CALIFORNIA COASTAL COMMISSION CENTRAL COAST DISTRICT OFFICE

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W12a

Prepared February 4, 2015 for February 11, 2015 Hearing

To: Commissioners and Interested Persons

From: Susan Craig, District Manager Ryan Moroney, Coastal Planner

Subject: STAFF REPORT ADDENDUM for Item W12a LCP Amendment Number LCP-3-SCO-14-0833-2 (Seacliff Village Plan)

The purpose of this addendum is to request a time extension for the above-referenced item. In the time since the staff report was distributed, staff has received a request from Santa Cruz County planning staff to continue the item to the Commission's April 2015 hearing in San Rafael to allow County Planning Department staff and the property owner of the parcel that is the subject of the LCP amendment, and his representatives, to attend the hearing (See Exhibit 1). As indicated in the Staff Report, the proposed LCP amendment was filed as complete on November 17, 2014 and affects both the LCP's Land Use Plan (LUP) and Implementation Plan (IP). Accordingly, the 90-day action deadline is February 15, 2015 unless the Commission for the action deadline. Although staff anticipates bringing this item back to the Commission for the April 2015 hearing, staff is recommending that the action deadline be extended by one year in the event additional time is needed to address any new issues raised by the County and/or property owner (See Exhibit 2).

Exhibit 1: Letter from Santa Cruz County dated February 2, 2015

Exhibit 2: Extension of Time Limit for Commission Action on LCP Amendment LCP-3-SCO-14-0833-2



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

701 OCEAN STREET, 4TH FLOOR, SANTA CRUZ, CA 95060 (831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123 **KATHLEEN MOLLOY PREVISICH, PLANNING DIRECTOR**

February 2, 2015

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

Dear Ms. Craig,

The County of Santa Cruz requests that item 12 on the Coastal Commission's agenda of February 11, 2015 be continued. We would appreciate it if the item can be scheduled for the April 2015 meeting in San Rafael. This will allow Planning Department staff as well as the property owner and representatives to attend the hearing.

Thank you very much for your consideration.

Sincerely,

Paia Levine Principal Planner

For: Kathy Previsich Planning Director

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Prepared February 4, 2015 (for February 11, 2015 Hearing)

To: Coastal Commissioners and Interested Persons

From: Susan Craig, District Manager Ryan Moroney, Coastal Planner

Subject: Extension of Time Limit for Commission Action on Santa Cruz County Local Coastal Program Amendment Number LCP-3-SCO-14-0833-2 (Seacliff Village Plan)

Coastal Act Section 30510 requires proposed LCP amendment submittals to contain materials sufficient for a thorough and complete review. Once that requirement is satisfied and an amendment request is deemed submitted (or "filed"), the Coastal Act requires the Commission to act on Implementation Plan (IP) amendments within 60 days, and on Land Use Plan (LUP) amendments and combined LUP/IP amendments within 90 days. If Commission action is not taken within the applicable time frame, then the amendment is deemed approved and certified by the Commission. (Coastal Act Sections 30512 and 30513).

This proposed LCP amendment was filed as complete on November 17, 2014. The proposed amendment affects both the LCP's Land Use Plan (LUP) and Implementation Plan (IP), and the 90-day action deadline is February 15, 2015. Thus, unless the Commission extends the action deadline (it may be extended by up to one year), the Commission has until February 15, 2015 to take a final action on this LCP amendment.

In this case, the County has requested that the LCP amendment be continued to the Commission's April 2015 hearing in order to allow County staff and the property owner of the parcel that is the subject of the proposed LCP amendment to attend the hearing. A one-year extension would result in a new deadline for Commission action of February 15, 2016. Although staff believes this matter will be brought to hearing before the new deadline, it has generally been the Commission's practice to extend such a deadline for a full year as provided by the Coastal Act to allow for flexibility in hearing scheduling (including to accommodate any requested or otherwise necessary postponements, continuances, etc.) and in terms of allotting scarce staff resources. Therefore, staff recommends that the Commission extend the deadline for Commission action on the proposed LCP amendment by one year.

Summary of the Staff Recommendation

Staff recommends that the Commission extend the deadline for Commission action on the proposed amendment by one year. Staff recommends a **YES** vote on the motion below. Passage of the motion will result in a new deadline for Commission action on the proposed LCP amendment. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Motion. I move that the Commission extend the time limit to act on Santa Cruz County Local Coastal Program Amendment Number LCP-3-SCO-14-0833-2 to February 15, 2016. I recommend a yes vote.

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W12a

Prepared January 22, 2015 for February 11, 2015 Hearing

To: Commissioners and Interested Persons

From: Susan Craig, District Manager Ryan Moroney, Coastal Planner

Subject: County of Santa Cruz LCP Amendment Number LCP-3-SCO-14-0833-2 (Seacliff Village Plan Amendment)

SUMMARY OF STAFF RECOMMENDATION

The County of Santa Cruz proposes to amend the Land Use Plan (LUP) and Implementation Plan (IP) components of its certified Local Coastal Program (LCP). The amendment would change the allowable land use of a currently vacant 4,138 square-foot parcel within the Seacliff Village neighborhood, an existing developed community of both commercial and residential uses. The parcel at issue is located on State Park Drive, the primary access road to Seacliff State Beach, just off of Highway 1, at the intersection of State Park Drive and Hillcrest Drive. The proposed amendment would modify the Seacliff Village Plan's (SVP, which is a component of the LUP) designation of this parcel as allowing only "pedestrian-oriented, low traffic generating, neighborhood, and/or visitor serving" uses to "residential development," including single-family residences. The amendment also proposes to change to the LUP's land use designation for the subject parcel from C-N (Neighborhood Commercial) to R-UM (Urban Medium Density Residential), and to rezone the property from C-1 (Neighborhood Commercial) to R-1-4 (Single Family Residential – 4,000 sf minimum).

The main purpose of the amendment is to facilitate development of the subject parcel, which is an appropriate goal for this vacant, infill lot located on the main arterial access road to the Seacliff Village commercial core and to Seacliff State Beach. However, the Seacliff Village Plan's land use designation for this parcel presents a significant impediment to its development because the SVP requires that the site be developed "in conjunction with" an adjacent parcel that is already developed with a single-family residence and under different ownership. The proposed amendment seeks to eliminate this requirement and allow for the subject parcel to be developed independently. Since doing so would remove a barrier to developing this infill parcel, staff recommends that the Commission approve this portion of the LCP amendment as submitted.

However, due to the parcel's location just off Highway 1 along the primary access road to Seacliff State Beach and at the gateway to the commercial core of the Seacliff Village

LCP-3-SCO-14-0833-2 (Seacliff Village Plan Amendment)

neighborhood, the subject parcel is a primary location for a small-scale visitor-serving commercial use, as is currently envisioned in the LCP and as encouraged and protected by the Coastal Act. Converting the current land use and zoning designations to accommodate a single family dwelling would be inconsistent with both the LCP and Coastal Act. Specifically, Section 30222 of the Coastal Act states that "[t]he use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development..." (Emphasis supplied.) Likewise, LUP Policy 2.22.1 requires the maintenance of visitor serving commercial uses in the Coastal Zone, and Policy 2.22.2 expressly prohibits the conversion of any existing priority use (i.e. visitor-serving commercial) to a lower priority use (i.e. private residential). Finally, Seacliff Village is identified in LUP Policy 2.13.5 as a neighborhood to provide for visitor-serving commercial services, and the Seacliff Village Plan specifically identifies this particular parcel as an appropriate area for small-scale commercial uses. Therefore, changing the land use designation to solely allow for residential uses would be inconsistent with Coastal Act policies that require parcels such as this to be reserved for visitorserving uses, and would also be inconsistent with LUP policies that specifically identify this particular parcel to also be reserved for small-scale visitor-serving uses.

Therefore, the proposed LCP amendment must be denied, and the LUP only approved subject to **Suggested Modifications 1 and 2**, which retain the SVP's existing language of allowing for small-scale commercial uses at this parcel and retain the subject parcel's current Neighborhood Commercial (C-N) land use designation. With denial of the proposed IP amendment, the zoning code will retain the parcel's existing Neighborhood Commercial (C-1) zoning designation.

Finally, the County has raised a concern as to whether the parcel is sufficiently sized to provide for adequate on-site parking for a commercial use. In response, staff is recommending **Suggested Modification 3** which would provide increased flexibility to meet off street parking requirements.

As modified, the proposed LUP amendment can be found consistent with the Chapter 3 policies of the Coastal Act. Therefore, staff recommends that the Commission approve the LUP amendment with suggested modifications. Staff recommends that the Commission reject the IP amendment as submitted, as it does not conform with and is inadequate to carry out the LUP. The required motions and resolutions are found on pages 4-5, below.

Staff Note: LCP Amendment Action Deadline

This proposed LCP amendment was filed as complete on November 17, 2014. The proposed amendment affects both the LCP's Land Use Plan (LUP) and Implementation Plan (IP), and the 90-day action deadline is February 15, 2015. Thus, unless the Commission extends the action deadline (it may be extended by up to one year), the Commission has until February 15, 2015 to take a final action on this LCP amendment.

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EXHIBIT

Exhibit 1: Proposed LUP and IP Amendments Exhibit 2: Site Aerial Exhibit 3: Excerpt from Seacliff Village Plan

I. MOTIONS AND RESOLUTIONS

Staff recommends that the Commission, after public hearing, approve the proposed LCP amendment with suggested modifications. The Commission needs to make three motions, two on the LUP amendment and a third on the IP amendment, in order to act on this recommendation.

A. Deny the LUP Amendment as submitted

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

Motion: I move that the Commission certify Land Use Plan Major Amendment Number LCP-3-SCO-14-0833-2 as submitted by the County of Santa Cruz.

Resolution: The Commission hereby denies certification of Land Use Plan Major Amendment Number LCP-3-SCO-14-0833-2 as submitted by the County of Santa Cruz and adopts the findings set forth below on grounds that the land use plan amendment as submitted does not meet the requirements of and is not in conformity with the policies of Chapter 3 of the Coastal Act. Certification of the land use plan amendment would not meet the requirements of the California Environmental Quality Act, as there are feasible alternatives and mitigation measures that would substantially lessen the significant adverse impacts on the environment that will result from certification of the land use plan amendment as submitted.

B. Certify the LUP Amendment with Suggested Modifications

Staff recommends a **YES** vote on the motion below. Passage of this motion will result in certification of the amendment with suggested modifications and the adoption of the following resolution and the findings in this staff report. The motion to certify with suggested modifications passes only by an affirmative vote of a majority of the appointed Commissioners.

Motion: I move that the Commission certify Land Use Plan Major Amendment Number LCP-3-SCO-14-0833-2 if it is modified as suggested in this staff report.

Resolution: The Commission hereby certifies Land Use Plan Major Amendment Number LCP 3-SCO-14-0833-2 to the County of Santa Cruz Local Coastal Program if modified as suggested and adopts the findings set forth in this staff report on the grounds that the land use plan amendment with the suggested modifications will meet the requirements of and be in conformity with the policies of Chapter 3 of the Coastal Act. Certification of the land use plan amendment if modified as suggested complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the plan on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment that will result from certification of the land use plan amendment if modified.

C. Deny the IP Amendment

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

Motion: I move that the Commission reject Implementation Plan Major Amendment Number LCP 3-SCO-14-0833-2 as submitted by the County of Santa Cruz.

Resolution: The Commission hereby denies certification of the Implementation Plan Major Amendment Number LCP-3-SCO-14-0833-2 submitted for the County of Santa Cruz and adopts the findings set forth below on grounds that the Implementation Program as submitted does not conform with, and is inadequate to carry out, the provisions of the certified Land Use Plan or the Land Use Plan as amended. Certification of the Implementation Program would not meet the requirements of the California Environmental Quality Act as there are feasible alternatives and mitigation measures that would substantially lessen the significant adverse impacts on the environment that will result from certification of the Implementation Program as submitted.

II. SUGGESTED MODIFICATIONS

The Commission hereby suggests the following modifications to the proposed LCP amendment, which are necessary to make the requisite Coastal Act consistency findings. If the County of Santa Cruz accepts each of the suggested modifications within six months of Commission action (i.e., by August 11, 2015), by formal resolution of the Board of Supervisors, the modified amendment will become effective upon Commission concurrence with the Executive Director's finding that this acceptance has been properly accomplished. Where applicable, text in cross-out format and text in <u>underline</u> format denotes proposed text to be added/deleted by the County. Text in <u>double cross-out</u> and <u>double underline</u> denotes text to be added/deleted by the County.

1. Modify Seacliff Village Plan at page 21 as follows:

Land Use Area 2 – 3.2.3.b.1 Sites 2-a and 2-b

Due to the small combined size of these parcels, site 2-b may only-be developed in conjunction with either in conjunction with, or independently from, site 2-a. Allowed uses shall be pedestrian oriented, low traffic generating, neighborhood, and/or visitor-serving include residential development. As this lot serves as a transition area from residential uses to the west, the Approving Body shall approve only those commercial uses that are found to be compatible with adjacent residential uses and do not produce excessive noise, smells, lights, or late opening hours. be pedestrian oriented, low traffic generating, neighborhood, and/or visitor-serving. As this lot serves as a transition area from residential uses to the west, the adjacent residential uses and do not produce excessive noise, smells, lights, or late opening hours. be pedestrian oriented, low traffic generating uses to the west, the Approving Body shall approve only those commercial uses to the west, the Approving Body shall approve only those commercial uses to the west, the Approving Body shall approve only those commercial uses to the west, the Approving Body shall approve only those commercial uses that are found to be compatible with adjacent residential uses and do not produce excessive noise, smells, lights, or late opening hours. Access shall be from Hillcrest Drive. Dedication of appropriate right of way along State Beach Park Drive is required to accommodate roadside, roadway, and transit stop improvements.

2. Retain existing Land Use Plan designation for subject site as C-N (Neighborhood Commercial).

3. Modify Seacliff Village Plan at page 22 as follows:

Parking Requirements:

New development or intensification of commercial use, as defined in the County Code, shall meet the following special parking standards:

Retail, service, or office use: one space per 300 square feet of use (excluding storage); one minimum

Restaurant use: one space per 150 square feet of use (excluding storage); one minimum.

Parking Standards:

<u>New development and intensification of use, as defined in the County Code, shall meet the</u> requirements found in County Code Section 13.10.550 et seq. In evaluating the parking requirements, the Approving Body shall provide maximum flexibility to facilitate development of the site as a neighborhood and/or visitor serving commercial use, and may give special consideration as to whether the development qualifies for alternative means for satisfying the requirement of off street parking as set forth in Section 13.10.553. Moreover, conformance with parking requirements may be met by paying a fee to the parking district fund, if established.

III. FINDINGS AND DECLARATIONS

A. DESCRIPTION OF PROPOSED LCP AMENDMENT¹

The proposed amendment would authorize three changes to the County's certified Local Coastal Program: two Land Use Plan (LUP) changes, and one Implementation Plan (IP) change, in order to allow residential development to occur on a parcel of land currently designated for a neighborhood and/or visitor-serving commercial use. The subject parcel is located on State Park Drive just off Highway 1 along the primary access way to Seacliff State Beach, and serves as the gateway to the commercial core of Seacliff Village. See Exhibit 2 for an aerial view of the subject parcel.

1. (LUP) Seacliff Village Plan amendment

The Seacliff Village Plan (SVP) is a component of the LUP and was adopted by the Commission in March of 2003. The SVP provides detailed land use guidelines, including for the subject parcel and the adjacent property, in order to implement the community's visions and goals for the Seacliff Village neighborhood. As stated in the original staff report to the Commission, the

¹ The County's local approval of the LCP amendment also included approval of a Coastal Development Permit to construct a two-story single family dwelling on the subject property. Commission staff has previously informed the County, and reiterates its position here, that it is procedurally improper to issue a CDP that is inconsistent with the certified LCP and dependent on an LCP amendment not yet approved by the Commission. The County has not, however, submitted the required Final Local Action Notice of the CDP approval to the Commission as required by the Coastal Act and its implementing regulations, instead opting to wait until after the LCP amendment has been acted upon by the Commission.

primary objective of the Plan is to "foster the Seacliff Village area as a visitor-serving and pedestrian oriented commercial area." Page 21 of the Plan identifies the subject parcel (which is currently a vacant 4,138 square-foot lot that fronts State Park Drive) as Site 2-b, and specifically requires that it and the adjacent parcel (Site 2-a) be developed in conjunction with each other with a "pedestrian-oriented, low traffic generating, neighborhood, and/or visitor serving" commercial use. The SVP also identifies the subject parcel as "a transition area from the residential use to the west" and notes that "[d]edication of appropriate right-of-way along State Beach Drive is required to accommodate roadside, roadway, and transit stop improvements." The proposed amendment would eliminate the requirement that the two parcels be developed in conjunction with each other, and also would change the allowable land use from "pedestrian-oriented, low traffic generating, neighborhood, and/or visitor serving" to "residential development," including a single family dwelling. It should be noted that the SVP also specifies that "[T]he existing C-1 zoning and Neighborhood Commercial General Plan designations shall be retained." However, the amendment as proposed does not appear to include any alteration to this language.

2. (LUP) General Plan/LUP Land Use Designation change

The proposed LCP amendment would also change the General Plan/LUP land use designation of the subject property from C-N (Neighborhood Commercial) to R-UM (Urban Medium Density Residential). Objective 2.13 of the LUP's Land Use chapter sets forth the policies associated with the C-N land use designation. The central objective of this designation is "[t]o provide compact, conveniently-located, and well-designed shopping and service uses to meet the needs of individual urban neighborhoods, rural communities and visitors." Per LUP Policy 2.13.3, allowed land uses in the C-N designation include "a variety of retail and service facilities, including neighborhood or visitor oriented retail sales, recreational equipment sales, personal services, limited offices, restaurants, and community facilities." The R-UM land use designation is governed by the policies set forth in Objective 2.9 of the LUP, the main objective of which is to "provide medium density residential development … in areas within the Urban Services Line (USL) served by a full range of urban services, with access onto collector or arterial streets, and location near neighborhood, community or regional shopping facilities." Housing types appropriate to the Urban Medium Density Residential designation include: detached houses, duplexes, townhomes, mobile home parks, and small lot detached units at allowable densities.

3. (IP) Rezoning of subject parcel

Lastly, the amendment would involve a rezoning of the subject property from C-1 (Neighborhood Commercial) to R-1-4 (Single family residential – 4,000 sf minimum). Implementation Plan Section 13.10.331(E) describes the central purpose of the C-1 zoning district as to "provide compact and conveniently located shopping and service uses to meet the limited needs within walking distance of individual urban neighborhoods or centrally located to serve rural communities." Principally permitted uses include neighborhood-serving, small-scale commercial services and retail uses. By contrast, the main purpose of the R-1 zoning designation, as described in IP Section 13.10.321(D) is to "provide for areas of predominantly single-family residential development in areas which are currently developed to an urban density or which are inside the urban services line or rural services." Principally permitted uses are single-family residences.

Please see Exhibit 1 for the proposed LUP and IP amendment text and maps.

B. CONSISTENCY ANALYSIS

Standard of Review

The proposed amendment affects both the LUP and IP components of the County of Santa Cruz LCP. The standard of review for LUP amendments is that they must conform with the requirements of Chapter 3 of the Coastal Act. The standard of review for IP amendments is that they must conform with and be adequate to carry out the policies of the certified LUP.

LUP Consistency Analysis

LUP amendments must meet the policy requirements set forth in Chapter 3 of the Coastal Act, and achieve the basic purpose and goals of the Coastal Act, including those specified in Section 30001.5 of the Act:

Section 30001.5. The Legislature further finds and declares that the basic goals of the state for the coastal zone are to:

- (a) Protect, maintain, and where feasible, enhance and restore the overall quality of the coastal zone environment and its natural and artificial resources.
- (b) Assure orderly, balanced utilization and conservation of coastal zone resources taking into account the social and economic needs of the people of the state.
- (c) Maximize public access to and along the coast and maximize public recreational opportunities in the coastal zone consistent with sound resource conservation principles and constitutionally protected rights of private property owners.
- (d) Assure priority for coastal-dependent and coastal-related development over other development on the coast.
- (e) Encourage state and local initiatives and cooperation in preparing procedures to implement coordinated planning and development for mutually beneficial uses, including educational uses, in the coastal zone.

The overall State coastal zone goals include assuring priority for coastal-dependent and coastalrelated development over other development on the coast and maximizing public access to and along the coast and public recreational opportunities in the coastal zone (Sections 30001.5(d) and 30001.5(c)). These goals are reflected in and apply to each of the following Chapter 3 policies listed below.

Applicable Chapter 3 Policies

The proposed amendment affects the availability of land reserved for visitor-serving commercial facilities, and, to a lesser extent, public access and recreation involving coastal resources in the Seacliff Village area. Relevant Chapter 3 policies include:

Coastal Act Section 30222

The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

Coastal Act Section 30210

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 resources areas from overuse.

Coastal Act Section 30213:

Lower-cost visitor and recreational facilities shall be protected, encouraged, and, where feasible provided. Developments providing public recreational opportunities are preferred.

Coastal Act Section 30223:

Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.

Coastal Act Section 30250(a):

New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it....

Coastal Act Section 30252:

The location and amount of new development should maintain and enhance public access to the coast by (1) facilitating the provision or extension of transit service, (2) providing commercial facilities within or adjoining residential development or in other areas that will minimize the use of coastal access roads....

These policies establish a clear priority for visitor-serving uses over private residential uses, and require that public access and recreational opportunities involving the coast be maximized. Additionally, the policies state that commercial development should be located within or adjoining residential development in order to minimize the use of coastal roads and ensure that development is undertaken in a manner that fosters pedestrian activity.

Consistency Analysis

The primary purpose of the proposed amendment is to facilitate development of the subject infill parcel, which is an appropriate goal consistent with the Coastal Act's requirements that development be located within existing developed communities, such as Seacliff Village. In this case, the County has found that an impediment to developing this parcel is the Seacliff Village Plan's requirement that the parcel be developed "in conjunction with" the adjacent parcel. Because the adjacent parcel contains an existing single-family residence under different ownership, the requirement to develop both parcels at the same time with a commercial use

essentially precludes the ability to develop the subject parcel. Therefore, the amendment's proposed language deleting the requirement to develop the subject parcel in conjunction with the adjacent parcel will eliminate a development restriction, and thereby would make it easier to development this infill parcel. This portion of the proposed amendment is therefore consistent with the Coastal Act.

However, while this parcel is appropriate for development, the proposed LUP changes amend the parcel's land use designation (and therefore the kinds of development that are allowable) in a way that is inconsistent with the Coastal Act. Specifically, Section 30222 of the Act requires that private lands suitable for visitor-serving commercial recreational facilities "shall have priority" over private residential uses. Changing the allowable land use for the subject parcel as specified in the SVP from "pedestrian-oriented, low traffic generating, neighborhood, and/or visitor serving" to "residential development" is precisely the opposite of what Section 30222 requires because it would change the allowable land use from a coastal priority use (i.e. neighborhood or visitor serving commercial) to a lessor priority use (i.e. residential). The SVP properly identified the subject parcel as ideally suited for a visitor-serving commercial use due to its location on the main arterial road to Seacliff State Beach in the transition area from residential uses into the commercial core of the Seacliff Village area. The proposed amendment would allow solely for residential uses on this highly traveled, visible parcel that fronts the neighborhood's primary arterial road and which is located within walking distance of the Seacliff neighborhood's existing commercial core. The parcel is thus highly suited to commercial uses, and changing its land use designation to solely allow for a private residence is inconsistent with the Coastal Act because doing so would preclude the ability to provide for visitor-serving commercial facilities that enhance public recreational opportunities.

Additionally, the proposed LUP re-designation of the subject parcel from C-N to R-UM presents an internal inconsistency with other LUP policies. As explained in the LUP, the central objective of the C-N district is "[t]o provide compact, conveniently located, and well-designed shopping and service uses to meet the needs of individual urban neighborhoods, rural communities and visitors" (LUP Section 2.13, emphasis added). In order to implement this objective, the LUP designates on the LCP land use maps particular areas as Neighborhood Commercial (see LUP Policies 2.13.1; 2.13.2). The designation of areas as Neighborhood Commercial is based on "proximity to public beaches, the yacht harbor, state parks, or other tourist or recreational attractions." The Neighborhood Commercial designation is also required for parcels that are located "within walking distance of urban neighborhoods, visitor attractions, or centrally located to serve rural communities." Furthermore, the LUP specifically calls out the Seacliff Beach Area as a place in which to "[e]ncourage the provision of visitor serving commercial services..." (See LUP Policy 2.13.5.) Essentially, the LUP specifically identifies Seacliff Village as an area where visitor-serving commercial facilities should be encouraged, particularly on parcels that abut primary arterial roads and are located within walking distance to the existing commercial core. Here, the subject parcel fronts the west side of State Park Drive, a heavily traveled arterial and the primary access road to Seacliff State Beach. It is therefore one of the few remaining undeveloped parcels uniquely situated for a visitor serving commercial use. Therefore, changing the LUP designation of this critically located parcel from C-N to R-UM would be internally inconsistent with LUP policies that specifically identify parcels such as this to be reserved for visitor-serving uses.

The proposed amendment would likewise present an internal inconsistency with LUP Policy 2.22.2, which embodies the requirements of Section 30222. Indeed, LUP Policy 2.22.2 specifically prohibits the conversion of any existing priority use (e.g. visitor-serving commercial uses) to a lesser priority use (e.g. general residential). The County states that rezoning the parcel from the C-1 Zone District (Neighborhood Commercial) to the R-1-4 Zone District (Single Family Residential-4,000 sq. ft. minimum) is consistent with LUP Policy 2.22.2 because both of these districts are third priority uses pursuant to said policy (i.e. general commercial to general residential, which are both third priority uses). Therefore, the amendment would not be inconsistent with Policy 2.22.2. However, as discussed previously, the subject parcel is not designated solely for general commercial uses, but rather is intended to provide for smaller-scale visitor-serving uses due to its prominent location within the Seacliff Village community. The Seacliff Village Plan specifically identifies this parcel to allow for "pedestrian-oriented, low traffic generating, neighborhood, and/or visitor serving" uses. Moreover, the LUP identifies the broader Seacliff Village neighborhood as a place to encourage visitor-serving uses. LUP Policy 2.13.5 identifies the entire Seacliff Beach Area as a place to encourage the provision of visitor serving commercial services, and the primary objective of the Seacliff Village Plan is to foster the Seacliff Village area as a visitor-serving and pedestrian oriented commercial area. Therefore, this parcel is specifically identified to provide for visitor-serving commercial uses, and the amendment's proposal to change such allowable uses to solely private residential is inconsistent with LUP Policy 2.22.2.

The County further states that the small size of the subject parcel represents an impediment to its development. Commission staff requested that the County provide an analysis demonstrating why the parcel's size (4,138 square feet) precluded it from commercial development. In response, the County cited to the SVP itself and its requirement that parcels 2-a and 2-b be developed in conjunction with each other. However, this impediment has been resolved by the amendment's proposal to delete the requirement to develop the two lots together. Furthermore, in terms of parcel size, the SVP notes that the area "is comprised of 38 parcels totaling approximately 21.3 acres (excluding rights-of-way); … Parcel sizes range from 1,800 square feet to 13.5 acres, with the majority of parcels less than 4,000 square feet in size." Figure 6 of the SVP ("Existing Land Use Conditions Chart") identifies multiple commercial parcels consisting of less than 4,000 sf. Thus, 4,000 square feet appears to be a sufficient size for small scale neighborhood and/or visitor serving use, which is the use identified for this particular parcel.

Relatedly, the County has raised the issue of adequate on-site parking to support a commercial use at this location. However, the current land use designation encourages a "pedestrian oriented, low traffic generating neighborhood" commercial use. Therefore depending on what type of commercial use the site is ultimately developed as, there could be a basis for reducing standard parking requirements. The Seacliff Village Plan also envisions the establishment of a parking district fund in order to address parking deficiencies on a village-wide level. This could provide a mechanism for addressing parking needs for this subject parcel. Moreover, the County LCP contains a mechanism for addressing parking for constrained lots through the use of a "parking plan" or "shared parking" either of which could be appropriate for this site if determined to be necessary. (See, County Code Section 13.10.553 "Alternative Parking Requirements.") That said, the Seacliff Village Plan establishes specific parking requirements for the subject parcel

based on the assumption that it would be developed in conjunction with the adjacent parcel. This requirement could potentially preclude application of Section 13.10.553. **Suggested Modification No. 3** would therefore amend the parking requirements for the parcel to allow for greater flexibility to meet parking requirements, including by allowing alternative parking requirements or payment into an in lieu parking fund, if established by the Seacliff Village merchants.

In sum, changing the land use designation of this parcel from C-N to R-UM is inconsistent with Coastal Act and LUP requirements that specifically require this parcel to be reserved for high priority visitor-serving uses rather than low priority single-family residential uses. The LUP identifies Seacliff Village as an appropriate location for visitor-serving commercial uses, and the parcel's location along the primary arterial road into both Seacliff Village and Seacliff State Beach, adjacent and within walking distance to Seacliff Village's existing commercial core, make this parcel highly suitable for visitor-serving uses. The proposed amendment must therefore be denied as submitted, and approved only with **Suggested Modifications 1 and 2**. These modifications retain the existing requirement that this parcel be developed with pedestrian-oriented, low traffic generating, neighborhood and/or commercial uses, and retain the land use designation of C-N, respectively. As modified, the LUP amendment conforms with the requirements of Chapter 3 of the Coastal Act.

IP Amendment Consistency Analysis

Applicable LCP Policies

The proposed amendment affects the availability of land for visitor-serving commercial facilities and public access and recreation involving coastal resources in the Seacliff Village area. Relevant LCP policies include:

Land Use Objective 2.13 Neighborhood Commercial Designation (C-N)

To provide for compact, conveniently-located, and well designed shopping and service uses to meet the needs of individual urban neighborhoods, rural communities and visitors.

2.13.1 Location of Neighborhood Commercial Uses

Designate on the General Plan and LCP Land Use Maps those areas existing as, or suitable for, Neighborhood Commercial uses to provide small-scale neighborhood and visitor serving businesses within walking distance of urban neighborhoods, visitor attractions, or centrally located to serve rural communities.

2.13.2 Location of Visitor Serving Neighborhood Commercial Uses

Designate on the General Plan and LCP Land Use Maps Neighborhood Commercial areas specifically suitable for visitor serving commercial uses, based on: proximity to public beaches, the yacht harbor, state parks, or other tourist or recreational attractions.

2.13.5 Visitor Services within Coastal Special Communities

Encourage the provision of visitor serving commercial services within Coastal Special Communities, as follows:

(a) Davenport: Highway 1 frontage.

(b) Seacliff Beach Area: Entire Special Community.

(c) Rio del Mar Flats/Esplanade Area: Esplanade frontage to Stephen Road.

Objective 2.22 Coastal Dependent Development

To ensure priority for coastal-dependent and coastal-related development over other development on the coast.

2.22.1 Priority of Uses within the Coastal Zone

Maintain a hierarchy of land use priorities within the Coastal Zone: First Priority: Agriculture and coastal-dependent industry Second Priority: Recreation, including public parks; visitor serving commercial uses; and coastal recreation facilities. Third Priority: Private residential, general industrial and general commercial uses.

2.22.2 Maintaining Priority Uses

Prohibit the conversion of any existing priority use to another use, except for another use of equal or higher priority.

Objective 8.8: Village, Towns, Special Communities

To recognize certain established urban and rural villages as well as Coastal Special Communities for their unique characteristics and/or popularity as visitor destination points; to preserve and enhance these communities through design review ensuring the compatibility of new development with existing character of these areas.

Consistency Analysis

Because the proposed land use designation change cannot be found consistent with the Coastal Act, and has been modified to retain its existing Neighborhood Commercial designation per Suggested Modification 1, the proposed zoning change would make the zoning designation of the subject parcel inconsistent with its land use designation. Thus the proposed IP amendment would be inconsistent with and therefore inadequate to carry out the LUP. Therefore, the IP amendment must be denied.

Conclusion

In sum, the County, through a grass-roots planning process, developed the Seacliff Village Plan as a means to guide future development in a manner that would help define the Village as a visitor-serving and pedestrian-oriented commercial area consistent with the requirements of the Coastal Act. The proposed LUP and IP change of the site's land use and zoning designations from a neighborhood and/or visitor-serving commercial use to a residential use would be in direct contrast to this goal and Coastal Act directive. Therefore, the amendment, as modified, removes the requirement that the subject parcel only be developed in conjunction with the adjacent parcel, but **Suggested Modifications 1 and 2** retain the subject parcel's current land use designations, and **Suggested Modification 3** would provide for broader flexibility to meet offsite parking requirements. As modified, the proposed LUP amendment can be found consistent with the Coastal Act. The proposed IP amendment must be denied, as it is inconsistent with and inadequate to carry out the LUP.

C. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

As part of its local action on the subject LCP amendment, on February 24, 2014, the County of Santa Cruz prepared a Negative Declaration pursuant to CEQA determining that the proposed project could not have a significant effect on the environment. On August 4, 2014, the County Board of Supervisors unanimously adopted Resolution No. 190-2014 approving the Negative Declaration for the proposed LCP amendment.

CEQA Section 21080.9 exempts local government from the requirement of preparing an environmental impact report (EIR) in connection with its activities and approvals necessary for the preparation and adoption of a local coastal program. Therefore, local governments are not required to prepare an EIR in support of their proposed LCP amendments, although the Commission can and does use any environmental information that the local government submits in support of its proposed LCPA. The Commission's LCP review and approval program has been found by the Resources Agency to be the functional equivalent of the environmental review required by CEQA, pursuant to CEQA Section 21080.5. Therefore the Commission is relieved of the responsibility to prepare an EIR for each LCP or LCPA.

Nevertheless, the Commission is required, in approving an LCP amendment submittal, to find that the approval of the proposed LCP, as amended, does conform with certain CEQA provisions, including the requirement in CEQA section 21080.5(d)(2)(A) that the amended LCP will not be approved or adopted as proposed if there are feasible alternative or feasible mitigation measures available that would substantially lessen any significant adverse impact which the activity may have on the environment. CEQA Guidelines Sections 13542(a), 13540(f), and 13555(b).

The County's LCP amendment consists of both and Land Use Plan (LUP) and Implementation Plan (IP) amendment. The Commission incorporates its findings on LUP and IP conformity into this CEQA finding as it is set forth in full. As discussed herein, the proposed amendment as originally submitted does not conform with and is not adequate to carry out the policies of the Coastal Act and certified LUP. The Commission, therefore, has suggested modifications to bring the LUP amendment into full conformance with the Coastal Act and has denied the IP amendment. As modified, the Commission finds that approval of the LUP amendment will not result in significant adverse environmental impacts within the meaning of CEQA. Absent the incorporation of these suggested modifications to effectively mitigate potential resource impacts, such a finding could not be made.

Amendment to the Seacliff Village Plan

<u>Strikethrough Version</u> New/additional language in <u>Bold Underline</u> type Deleted language in <u>Bold Underline-Double-Strikethrough</u> type

Land Use Area 2 - 3.2.3.b.1 Sites 2-a and 2-b

The language on page 21 of the Seacliff Village Plan shall be modified as follows:

Due to the small combined size of these parcels, site 2-b may <u>only</u> be developed <u>in-conjunction with</u> <u>independently from</u> site 2-a <u>with a single family dwelling</u>. Allowed uses shall <u>be pedestrian-</u> <u>oriented, low traffie generating, neighborhood, and/or visitor serving include residential</u> <u>development</u>. <u>As this lot serves as a transition area from the residential uses to the west, the</u> <u>Approving Body shall approve only those commercial uses that are found to be compatible with</u> <u>adjacent residential uses and do not produce excessive noise, smells, lights, or late opening hours</u>. Access shall be from Hillcrest Drive. Dedication of appropriate right-of-way along State <u>Beach</u> <u>Park</u> Drive is required to accommodate roadside, roadway, and transit stop improvements.

Clean Version

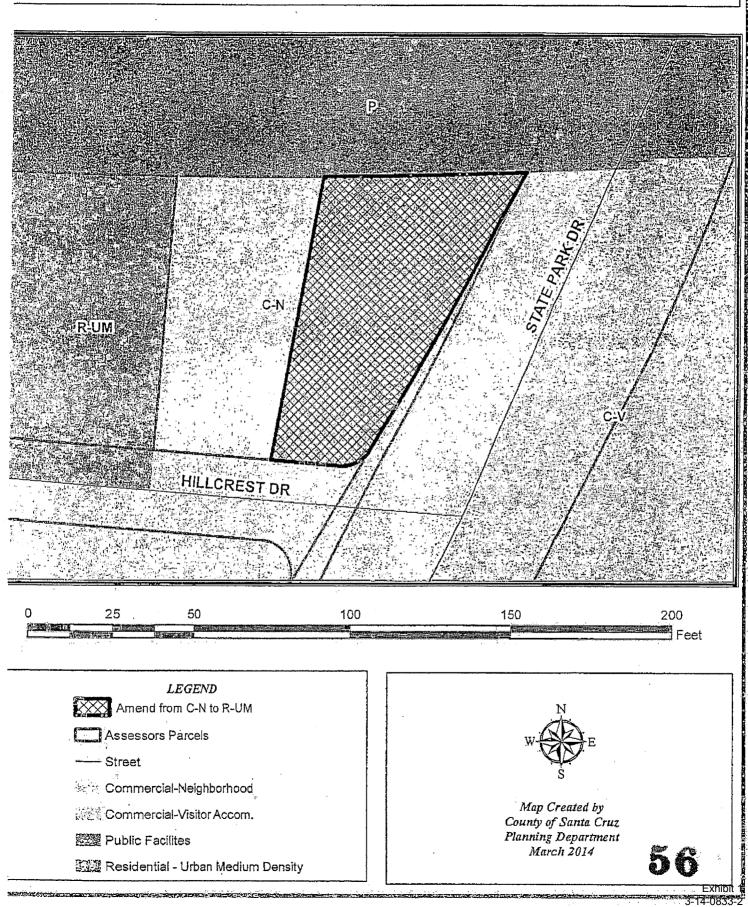
Land Use Area 2 - 3.2.3.b.1 Sites 2-a and 2-b

The language on page 21 of the Seacliff Village Plan shall be modified to read as follows:

Due to the small combined size of these parcels, site 2-b may be developed independently from site 2-a with a single family dwelling. Allowed uses shall include residential development. Access shall be from Hillcrest Drive. Dedication of appropriate right-of-way along State Park Drive is required to accommodate roadside, roadway, and transit stop improvements.



General Plan Amendment Map 0513



ORDINANCE NO.

ORDINANCE AMENDING CHAPTER 13 OF THE SANTA CRUZ COUNTY CODE CHANGING FROM ONE ZONE DISTRICT TO ANOTHER

The Board of Supervisors of the County of Santa Cruz ordains as follows:

SECTION I

The Board of Supervisors finds that the public convenience, necessity and general welfare require the amendment of the County Zoning Regulations to implement the policies of the County General Plan and Local Coastal Program Land Use Plan regarding the property located on the south side of Soquel Drive, at 9028 Soquel Drive, Aptos; finds that the zoning established herein, as shown on the attached exhibit, is consistent with all elements of the Santa Cruz County General Plan; and finds and certifies that all environmental regulations specified in the California Environmental Quality Act, the State and County Environmental Guidelines, and Chapter 16 of the County Code have been complied with by the preparation and approval of a Negative Declaration for the project.

SECTION II

The Board of Supervisors hereby adopts the recommendations of the Planning Commission for the Zoning Plan Amendment as described in Section III, and adopts their findings in support thereof without modification as set forth below:

- 1. The proposed zone district will allow a density of development and types of uses which are consistent with the objectives and land use designations of the adopted General Plan; and
- 2. The proposed zone district is appropriate for the level of utilities and community services available to the land; and
- 3. The character of development in the area where the land is located has changed or is changing to such a degree that the public interest will be better served by a different zone district.

SECTION III

Chapter 13.10, Zoning Regulations of the Santa Cruz County Code is hereby amended by amending the County Zoning Plan to change the following properties from the existing zone district to the new zone district as follows:

Assessor's Parcel Number

Existing Zone District

New Zone District

038-181-29

C-1

R-1-4

SECTION IV

This ordinance shall take effect on the 31st day after the date of final passage.

_____ 20____, by the Board of Supervisors of the PASSED AND ADOPTED THIS _____ day of ____ County of Santa Cruz by the following vote:

AYES:	SUPERVISORS
NOES:	SUPERVISORS
ABSENT:	SUPERVISORS
ABSTAIN:	SUPERVISORS

Chairperson of the Board of Supervisors

ATTEST:

Clerk of the Board

APPROVED AS TO FORM: County Counsel

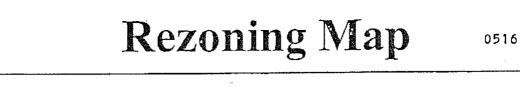
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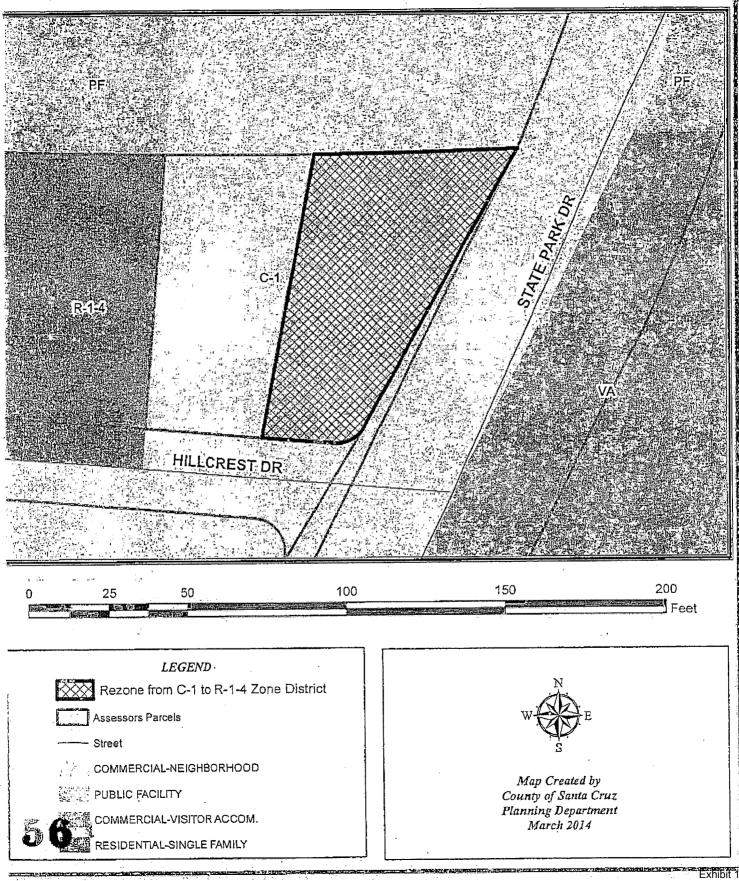
Exhibit: Rezoning Map

DISTRIBUTION:

County Counsel Planning-Randall Adams Assessor County GIS

Exhibit 1 3-14-0833-2 4 of 5





3-14-0833-2 5 of 5

Seacliff Village Area

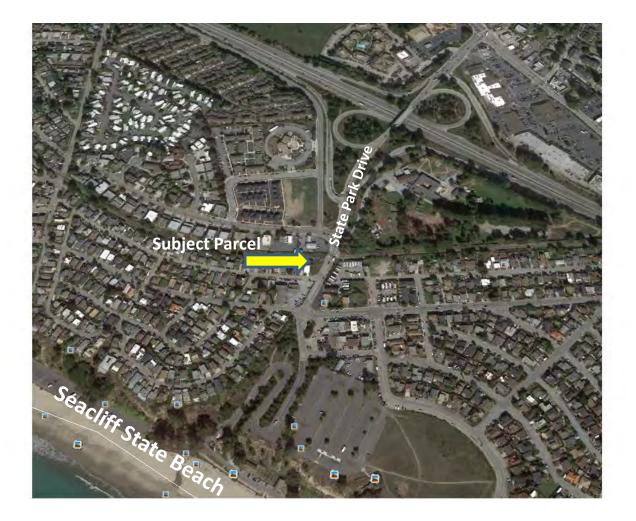


Exhibit 2 3-14-0833-2 1 of 1

Parking Standards:

New development and intensification of use, as defined in the County Code, shall meet the requirements found in County Code Section 13.10.550 et seq.

3.2.3.b Land Use Area 2: Transition Area

Sites 2-a and 2-b (APNS 38-181-28, 29 (304 Hillcrest Drive)) and Site 2-c (APN 38-185-11 (219, 221, 223, 225 State Park Drive))

These parcels serve as a transition area between the northern Village Area and the Village core. All, except site 2-a (304 Hillcrest Drive), front on the west side of State Park Drive, a heavily traveled arterial. Access, right-of-way dedication, and parking are issues for these parcels.

3.2.3.b.1 Sites 2-a and 2-b

(APN 38-181-28, 29 (304 Hillcrest Drive and adjacent vacant parcel (no situs)))

Land Use

Due to the small combined size of these parcels, site 2-b may only be developed in conjunction with site 2-a. Allowed uses shall be pedestrian-oriented, low traffic generating, neighborhood, and/or visitor serving. As this lot serves as a transition area from the residential uses to the west, the Approving Body shall approve only those commercial uses that are found to be compatible with adjacent residential uses and do not produce excessive noise, smells, lights, or late operating hours. Access shall be from Hillcrest Drive. Dedication of appropriate right-of-way along State Beach Drive is required to accommodate roadside, roadway, and transit stop improvements.



Figure 10: House on Site 2-a

The existing single family dwelling on site 2-a is a significantly nonconforming residential use; improvements are limited to those found in County Code Section 13.10.261 et seq.

The existing C-1 zoning and Neighborhood Commercial General Plan designations shall be retained.

Parking Requirements:

New development or intensification of commercial use, as defined in the County Code, shall meet the following special parking standards:

Retail, service, or office use: one space per 300 square feet of use (excluding storage); one minimum

Restaurant use: one space per 150 square feet of use (excluding storage); one minimum.

3.2.3.b.2 Site 2-c

(APN 38-185-11 (219, 221, 223, 225 State Park Drive))



Figure 11: Mixed Use Along State Park Drive

This site contains a fast food restaurant, convenience store, laundromat, and residential use. The existing commercial uses are both neighborhood and visitor serving.