

CALIFORNIA COASTAL COMMISSION

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STAFF REPORT: APPEAL – SUBSTANTIAL ISSUE

Local Government: City of Los Angeles

Local Decision: Approval with Conditions

Appeal Number: A-5-VEN-17-0051

Applicant: Blake Fogel

Agent: Robert Thibodeau, Du Architects

Appellant: Coastal Commission Executive Director

Project Location: 305-309 Ocean Front Walk, Venice, City of Los Angeles
(Los Angeles County APNs: 4286-030-022 & 4286-030-023)

Project Description: Appeal of City of Los Angeles Local Coastal Development Permit No. DIR-2016-1341 for the demolition of a one-story, 1,728 sq. ft. commercial structure and surface parking lot, and the construction of a 30-ft. high, three-story mixed use structure with 2,850 sq. ft. of retail space on the ground floor, three residential units on the second and third floors, each with a roof deck and 39.5-ft. high roof access structure, and two subterranean levels of parking providing 50 on-site parking spaces, on two beachfront lots totaling 8,206 sq. ft. in the Dual Permit Jurisdiction Area.

Staff Recommendation: Substantial Issue

IMPORTANT HEARING PROCEDURE NOTE

The Commission will not take public testimony during the “substantial issue” phase of the appeal hearing unless at least three commissioners request it. The Commission may ask questions of the applicant, any aggrieved person, the Attorney General, or the Executive Director prior to determining whether or not to take testimony regarding whether the appeal raises a substantial issue. If the Commission takes testimony regarding whether the appeal raises a substantial issue, testimony is generally and at the discretion of the Chair limited to three minutes total per side. Only the applicant, persons who opposed the application before the local government (or their representatives), and the local government shall be qualified to testify during this phase of the hearing. Others may submit comments in writing. If the Commission finds that the appeal raises a substantial issue, the de novo phase of the hearing will follow, unless it has been postponed, during which the Commission will take public testimony.

SUMMARY OF STAFF RECOMMENDATION

The staff recommends that the Commission determine that a **substantial issue exists** with respect to the grounds on which Appeal A-5-VEN-17-0051 has been filed because the local coastal development permit does not address coastal hazards that could impact the development over its lifetime, such as wave run-up, sea level rise, and coastal erosion. Therefore, the locally approved development does not minimize risks to life and property caused by flooding and shoreline erosion associated with sea level rise, as required by Chapter 3 of the Coastal Act, nor does it address related adverse impacts to public access and recreation.

The proposed project is located on two beachfront lots and includes two levels of subterranean parking that would be constructed below the existing water table and reach a depth of approximately 22 feet below grade ([Exhibit 3](#)). As sea levels rise, so does the potential for storm surges, ground water intrusion, and a rise in the water table at and near the site. As such, the proposed development could be subject to both flooding and wave attack. Constructing subterranean development in such a vulnerable area does not minimize risks to life and property. Additionally, if the beach erodes up to the development, the subterranean structure could act as a seawall as the mean high tide line migrates inland. This would alter the ability for the beach to erode naturally, would alter natural landforms, and could impede public access along the migrating public trust tidelands. Pursuant to Sections 30235 and 30253 of the Coastal Act, shoreline protective devices are allowed when necessary to protect existing development and designed to minimize adverse impacts to coastal resources; however, they are not allowed if they are designed to protect *new* development and are inconsistent with Coastal Act resource protection policies. Here, the structure could effectively function as a shoreline protective device that would have negative impacts to the beach and public access. Because the project is not designed to protect preexisting development, the City's approval of it raises a substantial issue regarding consistency with Sections 30235 and 30253 of the Coastal Act.

The City's local coastal development permit does not reference any study or analysis of the potential hazards that could impact the development over its lifetime, such as wave run-up, sea level rise, and coastal erosion. Therefore, the City's findings that the project is consistent with Sections 30211 and 30253 of the Coastal Act are inadequate because they do not discuss potential impacts from sea level rise, shoreline erosion, and the potential need for a shoreline protection device.

Given the project's location and anticipated sea level rise, it is possible that the site will be subject to effects from sea level rise, including, but not limited to, flooding, wave action, and erosion. During the appeal and dual permit process, Commission staff can review and analyze the appropriate wave run-up and sea level rise studies so that the proposed project can be fully evaluated for consistency with the Chapter 3 policies of the Coastal Act, including Section 30253.

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APPENDICES

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EXHIBITS

[Exhibit 1 – Project Location](#)

[Exhibit 2 – Local CDP DIR-2016-1341](#)

[Exhibit 3 – Project Plans](#)

[Exhibit 4 – Appeal](#)

[Exhibit 5 – Letter from the Applicant Including *Coastal Hazard and Wave Runup Study for 305-309 Ocean Front Walk, Venice, City of Los Angeles, California, GeoSoils Inc, October 9, 2017*](#)

[Exhibit 6 – CoSMoS Sea Level Rise Images](#)

I. MOTION AND RESOLUTION

Motion:

*I move that the Commission determine that Appeal No. A-5-VEN-17-0051 raises **NO Substantial Issue** with respect to the grounds on which the appeal has been filed under § 30602 of the Coastal Act.*

Staff recommends a **NO** vote. Failure of this motion will result in a de novo hearing on the application, and adoption of the following resolution and findings. Passage of this motion will result in a finding of No Substantial Issue and the local action will become final and effective. The motion passes only by an affirmative vote of the majority of the appointed Commissioners present.

Resolution:

*The Commission hereby finds that Appeal No. A-5-VEN-17-0051 presents A **SUBSTANTIAL ISSUE** with respect to the grounds on which the appeal has been filed under § 30602 of the Coastal Act regarding consistency with the Chapter 3 policies of the Coastal Act.*

II. APPELLANT'S CONTENTIONS

The City-approved local CDP authorizes the demolition of a one-story, 1,728 sq. ft. commercial structure and surface parking lot and the construction of a 30-ft. high, three-story mixed use structure with 2,850 sq. ft. of retail space on the ground floor, three residential units on the second and third floors, each with a roof deck and 39.5-ft. high roof access structure, and two subterranean levels of parking providing 50 on-site parking spaces on two adjacent beachfront lots totaling 8,206 sq. ft. in area.

The appeal was filed by the Executive Director of the Coastal Commission ([Exhibit 4](#)) and contends the following:

The City-approved mixed-use development is located on two beachfront parcels. The City's local CDP does not reference any study or analysis of the potential hazards that could impact the development over its lifetime, such as wave run-up, sea level rise, and coastal erosion. The primary issue raised by the project is that although the beach is currently wide enough that the structure would most likely be safe from wave action in the immediate future, given sea level rise, the development could be directly subject to wave action and shoreline erosion during the structure's expected life. The project appears to be designed to likely ensure the structure's stability (from an engineering perspective) once the area of the beach where the seaward portion of the structure is located becomes inundated due to sea level rise; however, this would be achieved by utilizing a substantial subterranean foundation that would both extend not only below expected scour level of the beach, but below the current water table. The project's two levels of subterranean parking could also be subject to flooding. This foundation itself would act effectively as a seawall in that it would fix the back of the beach (no landward migration of the sandy beach would be possible because the structure would "fix" the back of the beach and thus the seaward portion of the structure would eventually be expected to be located in the water with little or no sandy beach seaward of the structure) which, in the long run, could adversely impact public access along the beach inconsistent with the public access and recreation policies of the City's certified Land Use Plan (LUP) and Chapter 3 of the Coastal Act.

III. LOCAL GOVERNMENT ACTION

On January 23, 2017, the Director of City Planning held a public hearing for Local CDP DIR-2016-1341 ([Exhibit 2](#)) for the project. The City’s record indicates that three persons spoke in opposition to the project at the public hearing: Susan Chevalier, Lisa Smith and Adrienne O’Donnell. On August 2, 2017, the Director of City Planning issued a determination letter approving the local CDP for the proposed project, as well as a Specific Plan Project Permit (SPP). The City’s decision on the local CDP was not appealed to the City of Los Angeles Planning Commission. The City’s Notice of Final Local Action for the local CDP was received in the Coastal Commission’s Long Beach Office on August 22, 2017, and the Coastal Commission’s required twenty working-day appeal period was established. On September 20, 2017, one appeal was received from the Commission’s Executive Director ([Exhibit 4](#)). No other appeals were received prior to the end of the appeal period on September 20, 2017.

IV. APPEAL PROCEDURES

Section 30600(b) of the Coastal Act provides that prior to certification of its LCP, a local jurisdiction may, with respect to development within its area of jurisdiction in the coastal zone and consistent with the provisions of sections 30604, 30620 and 30620.5, establish procedures for the filing, processing, review, modification, approval or denial of a coastal development permit. Pursuant to this provision, the City of Los Angeles developed a permit program in 1978 to exercise its option to issue local coastal development permits. Sections 13301-13325 of Title 14 of the California Code of Regulations provide procedures for issuance and appeals of locally issued coastal development permits. Section 30602 of the Coastal Act allows *any* action by a local government on a coastal development permit application evaluated under Section 30600(b) to be appealed to the Commission. The standard of review for such an appeal is the Chapter 3 policies of the Coastal Act. [Cal. Pub. Res. Code §§ 30200 and 30604.]

After a final local action on a local CDP application, the Coastal Commission must be noticed within five days of the decision. After receipt of such a notice, which contains all the required information, a twenty working-day appeal period begins during which any person, including the applicant, the Executive Director, or any two members of the Commission, may appeal the local decision to the Coastal Commission. [Cal. Pub. Res. Code § 30602.] As provided under section 13318 of Title 14 of the California Code of Regulations, the appellant must conform to the procedures for filing an appeal as required under section 13111 of Title 14 of the California Code of Regulations, including the specific grounds for appeal and a summary of the significant question raised by the appeal.

The action currently before the Commission is to find whether there is a “substantial issue” or “no substantial issue” raised by the appeal of the local approval of the proposed project. Sections 30621 and 30625(b)(1) of the Coastal Act require a de novo hearing of the appealed project unless the Commission determines that no substantial issue exists with respect to the grounds for appeal.

Commission staff recommends a finding of **substantial issue**. If the Commission decides that the appellant’s contentions raise no substantial issue as to conformity with Chapter 3 of the Coastal Act, the action of the local government becomes final. Alternatively, if the Commission finds that a substantial issue exists with respect to the conformity of the action of the local government with the Chapter 3 policies of the Coastal Act, the local CDP is voided and the Commission typically

continues the public hearing to a later date in order to review the coastal development permit as a de novo matter. [Cal. Pub. Res. Code §§ 30621 and 30625.] Section 13321 of the Coastal Commission regulations specifies that de novo actions will be heard according to the procedures outlined in Sections 13114 and 13057-13096 of the Commission’s regulations.

If there is no motion from the Commission to find no substantial issue, it will be presumed that the appeal raises a substantial issue and the Commission will schedule the de novo phase of the public hearing on the merits of the application at a future Commission meeting. A de novo public hearing on the merits of the application uses the Chapter 3 policies of the Coastal Act. The certified Venice LUP is used as guidance. Sections 13110-13120 of Title 14 of the California Code of Regulations further explain the appeal hearing process.

If the Commission decides to hear arguments and vote on the substantial issue question, those who are qualified to testify at the hearing, as provided by Section 13117 of Title 14 of the California Code of Regulation, will have three minutes per side to address whether the appeal raises a substantial issue. The only persons qualified to testify before the Commission at the substantial issue portion of the appeal process are the applicant, persons who opposed the application before the local government (or their representatives), and the local government. Testimony from other persons must be submitted in writing. The Commission will then vote on the substantial issue matter. It takes a majority of Commissioners present to find that the grounds for the appeal raise no substantial issue.

V. SINGLE/DUAL PERMIT JURISDICTION AREAS

Within the areas specified in section 30601, which is known in the City of Los Angeles permit program as the *Dual Permit Jurisdiction* area, the Coastal Act requires that any development which receives a local CDP permit also obtain a second (or “dual”) CDP from the Coastal Commission. The Commission’s standard of review for the proposed development in the *Dual Permit Jurisdiction* area is the Chapter 3 policies of the Coastal Act. For projects located inland of the areas identified in Section 30601 (i.e., projects in the *Single Permit Jurisdiction*), the City of Los Angeles local CDP is the only CDP required. The proposed project site is located within the *Dual Permit Jurisdiction Area*. Therefore, the applicant is required to obtain a second or “dual” coastal development permit from the Commission for the proposed development. On October 19, 2017, the applicant submitted a dual Coastal Development Permit Application to the Commission’s South Coast District office for the proposed development.

VI. FINDINGS AND DECLARATIONS – SUBSTANTIAL ISSUE

A. PROJECT DESCRIPTION

The project site is located on two abutting beachfront lots (Lot Nos. 217 & 219, Block 3, Golden Bay Tract) in the North Venice subarea at 305 – 309 Ocean Front Walk within the City of Los Angeles Dual Permit Jurisdiction Area. The site is directly inland of Ocean Front Walk, a County operated parking lot, and the public beach ([Exhibit 1](#)). The two lots total approximately 8,206 sq. ft. in area and are designated Community Commercial by the certified Venice LUP and C1-1 (Limited Commercial) by the City Zoning Code. The existing elevation of the site is approximately 13 feet MSL. This area of Ocean Front Walk is comprised of commercial and residential structures ranging from small one-story buildings to large six-story buildings. Landward of the site, across Speedway, is a residential neighborhood comprised of an amalgam of new and old one-to-three story buildings. The project site is currently developed with a one-story, approximately 1,728 sq.

ft. commercial structure that was built circa 1922, as well as a surface parking lot. The parking lot has room for approximately 25 cars if a valet service is used and is available to the public for a fee.

The City-approved project includes the demolition of the one-story structure and surface parking lot and the construction of a 30-ft. high, three-story mixed use structure with 2,850 sq. ft. of retail space on the ground floor, three residential units on the second and third floors, each with roof decks and 39.5-ft. high roof access structures, and two subterranean levels of parking reaching a depth of approximately 22 feet below grade providing 50 on-site parking spaces ([Exhibit 2](#)). Vehicular access to the proposed underground parking garage is provided by two vehicle lifts instead of ramps.

B. FACTORS TO BE CONSIDERED IN SUBSTANTIAL ISSUE ANALYSIS

Section 30625(b)(1) of the Coastal Act states that the Commission shall hear an appeal of a local government action carried out pursuant to Section 30600(b) unless it finds that no substantial issue exists as to conformity with Chapter 3 of the Coastal Act.

The term “substantial issue” is not defined in the Coastal Act or its implementing regulations. Section 13115(b) of the Commission’s regulations simply indicates that the Commission will hear an appeal unless it “finds that the appeal raises no significant question.” In previous decisions on appeals, the Commission has been guided by the following factors:

1. The degree of factual and legal support for the local government’s decision that the development is consistent or inconsistent with the relevant provisions of the Coastal Act;
2. The extent and scope of the development as approved or denied by the local government;
3. The significance of the coastal resources affected by the decision;
4. The precedential value of the local government’s decision for future interpretations of its LCP; and,
5. Whether the appeal raises local issues, or those of regional or statewide significance.

Even when the Commission chooses not to hear an appeal, appellants nevertheless may obtain judicial review of the local government’s coastal permit decision by filing petition for a writ of mandate pursuant to Code of Civil Procedure, Section 1094.5.

Staff is recommending that the Commission find that **a substantial issue exists** with respect to whether the local government action conforms to the provisions of Chapter 3 of the Coastal Act for the reasons set forth below.

C. SUBSTANTIAL ISSUE ANALYSIS

As stated in Section IV of this report, the grounds for an appeal of a CDP issued by the local government prior to certification of its LCP are the Chapter 3 policies of the Coastal Act. Any local government CDP issued prior to certification of its LCP may be appealed to the Commission. The Commission shall hear an appeal unless it determines that no substantial issue exists as to conformity with Chapter 3 policies of the Coastal Act.

The grounds for this appeal focus primarily on the proposed project's consistency with sections 30210, 30211 and 30253 of the Coastal Act because the City failed to require or conduct a sea level rise analysis despite the fact that the project is located on beach front lots that will likely be subject to the effects of sea level rise. Additionally, the subterranean parking structure can act as a sea wall if wave scour and beach erosion reach the structure, which could alter natural landforms and impede and degrade public access seaward of the site.

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 30235 of the Coastal Act states:

Revetments, breakwaters, groins, harbor channels, seawalls, cliff retaining walls, and other such construction that alters natural shoreline processes shall be permitted when required to serve coastal-dependent uses or to protect existing structures or public beaches in danger from erosion, and when designed to eliminate or mitigate adverse impacts on local shoreline sand supply. Existing marine structures causing water stagnation contributing to pollution problems and fishkills should be phased out or upgraded where feasible.

Section 30253(a) & (b) of the Coastal Act states:

New development shall do all of the following:

(a) Minimize risk to life and property in areas of high geologic, flood, and fire hazard.

(b) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site of surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs.

Sections 30210 and 30211 of the Coastal Act require the safeguarding of public access to the sandy beach and shoreline when new development is proposed. Section 30235 of the Coastal Act provides that shoreline protective devices that alter natural shoreline processes shall be permitted if: (1) the device is required to serve coastal-dependent uses or to protect existing structures or public beaches provided that these areas/structures are in danger from erosion and (2) the device is designed to eliminate or mitigate adverse impacts on local shoreline sand supply. In addition, Coastal Act Section 30253 mandates that new development shall minimize risks to life and property in areas of high geologic, flood, and fire hazard and shall not require the construction of

protective devices that would substantially alter natural landforms along bluffs or cliffs. In addition, Section 30251 requires that development protect views along the ocean and minimize the alteration of natural land forms. Together, these policies require new beachfront development to minimize impacts to beach or intertidal areas and to be sized, sited and designed to minimize risks from hazards without the need for shoreline protective devices that alter natural landforms.

The appellant contends that, given the location of the project, the City should have reviewed or conducted a coastal hazards study that includes a sea level rise analysis, consistent with the Commission's sea level rise guidance. In this case, the City failed to analyze how sea level rise will affect the proposed development, specifically with regard to flooding, wave action and scour, erosion, and public access. In fact, the City's findings for section 30253 of the Coastal Act are void of any mention of flooding or erosion, thereby overlooking potential sea level rise impacts at and near the site ([Exhibit 2](#)). Thus, the City failed to demonstrate that the proposed project would be sited and designed in a manner that would minimize risks to life and property in a hazardous area, and protect public access to the coast and marine resources (beach sand), as required by the above sections of the Coastal Act.

Additionally, the appellant contends that if the area of the beach where the seaward portion of the structure is located becomes inundated due to sea level rise, then the approved structure may require the construction of a new shoreline protective device to protect it. In addition, it is also possible that even if no new seawall is constructed, the substantial foundation and construction of the subterranean basement portion of the structure, which would likely extend below the expected scour level of the beach, could also effectively act as a seawall. This would raise potential issues with the hazards and shoreline development policies of the Coastal Act (including sections 30235 and 30253), which provide that new development should be designed and located in manner to ensure geologic and engineering stability independent of the need for shoreline protection and that shoreline protective devices that will have coastal resource impacts should generally not be approved except to protect preexisting development. If the area of the site where the structure is located is subject to inundation, then the structure could also potentially impede public access along the changing shoreline, which raises a substantial issue regarding conformity with the above provisions of the Coastal Act, as well as section 30235, 30253, and 30211.

After the appeal was filed, the applicant commissioned a coastal hazards study (*Coastal Hazard and Wave Runup Study for 305-309 Ocean Front Walk, Venice, City of Los Angeles, California*, GeoSoils Inc, October 9, 2017) ([Exhibit 5](#)) which did include a sea level rise analysis. The study was transmitted to Commission staff on October 10, 2017 (hard copy received via U.S. Postal Service on October 13, 2017), subsequent to the City's action approving the project and after the appeal was filed. The sea level rise analysis assumes local sea level rise between 1.8 – 4.3 feet. The study concluded that over the next 75 years, sea level rise will not significantly impact the project site, including wave attack, wave run-up, wave overtopping, tsunamis, groundwater intrusion, erosion, or flooding.

After reviewing the Coastal Hazards Study submitted by the applicant, Commission staff conducted a simple sea level rise analysis using the CoSMoS tool, which was developed by the United States Geologic Service (USGS) "in order to allow more detailed predictions of coastal flooding due to both future sea level rise and storms." The CoSMoS tool shows potential flooding reaching the site given a 2.5-foot rise in sea level with a 20-year storm scenario and a 1.6-foot rise in sea level with a 100-year storm scenario.

As the sea level rise input increases, the CoSMoS tool shows a significant increase in potential flooding and waves reaching the site and beyond with the given storm scenarios ([Exhibit 6](#)). Given the discrepancy in the applicant's coastal hazards study and the information obtained using the CoSMoS tool, further analysis is needed to determine the project's consistency with the public access, coastal hazards, and shoreline protective devices sections of the Coastal Act. However, regardless of the findings in the applicant's coastal hazards study, the City failed to make complete or adequate findings that the project is consistent with Sections 30211 and 30253 of the Coastal Act. For the reasons described above, the appeal raises a substantial issue as to conformity with the Chapter 3 policies of the Coastal Act.

Although the Coastal Hazards Study submitted by the applicant to the Commission after the City's action to approve the subject coastal development permit is not part of the City's record of approval for this project; it is important to note that substantial questions are raised regarding whether the subject site will be subject to wave action relative to sea level rise and whether the new development will be designed to ensure geologic and engineering stability for the approved development's expected life. The applicant's Coastal Hazards Study concludes that the site will not be "significantly" impacted by wave uprush or flooding, which is clearly inconsistent with other accepted models that evaluate sea level rise for the subject area, including the USGS CoSMoS tool, which shows that the site is subject to potential wave action and flooding over the expected life of the structure.

The Commission's standard of review for determining whether to hear the appeal is only whether the appeal raises a substantial issue as to conformity with Chapter 3 of the Coastal Act. Cal. Pub. Res. Code § 30625(b)(1); 14 C.C.R. § 13321. The Commission's decision will be guided by the factors listed in the previous section of this report (B. Factors to be Considered in Substantial Issue Analysis).

The first factor is the degree of factual and legal support for the local government's decision that the development is consistent or inconsistent with the relevant provisions of the Coastal Act. The project is located in an area that will likely be subject to sea level rise and the associated impacts. The City's findings for approval did not include an analysis of how sea level rise will affect the project site or surrounding area over the expected life of the proposed development. As such, the City's findings that the project will be sited and designed in a manner consistent with the public access, coastal hazards, and shoreline protective devices policies of sections 30235 and 30253 of the Coastal Act are inadequate. Therefore, the Commission finds that the City did not provide an adequate degree of factual and legal support for its decision.

The second factor is the extent and scope of the development as approved or denied by the local government. The City-approved development will allow a new, large structure on a beachfront area that could be subject to flooding and wave action associated with sea level rise, which will have adverse impacts to public access to the shoreline and sandy beach and on marine resources due to erosion. Therefore, the Commission finds that the extent and scope of the City-approved development is not consistent with the Chapter 3 policies of the Coastal Act.

The third factor is the significance of the coastal resources affected by the decision. Public access and sand supply are significant coastal resources. As approved by the City, the development does not consider sea level rise and the associated impacts of that to public access and beach sand

supply. Therefore, the Commission finds that the City-approved development is likely to affect significant coastal resources.

The fourth factor is the precedential value of the local government's decision for future interpretations of its LCP. The City does not currently have a certified LCP but it does have a certified LUP. The LUP was certified by the Commission in November 2000 and does not address sea level rise. However, as an emerging and evolving issue, and as outlined in the Commission's recent guidance on sea level rise, local jurisdictions must consider the effects that sea level rise may have on new development. In this case, the City failed to mention or analyze how the proposed project will be impacted by sea level rise. If the City continues to ignore the effects that sea level rise may have on new development, it would allow significant new development to be constructed in hazardous locations in the City. This, in turn, would make it more difficult for the City to craft an LCP that adequately addresses sea level rise and protects life and property in areas subject to coastal hazards. Therefore, the Commission finds that the City-approved development will prejudice the City's ability to certify an LCP.

The final factor is whether the appeal raises local issues, or those of regional or statewide significance. Impacts to coastal resources, including public access and sand supply, are important statewide issues. The City's action is not consistent with the public access, or hazards policies of the Coastal Act. Although the subject development may only affect public access and sand supply in the immediate area, it is not consistent with the standards set forth in the Chapter 3 policies of the Coastal Act and would set a bad statewide precedent in terms of following Chapter 3 policies, as interpreted in the Commission's sea level rise guidance. Therefore, the Commission finds that the City's action does raise issues of statewide significance.

In conclusion, the City failed to analyze how the development and the surrounding area would be impacted by sea level rise with respect to marine resources and public access and failed to require mitigation for any such impacts. For the reasons described above, the appeal raises a substantial issue as to conformity with the Chapter 3 policies of the Coastal Act.