CALIFORNIA COASTAL COMMISSION
45 FREMONT, SUITE 2000
SAN FRANCISCO, CA 94105- 2219
VOICE (415) 904- 5200
FAX (415) 904- 5400
TDD (415) 597-5885

F18a

Filed: 3/3/2012
180th Day: 8/30/2012
Staff: J.Manna-SF
Staff Report: 7/19/2012
Hearing Date: 8/10/2012

STAFF REPORT: REGULAR CALENDAR

Application No.:	**3-11-003**
Applicant:	**California Department of Parks and Recreation**
Agent:	Michael Ferry
Location:	Asilomar State Beach and Conference Grounds at 800 Asilomar Avenue in the City of Pacific Grove, Monterey County.
Project Description:	Site accessibility upgrades to the Asilomar State Beach and Conference Grounds path and roadway system to meet ADA standards, and interior modifications to the Crocker Dining Facility.
Staff Recommendation:	Approval with conditions.

SUMMARY OF STAFF RECOMMENDATION

California Department of Parks and Recreation (DPR) is requesting a coastal development permit (CDP) to complete site accessibility upgrades and dining facility modifications at the Asilomar Conference Grounds, located within the larger property of Asilomar State Beach and

Conference Grounds, in Pacific Grove, Monterey County (Exhibit 1). DPR, the agency managing Asilomar Conference Grounds, is mandated to provide full and comprehensive Americans with Disability Act (ADA) access to the Conference Grounds. In order to comply with ADA requirements, DPR is proposing a revision of the Asilomar Conference Grounds path and roadway system to ensure that all accessways have less than 5% maximum grade. In addition, through this CDP, DPR would be making interior and exterior improvements to the Crocker Dining Facility, unrelated to the ADA improvements. The City of Pacific Grove has a certified Land Use Plan (LUP), but the Implementation Plan has not yet been certified. Therefore, the Commission retains CDP jurisdiction over this project, and the standard of review is Chapter 3 of the Coastal Act, with the LUP as non-binding guidance.

The pathway upgrades would involve the re-routing and re-contouring of pathways to achieve desired slope and cross-slope, and the removal and replacement of existing asphalt paths with a permeable paver system. New permeable paver pathways would be developed along similar routes and on existing roadways to minimize impacts to sensitive coastal resources. The accessibility upgrades would also require new ADA and directional signage and minor light post adjustments to accommodate new pathway routes. DPR compliance with ADA requirements would provide equal opportunity for those with disabilities to access the Asilomar Conference Grounds. Public access and recreation Coastal Act policies make clear that maximum recreational access must be provided for all segments of society. Therefore, the ADA improvements would be consistent with the public access and recreation policies of the Coastal Act.

The Asilomar State Beach and Conference Grounds complex is located in the Asilomar Dunes in an overall area that contains a number of unique biological and geological resources, including at least ten plant and one animal species of special concern, and dune landforms comprised almost entirely of quartz sand. These coastal dunes have long been considered by the Commission to be environmentally sensitive habitat areas (ESHAs) because they include plant and animal life and related habitats that are rare, especially valuable, and easily disturbed and degraded by human activities and developments. The Commission has a long history of protecting Asilomar Dunes ESHA, through application of the guiding Pacific Grove LUP policies that strike a balance between maximizing dune habitat protection and accommodating reasonable pre-existing uses, such as the Conference Grounds complex.

Modifications made to the Crocker Dining Facility would occur within the existing footprint of the building and include the installation of a new kitchen, storage areas, exhaust roof vents, plumbing line, and electrical transformer. These components of the proposed project can be found consistent with both ESHA and public recreational access requirements of the Coastal Act.

The modified path system, a component of the interpretive path system at Asilomar State Beach and Conference Grounds, qualifies as a resource-dependent development, and its development shouldn’t lead to a significant disruption to the Asilomar Conference Grounds habitat area, and thus is allowed per the Coastal Act as well. That said, the accessibility improvements proposed would impact an overall area in the dunes and native forest habitat interspersed within the Conference Grounds complex of about 64,300 square feet (1.5 acres). DPR indicates that the project would take place in Phases. Phase I of the project would affect an area of about 34,000

square feet (0.78 acres), about 12,000 square feet (0.275 acres) of which would be covered with new pathways, and about 6,000 square feet (0.138 acres) of which would be existing pathway areas that would be removed and restored to native habitat. Thus, all told, about 6,000 more square feet of path coverage than exists currently would be added to the Conference Ground's circulation system through Phase I. Phase II of the project would extend the path system project similarly, affecting an additional 30,000 square feet (0.7 acres) of dune and forest habitat within the developed Conference Grounds complex.

The impacts from the project would occur primarily in degraded dune and forest areas already impacted by previous disturbances associated with development and use of the Asilomar Conference Grounds complex of buildings and related development, including the existing pathway system. The pathway realignment has been designed to avoid special status plant species, with the exception of 26 Monterey pines, which would be removed during Phase I. DPR would mitigate for the impacts resulting from the project by restoring pathway areas that can't be readily reused, by restoring native habitat in areas adjacent to the construction area that would be negatively impacted, and by conducting off-site dune restoration at the 3.5 acre Great Tide Pool site, owned by the City of Pacific Grove and located north of the Rocky Shores section of the Asilomar State Beach. All told, the on-site restoration will restore habitat areas affected by construction, and the off-site component will provide for just over a 2:1 mitigation ratio, consistent with the Commission's long practice when addressing dune impacts in the Asilomar Dunes complex. The restoration activities would serve to mitigate for the impacts to ESHA and improve the habitat values of ESHA present on the Conference Grounds and at Asilomar State Beach.

In order to ensure the ESHA impacts resulting from this project are appropriately offset as designed by the DPR, staff is recommending **special conditions** 1 and 2 requiring DPR to submit 1) a modified On-site Restoration Plan prior to construction extending the monitoring and maintenance phase to 5 years, and including further detail on the forest management plan and contingency measures, and 2) a complete Off-site Restoration Plan. In addition, **special condition** 3 requires detailed pathway and restoration plans for Phase II of the project prior to construction. As conditioned, the project would be consistent with the ESHA policies of the Coastal Act.

Staff recommends **approval** of coastal development permit application 3-11-003, as conditioned. The motion is found on page 5 below.

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I. MOTION AND RESOLUTION

Motion:

*I move that the Commission **approve** Coastal Development Permit 3-11-003 subject to the conditions set forth in the staff recommendation.*

Staff recommends a **YES** vote on the foregoing motion. Passage of this motion will result in conditional approval of the permit and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

Resolution:

The Commission hereby approves Coastal Development Permit 3-11-003 and adopts the findings set forth below on grounds that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act and will not prejudice the ability of the local government having jurisdiction over the 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. STANDARD CONDITIONS

This permit is granted subject to the following 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 of 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.

III. SPECIAL CONDITIONS

This permit is granted subject to the following special conditions:

1. **On-Site Restoration Plan.** PRIOR TO CONSTRUCTION, the Permittee shall submit for the Executive Director's review and approval two copies of a modified On-site Restoration Plan that is in substantial conformance with the 2011 Regan Restoration, Mitigation, and Monitoring Plan for Asilomar Conference Grounds ADA Upgrades, with the following changes:

   (a) Maintenance schedule: Extension of the maintenance schedule to 5 years, conducting weekly maintenance during year 1, monthly maintenance during years 2 and 3, and diminished maintenance as needed for years 4 and 5.

   (b) Monitoring and Reporting Schedule: Extension of the monitoring schedule for 5 years, conducting weekly monitoring during year 1, monthly monitoring during years 2 and 3, and diminished monitoring as needed for years 4 and 5. Submittal of Annual Reports for the Executive Director's review and approval for the first 5 years post construction.

   (c) Forestry Management Plan: Inclusion of a tree replacement ratio and planned locations for newly planted trees within the Forestry Management Plan.

   (d) Contingency measures: Five years from the date of completion of the project, and every ten years thereafter, the Permittee shall submit for the review and approval of the Executive Director a restoration monitoring report prepared by a qualified specialist that certifies the on-site restoration is in conformance with the approved On-site Restoration Plan along with photographic documentation of plant species and plant coverage. If the restoration monitoring report or biologist's inspections indicate the landscaping is not in conformance with or has failed to meet the performance standards specified in the On-site Restoration Plan approved pursuant to this permit, the Permittee shall submit a revised or supplemental restoration plan for the review and approval of the Executive Director. The revised restoration plan must be prepared by a qualified specialist, and shall specify measures to remediate those portions of the original plan that have failed or are not in conformance with the original approved plan. These measures, and any subsequent measures necessary to carry out the approved plan, shall be carried out in coordination with the direction of the Executive Director until the measures needed to remediate the failed portions of the original plan are established to the Executive Director's satisfaction.

   The Permittee shall undertake development in accordance with the approved On-site Restoration Plan, which shall be initiated during project construction of Phase I or within

such additional time as the Executive Director allows if there are extenuating circumstances.

2. **Off-Site Restoration Plan.** WITHIN ONE YEAR OF APPROVAL OR BEFORE PHASE II CONSTRUCTION, whichever comes first, the Permittee shall submit for the Executive Director's review and approval two copies of an Off-site Restoration Plan that provides for dune and related habitat enhancement at the 3.5-acre Great Tide Pool Site. At a minimum the plan shall demonstrate:

   (a) All non-native and/or invasive species shall be removed from the site.

   (b) All vegetation planted on the site shall consist of dune plants native to the Asilomar Dunes area.

   (c) All required plantings shall be maintained in good growing conditions throughout the life of the project, and whenever necessary shall be replaced with new plant materials to ensure continued compliance with the plan.

   (d) Final contours of the site, after project grading, shall support restoration efforts.

   (e) To protect the restoration area, including to avoid "volunteer" trails across the site, an access path connecting and similar to, other access paths along Asilomar State Beach shall be provided. Such path shall extend throughout the shoreline length of the property, shall provide connectivity both up and down coast, and shall include connecting segments to the roadside parking areas as appropriate.

   (f) Restoration shall be premised on enhancing dune habitat so that it is self-functioning, high quality dune habitat in perpetuity.

   The plan shall include, at a minimum, the following components:

   (a) A map showing the type, size, and location of all plant materials that would be planted on the site, the irrigation system (if any), topography of the site, the path, and all other landscape features. Fencing shall be limited to temporary rope and pole barriers or equivalent, sited and designed to limit visual impacts as much as possible.

   (b) A schedule for installation of plants.

   (c) A plan for monitoring and maintenance of habitat areas in perpetuity, including:

      - A schedule out to 5 years.

      - A description of field activities, including monitoring studies.

      - Monitoring study design for each habitat type, including, as appropriate: goals and objectives of the study; field sampling design; study sites, including experimental/revegetation sites and reference sites; field methods, including specific field sampling techniques to be employed (photo monitoring of experimental/re-vegetation sites and reference sites shall be included); data analysis methods; presentation of results; assessment of progress toward

meeting success criteria; recommendations; and monitoring study report content and schedule.

- Adaptive management procedures, including provisions to allow for modifications designed to better restore, enhance, manage, and protect habitat areas.

(d) Contingency measures: Five years from the date of completion of the project, and every ten years thereafter, the Permittee shall submit, for the review and approval of the Executive Director, a restoration monitoring report prepared by a qualified specialist that certifies the on-site restoration is in conformance with the approved plan, along with photographic documentation of plant species and plant coverage beginning the first year after initiation of implementation of the plan, annually for the first five years, and then every ten years after that. If the restoration monitoring report or biologist's inspections indicate the landscaping is not in conformance with or has failed to meet the performance standards specified in the Off-site Restoration Plan approved pursuant to this permit, the Permittee shall submit a revised or supplemental restoration plan for the review and approval of the Executive Director. The revised restoration plan must be prepared by a qualified specialist, and shall specify measures to remediate those portions of the original plan that have failed or are not in conformance with the original approved plan. These measures, and any subsequent measures necessary to carry out the approved plan, shall be carried out in coordination with the direction of the Executive Director until the approved plan is established to the Executive Director's satisfaction.

The Permittee shall undertake development in accordance with the approved Off-site Restoration Plan, which shall be initiated within 90 days of Executive Director approval of such plan, or within such additional time as the Executive Director allows if there are extenuating circumstances.

3. **Phase II Plans.** PRIOR TO PHASE II CONSTRUCTION, the Permittee shall submit for the Executive Director's review and approval two copies of Phase II Pathway and Restoration Plans substantially in conformance with the proposed plans submitted to the Commission, including providing for the same on-site restoration parameters for Phase II as are required for Phase I by Special Condition 1. The Permittee shall undertake development in accordance with the approved Phase II Plans, the on-site restoration component of which shall be initiated during project construction of Phase II or within such additional time as the Executive Director allows if there are extenuating circumstances.

IV. FINDINGS AND DECLARATIONS

A. PROJECT DESCRIPTION

Asilomar Conference Grounds, located at 800 Asilomar Avenue in Pacific Grove, occupies about 45 acres of the California Department of Parks and Recreation's (DPR) Asilomar State Beach and Conference Grounds property (see Exhibit 1). The Conference Grounds include 317 guest

rooms, able to accommodate 1,095 visitors per night in 30 buildings, and over 50 conference rooms. The Conference Grounds are utilized by public visitors as well as DPR for statewide staff trainings. The Asilomar Conference Grounds facilities were originally established in the early 1900s, well pre-dating coastal permitting requirements, and are listed on the National Register of Historic Places for their contributions to early craftsman architecture (including multiple structures and elements designed by renowned architect Julia Morgan of Hearst Castle and other fame) and their origins as a YMCA leadership camp. There have been a number of coastal development permits (CDPs) approved for the Conference Grounds, such as CDP 3-87-258, which involved dune restoration and access management via the construction of boardwalks and trails through the dunes and along the shore.

Through this application, DPR is requesting a CDP to complete site accessibility upgrades and dining facility modifications at Asilomar Conference Grounds (see detailed project plans for Phase I, referred to as 1AB-2AB, in Exhibit 2). DPR, the agency managing the Conference Grounds, is mandated to provide full and comprehensive Americans with Disability Act (ADA) access to Asilomar Conference Grounds. In order to comply with ADA requirements, DPR is proposing a revision of the Asilomar Conference Grounds path and roadway system to ensure that all accessways have less than 5% maximum grade. In addition, DPR would be making interior and exterior improvements to the Crocker Dining Facility, unrelated to the ADA improvements.

The ADA pathway upgrades would involve asphalt removal, replacement of asphalt paths with a permeable paver system, and re-routing and re-contouring pathways to achieve desired slope and cross-slope. New permeable paver pathways would be developed along similar routes and on existing roadways to minimize impacts to sensitive coastal resources. Pathways that cannot be readily reused or revised would be retired and restored back to native habitat. Existing park contours would be used to minimize cuts and fills to install the new pathways but roadway improvements would require import of base material to achieve ADA standards. Approximately 155 cubic yards of cut and 275 cubic yards of fill would be necessary to install ADA improvements for the entire project (all phases). The accessibility upgrades would also require new ADA and directional signage and minor light post adjustments to accommodate new pathway routes. Improvements of about 6,000 square feet would be made to the Crocker Dining Facility within the existing footprint of the building consisting of the installation of a new kitchen, storage areas, exhaust roof vents, plumbing line, and electrical transformer.

The Asilomar State Beach and Conference Grounds complex is located in the Asilomar Dunes in an overall area that contains a number of unique biological and geological resources, including at least ten plant and one animal species of special concern, and dune landforms comprised almost entirely of quartz sand. These coastal dunes have long been considered by the Commission to be environmentally sensitive habitat areas (ESHAs) because they contain plant and animal life and related habitats that are rare, especially valuable, and easily disturbed and degraded by human activities and developments. The accessibility improvements proposed would impact an overall area in the dunes and native forest habitat interspersed within the Conference Grounds complex of about 64,300 square feet (1.5 acres). DPR indicates that the project would take place in Phases. Phase I of the project would affect an area of about 34,000 square feet (0.78 acres), about 12,000 square feet (0.275 acres) of which would be covered with new pathways, and about 6,000

square feet (0.138 acres) of which would be existing pathway areas that would be removed and restored to native habitat. The remaining 16,000 square feet of impacts would be caused by temporary construction work. Thus, all told, about 6,000 more square feet of path coverage than exists currently would be added to the Conference Ground's circulation system through this Phase. Phase II of the project would extend the pathway project in a similar way through tow other portions of Conference Grounds complex, affecting an additional area of about 30,000 square feet (0.7 acres) of dune and forest habitat (see areas referred to as "Future Phase" in Exhibit 2). The pathway realignment has been designed to avoid special status plant species, with the exception of 26 Monterey pine trees, which would be removed during Phase I. In order to limit impacts and to mitigate for unavoidable impacts resulting from the development, DPR proposes to implement on-site and off-site dune restoration.

Specifically, all improvements and modifications would be monitored during construction by a DPR environmental scientist. DPR has identified opportunities for mitigation by restoring pathway areas that can't be readily reused or revised, by restoring native habitat in areas adjacent to construction sites that would be negatively impacted, and by conducting off-site dune restoration. The successful restoration of areas on site would require returning the native sand and soil to a suitable grade and contour, removing non-native and invasive plants located throughout most of the Conference Grounds landscaped and natural areas, and, in some locations, planting new native shrubs and perennials. Off-site restoration would occur at a 3.5 acre site known as the Great Tide Pool site, owned by the City of Pacific Grove north of the Rocky Shores section of the park. Restoration activities for this site would include non-native and invasive plant removal by hand pulling (to best protect native plants and seed stock in the dunes) and minor revegetation and contouring.

B. ENVIRONMENTALLY SENSITIVE HABITAT AREAS

Section 30240 of the Coastal Act states:

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

As indicated previously, while Coastal Act policies are the standard of review for coastal development permits until the City's LCP is fully certified by the Commission, the City's certified LUP can provide guidance to the Commission as it considers proposals for development in the Asilomar Dunes Area. With regards to environmentally sensitive habitat areas, the LUP contains various policies designed to protect the sensitive habitats within the Asilomar State Beach and Conference Grounds:

LUP Policy 2.3.5.3. *Asilomar State Park and Conference Grounds- New development in the lands of Asilomar State Park and Conference Grounds shall be carefully sited and designed to protect the habitat of the rare and endangered Menzies' wallflower and Tidestrom's lupine.*

The following recommendations shall be given priority in the State Department of Parks and Recreation's continued development and implementation of its General Plan for Asilomar State Beach and Conference Grounds:

a) Implement a dune restoration program, including restricting public access, in the northern portion of the Conference Grounds to protect the habitat of rare and endangered dune plants as identified on the Habitat Sensitivity Map.

b) Undertake dune stabilization programs on the central and southern dunes, including planting of native vegetation, and direct human recreation to welldefined areas.

c) Expansion or replacement of facilities in the sensitive forest-front transition zone adjacent to the sand dunes shall be restricted to the existing building envelopes or shall take place outside of the forest-front zone.

d) The native forest of Asilomar should be studied and where necessary maintained through planting of nursery stock grown from site-specific Asilomar stock.

e) On State-owned land west of Sunset Drive, parking areas should be delineated to reduce habitat damage by vehicles; dunes areas should be monitored and native plants restored and, if necessary, protected with barriers; ice plant allowed to die back where scale infested; and trails designated, with wire fencing installed where necessary to protect habitats.

f) The Majella Slough, on State property south of Sunset Drive, should be preserved and protected from human intrusion.

Asilomar Dunes Complex

Coastal sand dunes constitute one of the most geographically constrained habitats in California. They only form in certain conditions of sand supply and wind energy and direction. Dunes are a dynamic habitat subject to extremes of physical disturbance, drying, and salt spray and support a unique suite of plant and animal species adapted to such harsh conditions. Many characteristic dune species are becoming increasingly uncommon. Even where degraded, the Coastal Commission has typically found this important and vulnerable habitat to be ESHA due to the rarity of the physical habitat and its important ecosystem functions, including that of supporting sensitive species.

The proposed development is located in the Asilomar Dunes complex, an environmentally sensitive habitat area extending several miles along the northwestern edge of the Monterey Peninsula. The Asilomar Dunes complex extends from Point Piños at the Lighthouse Reservation in Pacific Grove through Spanish Bay and to Fan Shell Beach in the downcoast Del Monte Forest area. Within Pacific Grove, this dunes complex extends though two protected areas, the Lighthouse Reservation area and Asilomar State Beach and Conference Grounds, that sandwich a dune-residential community. Although this dune-residential area is often described as Asilomar Dunes more broadly, it is only a part of the larger Asilomar Dunes complex.

The Asilomar Dunes extend inland from the shoreline dunes and bluffs through a series of dune ridges and inter-dune swales to the edge of more urban development in some cases, and the edge of the native Monterey pine forest in others. The unusually pure, white quartz sand in this area was formerly stabilized by a unique indigenous dune flora. However, only a few acres of the original habitat area, which spans almost five miles of shoreline and includes Asilomar State Beach and Conference Grounds, remain in a natural state. The balance of the original habitat has been lost or severely damaged by sand mining, residential development, golf course development, trampling by pedestrians, and the encroachment of non-indigenous introduced vegetation. While a number of preservation and restoration efforts have been undertaken, most notably at the Spanish Bay Resort, Asilomar State Beach and Conference Grounds, and in connection with previously approved residential developments on private lots, much of the Asilomar Dunes complex remains in a degraded state. Even so, it remains a valuable habitat area, including because it supports certain plants and animals characteristic of this environmentally sensitive habitat that are themselves rare or endangered.

The Asilomar Dune complex includes up to ten plant species and one animal species of special concern that have evolved and adapted to the desiccating, salt-laden winds and nutrient poor soils of the Asilomar Dunes area. The best known of these native dune plants are the Menzie's wallflower, Monterey spineflower, and the Tidestrom's lupine, all of which have been reduced to very low population levels through habitat loss and are Federally-listed endangered species. Additionally, the native dune vegetation in the Asilomar Dunes also includes other dune species that play a special role in the ecosystem; for example, the bush lupine which provides shelter for the rare black legless lizard, and the coast buckwheat, which hosts the endangered Smith's blue butterfly. Native Monterey pine trees that comprise the forest-front, an area where the central dune scrub plant community intersects the native Monterey pine forest community, serve to minimize environmental stresses to the interior trees of the forest, reduce tree failures that result when trees are more directly exposed to wind, and are considered critical in maintaining the stability of the landward extent of the sand dunes. Because of these unique biological and geological characteristics of the Asilomar Dunes, the Commission has a long history of identifying all properties in the Asilomar Dunes area with these dune system features, both in the City of Pacific Grove and Monterey County, as within environmentally sensitive habitat areas. Based on this understanding, the Pacific Grove LUP certified by the Commission includes a variety of policies to protect this identified dune ESHA.

Site Specific Resources

The plant communities within the Asilomar Conference Grounds area of Asilomar State Beach and Conference Grounds include Monterey pine-oak forest and central dune scrub, both of which support a diversity of annual and perennial rare, threatened, and endangered species, and both of which constitute ESHA under the Coastal Act. DPR conducted an initial botanical survey of Asilomar Conference Grounds to identify the presence and location of special status plant species, including Monterey spineflower (*Chorizanthe pungens*), Menzie's wallflower (*Erysimum menziesii*), Sand gilia (*Gilia tenuiflora*), Beach layia (*Layia* carnosa), Tidestrom's lupine (*Lupinus tidestromii*), Monterey pine (*Pinus radiate*), Sandmat manzanita (*Arctostaphylos pumila*), Pacific Grove clover (*Trifolium polyodon*), and ocean bluff milk-vetch (*Astragalus nattallii*) (see Exhibit 3 for delineated habitat and survey areas, Phase I is indicated as Phase 1AB-2AB and Phase II is indicated as Future Phases). None of the special status plants listed, except Monterey pine, were observed in the project impact area. Asilomar State Beach and Conference Grounds supports Critical Habitat for Monterey spineflower as designated by the U.S. Fish and Wildlife Service in an area not impacted by this project. Habitats within Asilomar Conference Grounds have suffered from a number of past disturbances associated with development and use of the Conference Grounds over the last 100 years, including construction and demolition activity for site structures and circulation elements, and ongoing use of the facilities over time. In addition, over time, there has been the steady introduction and encroachment of many exotic plants that have affected the survival of native plants by altering dune structure, soil chemistry, resource allocation, and biotic distribution.

Section 30240 Consistency

With respect to Coastal Act Section 30240, this section only allows resource dependent development in ESHA, and only when such development will not result in any significant disruption of habitat values. In essence, Section 30240 presents a two-part conformance test. In terms of resource dependency, it is clear that one of the primary objectives of the proposed project is to maximize opportunities to educate, inform, and inspire users of the trail system so as to enhance their enjoyment of the Conference Center and its resources, and possibly more importantly to encourage them to action in helping to protect such resources here and elsewhere. Here, that objective also includes a strong desire to provide an ADA-compliant interpretive path system that can help foster an awareness and appreciation of this special open space area for users for whom access to this area is currently unavailable altogether or is difficult (including those in wheelchairs, those less physically able to traverse uneven footpaths, caregivers with strollers, etc.). Interpretive and nature study trail opportunities like this, particularly in close proximity to urban areas with significant numbers of users and potential users, are limited, and thus it is critically important that their interpretive utility in this regard is maximized, particularly for all user groups. Such is even more so the case at the Conference Center, which is a primary destination for such experience and has been for the last century, including with respect to its connection to Asilomar State Beach and the trail system there.

The proposed ADA path system is dependent upon the presence of the habitat area through which it passes to provide a relevant habitat interpretive and nature study experience. Thus, the proposed path system is dependent on the ESHA resource for it to function as an interpretive and nature study path. In that respect, the proposed pathway system meets the first test of Coastal Act Section 30240.

As to the second Section 30240 test regarding significant disruption, the ADA accessibility improvements would affect an overall area of about 64,300 square feet (1.5 acres). Phase I of the project would affect about 34,000 square feet (0.78 acres) of native dune and forest ESHA interspersed throughout the Conference Grounds complex, about 12,000 square feet (.275 acres) of which would be covered by new pathways. The remaining 22,000 square feet would be temporarily impacted by the removal and restoration of existing pathways (about 6,000 square feet) and by construction activities associated with installation of the new pathways using pavers. The pathway realignment has been designed to avoid special status plant species, with the exception of 26 scattered Monterey pines, which would be removed during Phase I. Some root disturbance to about 150 native trees adjacent to path construction areas would also occur during Phase I, but DPR will employ all available measures to limit any such impacts as much as possible. Phase II of the project would extend the pathway project in a similar way to other portions of the Conference Grounds complex, affecting an additional 30,000 square feet (0.7 acres) of interspersed dune and forest habitat within the Conference Grounds complex. Consistent with the LUP, none of the development for this project would impact Menzies wallflower or Tidestrom's Lupine. The majority of impacts would occur in highly disturbed areas of relatively lower habitat value.

The path improvements would be located within existing relatively disturbed areas interspersed throughout the Conference Grounds that are already fairly impacted by existing facilities, including pathways and circulation elements, and existing use patterns of the Conference Grounds. In this context, the impacts to the overall 1.5-acre area that would be affected by the proposed development, including the new 12,000 feet of pathway coverage constructed during Phase II, will not lead to a significant disruption of the Asilomar Conference Grounds habitat area. The revised pathway system should help to also cut down on dune trampling and informal access through the dunes. DPR's biologist has indicated that the new pathway system in combination with the restoration activities proposed would be expected to greatly increase habitat values at Asilomar Conference Grounds. Thus, the proposed path system meets the second test of Coastal Act Section 30240 because it is not expected to significantly disrupt habitat values, and is consistent overall with Coastal Act Section 30240.

Mitigation Measures

Even though the proposed project can be found consistent with Section 30240, it will still result in an impact to dune and forest habitat at the Conference Grounds, primarily with respect to dune habitat. DPR proposes a series of mitigations designed to minimize and appropriately offset such impacts. Specifically, all improvements and modifications would be monitored during construction by a DPR environmental scientist to minimize their spatial extent, and to make minor field modifications to limit habitat impacts as much as possible. In addition, DPR would implement on-site and off-site dune restoration. DPR has also identified opportunities for mitigation by restoring pathway areas that can't be readily reused or revised (about 6,000 square feet in Phase I, and a similar area in Phase II), by restoring native habitat in areas adjacent to construction sites that would be negatively impacted (about 16,000 square feet in Phase I, and a similar area in Phase II and by conducting off-site dune restoration (about 3.5 acres).

The successful restoration of areas on site would require returning the native sand and soil to a suitable grade and contour, removing non-native annual grasses located throughout most of the Conference Grounds landscape and natural areas, and, in some locations, planting new native shrubs and perennials. About 6,000 square feet of retired pathway would be removed and restored as described in Phase I, and a similar area restored in a similar way in Phase II. Topsoil used for on-site restoration would be sand or sandy loam from Asilomar State Beach and Conference Grounds property, or nearby areas, to prevent the introduction of non-native species. Off-site restoration would occur at a 3.5-acre site known as Great Tide Pool site, owned by the City of Pacific Grove north of the Rocky Shores section of Asilomar State Beach and Conference Grounds. The Great Tide Pool site is a dune site that supports a diverse mix of dune species including Tidestrom's lupine and Monterey spineflower, but that contains a significant amount of non-native ice plant. This site is in a critical shoreline location between other City and DPR restoration sites, and its restoration utility in that regard is enhanced. Restoration activities for this site would include ice plant removal by hand pulling, to ensure the native species are maintained, and minor revegetation and contouring. Replanting of native species would occur after grading of the restored sites as soon as it is practical. Monitoring and maintenance of the restored sites would occur after construction to ensure the continued removal and eradication of invasive weeds and reestablishment of native vegetation. Any impacts made to surrounding dunes from the Crocker dining facility external modifications would be restored and revegetated similar to the ADA improvements.

DPR has made a significant effort to identify mitigations in terms of project design and its restoration plans intended to mitigate project impacts to ESHA. To ensure such mitigations are realized, including to ensure these on and off-site restoration activities would enhance and protect the restored habitat over the long term consistent with the Commission's general practice for such restoration, **special conditions** 1 and 2 are required. **Special condition** 1 requires modifications to DPR's On-site Restoration Plan to include a detailed maintenance, monitoring, and reporting schedule consistent with past Commission actions up to 5 years, tree replacement ratio and new tree planting locations specified in the forestry management plan, and detailed contingency measures. **Special condition** 2 requires that DPR submit a complete Off-site Restoration Plan for the Great Tide Pool site that demonstrates removal of invasive and non-native species, revegetation using native dune plants, maintenance of plantings, contours to support restoration efforts, creating and directing users to a contiguous path to protect the restoration areas and avoid "volunteer" trails and degradation from same, and enhancement capable of leading to self-functioning high quality dune habitat. In addition, **special condition** 2 requires that the Off-site Restoration Plan contain maps of the site, schedules of plantings, monitoring and maintenance plans for the habitat in perpetuity, and contingency measures. All told, the on-site restoration will restore habitat areas affected by construction, and the off-site component will provide for just over a 2:1 mitigation ratio, consistent with the Commission's long practice when addressing dune impacts in the Asilomar Dunes complex. Finally, because DPR indicates that Phase II refinements are currently being developed, **special condition** 3 requires detailed pathway and restoration plans for Phase II of the project prior to construction.

ESHA Conclusion

The Commission has a long history of protecting Asilomar Dunes ESHA through application of the guiding Pacific Grove LUP policies that strike a balance between maximizing dune habitat

protection and accommodating reasonable pre-existing uses, such as the historic Conference Grounds facilities. The project will provide for an updated component of the existing resource-dependent pathway system that will not significantly disrupt the habitat resources of the Conference Grounds, and will provide for enhanced interpretive utility, particularly for ADA purposes. Impacts are appropriately offset through on-site and off-site restoration activities, as adjusted by **special conditions** 1 and 2 to ensure that the restoration plans for this project will promote the long term sustainability of native dune and forest habitat within Asilomar State Beach and Conference Grounds and the surrounding property.

Therefore, the ADA improvements, as conditioned, would be consistent with the ESHA policies of the Coastal Act.

C. PUBLIC ACCESS AND RECREATION

Section 30210 of the Coastal Act states:

> *In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.*

Coastal Act Section 30240(b) also protects parks and recreation areas, such as the Asilomar State Beach and Conference Area. Section 30240(b) states, in applicable part:

> ***Section 30240(b).*** *Development in areas adjacent to parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those recreation areas.*

DPR, the agency managing the Asilomar State Beach and Conference Grounds, is mandated to provide full and comprehensive Americans with Disability Act (ADA) access to the Asilomar Conference Grounds. In order to comply with ADA requirements, DPR is proposing a revision of the Asilomar Conference Grounds pathway and roadway system to ensure that all accessways have less than 5% grade. The site accessibility upgrades portion of this project would expand public access opportunities at the Asilomar State Beach and Conference Grounds facilities for persons with disabilities. Public access and recreation Coastal Act policies make clear that maximum recreational access must be provided for all segments of society.

Therefore, the ADA improvements would be consistent with the public access and recreation policies of the Coastal Act.

D. WATER QUALITY

Section 30231 of the Coastal Act states:

> *The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.*

Similarly, LUP Policy 2.2.5.2 states:

> *To reduce the potential for degradation of the ASBS/Marine Gardens, the City shall require, where necessary, drainage plans and erosion, sediment and pollution control measures as conditions of approval of every application for new development.*

The site accessibly upgrades portion of the project would include the replacement of asphalt pathways with a permeable paver system. The increase in semi-pervious surfaces would result in minor changes to groundwater recharge and run off in this area. DPR has proposed as part of the project to implement mitigation measures, including the installation of silt fences, straw bales, and/or waddles to protect down stream storm drain inlets, and post construction inspection and clearing of drainage structures to reduce soil erosion from soils exposed during grading activities. These measures will be sufficient in preventing the siltation of storm water run off.

This project, including the proposed mitigations, is consistent with the water quality policies of the Coastal Act.

E. LOCAL COASTAL PROGRAMS

Section 30604(a) of the Coastal Act states:

> *Prior to certification of the local coastal program, a coastal development permit shall be issued if the issuing agency, or the commission on appeal, finds that the proposed development is in conformity with Chapter 3 (commencing with Section 30200) and that the permitted development will not prejudice the ability of the local government to prepare a local coastal program that is in conformity with Chapter 3 (commencing with Section 30200). A denial of a coastal development permit on grounds it would prejudice the ability of the local government to prepare a local coastal program that is in conformity with Chapter 3 (commencing with Section 30200) shall be accompanied by a specific finding which sets forth the basis for that conclusion.*

Although the northern Asilomar Dunes area was originally included in the work program for Monterey County's Del Monte Forest Area LUP (which was subsequently approved with suggested modifications on September 15, 1983), the area was annexed by the City of Pacific Grove in October 1980, and therefore is subject to the City's LCP process. Exercising its option under Section 30500(a) of the Coastal Act, the City in 1979 requested that the Coastal Commission prepare its LCP. However, the draft LCP was rejected by the City in 1981, and the

City began its own coastal planning effort. The City's LUP was certified on January 10, 1991, and the City is currently formulating implementing ordinances. In the interim, the City has adopted an ordinance that requires that new projects conform to LUP policies. At this time, however, the standard of review for coastal development permits, pending LCP completion, is conformance with the policies of the Coastal Act.

The LUP contains various policies that are relevant to the resource issues raised by this permit application, particularly with respect to protection of environmentally sensitive habitat, public access and recreation, and water quality (see previous findings). The approval with conditions in this case is consistent with these policies, and consistent with the Coastal Act that will be the standard of review for any updated LUP policies, and thus it will not frustrate or prejudice future LCP planning efforts of the City.

Therefore, as conditioned, the proposed development is consistent with the policies contained in Chapter 3 of the Coastal Act and will not prejudice the ability of the City of Pacific Grove to prepare and implement a complete Local Coastal Program consistent with Coastal Act policies.

F. 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 effects which the activity may have on the environment.

DPR, as the lead CEQA agency, has issued a categorical exemption for the Crocker Dining Facility modifications and a negative declaration for the site accessibility upgrades for the Asilomar State Beach and Conference Grounds under CEQA. 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 report has discussed the relevant coastal resource issues with the proposal, and has recommended appropriate suggested modifications to avoid and/or lessen any potential for adverse impacts to said resources. All public comments received to date have been addressed in the findings above. All above findings are incorporated herein in their entirety by reference.

As such, there are no additional feasible alternatives nor feasible mitigation measures available which would substantially lessen any significant adverse environmental effects which approval of the proposed project, as modified, would have on the environment within the meaning of CEQA. Thus, if so modified, the proposed project will not result in any significant

APPENDIX A – SUBSTANTIVE FILE DOCUMENTS

1. *Asilomar ASA Compliance Plan: Final Mitigated Negative Declaration*, ESA, November 2008.

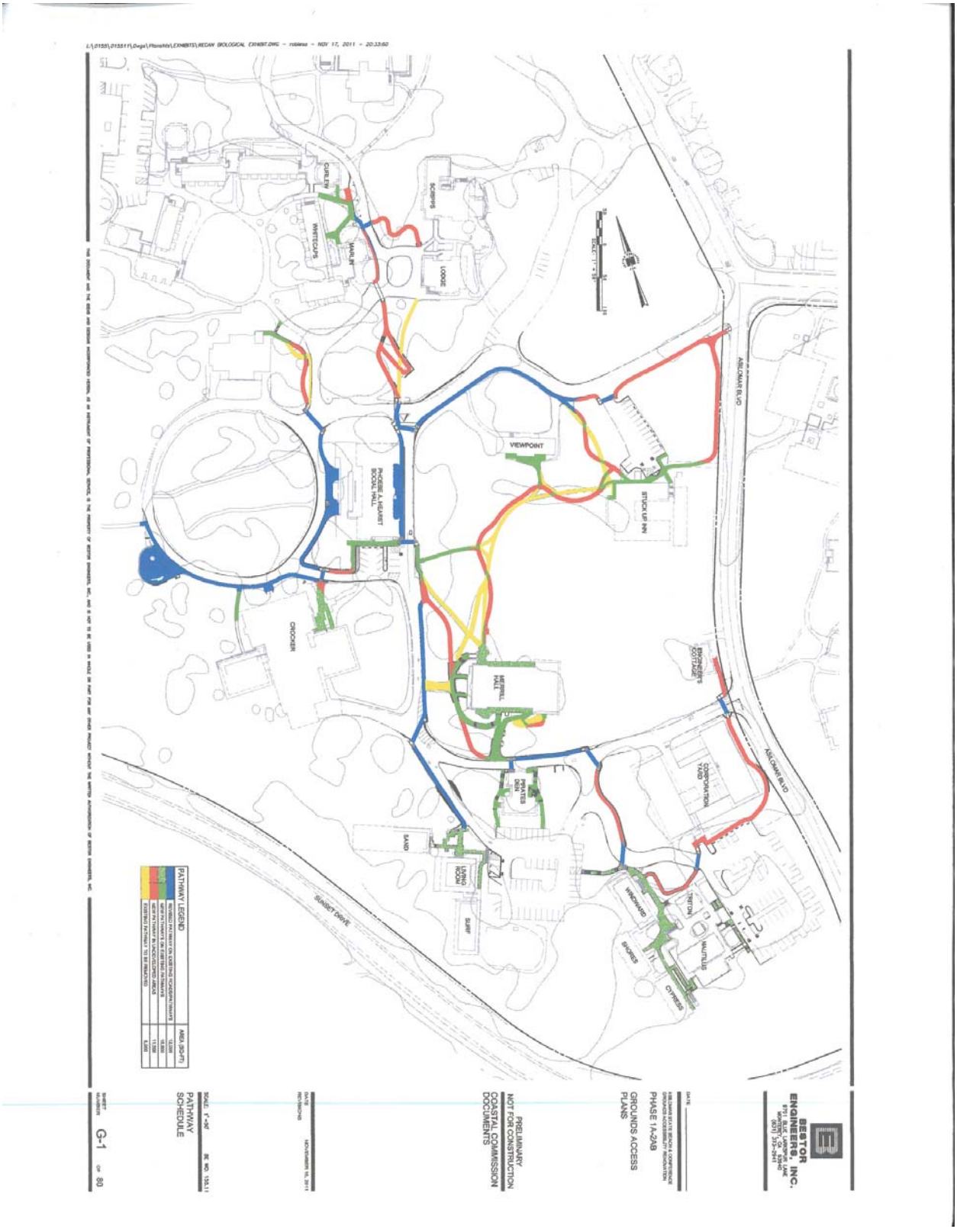
2. *Asilomar State Beach and Conference Grounds Accessibility Renovation: Phase 1AB-2AB Grounds Access Plans*, Bestor Engineers, Inc, November 20, 2011.

3. Regan, Patrick, *Botanical Survey of Asilomar Conference Center Grounds*, Regan Biological & Horticultural, November 15, 2011.

4. Regan, Patrick, *Restoration, Mitigation and Monitoring Plan for Asilomar Conference Grounds ADA Upgrades*, Regan Biological & Horticultural, November 22, 2011.

5. Staub, Stephen, B. Ruskin, D. Windt, *Asilomar Forest Management Plan*, Staub Forestry & Environmental Consulting, May 2011.

Exhibit 1 (3-11-003)



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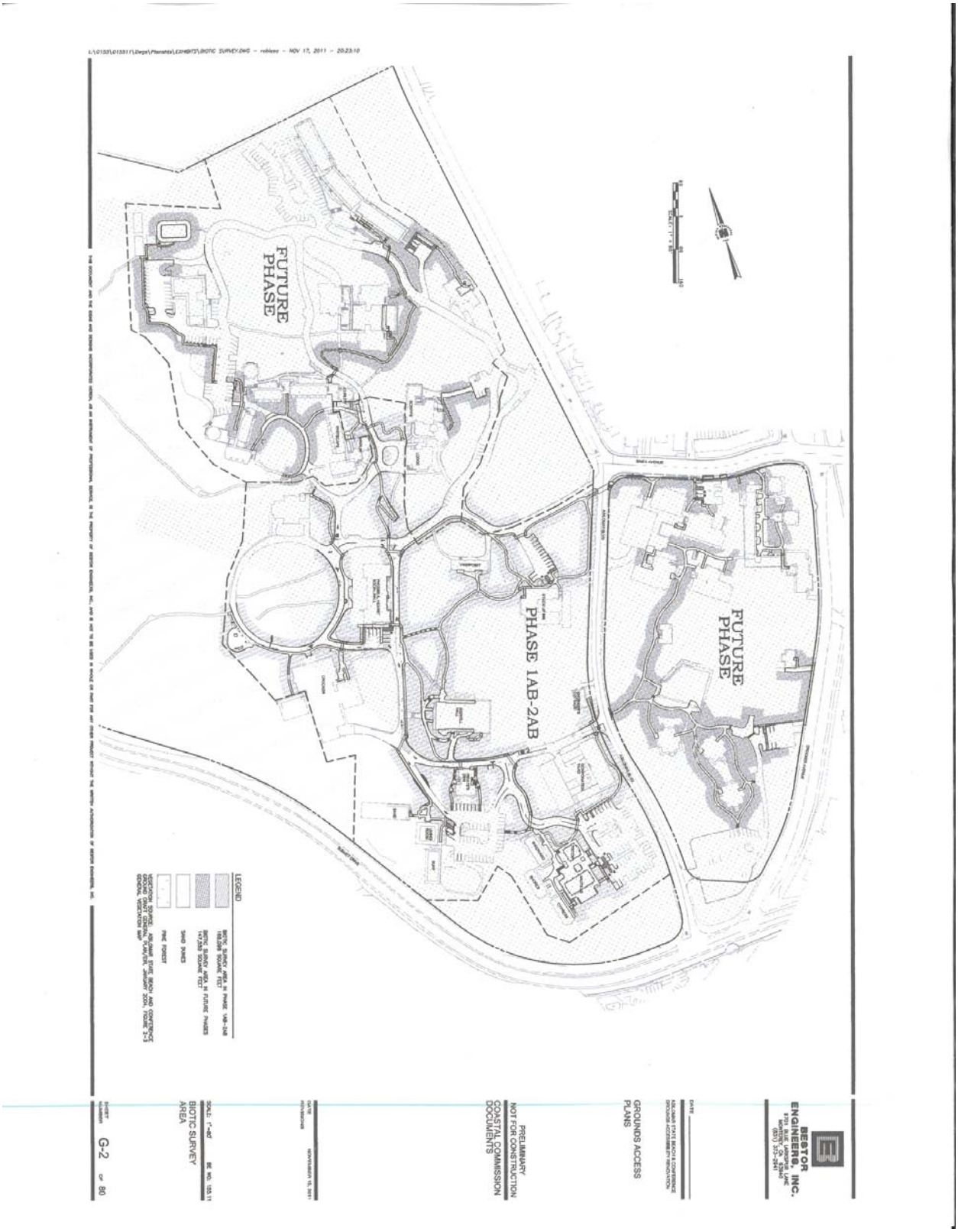

Exhibit 3 (3-11-003)