

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
 7575 METROPOLITAN DRIVE, SUITE 103
 SAN DIEGO, CA 92108-4421
 (619) 767-2370



Th21a

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STAFF REPORT: AMENDMENT

Application No.: A-6-88-008-A3

Applicant: 22nd District Agricultural Association

Agent: Dustin Fuller

Location: 2260 Jimmy Durante Blvd Del Mar, San Diego County
(APN: 299-042-01)

Original Project Description: Demolition and reconstruction of horse arena, demolition and replacement of two existing multi-purpose barns, and construction of a satellite wagering facility; also included are three practice rings.

Proposed Amendment: Repurpose a portion of the existing satellite wagering facility into a 1,869 seat concert venue and an approximately 7,000 sq. ft. beer tasting exhibit area.

Staff Recommendation: Approval with Conditions

SUMMARY OF STAFF RECOMMENDATION

The 22nd District Agricultural Association's (22nd DAA) proposal to convert a portion of the existing Surf Side Race Place (SSRP) satellite wagering facility into a 1,869-seat concert venue and beer tasting exhibit represents a material change in the use of the structure, even though no new square footage is being added. The approved satellite wagering use has seen a substantial drop in attendance from its past peaks in the 1990's, and the new use is expected to draw new visitors.

The SSRP is located within the Del Mar Fairgrounds, a popular agricultural and event facility located in a popular coastal area. The events held on the Del Mar Fairgrounds, especially the annual summer county fair and horse racing season, can have substantial adverse impacts on parking and traffic in the nearby streets and intersections, impeding the ability of the public to visit the nearby beach and river areas to the west and south of the site. However, the anticipated usage levels and trip generation of the remodeled concert venue/satellite wagering SSRP is anticipated to be below the facility's peak capacity of 5,500 when it was solely a satellite wagering facility. Additionally, a project-specific focused transportation analysis found that the level of service at the adjacent intersections will not substantially increase during the weekday PM peak hours – the heaviest traffic load – when a concert may occur. Thus, the expected traffic during peak beach demand times on weekends should not be impacted.

Being located within the San Dieguito River Valley, the Del Mar Fairgrounds site is substantially bordered or in close proximity to substantial amounts of wetland habitat. The construction of a concert venue introduces the risk that noise generation will adversely impact the wetland habitat and the wildlife located therein. However, the proposed concert venue will be wholly located within the existing SSRP structure, with sound insulation being installed so as to contain the noise within the venue and not disrupt the adjacent beer tasting and satellite wagering facilities, let alone the wetlands, the closest of which are located over 1,200 feet to the south of the SSRP along the northern bank of the San Dieguito River.

Thus, **Special Condition No. 4** requires that 22nd DAA construct the new concert venue pursuant to approved plans, which would have a seating capacity of approximately 1,869 seats and be located entirely within the SSRP. **Special Condition No. 5** requires 22nd DAA to conduct parking monitoring of all events held at the concert venue so as to ensure that event parking is being adequately served on site. Because the concert venue represents a material change in use of the SSRP, **Special Condition No. 6** places a 5-year term on this permit so as to give the Commission an opportunity to analyze the required parking monitoring data and determine whether any modifications and amendments are needed for continued operation. **Special Condition No. 7** places 22nd DAA on notice that only the proposed concert venue and beer tasting exhibit are approved in this permit, and that any development beyond that will require a separate amendment. Because this is the latest amendment in a permit history consisting of several past amendment actions, **Special Condition No. 8** makes clear that all prior permit and amendment conditions not explicitly modified or deleted herein are still in full force and effect.

Commission staff recommends **approval** of coastal development permit application A-6-88-008-A3 as conditioned.

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I. MOTION AND RESOLUTION

Motion:

*I move that the Commission **approve** the proposed amendment to Coastal Development Permit Application No. 6-88-008-A3 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 amendment 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 amendment 6-88-008-A3 and adopts the findings set forth below on grounds that the development as amended and 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.

NOTE: Appendix A, attached, includes all standard and special conditions that apply to this permit, as approved by the Commission in its original action and modified and/or supplemented by all subsequent amendments, including this amendment no. 6-88-008-A3. All of the Commission's adopted special conditions and any changes in the project description proposed by the applicant and approved by the Commission in this or previous actions continue to apply in their most recently approved form unless explicitly changed in this action. New conditions and modifications to existing conditions imposed in this action on amendment no. 6-88-008-A3 are shown in the following section. Within Appendix A, changes to the previously approved special conditions are also shown in strikeout/underline format. This will result in one set of adopted special conditions.

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. [Special Condition No. 1 of CDP Amendment No. 6-88-008-A1 remains unchanged and in effect]
2. [Special Condition No. 2 of CDP No. 6-88-008 remains unchanged and in effect]
3. [Special Condition No. 3 of CDP No. 6-88-008 remains unchanged and in effect]

4. Submittal of Final Plans.

A. **PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT,** the applicant shall submit for the review and written approval of the Executive Director, one full-size sets of the following final plans:

- i. Final construction plans that conform with plans submitted to the Commission titled “Concert, Beer Exhibit, Dining, & Banquet” dated April 4, 2016.

B. The permittee shall undertake development in conformance with the approved final plans unless the Commission amends this permit or Executive Director provides a written determination that no amendment is legally required for any proposed minor deviations.

5. **Parking Monitoring.** During the first five (5) years following Commission action, the permittee shall conduct parking monitoring during all events held at the approved concert venue. The monitoring shall include, at a minimum:

- A. The dates of all events held at the concert venue;

- B. The name and type of event being held;
- C. The number of attendees for each event;
- D. The number of parking spaces occupied by both performers and attendees of each event; and
- E. The location of the parking areas on the Del Mar Fairgrounds property for each event.

The permittee shall include the above information in the annual traffic and parking monitoring report that the 22nd DAA currently submits to the Coastal Commission.

6. Permit Term and Renewal. The operation of the concert venue is authorized for a period of five (5) years from the date of Commission approval. This CDP expires on October 11, 2022. Prior to expiration, the permittee may apply for renewal of the permit for another period or for permanent authorization. In addition to information required on the Commission's application form, the application shall include all parking data required by Special Condition No. 5 of this permit collected as of that date, and other information as requested by the Executive Director.

7. Future Development. This permit is only for the development described in coastal development permit (CDP) No. 6-88-008-A3. Except as provided in Public Resources Code section 30610 and applicable regulations, for any future development as defined in PRC section 30106, the applicant shall apply for an amendment to CDP No. 6-88-008 from the California Coastal Commission, unless the Executive Director determines that an amendment is not legally required.

8. Prior Conditions of Approval. All special conditions adopted by the Coastal Commission as part of the original permit action and prior amendments, except as previously modified or deleted herein, remain in full force and effect.

IV. FINDINGS AND DECLARATIONS

A. AMENDMENT DESCRIPTION

The 22nd District Agricultural Association (22nd DAA) is proposing to convert a portion of the interior of the existing Surf Side Race Place (SSRP) satellite wagering facility located on the east side of the Del Mar Fairgrounds adjacent to Jimmy Durante Blvd into a 1,869-seat concert venue, with another portion converted into an approximately 7,000 sq. ft. beer tasting exhibit area, leaving approximately a third of the interior to continue functioning as satellite wagering facility. The work will be substantially interior in nature and occur inside the existing facility; no expansion or change to the exterior is proposed.

The existing satellite wagering facility currently operates Wednesday and Thursday, 9:00 AM – 5:00 PM and Friday through Sunday 9 AM to 10:45 PM, though it is closed during the Del Mar Fairgrounds own summer and fall horse race seasons. The proposed concert venue would operate concurrently with continued operation of satellite wagering. As proposed, there would be no limit on when an event in the proposed concert venue would be scheduled, though based on similar concert venues in the San Diego area, 22nd DAA anticipates that the majority of the concert venue events will occur during weekday evenings (starting around 7:00 PM), with some weekend daytime and evening events. The events will not be limited to musical acts, but could also consist of events such as lectures, acrobatics, cultural events, and plays.

The Del Mar Fairgrounds is located both within the cities of Del Mar and San Diego, both of which have effectively certified LCPs and issue their own coastal development permits. However, the Fairgrounds represents an area of deferred certification. Moreover, it was principally built on filled tidelands. Thus, the vast majority, if not the entirety, of the site is within the Coastal Commission's area of original jurisdiction. Thus, Chapter 3 of the Coastal Act is the legal standard of review for the subject CDP application, with the certified LCPs used as guidance.

B. PROJECT HISTORY

At the May 1988 hearing, the Coastal Commission approved CDP No. 6-88-008 for the demolition and reconstruction of a horse arena, demolition and replacement of two existing multi-purpose barns, and construction of a new satellite wagering facility and three practice rings, all in the northeastern segment of the Del Mar Fairgrounds. The satellite wagering facility, known as the Surf Side Race Place, was designed to house the existing satellite wagering services that began at the Del Mar Fairgrounds in November 1987, and contains seating areas, an auction ring, administrative offices, and food courts. The SSRP is a two-story structure able to seat approximately 5,500 people, with mechanical equipment on a partial third floor. The structure is conical in shape, with a 15-ft. height at the perimeter and a 60-ft. height at its center.

Because the proposed SSRP represented a substantial new facility at the Fairgrounds, which has historically hosted events impacting traffic and parking in a popular coastal area, the Commission's permit approval contained Special Condition No. 1, prohibiting

operation of the SSRP during the annual summer fair, when extremely high attendance numbers already put great traffic strain on adjacent roads and intersections.

The SSRP was completed in September 1991. At the April 1992 hearing, the Commission approved CDP Amendment No. 6-88-008-A1 modifying the aforementioned Special Condition No. 1 to allow full use of the SSRP during the annual summer fair for a two-year period. Data from the pre-existing satellite wagering operations showed that satellite wagering attendance dropped substantially during the summer fair, when crowd levels are high, and patrons are required to purchase a fair ticket to access the satellite wagering facilities. Thus, operating both facilities concurrently was not expected to adversely impact public access, although the amendment reserved the Commission's ability to modify or limit SSRP operations during the annual summer fair if subsequent parking and traffic monitoring reports (required annually by CDP No. 6-90-266, authorizing a new Grandstand building) indicated the SSRP was adding to public access issues.

At the May 1994 hearing, the Commission approved CDP Amendment No. 6-88-008-A2, which deleted the two-year restriction on SSRP operations during the annual summer fair, thereby allowing full use of the SSRP during the annual summer fair. This was due to parking and traffic monitoring reports continuing to show that SSRP attendance was dramatically lower during the annual summer fair, that SSRP attendees during that time generally consisted of fair goers trying out satellite wagering as a novelty, and that SSRP operations were not substantially adding to the traffic on the nearby street segments and intersections.

C. PUBLIC ACCESS

The following Coastal Act policies are most pertinent to this issue, and state in part:

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.

Section 30211 of the Coastal Act states:

Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Section 30212 of the Coastal Act states, in part:

- (a) *Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where: (1) it is inconsistent with public safety, military security needs, or the protection of fragile coastal resources, (2) adequate access exists nearby, or, (3) agriculture would be adversely affected. Dedicated accessway shall not be required to be opened to public use until a public agency or private association agrees to accept responsibility for maintenance and liability of the accessway.*

[...]

- (c) *Nothing in this division shall restrict public access nor shall it excuse the performance of duties and responsibilities of public agencies which are required by Sections 66478.1 to 66478.14, inclusive, of the Government Code and by Section 4 of Article X of the California Constitution.*

Section 30213 of the Coastal Act states, in part:

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

[...]

Section 30252 of the Coastal Act states:

- (a) *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, (3) providing nonautomobile circulation within the development, (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation (5) assuring the potential for public transit for high intensity uses such as high-rise office buildings, and by (6) assuring that the recreational needs of new residents will not overload nearby coastal recreation areas by correlating the amount of development with local park acquisition and development plans with the provision of onsite recreational facilities to serve the new development.*

Section 30604 of the Coastal Act states, in part:

[...]

- (c) *Every coastal development permit issued for any development between the nearest public road and the sea or the shoreline of any body of water located within the coastal zone shall include a specific finding that the development is in conformity with the public access and public recreation policies of Chapter 3 (commencing with Section 30200).*

The Del Mar Fairgrounds is located near the mouth of the San Dieguito River, west of the I-5 and east of Camino del Mar (Old Highway 101). It is between the river to the south and Via de la Valle, which is the first public east-west road north of the river [Exhibit 1]. Thus, the entire Fairgrounds complex, including the project site, is located between the sea and first public roadway, where maintaining shoreline public access to the river/lagoon and west to the municipal beaches is of greatest concern. The project applicant, 22nd DAA, is a state agency, and the property is in public ownership, and, for the most part, the public can freely access various portions of the grounds, including the riverfront, particularly when no formal events are taking place.

Most Fairgrounds events provide a comparatively inexpensive recreational experience, falling under Section 30213 of the Coastal Act, for the public to enjoy within the Coastal Zone. The agricultural nature of many of the events further differentiates the property and its activities from many other recreational opportunities in the greater-San Diego coastal region. Thus, in addition to accommodating public access to nearby parks and beaches, the Fairgrounds is itself a public recreational destination.

The Fairgrounds was completed in 1936, and soon after began to host the county fair and thoroughbred racing, both of which continue to this day in what is referred to as the “summer fair and race season.” Currently, the annual San Diego County Fair (formerly known as the Del Mar Fair) attracts approximately 1.5 million visitors during its summer run of early June until the Fourth of July. The annual thoroughbred horse racing season subsequently begins two weeks later and runs until early September. The number of race attendees varies from day to day, with only a handful of special races drawing huge crowds. Racing attendance, even on peak days, never approaches the number of people attending the annual fair on a daily basis, and the entire race season attracts approximately 650,000 attendees. However, less parking is available during the racing season, as the practice track and backstretch areas, which are used for parking during the county fair, are not available for parking during race season.

With the summer fair and race season come substantially heavy traffic loads on the surrounding roads and communities. The off-ramps from the I-5 freeway onto Via de la Valle consistently back up and impact traffic flow on the remainder of the freeway. Surface streets, especially Via de la Valle, Camino del Mar, and Jimmy Durante Boulevard, experience high traffic volumes that bring traffic flow to a near standstill as parking attendants and local police resources attempt to channel the public into the few vehicle entrances located on the Fairgrounds. These traffic loads negatively impact the surrounding communities of Del Mar, Solana Beach, and parts of San Diego, and interfere with public access to surrounding coastal resources, such as the beach, visitor serving retail, and river hiking trails.

For the remainder of the year, generally referred to as the “off season,” the Fairgrounds operates as an agricultural and event facility, hosting myriad events in various facilities within the property. These events can range from sizeable in nature, such as the annual classic car show or home & garden expo, to smaller, more intimate functions, such as weddings and bar mitzvahs. While these events, either individually or in combination when simultaneously held in various parts of the Fairgrounds, can occasionally have traffic impacts on nearby street segments and intersections, they are less frequent and far lower in intensity than that arising from the summer fair and race season. Traffic volumes are lower for multiple reasons, including it no longer being a busy tourist season, the temporary events being smaller in scale and less popular than the summer events, and because inclement weather can dampen attendance numbers. Nevertheless, temporary events of substantial size and number could still have the cumulative traffic impact to interfere with public access to nearby coastal resources and communities.

The SSRP already has existing food service, storage, kitchen, and dining areas to serve current attendees, and these would not be altered. With the current proposal, the existing food service area would also serve concert goers as well, with the proposed beer tasting exhibit following the food service area’s hours. As proposed, during the annual summer fair and race season, the concert venue would serve as an additional or alternate venue to the concert series that the 22nd DAA has run for several decades during those two events, and not as a separate concert venue distinct from the summer fair and horse race concert series.

The 22nd DAA submitted a “Focused Transportation Analysis” (FTA) for the SSRP dated August 10, 2017. According to the FTA, there are no set standards for a concert venue’s trip generation rate, so the study’s authors developed a site-specific rate for the worst-case scenario concert venue. Because the majority of the scheduled concerts over a given year are anticipated to occur during the off-season weekday evenings, the FTA analyzed potential traffic impacts during the off-season (May 2017) PM peak hours (approximately 4:00 PM – 6:00 PM), when traffic loads in nearby streets and intersections is heaviest. Almost all project-driven traffic will occur between 5:00 PM to 11:00 PM.

It is anticipated that a sellout concert (1,869 attendees) would equate to approximately 1,530 trips (assuming some carpool and transportation mode splits), with 127 of those trips occurring during the PM peak hours. While the SSRP was approved with an anticipated capacity of 5,500 attendees, currently, daily average attendance from 2010-2015 is just under 450, with a peak average of 653 in 2010 and a low of 295 in 2012. Current peak attendance of the SSRP’s wagering facility is during the Kentucky Derby, when approximately 2,500 attendees arrive. Thus, assuming a worst-case scenario, a sold-out concert occurring during the Kentucky Derby, there would be approximately 4,369 patrons in the SSRP. With a conservative estimate of every Kentucky Derby attendee driving themselves, that results in 4,030 trips, still under the 5,500 trips that a full SSRP could have produced during its peak in previous decades, although unlike a concert, where trips are more concentrated in the hour before and after the concert, satellite betting trips would be spread out over a longer time period. Thus, the trip generation rate from the concert venue would not be higher than what could have been

generated by the existing facility. As stated above, during the majority of the year the average SSRP attendance is in the low-to-mid hundreds, not thousands.

Regardless of the potential traffic generation capacity of the existing facility, it is necessary to evaluate the expected impact the new venue would have on surrounding traffic and access. Therefore, the FTA also conducted an off-season peak-hour traffic analysis in May 2017 in order to establish a baseline Level of Service (LOS) for surrounding roads and intersections. Level of Service (LOS) is a qualitative measure used to relate the quality of traffic performance. LOS is used to analyze roadways by categorizing traffic flow and assigning quality levels of traffic based on performance measures such as speed, density, etc. Grades are assigned ranging from “A” (free flow at speed limit) to “F” (flow breakdown; cars move lockstep). The study found that all of the surrounding 5 major intersections – along Via de la Valle where it will periodically intersect with Camino del Mar, Jimmy Durante, and Interstate-5 north and south, as well as Camino Del Mar and 15th St – operated at an acceptable LOS C or better during weekday PM peak hours (LOS of D or higher are generally considered to be acceptable levels). With the anticipated impacts from the proposed concert venue factored in, the FTA found that the average wait at each intersection increased less than one second per vehicle during the peak PM hours, which did not alter the applicable LOS and falls under the generally accepted threshold for a substantial impact. Thus, even during times of highest traffic levels in the surrounding area – weekday afternoon commutes – LOS is not expected to be adversely impacted by traffic associated with the proposed concert venue. Given that the highest demand for public shoreline access is typically weekends, there should be no significant impact on beach goers.

It should be noted that the above data was collected for off-season traffic (non race/fair season), because as described above, traffic during the race and fair season has historically been associated with significant traffic and circulation impacts. The proposed project is not expected substantially affect existing peak season traffic patterns, in part because concert traffic would be a small percentage of the existing high levels of peak season traffic, and because concerts at the proposed venue would be incorporated into those events, requiring a race or fair ticket, and thus are expected to draw essentially the same levels crowds that attend the existing races and fair. Furthermore, while 1,900 seats does represent a sizeable venue, it would not be large enough for the the popular, marquee acts that have been performing during the summer fair and races in past years, which are currently held in the open-air western parking lot stage area. Those large acts draw thousands of viewers that would not fit in the proposed venue, and thus the proposed venue is not expected to draw a substantial number of people above and beyond those who already attend the summer fair and races.

The applicant’s parking data states that during the non-summer off-season they have an approximately 10,350 space on-site parking capacity available for use throughout the main Fairgrounds complex, East Overflow Lot, and Golf Driving Range. With the proposed venue having a maximum seating capacity of 1,869 seats, the Fairgrounds would have sufficient on-site parking capacity even in a worst-case scenario of a sold out concert with all attendees driving themselves to the venue. In order to ensure that parking and traffic impacts do not spill out of the Fairgrounds property and into surrounding

communities, an existing permit, CDP No. 6-13-010, currently limits any given day's projected parking demand – either from one event or many – to that maximum on-site capacity of the Del Mar Fairgrounds. This helps to ensure that the scheduled slate of events will be able to be adequately serviced by existing on-site resources. This requirement would continue to apply to the new concert venue. Additionally, CDP No. 6-13-010 also requires the 22nd DAA to implement Traffic Demand Management (TDM) measures that promote greater use of alternative transportation or carpooling among employees of 22nd DAA and its lessees, regardless of whether an event is expected to increase parking demand. This further ensures that a consistent pattern of alternative transportation use is fostered and provides information that can be applied to other areas of Fairground traffic management.

Nevertheless, because this is a new use and the frequency and intensity of the use and the impact on surrounding streets is not entirely predictable, especially given the varying events that currently occur on the Fairgrounds, **Special Condition No. 5** requires the permittee to conduct parking monitoring during all events held in the concert venue so as to identify any patterns of adverse impact on neighboring coastal street, and **Special Condition No. 6** establishes a 5-year permit term so as to give the Commission an opportunity to reevaluate the use based on the monitoring data collected.

To ensure that the development is implemented in an approved manner and that potential impacts are mitigated, **Special Condition No. 4** will ensure that the Applicant completes any approved development pursuant to approved final plans. **Special Condition No. 7** formally notifies the permittee that this amendment only authorizes the proposed concert venue and beer tasting exhibit, and that any development beyond that will require another amendment. **Special Condition No. 8** establishes that all special conditions of prior permit and amendment actions not modified or deleted herein are still in full force and effect.

In summary, the Commission finds the proposed concert venue will not result in adverse impacts to coastal access. Parking will remain adequate for approved uses, and the number of visitor serving activities in the coastal zone will increase. Monitoring and a limited permit duration will ensure that any unanticipated impacts are assessed and reevaluated in the future. Therefore, the Commission finds that all accessed and resource concerns associated solely with proposed development approved herein are adequately addressed, and that the proposed development, as conditioned, is consistent with the cited policies of the Coastal Act.

D. HABITAT IMPACTS

Chapter 3 policy, Section 30230 of the Coastal Act states:

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological significance. Uses of the marine environment shall be carried out in a manner that will sustain biological productivity of coastal waters and that will maintain

healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Virtually the entire Fairgrounds property was created by filling tidelands back in the 1930's. Although most of the site is now developed, there are several areas which still contain seasonal wetland resources, including the East Overflow Lot and Golf Driving Range. Furthermore, the Fairgrounds is bordered on the west and north by Stevens Creek and to the south by the San Dieguito River and the in-progress wetland restoration of the South Overflow Lot on the south side of Jimmy Durante Boulevard. In addition, all of these areas are within the 100-year floodplain of the adjacent San Dieguito River and experience periodic inundation during average winter rainy seasons.

With the proposal of a new 1,869-seat concert venue, the potential for noise impacts to adversely affect nearby habitat must be considered. While the Del Mar Fairgrounds is substantially bordered by wetlands, the SSRP is located deep within the developed portion of the main Fairgrounds property. The nearest wetlands along the north bank of the San Dieguito River are over 1,200 feet to the south of the main entrance to the SSRP, and the concert venue therein is designed to be a "dead room," meaning it will utilize large volumes of sound insulation to retain concert noise within the stage viewing area. This will prevent the concert noise from disrupting the operation of the adjacent dining and wagering areas also within the building, as well as the wetlands located outside the building over 1,200 feet away to the south.

Thus, the proposed concert venue does not present a substantial adverse impact to nearby habitat resources, and the development, as conditioned, can be found consistent with the habitat protection policies of Chapter 3 of the Coastal Act.

E. LOCAL COASTAL PLANNING

Although much of the project site is in an area of original jurisdiction and thus not subject to the policies and regulations of San Diego's and Del Mar's certified LCPs, it is nonetheless consistent with the Fairgrounds/Racetrack land use designation and zone of that plan. As conditioned, the proposed development is consistent with Chapter 3 of the Coastal Act. Approval of the project, as conditioned, will not prejudice the ability of the Cities of San Diego and Del Mar to continue to implement their certified LCPs.

F. CALIFORNIA ENVIRONMENTAL QUALITY ACT

The 22nd District Agricultural Association is the lead agency for purposes of CEQA review for this project, and the Coastal Commission is a responsible agency. Section 13096 of the Commission's Code of Regulations requires Commission approval of coastal development permits to be supported by a finding showing the permit, as conditioned, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment.

The 22nd DAA determined the proposed development to be categorically exempt under CEQA Guidelines 15061(b)(3) (Cal. Code of Regs., tit. 14 [general rule exemption]). The proposed project has been conditioned in order to be found consistent with the Chapter 3 policies of the Coastal Act. Mitigation measures, including conditions addressing public access, will minimize all adverse environmental impacts. As conditioned, there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment. Therefore, the Commission finds that the proposed project is the least environmentally-damaging feasible alternative and is consistent with the requirements of the Coastal Act to conform to CEQA.

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Appendix A – Conditions of Approval

STANDARD CONDITIONS

1. Notice of Receipt and Acknowledgement. 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 the 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. Compliance. All development must occur in strict compliance with the proposal as set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
4. Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
5. Inspections. The Commission staff shall be allowed to inspect the site and the development during construction, subject to 24-hour advance notice.
6. 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.
7. 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.

SPECIAL CONDITIONS

1. Potential Future Restrictions. The applicant is hereby advised that some or all activities within the satellite wagering facility may be modified or restricted during the annual Southern California Exposition at Del Mar (Del Mar Fair) in the future, if such action is determined necessary by the Commission as a result of operational problems identified in the annual reports generated by the Commission-approved Traffic and Parking Management Program.
2. Landscaping Plan. Prior to the issuance of the coastal development permit, the applicant shall submit a detailed landscape plan indicating the type, size, extent, and location of all plant materials, the proposed irrigation system, and other landscape features. Drought tolerant plant materials shall be utilized to the maximum extent feasible. Special emphasis shall be placed on screening the satellite wagering facility

from Jimmy Durante Boulevard and Via de la Valle. Said plan shall be submitted to, reviewed, and approved in writing by the Executive Director.

3. **Sign Program.** Prior to the issuance of the coastal development permit, the applicant shall submit a comprehensive sign program, documenting any proposed signage for the new and rebuilt facilities, and indicating that only monument signs, not to exceed eight (8) feet in height, or façade signs are proposed. No tall, free-standing pole or roof signs shall be allowed. Said plans shall be subject to the review and written approval of the Executive Director.

4. **Submittal of Final Plans.**

A. **PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT,** the applicant shall submit for the review and written approval of the Executive Director, one full-size sets of the following final plans:

- i. Final construction plans that conform with plans submitted to the Commission titled “Concert, Beer Exhibit, Dining, & Banquet” dated April 4, 2016.

B. The permittee shall undertake development in conformance with the approved final plans unless the Commission amends this permit or Executive Director provides a written determination that no amendment is legally required for any proposed minor deviations.

5. **Parking Monitoring.** During the first five (5) years following Commission action, the permittee shall conduct parking monitoring during all events held at the approved concert venue. The monitoring shall include, at a minimum:

- A. The dates of all events held at the concert venue;
- B. The name and type of event being held;
- C. The number of attendees for each event;
- D. The number of parking spaces occupied by both performers and attendees of each event; and
- E. The location of the parking areas on the Del Mar Fairgrounds property for each event.

The permittee shall include the above information in the annual traffic and parking monitoring report that the 22nd DAA currently submits to the Coastal Commission.

6. **Permit Term and Renewal.** The operation of the concert venue is authorized for a period of five (5) years from the date of Commission approval. This CDP expires on October 11, 2022. Prior to expiration, the permittee may apply for renewal of the permit

for another period or for permanent authorization. In addition to information required on the Commission's application form, the application shall include all parking data required by Special Condition No. 5 of this permit collected as of that date, and other information as requested by the Executive Director.

7. Future Development. This permit is only for the development described in coastal development permit (CDP) No. 6-88-008-A3. Except as provided in Public Resources Code section 30610 and applicable regulations, for any future development as defined in PRC section 30106, the applicant shall apply for an amendment to CDP No. 6-88-008 from the California Coastal Commission, unless the Executive Director determines that an amendment is not legally required.

8. Prior Conditions of Approval. All special conditions adopted by the Coastal Commission as part of the original permit action and prior amendments, except as previously modified or deleted herein, remain in full force and effect.

Appendix B – Substantive File Documents

- Focused Transportation Analysis: Surf Side Race Place by Linscott, Law, & Greenspan dated August 10, 2017.