2,400 modular home required to be removed prior to occupancy of the new residence, in exchange for deleting the yet to be built 2,400 square foot barn currently allowed by the CDP. In addition, the application seeks after-the-fact approval for two wells recently drilled on the property in order to supply water to the modular home. Correspondence and site plans describing the proposed amendment are attached to this report as Exhibit 3.



B. Issue Analysis

1. Visual Resources

a. Applicable LCP Visual Resource Standards

Policy 1: Protection of Visual and Sensitive Resources

Unique and attractive features of the landscape, including but not limited to unusual landforms, scenic vistas and sensitive habitats are to be preserved, protected, and in visually degraded areas restored where feasible.

Policy 2: Site Selection for New Development

Permitted development shall be sited so as to protect views to and along the ocean and scenic coastal areas. Wherever possible, site selection for new development is to emphasize locations not visible from major public view corridors. In particular, new development should utilize slope created “pockets” to shield development and minimize visual intrusion.

Policy 4: New Development In Rural Areas

New development shall be sited to minimize its visibility from public view corridors. Structures shall be designed (height, bulk, style) to be subordinate to, and blend with, the rural character of the area. New development which cannot be sited outside of public view corridors is to be screened utilizing native vegetation; however, such vegetation, when mature, must also be selected and sited in such a manner as to not obstruct major public views. New land divisions whose only building site would be on a highly visible slope or ridgetop shall be prohibited.

b. Visual Resource Analysis

The LCP policies cited above require the protection of scenic coastal views, including the scenic vistas of the undeveloped coastal hills, grasslands, and forests available from Highway One in the vicinity of the project. The retention of the palm trees and manufactured home proposed by the amendment constitutes new development that must be hidden from public view, or otherwise screened by native vegetation, in order to carry our LCP visual resource protection standards.

The palm trees planted on the site are inconsistent with the visual character of the area. The two Canary Island date palms planted at the entrance gate directly adjacent to Highway One are particularly out of character with the surrounding grassland and pine forest. Although the palm trees planted around the residence are mostly screened from public view by other plantings, they have the potential to spread on the site and to other adjacent properties. In addition to disrupting surrounding sensitive habitats, the potential spread of exotic palm trees will detract from the aesthetic character of the native pine forest and grassland habitats surrounding the site, in conflict with the visual resource protection requirements of the LCP. Therefore, in order to ensure consistency with applicable LCP standards such as Visual

Resource Policies 1 and 4, the project has been conditioned to require removal of the two date palms planted at the entry gate, removal of all Mexican fan palms, which have the ability to reproduce independently, and the removal of any female Canary Island date palms (Canary Island date palms require both male and female trees to reproduce).

The manufactured home is visible at a distance for a brief instant to northbound motorists on Highway One. The visibility of this structure will be minimized by the applicant's proposal to paint it an earth-tone green, as well as by the growth of required native landscaping. To achieve consistency with LCP visual resource policies, retention of the manufactured home has been similarly conditioned to require that it be hidden from public view using native landscaping in accordance with Special Conditions 3 and 4 of the existing permit. If it is not completely hidden from public view within three years from the date of amendment approval, it shall be removed from the site. In addition, the conditions of amendment approval require that the manufactured home be painted and maintained in an earth-tone green color to further minimize its visibility from Highway One until it is completely screened from public view by native landscaping.

c. Visual Resource Conclusion

Only as conditioned is the proposed amendment consistent with the visual and scenic resource protection policies of the San Luis Obispo County certified LCP.

2. Environmentally Sensitive Habitat Areas (ESHA)

a. Applicable LCP ESHA Standards

Policy 1: Land Uses Within or Adjacent to Environmentally Sensitive Habitats

New development within or adjacent to locations of environmentally sensitive habitats (within 100 feet unless sites further removed would significantly disrupt the habitat) shall not significantly disrupt the resource. Within an existing resource, only those uses dependent on such resources shall be allowed in the area.

Policy 5: Protection of Environmentally Sensitive Habitats

Coastal wetlands are recognized as environmentally sensitive habitat areas. The natural ecological functioning and productivity of wetlands and estuaries shall be protected, preserved and where feasible, restored.

Policy 18: Coastal Streams and Riparian Vegetation

Coastal streams and adjoining riparian vegetation are environmentally sensitive habitat areas and the natural hydrological system and ecological function of coastal streams shall be protected and preserved.



Policy 19: Development in or Adjacent to a Coastal Stream

Development adjacent to or within the watershed (that portion within the coastal zone) shall be sited and designed to prevent impacts which would significantly degrade the coastal habitat and shall be compatible with the continuance of such habitat areas. This shall include an evaluation of erosion and runoff concerns.

Policy 27: Protection of Terrestrial Habitats

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

Development adjacent to environmentally sensitive habitat areas and holdings of the State Department of Parks and Recreation shall be sited and designed to prevent impacts that would significantly degrade such areas and shall be compatible with the continuance of such habitat areas.

b. ESHA Analysis

The proposed amendment raises issues of consistency with the above referenced LCP ESHA policies for the following reasons. First, the planting on non-native vegetation can disrupt the native forests and grasslands adjacent to the project site if they propagate and spread in a manner that competes with native species. Second, the establishment and operation of water wells results can reduce the amount of water needed to sustain adjacent riparian and wetland habitats and the biological resources that depend on such habitats.

Two species of palm trees have been planted on the site in violation of the terms of the original permit. 2 Canary Island date palms (*Phoenix canariensis*) have been planted at the entry gate, and a mix of 36 Canary Island date palms and Mexican fan palms (*Washingtonia robusta*) have been planted around the residence. The February 2006 California Invasive Plant Inventory, published by the California Invasive Plant Council and known as the Cal-IPC list, ranks the Mexican fan palm as having moderate negative ecological impacts in California. This ranking is used to describe species that "have substantial and apparent - but generally not severe - ecological impacts on physical processes, plant and animal communities, and vegetation structure. Their reproductive biology and other attributes are conducive to moderate to high rates of dispersal, though establishment is generally dependent upon ecological disturbance. Ecological amplitude and distribution may range from limited to widespread." The Inventory identifies an "alert level" for this species, because the combination of scores "indicate a significant potential for invading new ecosystems ... so that land managers may watch for range expansions". Although the spread of Mexican fan palms has mainly occurred in southern California, this alert provides appropriate justification to be cautious about planting such palms in the similarly mild climate of California's central coast.

With regard to the Canary Island date palm, the California Invasive Plant Inventory ranks this species as having "limited" negative ecological impacts in California. This ranking is assigned to species that "are invasive but their ecological impacts are minor on a statewide level or there was not enough information

to justify a higher score. Their reproductive biology and other attributes result in low to moderate rates of invasiveness. Ecological amplitude and distribution are generally limited, but these species may be locally persistent and problematic." The inventory identifies the central coast as an area where the Canary Island Date Palm has the potential to invade native habitats.

In response to the information presented by the Cal-IPC and Commission staff's concerns regarding the potential for the palm trees to invade native habitat areas, the applicant has submitted correspondence (included in the May 2006 Central Coast District Director's report) asserting that the spread of the palm trees is unlikely at the subject site. Specifically, the letters indicate that the climate of the area, with its cool temperatures and lack of summer rainfall, is not conducive to the spread of the palm trees. In addition, the letters assert that, given the way in which drainage is controlled on the site, the seeds will not be transported to any sensitive areas where they could grow. Finally, the applicant has indicated his willingness to take action to prevent the potential spread of the trees, by promptly removing any new trees that become established on the site, and by cutting off the fruits of the tree before they produce seeds, as part of annual frond pruning.

While the potential for the Mexican fan palm and the Canary Island date palm to spread in the area may indeed be low, it is nevertheless represents a potential threat to the biological productivity of the surrounding sensitive habitat areas. Of particular concern is the riparian and wetland habitats associated with Leffingwell creek, as these wet areas have the greatest potential to facilitate germination, and receive runoff from the project site. Seeds may be transported to these and other wet coastal areas (e.g., San Simeon Creek to the north) by runoff and by birds. According to the Director of a local land trust organization, a palm tree has established itself in the riparian corridor of Santa Rosa creek.

Thus, although the Central Coast of California may be cooler and more arid than the native regions in which these trees naturally exist, the potential for the spread of these species must be acknowledged and addressed. Indeed, the spread of exotic plant species into California's native habitats can have devastating effects. Adverse impacts associated with such colonization include, but are not limited to, a reduction in the area where native species can grow, a reduction in sources of food for native wildlife, and the potential attraction of other wildlife species that have adapted to the non-native plant habitats and may out-compete or otherwise threaten native wildlife species.

The applicant's proposal to control the spread of the palms by removing any new trees on the site that may become established, and through annual trimming of the trees' fruiting structures, does not provide adequate assurances that the potential spread of these non-native species will be avoided. First, while the applicant may be able to remove any trees that become established on his property, he does not have the ability to effectively monitor or legally remove any trees that may become established on adjacent properties. Second, the need to annually remove fruiting structures from the palm trees is an intensive maintenance effort. The possibility that current or future property owners will not undertake, complete, or properly cleanup such maintenance activities cannot be avoided. Accordingly, Special Condition 3 of this amendment requires removal of all Mexican fan palms, which have the ability to reproduce independently, and the removal of any female Canary Island date palms (Canary Island date palms require both male and female trees to reproduce). The conditions also limit the location and maximum number of non-native trees to the 26 Canary Island date palms (males only) planted around the residence, and require the permittee and all future property owners to immediately remove any other palm trees that may become established on the site.



Potential impacts of the two wells proposed by the amendment on adjacent riparian and wetland habitats will be avoided by siting the wells a significant distance from such resources, and by limiting use of the wells to the minimal withdrawals necessary to provide water to the secondary residence. The wells are well beyond 100 feet away from any riparian or wetland habitat, which is the minimum setback distance required by the LCP. In addition, the wells are within the Leffingwell Creek watershed, which, in comparison to the nearby Santa Rosa and San Simeon Creek watersheds, has not been impacted by water withdrawals necessary to serve urban development and agriculture. Accordingly, a letter from the project's hydrogeologist (included in Exhibit 3 of this report) states that well operation will not impact riparian and wetland areas.

In order to ensure that long-term use of these wells will not have an adverse impact on riparian and wetland habitats, approval of this amendment has been conditioned to limit the use of the wells to supplying water to the modular home. This will eliminate the potential for excessive withdrawals that could have negative downstream impacts. The conditions also prohibit future connection of the modular home to a municipal water supply system, unless approved through an amendment to this permit, in order to prevent future reliance on the limited water supplies obtained from Santa Rosa and San Simeon Creeks in the event that the wells fail.

Finally, it is worth noting that substitution of the yet to be built 2,400 barn with the existing manufactured home will prevent additional construction activities and thereby avoid impacts to the forest. Therefore, the amendment's deletion of the previously approved storage barn will have a beneficial impact on adjacent habitat areas.

c. ESHA Conclusion

Only as conditioned is the proposed amendment consistent with the ESHA protection policies of the San Luis Obispo County certified LCP.

3. Water Supplies

a. Applicable LCP Water Supply Standards

Policy I: Availability of Service Capacity

New Development (including divisions of land) shall demonstrate that adequate public or private service capacities are available to serve the proposed development. Priority shall be given to infilling within exiting subdivided areas. Prior to permitting all new development, a finding shall be made that there are sufficient services to serve the proposed development given the already outstanding commitment to existing lots within the urban services line for which services will be needed consistent with the Resource Management System where applicable. Permitted development outside the USL shall be allowed only if it can be serviced by adequate private on-site water and waste disposal systems.

The applicant shall assume responsibility in accordance with county ordinances and the rules and regulations of the applicable service districts or other providers of service for

costs of service extensions or improvements that are required as a result of the project. Lack of proper arrangements for guaranteeing service is grounds for denial of the project or reduction of the density that could otherwise be approved consistent with available resources.

Building and Construction Ordinance 19.20.236: Minimum Water Supply – Single Family Dwellings

All dwellings shall be provided a potable water supply system as required by this section. Such system shall also satisfy all applicable requirements of the Uniform Plumbing Code and the county health department.

(a) Community System or On-site Well. Subject to the approval of the building official, a dwelling may be supplied potable water from either:

(1) A public water supply or domestic water system approved by the health department or operated by a state licensed water purveyor; or

(2) An on-site well, water storage and delivery system in accordance with this section.

(b) On-site Wells. When an on-site well is the proposed potable water supply, a building permit may be issued only where the building site is located outside the service boundary of a community water system, and where the well, together with any on-site water storage, satisfies all the following requirements:

(1) Health Department Approval. All water wells shall be designed, constructed and shall obtain health department approval as required by Chapter 8.40 of this code.

(2) Minimum Capacity. A domestic well shall provide a minimum capacity of five gallons per minute (GPM) in order to be approved for use as a source of potable water for a single-family dwelling. Use of a well with a minimum capacity of 2.5 gallons per minute may be approved by the building official where one thousand gallons of approved on-site water storage is also provided. (Note: on-site water storage for fire protection may also be required by the land use ordinance or, where applicable, the coastal zone land use ordinance regardless of the requirements of this section.) A building permit may be issued where use of a well with less capacity than 2.5 gallons per minute is proposed only where authorized by the director of environmental health.

(3) Testing of Capacity. The capacity required by subsection (b)(2) of this section for a domestic well shall be verified by a minimum four-hour pump test with drawdown and recovery data by a licensed and bonded well driller or pump testing company. Bail and air blow tests may be accepted for wells of twenty-five gallons per minute or greater. (Ord. 3067 § 27, 2005; Ord. 2351 § 17, 1988; Ord. 2275 § 2 (part), 1986)

Building and Construction Ordinance 19.01.100: Administration



This title shall be administered by the building official of San Luis Obispo County. The duties of the building official under this title include but are not limited to the following functions, which may be performed by department of planning and building employees under the supervision of the building official:

(a) Receive and review plans and specifications for proposed projects, and certify that such projects are in conformity with all applicable provisions of this title prior to issuance of any construction permit;

(b) Conduct site and building inspections to evaluate the compliance of projects requiring construction permits with the applicable provisions of this title and the land use ordinance;

(c) Enforce the provisions of this title, and work with other designated officers in the enforcement of applicable provisions of the land use ordinance, pursuant to the provisions of Chapter 22.10 or 23.10 of this code, this title, the technical codes and California state law. The building official is designated as the county enforcement officer referred to in the California Health and Safety Code.

(d) The building official may allow modifications of the provisions of this title for individual cases, provided that he shall first find that a special individual reason makes the strict interpretation of this title impractical and that the modification conforms with the intent and purpose of this title and that such modification does not reduce the level of safety provided by the minimum standards set forth in this title and in the technical codes. (Ord. 3067 § 2, 2005; Ord. 2481 § 1, 1990; Ord. 2433 § 5, 1989; Ord. 2275 § 2 (part), 1986)

b. Water Supply Analysis

The project site is uniquely situated outside of the LCP's Urban Service Line (USL), but within the service district of the Cambria Community Services District. According to Public Works Policy 1, water supplies for new development outside the USL are to be obtained from an on-site water source. However, pursuant to LCP Ordinance 19.20.236b, on-site well are not permitted within the existing boundaries of a service district.

In this case, there was a pre-existing CCSD water meter on the site that provided water to the modular home, as well as pre-existing commitment by the CCSD to provide water to supply a single-family residence on the site. In light of these circumstances, the Commission's original approval allowed the water supply required for the new residence to be provided by the CCSD. In addition, because the property was eligible to receive CCSD water for only one residence, the conditions of approval required the modular home to be removed prior to occupancy of the new residence. This water supply constraint was the sole reasons for the condition requiring removal of the modular home, as secondary residences are otherwise allowed by the LCP on Rural Lands, provided that they do not conflict with other applicable LCP resource protection policies.

The two wells will not draw upon the Santa Rosa or San Simeon watersheds, and therefore will not impact Cambria water supplies. Since the property is outside of the LCP's urban services line, on-site

wells rather than municipal water supplies, are the appropriate source of water for new development, provided that the wells will not adversely impact coastal resources or priority uses such as agriculture, as is the case here. However, a conflict is raised with LCP ordinance 19.20.236(b), which prohibits wells within municipal service areas. Nevertheless, the unique circumstances of this property (e.g., designated as Rural Lands and located outside of the Urban Service Line and the Santa Rosa and San Simeon basins) enable the granting of an exception to this standard, as allowed for by LCP ordinance 19.01.100(d). In discussions with Commission staff, staff from the San Luis Obispo County Planning and Building Division and Environmental Health Department have concurred that such an exception is appropriate in this instance, and has requested that the Coastal Commission process the subject amendment request before the County issues the necessary well permits.

In order to ensure that the establishment and use of the wells takes place consistent with all other applicable LCP requirements, approval of the amendment has been conditioned to limit use of the well to supplying water to the modular home. This condition will prevent excessive water withdrawals that could damage coastal resources, and prohibits well water from being used in a manner that would conflict with LCP water supply and coastal resource protection standards. In addition, the conditions preclude future connection of the modular home to a municipal water supply system unless approved through an amendment to this permit. As noted above, this will prevent future reliance on water from Santa Rosa and San Simeon Creeks in the event that the wells fail. Finally, the conditions of amendment approval require evidence of well approval by San Luis Obispo County Environmental Health Department within 60 days of Commission action on the amended permit, as necessary to ensure that the wells provide a safe, adequate, and sustainable source of water for the secondary residence.

c. Water Supply Conclusion

Only as conditioned is the proposed amendment consistent with the water supply policies of the San Luis Obispo County certified LCP

C. California Environmental Quality Act (CEQA)

Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with coastal development permit applications showing the application to be consistent with any applicable requirements of CEQA. Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment. As detailed by the above findings, this project has the potential to adversely impact visual resources, environmentally sensitive habitats, and water supplies.

The Coastal Commission's review and analysis of land use proposals has been certified by the Secretary of Resources as being the functional equivalent of environmental review under CEQA. This staff report has discussed the relevant coastal resource issues with the proposal, and has recommended appropriate mitigations to address adverse impacts to said resources. Accordingly, the project is being approved subject to conditions that will avoid significant adverse affects on visual resources, environmentally sensitive habitats, and water supplies. Only as modified and conditioned by this permit will the



proposed project not have any significant adverse effects on the environment within the meaning of CEQA.

D. Violation: Unpermitted Development

Without benefit of a coastal development permit, development has been undertaken consisting of the drilling of two wells and planting of palm trees which was not approved by the Commission in its previous permit action. Consideration of the application by the Commission has been based solely upon policies of the Coastal Act. Action on this permit amendment request does not constitute a waiver of any legal action with regard to the alleged violation nor does it constitute an admission as to the legality of any development undertaken on the subject site without a coastal development permit.

Cleath & Associates

Engineering Geologists
Hydrogeologists
(805) 543-1413
1390 Oceanaire Drive
San Luis Obispo
California 93405

RECEIVED

JAN 31 2006

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

January 27, 2006

Mr. Steve Monowitz
California Coastal Commission
State of California
725 Front Street, Suite 300
Santa Cruz, California 95060

Subject: Well Impacts, two wells at 7292 Exotic Garden Drive, Cambria

Dear Sir:

Per your request, Cleath & Associates has reviewed the locations of the two wells at 7292 Exotic Garden Drive and present herein our comments on impacts to riparian and wetland habitats. The wells are proposed for use in supplying water to the modular home on the property. These wells were reported to produce 3 gallons per minute (gpm) for Well #1 and 2.5 gpm for Well #2 during pumping tests per the invoice from J & B Pump Service.

The two wells are located on the marine terraces: one well (#1) in the northwestern corner of the property (35° 35' 27.2" North/121° 07' 21.6" West) and the other well (#2) in the topographic saddle north of the residence (35° 35' 25.7" N/121° 07' 08.3" West). Photographs showing the wells and the land adjacent to each well demonstrate that both wells are in areas that are neither riparian nor wetlands. Both of these wells are at a considerable distance from the riparian lands along the creeks, as shown on the attached map.

No impact is expected to occur to water in the riparian and wetland areas along the creeks to the south and north of the wells due to pumping either of these wells. Operation of these wells will not endanger any riparian habitat. Operation of these wells will not damage any wetlands.

Very truly yours,



Timothy S. Cleath
Certified Hydrogeologist #81

fax copy to:

Khosro Khaloghli
1400 Quail Street, Suite 275
Newport Beach, CA 92660
Facsimile: 949-250-0620

A-3-SLO-00-118
Exhibit 3, p. 5

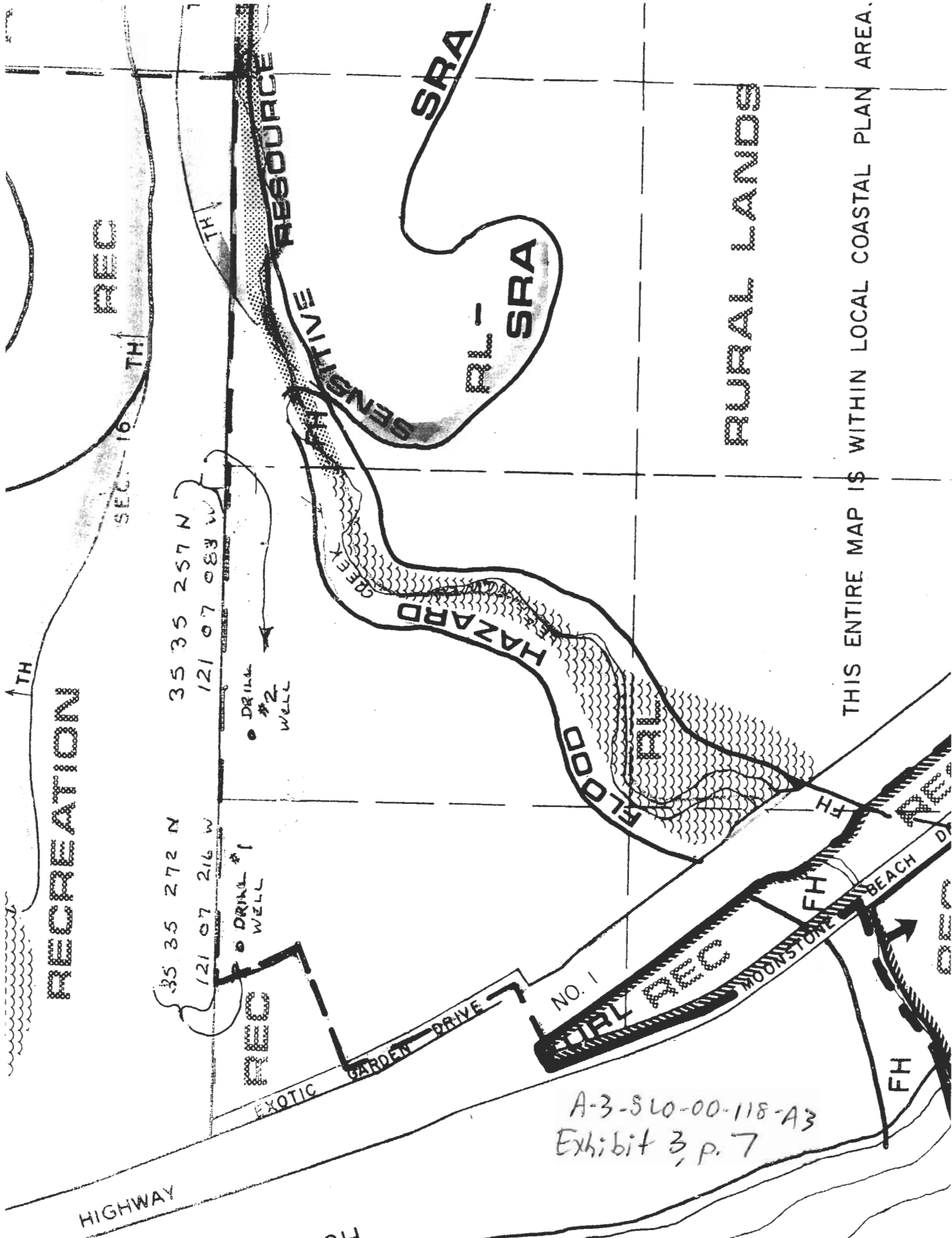


Well #1



Well #2

A-3-SLO-00-118-A3
Exhibit 3, p. 6



THIS ENTIRE MAP IS WITHIN LOCAL COASTAL PLAN AREA.

A-3-SLO-00-118-A3
Exhibit 3, p. 7

RECREATION

REC

SEC. 16 TH

SRA

PL-SRA

SENSITIVE

HAZARD

FLOOD

RURAL LANDS

35 35 257 N
121 07 083 W

DRILL #2 WELL

35 35 272 N
121 07 216 W

DRILL #1 WELL

EXOTIC GARDEN DRIVE

NO. 1

REC

MOONSTONE BEACH DRIVE

HIGHWAY

FH

FH

REC

Invoice

J & B Pump Service
 Lic.# 616185
 P.O. Box 282
 Mariposa, CA. 95338

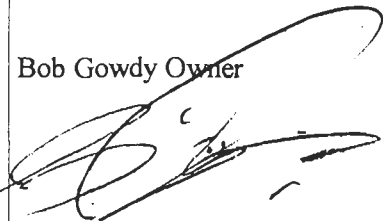
Date	Invoice #
4/25/2005	51

Bill To
Khosro Khaloghli 7292 Exotic Garden Dr. Cambria, CA. 93428

RECEIVED

NOV 04 2005

CALIFORNIA
 COASTAL COMMISSION
 CENTRAL COAST AREA

Item	Description	Qty	Rate	Amount
Well Test	Well Test Well #1 2 hour test at 3gpm Well #2 2 hour test at 2.5gpm Condition of well is new. Water quality appears to be good. I hereby certify that the above is to be true and correct. Bob Gowdy Owner 		640.00	640.00

POSTED

PAID MAY 18 2005
 # 1682
 pd on a/c

Subtotal	\$640.00
Sales Tax (7.75%)	\$0.00
Total	\$640.00

18% Interest Per Annum on 30 days past due.
 Bill is due and payable on receipt.

A-3-SLO-00-118-A3
 Exhibit 3, p. 8



Cambria Community Services District

Utilities Manager

PO Box 65 / 5500 Heath Lane

Cambria, California 93428

Telephone 805-927-6255 / Fax 805-927-6256

bbode@cambriacsd.org

Monday, June 27, 2005

David Brown
1090 Ellis.
Cambria, CA 93428

RECEIVED

NOV 04 2005

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Re: Dave Brown's Request for Clarification of District's Position on Private Wells on Private Property and in Regard to the Khaloghli Property.

Dear Dave:

This letter is to confirm our position, regarding conversations with Bryan Bode, Utilities Manager, over the past few weeks, in regard to the Khosro Khaloghli property. You had asked if the District had any jurisdiction in regulating the private well on the Khaloghli property and we said that private wells are under the County of San Luis Obispo Health Department's jurisdiction, not ours.

Your basic proposal is to disconnect the mobile home from the District's water supply and supply the mobile home with water from the two new wells that have been drilled on the property. This would leave the main house to be fed from the District's water supply, for fire suppression and domestic use, and possibly, in part, from the new wells as well.

] In the Covenant and Agreement Restricting Use of Water Lines, was a clause that stated that the mobile home was to be **disconnected** from the District's water system within 15 days from the date of issuance of the final certificate of occupancy issued for the permanent single-family residence, and to remain disconnected until the owner acquires another EDU.

A-3-SLO-00-118-A3
Exhibit 3, p. 9

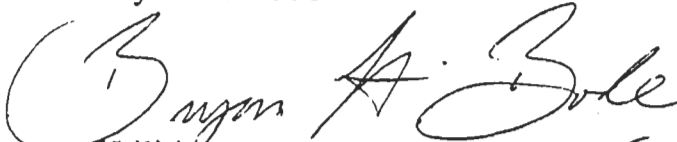
If the new wells were used to supply water to the mobile home then the EDU from the District would not be an issue, as the District would not be supplying water.

Other than agreements you may have with the County of San Luis Obispo, the California Coastal Commission, or other unknown entity, we cannot see any reason why you cannot hook the mobile home to the well and completely separate it from the District's water supply feeding the main house. This would require that a reduced pressure backflow device protect the District's water supply.

On Monday, June 06, 2005 we inspected the site of our meter connection to the property and noted that the property indeed does have a proper device to protect the District's water supply.

In closing we see no issues, to the District, for you to use the well as you intend.

Thank You!
Bryan H. Bode


Utilities Manager
Cambria CSD
6-27-2005

c:\documents and settings\bode\my documents\utilities\correspondance general\dave brown khaloghli 05072005b.doc

A-3-SLO-00-118-A3
Exhibit 3, p. 10



SAN LUIS OBISPO COUNTY
DEPARTMENT OF PLANNING AND BUILDING

RECEIVED

VICTOR HOLANDA, AICP
DIRECTOR

AUG 22 2005

Khosro Khaloghli
1400 Quail Street, Suite 275
Newport Beach, CA 92660

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

August 16, 2005

RE: 7292 Exotic Gardens, Cambria
San Luis Obispo County Building Permits PMT 2002-14612 and 2002-14613
California Coastal Commission Development Permit A-3-SLO-00-182-A2

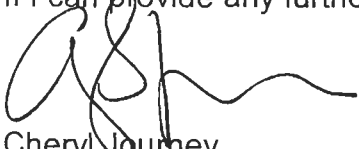
Dear Mr. Khaloghli,

I have received your request for a modification to Section 19.20.236 (b) of the San Luis Obispo County Building and Construction Ordinance. Your request is accompanied by a letter, dated June 27, 2005, from the Cambria Community Services District (CCSD).

County building permit PMT2002-14612 was issued July 28, 2003 for Replacement of Existing Mobile Home with new SFD, in conjunction with a Major Grading permit (PMT2002-14613). Conditions for final inspection require that you disconnect the CCSD water service to the existing mobile home, remove the mobile home and establish water service to the new SFD through CCSD. Your proposal is to disconnect the mobile home from the CCSD water supply and supply the mobile home from two new on-site private domestic water wells on the property.

Your Coastal Development Permit (issued by the Coastal Commission) requires that you remove the existing mobile home from the site. At this time I cannot consider your request for a modification to Section 19.20.236 (b). You first need to obtain approval from the Coastal Commission to keep the mobile home as a second residence before requesting a modification from the County.

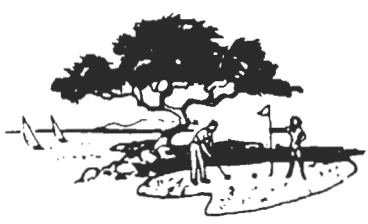
If I can provide any further assistance please contact me.


Cheryl Journey
Chief Building Official, San Luis Obispo County
(805) 781-1314

Cc: Steve Monowitz, Coastal Commission
Matt Janssen, San Luis Obispo County Planning
Raymond A. Biering, Deputy County Counsel

A-3-SLO-00-118-A3
Exhibit 3, p. 11

OPPOSITION ✓



San Simeon Pines

SEASIDE RESORT
BUSINESS OFFICE
P.O. BOX 10
SAN SIMEON, CA 93452

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MAY 04 2006

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Item #TH-13.3a
Permit #A-3-00-118-A3
San Simeon Pines
Opposition to revise permit

May 2, 2006

California Coastal Commission
Central Coast District Office
Steve Monowitz, District Manager
725 Front Street, Suite 300
Santa Cruz, CA 95060-4508

Re: Permit # A-3-00-118-A3
Applicant: Khosro Khaloghli

Dear Mr. Monowitz,

San Simeon Pines Corporation is opposed to any changes from the original permit granted to Mr. Khaloghli. San Luis Obispo County made the removal of the modular home and other temporary buildings a condition of the issuance of his permit. We feel that this condition should be adhered to.

We also feel that the non-native trees planted by Mr. Khaloghli without prior approval and in defiance of the permitting process should be removed due to their negative visual impact along this portion of Scenic Highway 1.

It appears by the Public Hearing Notice received by us that water wells that he drilled were not permitted as well. There was much discussion about any wells having an affect on the Leffingwell Creek area and were removed from the original permit. Why should these be allowed as an "after the fact" authorization?

It seems that all too often people in this area have gone out of their way to defy the conditions of the permits issued by the California Coastal Commission and the County of San Luis Obispo. It also appears to the general public that all too often these people get a "pass" on these conditions, rather than making them adhere to the regulations and restrictions that are in place for everyone else.

Mr. Khaloghli, from the beginning, has not wanted to comply with any building conditions he did not agree with. You should not let any applicant defy the permit processes and then be rewarded.

Sincerely,

William W. Bonser
President, CEO San Simeon Pines Corp.

A-3-SLO-00-118-A3
Exhibit 3, p.12

✓
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MAY 08 2006

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA



Coastal Commission
725 Front Street, Suite 300
Santa Cruz, CA 95060

May 3, 2006

RE: Khosro Khaloghli A-3-SLO-00-118-A3

Dear Commissioners and Staff;

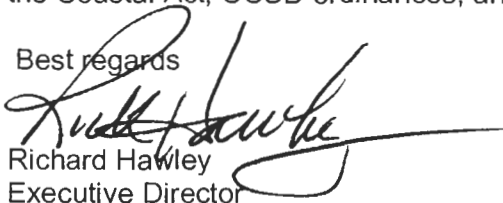
This project has a number of disturbing aspects that clearly are not consistent with the Local Coastal Plan and with the larger Coastal Act. The project is not consistent with the Cambria Community Services District Ordinance which prohibits wells for domestic use without the Districts consent.

Regarding the non-native vegetation: the conditions of the original permit specifically state that native plant material shall be used as screening and be used in landscaping and Mr. Khaloghli has flagrantly violated these conditions showing complete contempt of the law.

Further, it appears that the two wells have been drilled within the coastal zone without permits and the applicant now is requesting 'after-the-fact' permission to be allowed to use these wells within the CCSD URL for domestic use when the CCSD has specific ordinances that prohibit private wells within their URL. It is my belief that the applicant has full knowledge of these ordinances, has never contacted the CCSD as to his intent, and is attempting to do an "end-run" through the Commission to circumvent local ordinances.

The applicant has requested and received permission from the Commission to increase the size of his original residence (and water use) after the Commission approved a smaller version. I think the Commission has been extremely tolerant to accommodate this project but the fact remains that the applicant's apparent disregard for the law is difficult to deny. This project has turned into a piecemeal development and the applicant has proven that his version of compliance with the law is not consistent with the intent of the Local Coastal Plan, the Coastal Act, CCSD ordinances, and what he agreed to do with his original permit.

Best regards



Richard Hawley
Executive Director

CC: Cambria Community Service District

RICHARD HAWLEY
EXECUTIVE DIRECTOR



PO Box 1505
Cambria, CA 93428
805.927.2866 [v]
805.927.5220 [t]
rick@greenspacecambria.org
www.greenspacecambria.org

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A-3-SLO-00-118-A3
Exhibit 3, p.13

Caspian Properties Inc.
1400 Quail St. Suite 275
Newport Beach, California 92660
(949) 250-0628, (949) 250-0620 Fax

May 3, 2006

Mr. Steve Monowitz
California Coastal Commission
State of California
725 Front Street, Suite 300
Santa Cruz, CA 95060

831-427-4896-Phone
831-427-4877 Fax

Re: 7292 Exotic Gardens, Cambria, California
Permit No. 3-00-018-A3
(KK Ranch Palm Trees, Modular Home, and Well
Amendment)

Dear Mr. Monowitz:

This letter is to address the issue on the potential invasiveness of the Canary Island Palm planted on my property.

Attached is a letter from Chris Stier, Horticulturist, who specializes in this field that address this issue directly.

I would also like to call your attention to the Lone Palm Road within a ½ mile from my property that have been planted with the palm trees for many, many years ago. Over this long period of time, long enough to observe the invasiveness nature of the palm in the habitat, I have observed that there has not been any sign of the palms spreading to any other surrounding areas.

I also like to communicate an opinion provided by Patricia Cullinan, a Landscape Designer located at 13505 Old Morro Road, Atescadero, California 93422. She is familiar with my property and her statement is as follows:

“There are many reasons that Phoenix Canariensis on Khaloghli site are not a potential threat to the natural habitat on or near the property. Phoenix Canariensis Palm is native to the warm oasis of the Canary Islands. They have been planted in California since the first European settlers and although they have become naturalized in a few isolated wetter areas of warmer Southern California, their invasive potential is extremely unlikely at the site, because of the climatic condition of the area, and the proposed cultural conditions.”

A-3-SLO-00-118-A3
Exhibit 3, p. 14

The ranch is not providing an environment in which they can spread, Phoenix canariensis has a native habitat of sun with generous water. Although they can survive with low water with the combination of naturally occurring rain, abundant water and sun does not exist on the property, therefore diminishing their reproductive potential at the site. The seeds of Phoenix canariensis could possibly be spread by run-off from winter rain but the site has very controlled drainage, because of the location on the house, and does not drain into a potential habitat.

The San Luis Obispo County Weed Management Area does not list Phoenix canariensis as an invasive weed in San Luis Obispo County.

The University of Florida IFAS (Institute of Food and Agriculture- ST439 adapted from Fact Sheet ENH-598, Gilman and Watson) has rated Phoenix canariensis as having little invasive potential in Florida which has a climatic environment more like their native habitat.

For example, Monterey Cypress has a higher invasive rating (medium: these species have substantial and apparent- but generally not severe ecological impact on ecosystems, plant and animal communities, and vegetational structure....). The species is native only on the coast of Monterey County and not native in this county, although they have been widely planted.

She also adds, as to our question on the rate of growth of the trees at the site that "Since it is our intention to create a low water use garden, we will not be creating a habitat for the palms to grow rapidly in, the coolness of the site and the low natural rainfall will limit the growth of the trees to inches per year."

The Monterey Cypress and Monterey Pine planted to block any view of the house from the road will also block any view of the palm trees. The Cypress and Pines that are planted are growing at the rate that will soon shield the house and surrounding landscaping from view.

Patricia Cullinan offers the forgoing information as an experienced landscape professional. We believe her view is helpful as she is in the field.

I am also willing to agree to additional condition that the number of approved palm trees on the property will always remain the same and it is property owner's responsibility to control it to the existing number.

Thank you again for your input and issues that need to be considered in depth. I have no problem to do what is required to fully address the concerns.

Yours sincerely,


Khosro Khaloghli

A-3-SLO-00-118-A3
Exhibit 3, p. 15

TM Environmental Services, Inc.
2891 Industrial Parkway
Santa Maria, CA 93455

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MAY 04 2006

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

May 2, 2006

KK Ranch,

You have asked me to evaluate two types of palm trees as to their potential to become invasive at 7292 Exotic Garden Drive, otherwise known as KK Ranch, in Cambria.

Phoenix canariensis – Canary Island Palm. This palm does best in warm to hot climates (70s-90F). Female palms can produce viable seed that may germinate under warm and moist conditions. The coastal conditions of Cambria are generally too cool to encourage germination. Moisture is not in abundance during the warmest time of the year in Cambria. The 2005 CA-IPC (Invasive Plant Council) indicated that Canary Island Palm has been invasive only in Southern California and where moisture is available. It specifically mentioned creeks, ditches and moist/wet areas. Furthermore, the IPC indicated that this palm has a low invasive index even under ideal (moist and warm) conditions.

While some germination has occurred in San Luis Obispo County it has occurred away from the coast along ditches and wet areas influenced by irrigation runoff.

Should invasiveness be an issue beyond the low index, female palms can have their flower/fruitleting stalks pruned, thus eliminating any seed altogether. In fact some arborists will trim these stalks annually when they prune the dead fronds.

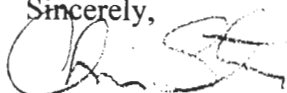
Washingtonia robusta – Mexican Fan Palm. This tree really would like moist, hot conditions (80s–100s°F) to propagate. These trees prefer more inland, arid climates. Invasive conditions mentioned by the CA-IPC have occurred in Southern California but only near areas of water such as creeks and ponds (wet lands) in semi-arid areas. KK ranch is far too cool and there are no “wet land” areas near the trees.

There is no record of *Washingtonia robusta* being invasive in the coastal zones of San Luis Obispo County. In reality this palm is not invasive in Cambria.

As with the Canary Island Palm, the fruitleting structures can be cut off during annual frond pruning.

Both palms are popular landscape plants throughout San Luis Obispo County. While both trees can propagate from seed, the climate on KK ranch is not ideal and should not lead to invasive conditions.

Sincerely,



Chris Stier
Horticulturist
805-541-2410

A-3-SLO-00-118-A3
Exhibit 3, p. 16

13.3a

Received at Commission Meeting

MAY 10 2006

C.F.Z.
5/11/06

From: _____

received at Commission Meeting
MAY 11 2006
From: _____

Statement by Khosro Khaloghli
May 11, 2006 Coastal Commission Meeting

There are two issues I would like to address today.

One is why we planted the Palm Trees

Two is to have Mr. Chris Stier, the horticulturist , to testify about the true level of invasiveness of these palm trees.

For Past 5 to 6 years, I have worked very closely with the staff of Coastal Commission.

At no time, have I ever appeared in front of the Commission without the staff recommendation for approval. They have always been very sensitive to both sides and with their assistance and our commitment for find a way to compromise, we have always moved forward in cooperative way.

We received our approval in the year 2002, with the favorable staff report.

In July of 2005, we planted the palm trees along the side of the driveway and around the house. Our misunderstanding was that the palm trees are not native to California. My letter of August 30th to Mr. Steve Monowitz explained (Exhibit No 3, Page 1 and 2) how I equated California with the Palm Trees when I first came to America. I am sure it is a very common mistake by most of us who are not in the horticultural field.

After all the trees were planted, some time in August of 2005, I received a call from Mr. Monowitz advising me that the trees are in direct view of the Highway 1 and after several phone calls and discussion, I have removed 58 trees so as not to cause the visual problems, following my usual policy to cooperate with California Coastal Commission.

Within the 2 weeks of the phone call from Mr. Monowitz, the trees were removed, with an understanding that I will file for an amendment to keep total of 38 palms. At this point, the invasiveness issue had never even been mentioned. During the past 9 months, I have worked with Mr. Monowitz to ensure that I was in compliance with all the requirements by Coastal Commission.

A-3-SLO-00-118-A3
Exhibit 3, p. 17

Finally, on April 27th of this year, I had received a call from Mr. Monowitz stating that our amendment is being recommended for an approval. It was mentioned that there may be a question regarding the invasiveness of the palm trees. From the copy of the application I had downloaded for this meeting, I understood that my request for amendment was going on the agenda with the staff recommendation with conditions. I have also received by mail, a copy of Coastal Development Permit Amendment Application for May 11, 2006 meeting with Staff recommendation to approve with conditions.

On Tuesday May 2nd, I had sent a letter from Mr. Chris Stier, a horticulturist from Central California, addressing the non-invasiveness of the palm trees at my site. I have also enclosed a letter requesting that this application be put on a consent calendar. I hope that you have these letters in your package.

Now, merely 2 days before this hearing, on May 9th, I received a fax of revised staff report in which the recommendation has gone from support to opposition. I have difficulty understanding why such a radical change of opinion has occurred in a few days.

As a way of solution, even though we do not believe these trees are invasive, nor believe to include any female trees, we are willing to place a deed restriction on the property to restrict the total number of palm trees to 38. Further, we can add the condition that the fruiting structures be trimmed annually by a licensed arborist.

We have tried to do our best to present our case regarding the non-invasiveness of the palm trees in such a short time. I apologize for not having this package in front of you on time since we had barely enough time to prepare this and drive down here to be at the hearing. We hope we have given you enough information to approve our request.

With this I would like to turn to Mr. Stier for his professional input.

Thank you.

A-3-SLO-00-118-A3
Exhibit 3, p. 18

A



Khaloghli's Property with Trees A-3-50-00-118A3
Exhibit 3, p.19

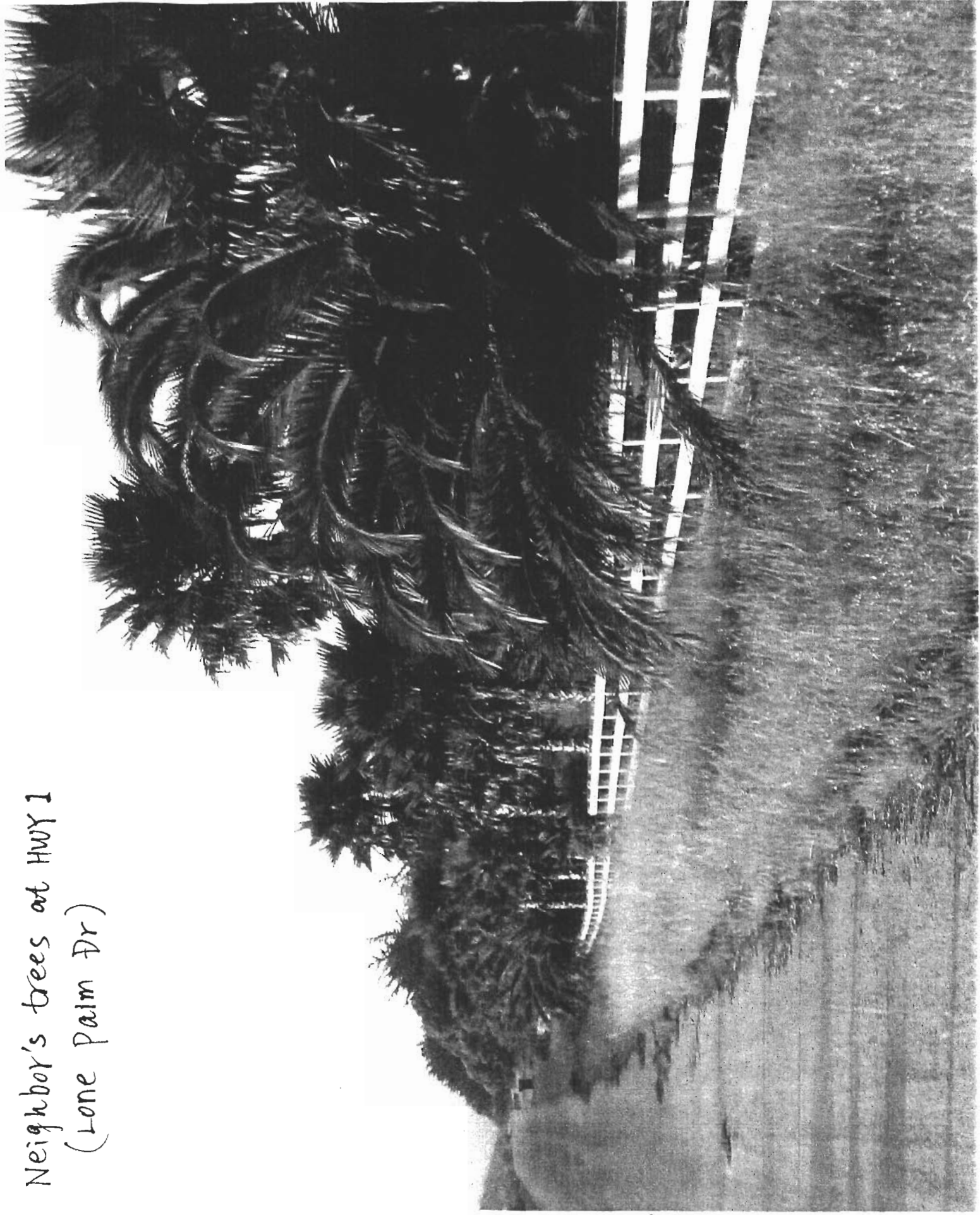
B



Khaloghli's Property after trees are removed

A-3-SLO-00-118-A3
Exhibit 3, p. 20

Neighbor's trees at HWY 1
(Lone Palm Dr)



A-3-500-00-118-A3
Exhibit 3, p. 21

A-3-SLO-00-118-A3 Exhibit 1: Existing Special Conditions of Approval

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

- a. 10,487 square foot residence (including attached work room and garage) with a **maximum height of 23 feet** (measured in accordance with Section 23.04.122 of the CZLUO);
- b. 600 square foot guesthouse with 480 square foot garage; and
- c. 2,400 square foot storage barn with a 600 square foot loft.

2. Compliance with Local Conditions of Approval. All conditions of approval adopted by the San Luis Obispo County Planning Commission on June 22, 2000 (attached as Exhibit D) pursuant to an authority other than the Coastal Act continue to apply to the project (e.g., local conditions 3 and 4 regarding the protection of archaeological resources, required pursuant to the California Environmental Quality Act, and local condition 7 requiring compliance with County fire safety requirements). Where there is a conflict between the conditions of the local approval and the terms of this permit, the terms of this permit shall control.

3. Final Plans. PRIOR TO ISSUANCE OF THE PERMIT the applicant shall submit, for Executive Director review and approval, two sets of the project plans described below. All development shall take place consistent with these plans, as approved by the Executive Director. No changes to the approved plans shall occur without a Commission amendment to this coastal development permit unless the Executive Director determines that no amendment is required.

- a. **Final Site Plan** that shows the exact location and footprint of all project components listed by Special Conditions 1. The siting of the development shall be consistent with the Site Plan prepared by David M. Brown, dated June 5, 1999 and attached as Exhibit B, with the exception that the residence shall be relocated approximately 11 feet to the west so that the finish floor elevation of the garage is no higher than 116 feet above sea level.
- b. **Structural Plans and Elevations** for the residence and attached garage, guest house, and storage barn. The plans for the residence shall reduce the finish floor elevations of the entire structure a minimum of three feet below the “top of slab” and terrace elevations indicated in plans prepared by David Brown dated June 5, 1999.
- c. **Landscape Plans**, accompanied by evidence that the plans have been reviewed by a biologist or forestry professional and determined to be consistent with the protection and enhancement of the surrounding Monterey Pine forest habitat. New plantings shall be limited to plants that are native to the area, including mature trees, so that the home will not be visible from Highway One or established trails or facilities within San Simeon State Park, except for a period of three years following the commencement of construction (to permit growth of the planted trees and landscaping). The plans shall be in sufficient detail to

identify the location, species, size, planting schedule, and irrigation requirements of the proposed landscaping materials, which shall be selected and located in a manner that considers the specific conditions of the site including, soil, exposure, temperature, moisture, and wind. The plans shall also provide for the transplant of all Monterey pine saplings within the development's footprint to other locations on site that provide appropriate growing conditions. The Landscape Plans shall also include a design and planting plan for all visual screening berms.

The Landscape Plans shall identify monitoring and maintenance measures, including the identification of specific performance criteria, and the implementation of bi-annual inspections and maintenance activities to ensure that performance criteria and screening requirements are being met. Maintenance measures shall restrict vegetation trimming to the minimum amount necessary for the health of the species; include the removal of any exotic invasive species that become established in the planting areas and elsewhere on the project site; provide for the immediate replacement of any dead or diseased vegetation that provides visual screening; and call for supplemental planting as needed to ensure that the development remains entirely invisible from Highway One and existing established trails in San Simeon State Park for the life of the project.

The Landscape Plans and any supplemental plans required pursuant to Special Condition 4 below shall be subject to the review of the California Department of Parks and Recreation, and shall respond to any comments received from Parks and Recreation to the satisfaction of the Executive Director of the Coastal Commission. All landscaping activities shall be carried out in accordance with the measures for preventing the spread of pitch canker required by Special Condition 5, below.

- d. **Lighting Plan** that identifies the type and location of all exterior lights, which shall be limited to that which is necessary to illuminate driveways, pathways, and entrances to structures. Such lighting shall be provided by low-level downward directed light sources that cannot be seen from public areas and prevent light and glare from extending beyond the immediate area to be illuminated.
- e. **Grading, Drainage, and Erosion Control Plans** that satisfy the requirements of CZLUO Sections 23.05.024 – 23.05.050 and prohibit ground disturbing activities between October 15 and April 1. The plans shall also identify that ground disturbing activities are also prohibited when the National Weather Service reports a 30% or greater chance of rain. In addition, the plans shall conform to the following requirements:

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

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

Post Construction Drainage. The drainage plan shall identify the specific type, design, and location of all drainage infrastructure necessary to ensure that post construction drainage from the project does not result in erosion, sedimentation, or the degradation of coastal water quality. All runoff from paved parking areas and livestock facilities (e.g., horse storage barn) filter and/or treat to prevent the discharge of bacteria and pollutants into the pond and other coastal waters. The capacity of filtration and treatment features shall be adequate to effectively remove sediments and pollutants during an 85th percentile 24-hour runoff event. In areas where rocks or other energy dissipation structure be needed, the drainage plan shall include detailed plans which limit the size and footprint of such structure to the minimum necessary to achieve effective erosion control.

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

4. Landscape Installation and Monitoring Reports. PRIOR TO OCCUPANCY OF THE RESIDENCE the permittee shall submit, for Executive Director review and approval, written confirmation by the landscape professional, accompanied by photographic evidence, that all new plantings have been installed in accordance with the approved Landscape Plan.

THREE YEARS FROM THE COMMENCEMENT OF PROJECT CONSTRUCTION, the permittee shall submit, for Executive Director review and approval, a written and photographic report prepared by a landscape professional, documenting that the landscape plan has been effectively implemented and that the development is not visible from Highway One or San Simeon State Park trails and facilities. In the event that the landscape professional and/or Executive Director determines that the performance criteria and or screening requirements have not been satisfied, the permittee, or successors in interest, shall submit a supplemental landscape plan for the review and approval of the Executive Director within one month of the determination. The supplemental landscape plan shall be prepared by a qualified landscape

specialist, and shall specify additional landscaping, monitoring and management measures that will be implemented to achieve the screening requirements of this permit within a two year time frame. The supplemental landscape plan shall include the use of earth berms where necessary to supplement plantings and achieve screening requirements. Any berms determined to be necessary to achieve screening requirements shall be designed to blend with adjacent terrain, have stable slopes, support native vegetation, and be limited in height to the minimum necessary to achieve the screening objectives. Details regarding the planting, seeding, and soil type of the berms shall be specified, and ensure that the berms will be completely vegetated within one year of their construction. In no case shall the berms be any higher than those approved by San Luis Obispo County (8 feet to screen the residence from the Highway One northbound view, 15 feet to screen the residence from the southbound view). The supplemental report shall also provide for additional reporting to the Executive Director, until screening objectives have been achieved to the satisfaction of the Executive Director.

5. Pitch Canker Controls. To prevent or reduce the spread of disease from pitch canker, bark beetles, or other diseases affecting the forest, the following measures shall be followed:

- a. Cutting or pruning tools shall be cleaned with a disinfectant prior to use on uninfected branches or other trees.
- b. All firewood and landscaping materials shall be inspected and confirmed to be free of pitch canker or other diseases prior to being transported to the property. All firewood to be stored on site shall be covered by a clear plastic tarp.
- c. Prior to the cutting or removal of infected trees, the Permittee shall submit a plan, for review and approval of the Executive Director, for the transportation and relocation of the diseased material. The plan shall identify the chosen site to which the material will be relocated (areas free of the disease are prohibited) and shall ensure that any material taken off the site will be covered or enclosed to avoid dispersal of contaminated bark beetles.

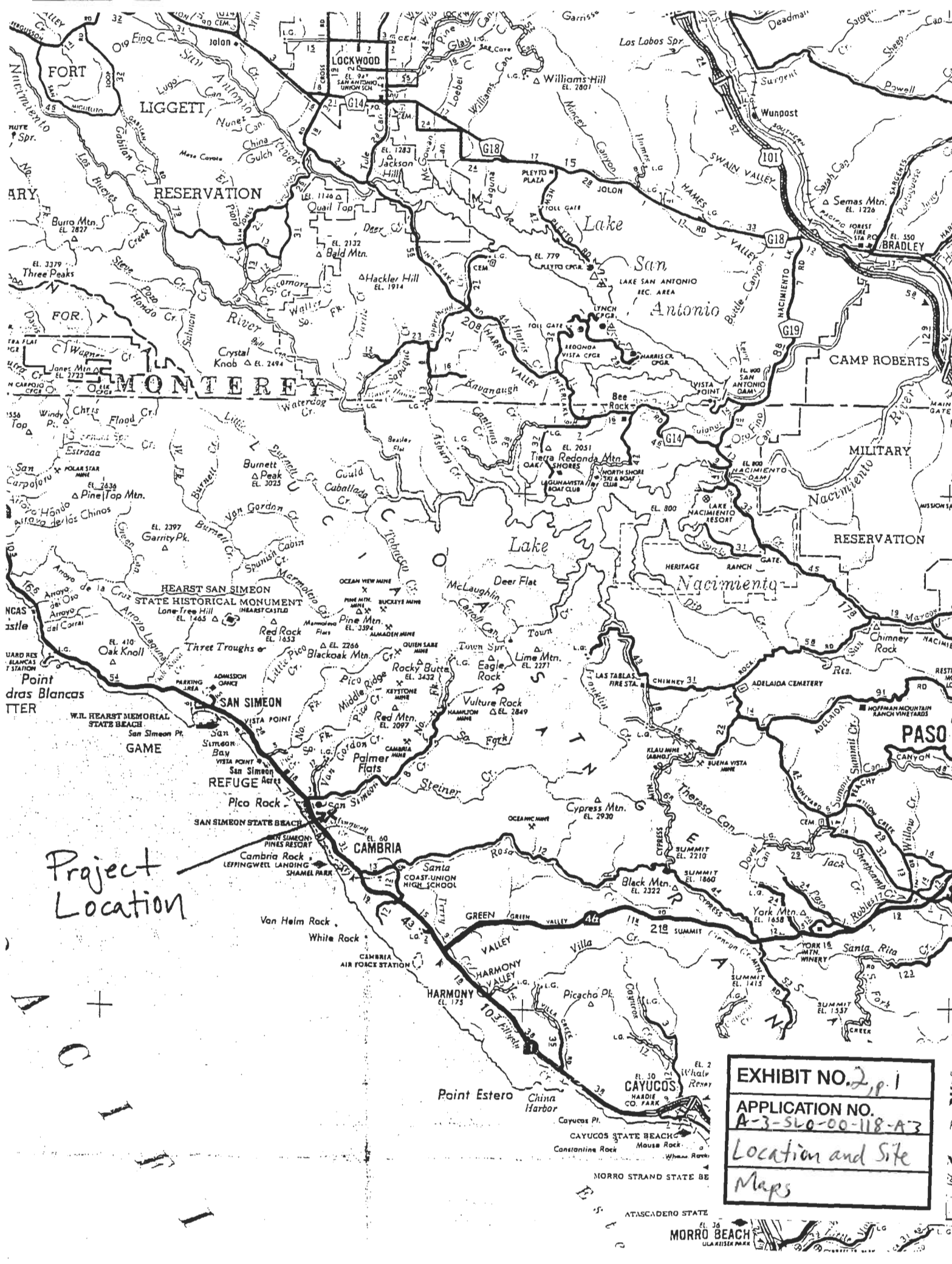
6. Deed Restriction. This permit is only for the development described and conditioned by Coastal Development Permit No. A-3-SLO-00-118. Except as provided in Public Resources Code section 30610 and applicable regulations, any future development as defined in PRC section 30106, including but not limited to, a change in the density or intensity of use land, shall require a separate coastal development permit from San Luis Obispo County. No future subdivision of the property, or adjustment of lot lines, other than those brought about in connection with the acquisition of land for public recreation or resource protection, or to maintain the southern property boundary in its current location, shall be permitted.

PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall execute and record a deed restriction in a form and content acceptable to the Executive Director, reflecting the above restrictions on development, and committing the applicant and all future owners of the property to full implementation of the Landscape Plan, Grading, Drainage, and Erosion Control Plans, and Pitch Canker Controls required by the conditions of this permit. The deed restriction shall include copies of the approved Landscape Plans, Grading and Erosion

Control Plans, and Pitch Canker Controls required by Special Conditions 3c, 3e, and 5 of this permit, as well as a legal description of the parcel being restricted, and 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. The deed restriction shall not be removed or changed without a Commission amendment to this coastal development permit.

7. Removal of Modular Home and Trailer. PRIOR TO OCCUPANCY OF THE RESIDENCE, the applicant shall submit to the Executive Director evidence that the 3000 square foot modular home installed on the site has been removed from the property.

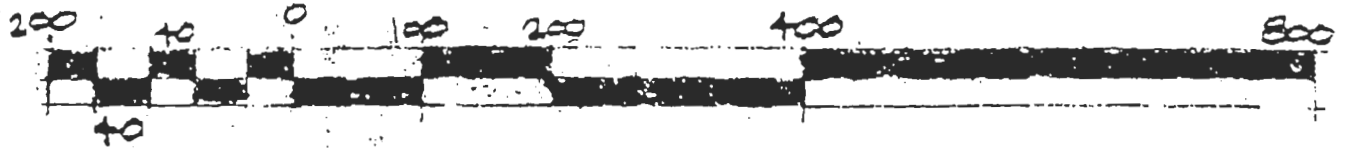
8. Water. PRIOR TO THE ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall submit to the Executive Director a valid "Intent to Serve" letter from the Cambria Community Services District, verifying that the CCSD will serve the development with water.



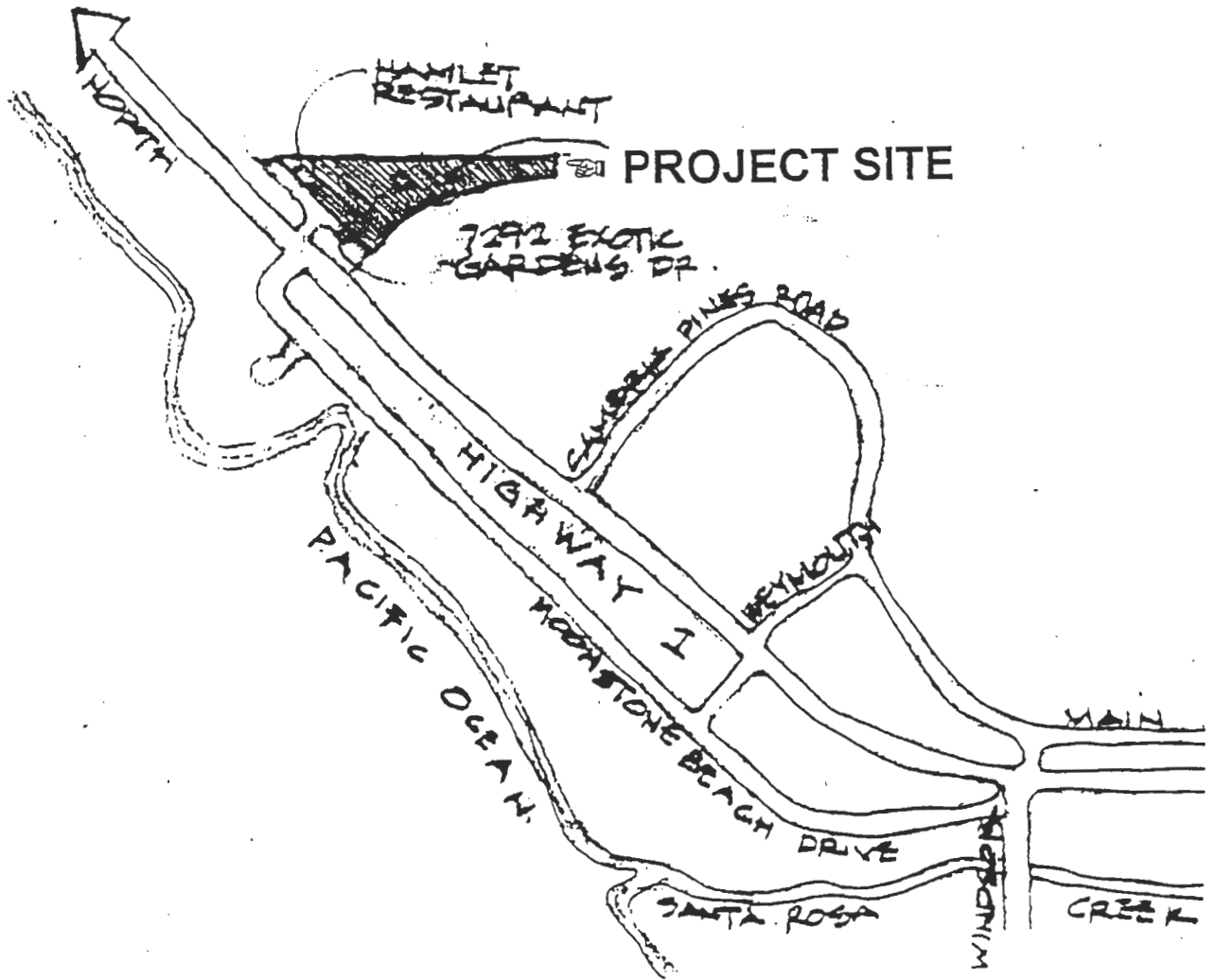
Project Location

EXHIBIT NO. 2, p. 1
 APPLICATION NO.
 A-3-560-00-118-A-3
 Location and Site
 Maps

MORRO BEACH



SITE AREA IS 78 ACRES



VICINITY MAP

EXHIBIT NO. 2, p. 2
 APPLICATION NO.
 A-3-SLO-00-118-A3
 Location and Site
 Maps

RECEIVED

SEP 06 2005

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Khosro Khalaoghli
1400 Quail St. Suite 275
Newport Beach, California 92660
(949) 250-0628, (949) 250-0620 Fax
August 30, 2005

Mr. Steve Munowitz
California Coastal Commission
State of California
725 Front Street, Suite 300
Santa Cruz, CA 95060
Phone: 831-427-4877
Fax: 831-427-4863

Re: 7292 Exotic Gardens, Cambria, California
Permit No. A-3-SLO-00-118

Dear Steve:

Thank you for giving me an opportunity to write this letter. As you know, I have been always supportive of Coastal Commission for years, before I had even started my own home construction in Cambria. At no time, have I objected to the proposal put forth by the Coastal Commission for any of my other California Coastal properties and my commitment for the community in Central Coast remains strong. I have worked in cooperative manner for nearly 8 years to bring the project to fruition. I was in favor of putting the Deed Restriction on my property so that no other development will occur on this 80-acre parcel even after I am gone. I have always appreciated your office for working with us in cooperative and professional manner.

Having said that, now we have one more issues to resolve, namely the palm trees. Per your request, I have removed 56 palm trees along the driveway to the house from the entry to my property. It has been a very costly and difficult process as each palm tree removal involved heavy equipment, trucks and more manpower. However, I have done it without delay in order to follow through with my commitment to you and in two weeks from the date of your request, the 56 palm trees have been removed. See photo of before and after the tree removal as shown in Exhibit A and B.

Let me digress a little to explain why these palm trees came to be planted. It had never occurred to me that the Palm Trees would be considered non-native to California as one can see them from San Diego to San Francisco. When I first came to this country, in June of 1964 as a young man, after years of working in the oil fields to save money to come to U.S., I had finally stepped out to the country of my dream. The flight was long and arduous and I was full of worries and anxieties, but also full of future plans as I landed in LA. Was I surprised and worried even more, when I saw all those palm trees outside the airport. I had thought that perhaps I had gotten in the wrong plane and landed in some other country in the Middle East. My only salvation was that there were no camels running around among all those palm trees!

EXHIBIT NO. 3, p. 1
APPLICATION NO. A-3-SLO-00-118-A3
Materials and Corresp.
re. Amend. Request

After that experience, somehow, I have always associated California with Palm Trees and since there are palm trees everywhere including on my neighbor's property in Cambria, and in San Simian I had assumed that the palm trees were native to central coast.

I would like to apply for amendment to my permit so that I am allowed to keep just the 38 palm trees out of nearly 100 palms on the 80-acre property that has over thousand pine trees. These palm are located 2 at the entry and the rest would be around my residence, away from the road and behind the hills; these are mostly very slow growing and non-invasive palm – Phoenix Canariensis- that will grow much slower than hundreds of pine trees that I had planted at both north and south sides of my property. These pines will cover and shield my house and the palms from the highway, over time. See exhibit C.

We hope that by having thousands of pine trees, which we love and nurture as well, an amendment for landscaping plan could be approved to allow just the 38 palm trees out of nearly 100 palm trees, so that the design harmony the architect envisioned could be achieved. See Exhibit D for thick forest of pine trees at the ranch.

In addition, I am also asking to amend the permit No A-3-SLO-00-118 by switching a 2400 sq. ft structure with the previously approved 2400 sq. ft structure. The permit allowed for “ Construction of a 10,487 sq. ft single family residence including an attached garage and workroom; 600 sq. ft guesthouse with a 480 square foot garage; 2,400 sq. ft. storage barn with 600 sq. ft loft; and 1.4 acre pond filled by runoff.”

I would like to replace the 2,400 storage barns be substituted with 2400 sq. ft modular home that currently exists on the property, which is located well behind the visual impact line and is not visible from the highway. In effect, instead of building a 2400 sq. ft structure structure, I am asking to let me keep the existing 2400 sq. ft. modular home behind the visual impact line.

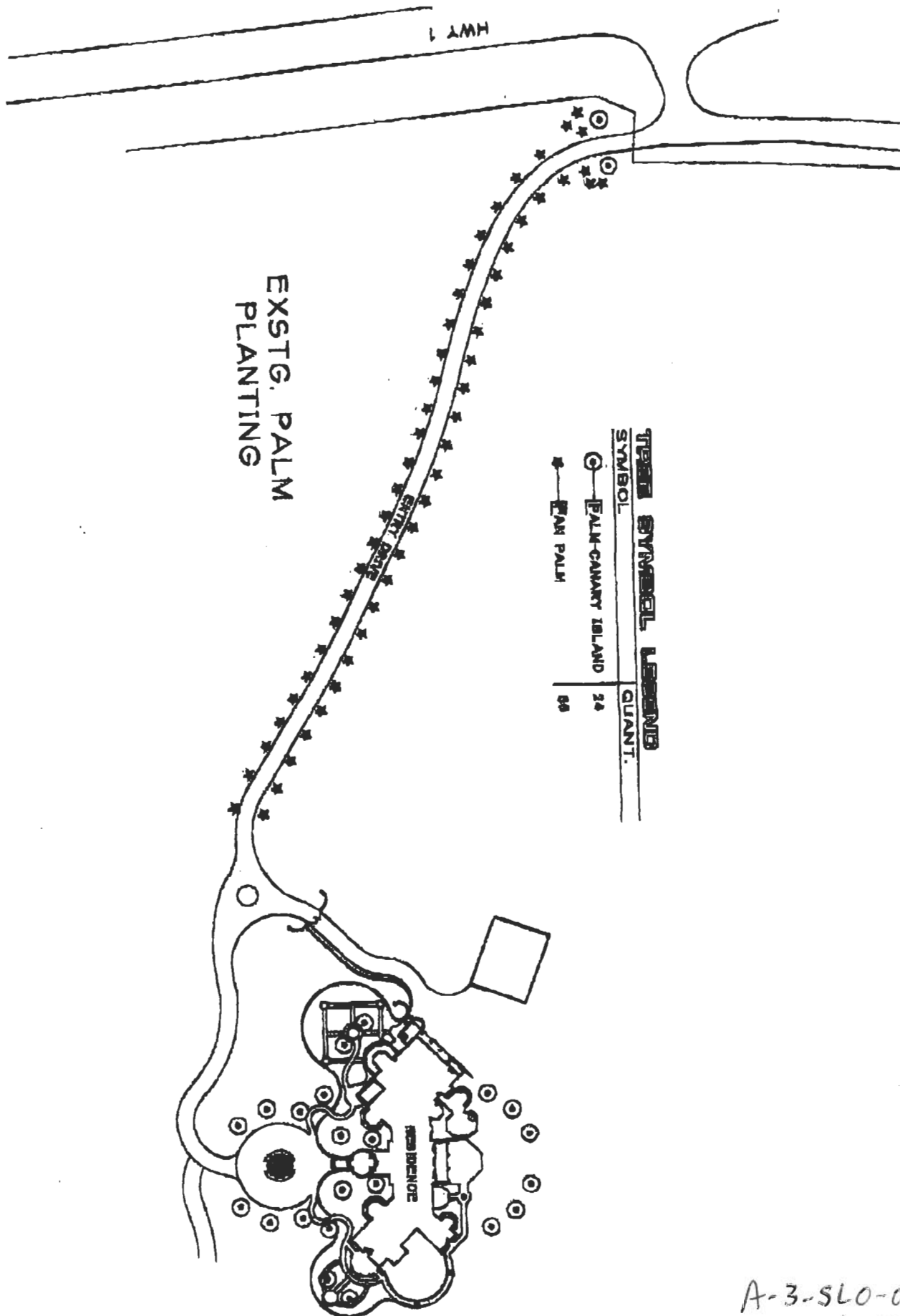
The existing structure is one story and cannot be seen from any part of the highway or any other areas outside of the property. It is less in scale and height than the approved barn structure. As you know, my property is located in the area zoned as rural lands. In San Luis Obispo's Local Coastal Plan, 2 homes are allowed in rural lands. Additionally, We want to let you know that we have only one water meter on the property and are not planning to apply for another water meter. Therefore, there will not be any additional water drawn from the San Simeon Creek. Our existing water wells will supply the water need for the modular home.

The above two requests should finally bring this long journey to end before I get any older and before this project make you an old man as well. Please let me know if you need any further information to process these amendments.

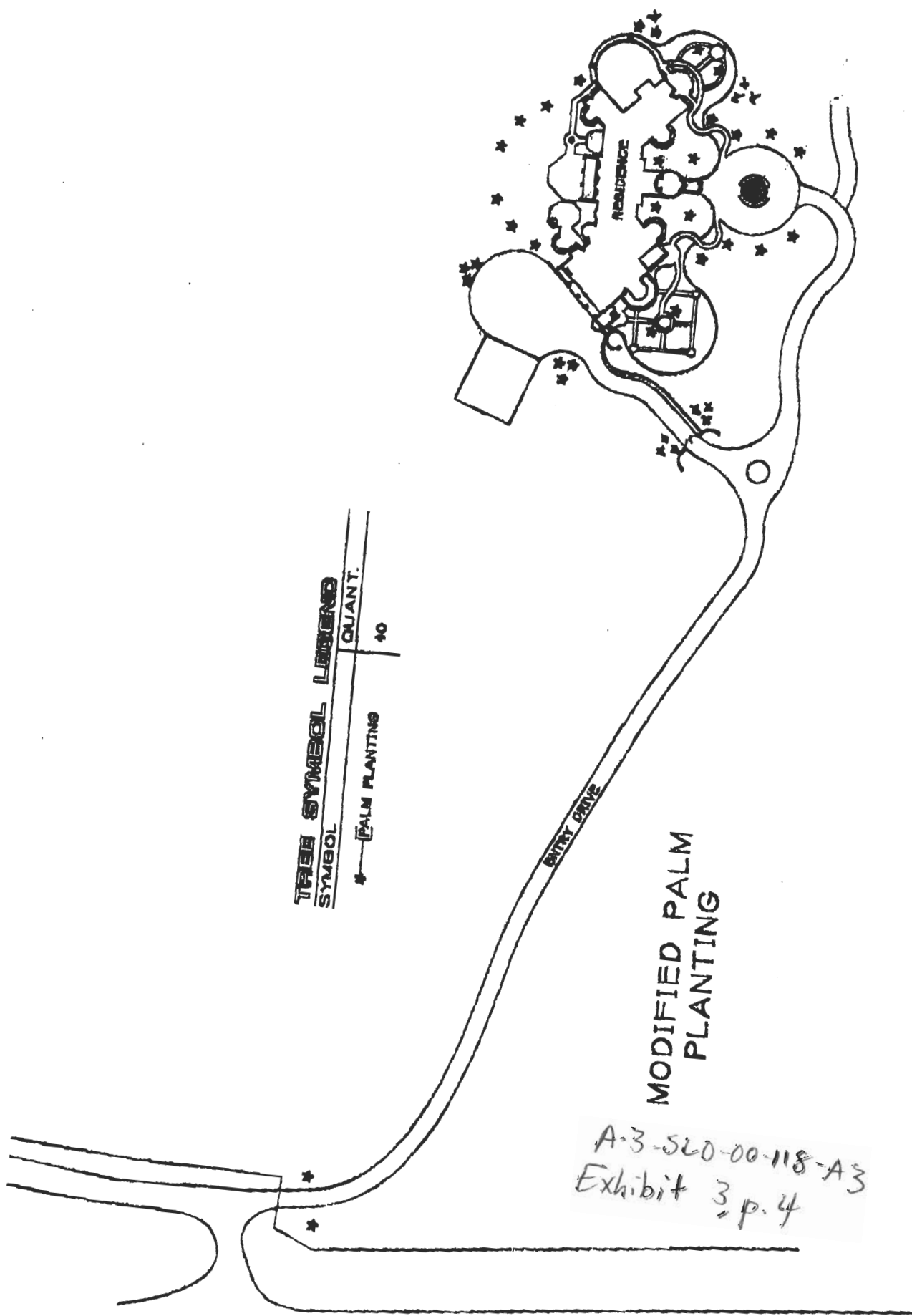
Yours sincerely,


Khosro Khaloghli

A-3-SLO-00-118-A3
Exhibit 3, p. 2



A-3-SLO-00-118-A3
Exhibit 3, p. 3



TREE SYMBOL LEGEND

SYMBOL	QUANT.
* (PALM PLANTING)	40

MODIFIED PALM PLANTING

A-3-560-00-118-A3
Exhibit 3 p. 4