

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE
725 FRONT STREET, SUITE 300
SANTA CRUZ, CA 95060
PHONE: (831) 427-4863
FAX: (831) 427-4877
WEB: WWW.COASTAL.CA.GOV



W21c

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Staff: Daniel Robinson - SC
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STAFF REPORT: CDP HEARING

Application Number: 3-15-2114

Applicant: San Simeon Community Services District

Project Location: Bluff, beach, and riparian area fronting the San Simeon Wastewater Treatment Plant (WWTP) at 9245 Balboa Avenue in the unincorporated San Simeon Acres area of North San Luis Obispo County immediately adjacent to Arroyo del Padre Juan Creek (013-031-028 and 013-031-041).

Project Description: After-the-fact recognition and retention of: 1) a riprap revetment fronting the WWTP (completed in 1983); 2) replacement of a portion of the ocean outfall pipeline (completed in 1984) and emergency and other repairs to the outfall (completed between 2010-2013); 3) improvements to a pipe support structure across Arroyo del Padre Juan Creek, including placement of riprap at abutments (completed in 1995); 4) full replacement of the pipe support structure (completed in 1999); and 5) miscellaneous upgrades and related development over many years.

Staff Recommendation: Approval with Conditions

SUMMARY OF STAFF RECOMMENDATION

The San Simeon Community Services District owns and operates the San Simeon Wastewater Treatment Plant (WWTP) located in the community of San Simeon Acres, which is located north of Cambria and south of Hearst Castle in northern San Luis Obispo County. The WWTP is located adjacent to and just south of the mouth of Arroyo Del Padre Juan Creek, and just inland of the public beach at this location. The WWTP is sited at an approximate elevation of 13-15 feet

above mean sea level on a low-lying property that slopes toward the creek, partly facing the Pacific Ocean to the west and partly facing the creek channel to the north. In 1983, and due to severe winter storms, the District placed over 650 cubic yards of rock riprap to form an approximately 200-foot-long by 12-foot-high by 15-foot-deep revetment along the bluffs fronting both the beach and the creek to protect the WWTP. Soon after, in 1984, and again as a result of winter storms, the District replaced a 600-foot-long portion of the original 840-foot-long by eight-inch-diameter outfall pipe that extends from the WWTP site into the Pacific Ocean. More recently, the outfall line failed, prompting emergency repairs in 2010 and further repairs and maintenance to the outfall in the following years.¹ In addition, as a result of winter storms in 1995, the District repaired its pipe support structure (containing associated sewer and water pipelines) that crosses over Arroyo del Padre Juan Creek just inland of the WWTP site. As part of this action, the District removed riparian vegetation, graded the streambank, and placed up to 450 cubic yards of additional riprap² along both sides of the creek near the support structure's abutments. In 1999, the District fully replaced the pipe support structure with a new pipe support structure. And finally, the District undertook a series of upgrades to and expansions of key WWTP components over the years (e.g., pumps, tanks, buildings, etc.). All of the development activities identified above were undertaken without the benefit of a coastal development permit (CDP) and thus constitute violations of the Coastal Act and the LCP. Some of the above development (e.g., near the pipe support structure and internal to the plant itself) is located within San Luis Obispo County's CDP jurisdiction, and the remainder is located in the Commission's retained CDP jurisdiction. This application is thus being heard as a consolidated after-the-fact (ATF) CDP application, with the Coastal Act as the standard of review. Approval of this application pursuant to the staff recommendation, issuance of the CDP, and the Applicant's subsequent compliance with all terms and conditions of it will result in resolution of the above-described violations.

Commission staff and the District have engaged in ongoing conversations and mutual efforts to resolve the violations at this site for some time, beginning in 2001 when staff was first made aware of the unpermitted placement of riprap at this location. Ultimately, following an enforcement investigation (that identified even more unpermitted development as identified above), the District submitted an ATF CDP application, which was then scheduled for hearing in 2009, but the District withdrew the application at that time in order to further discuss staff's recommended conditions, including the requirement to remove the revetment and to construct a low-profile vertical seawall. Additional conversations followed the District's withdrawal, including staff providing the Applicant with a list of application materials that would need to be updated prior to any submittal of a new application. Ultimately, following additional violation noticing, the Applicant applied for the current project, which is seeking recognition and retention of the work previously done on the site without benefit of a CDP. This staff report and hearing

¹ A 100-foot section of the outfall pipe was replaced, following emergency repairs in 2010. Charlie Grace, San Simeon CSD District Manager, indicated to Commission staff that the project consisted of six joints of eight-inch-diameter pipe covering approximately 100 feet that was shielded with HDPE. As part of this project, the diffusers at the ocean end of the pipe were removed to flush sand out of the line and then re-installed with new bolts.

² The District's plans for the project identify differing amounts and the District does not know whether the amount placed was 260 or 450 cubic yards or some quantity in between, and visual inspection has proven inconclusive on this point.

are the culmination of those efforts.

The main Coastal Act concern is that the WWTP is located in a very low-lying area that is barely above beach level (let alone ocean level), and is also located just above and adjacent to Arroyo Del Padre Juan Creek. This area is subject to significant coastal hazards related to ocean and creek flooding, which will be exacerbated as sea level rises. As such, there are significant questions about whether the aging WWTP (which at this point does not constitute an “existing structure” under the Coastal Act due to its significant history of redevelopment and changes to most of its internal structural components over the years) can be allowed to remain at this location over the longer term as it addresses both the need for further upgrades and ongoing upkeep, consistent with the Coastal Act. The Commission’s adopted 2015 Sea Level Rise Guidance provides a statewide framework for analyzing coastal development in an era of climate change, which will result in more frequent, more severe, and more unpredictable coastal weather events. One of the key findings of the Guidance is the need to ensure that critical infrastructure is located out of harm’s way as a means of providing continued function and viability of such essential services in a manner that does not lead to significant adverse coastal resource impacts (e.g., on shoreline resources when armoring and other hazard responses are considered), and to ensure that public dollars are invested wisely in an era of sea level rise. In contrast, the District’s WWTP represents critical public infrastructure that is located in an area heavily at risk to coastal flooding and other related hazards (especially due to its adjacency to both a coastal stream and the open ocean), all of which are exacerbated by sea level rise, and in some ways it is representative of the coastal hazards and sea-level rise challenges facing critical infrastructure located along the dynamic shoreline area. This is an issue that is not confined to this project but rather one that is being played out throughout coastal California, given that such infrastructure was historically placed in low-lying areas near the coast in many cases and such facilities are being forced to address coastal hazard realities head-on as decisions are being made about major remodels, redevelopments, upgrades, expansions/augmentations and replacement of critical public facilities, as well as the need for protections from coastal hazards.³

These coastal hazard concerns are borne out by the fact that the District installed the aforementioned revetment in 1983 to protect the WWTP. Such armoring, if allowable under the Coastal Act, must mitigate impacts to coastal resources to a less-than-significant level. However, while the facility’s walls and foundation pre-date CDP requirements, almost all of the structural and functional components (pumps, tanks, buildings, etc.) of the WWTP, essentially the structures that constitute a WWTP, have been upgraded and/or replaced since permitting requirements were applicable.⁴ Based on the Applicant’s consultant’s life expectancy analysis (see **Exhibit 15**) and other analysis undertaken, staff does not consider the WWTP to be a pre-Coastal Act existing structure; rather the WWTP *was* a pre-Coastal Act existing structure that

³ And the Commission has played an active role in several such projects, including related to wastewater treatment facilities (see, for example, the Commission’s temporary CDP (3-16-0233) for South San Luis Obispo County CSD’s WWTP in May 2017 that identified a long-term path forward for moving the WWTP out of the way of coastal hazard risks, and the Commission’s denial of a WWTP in Morro Bay in January 2013, instead directing the City to pursue WWTP facilities inland (which is underway now)).

⁴ See Table 1 of Phoenix Civil Engineering, Inc.’s Estimated WWTP Life Expectancy Analysis. The only two components that have NOT been replaced are the Parshall Flume Meter and the Lab Building. All other components have been upgraded or replaced since CDPs were first required at this site.

has since been substantially redeveloped over time. As a result, the WWTP does not qualify for shoreline armoring under Coastal Act Section 30235 tests, and for this and other reasons (e.g., due to coastal resource impacts from the armoring), the Coastal Act directs denial of this component of the project.

At the same time, Coastal Act Section 30253 requires new development (which the redeveloped WWTP qualifies as in this ATF application) to minimize risks to life and property in areas of high flood hazard and to assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs. In this case, Commission staff, including the Commission's Senior Coastal Engineer, Dr. Lesley Ewing, and its Sea Level Rise Team, have evaluated the relevant materials, engaged with the District's consultants, and concluded that the WWTP was in danger from erosion at the time of the placement of riprap in 1983 and continues to be in danger today. In 1983, as now, the erosion danger was/is primarily due to flooding associated with storm and wave attack and inundation, but also due to scour and flooding from the adjacent Arroyo del Padre Juan Creek, and the combination of ocean and creek effects. Thus, the WWTP represents critical public infrastructure that is currently at risk, requiring an evaluation of options to address that risk in order to achieve consistency with Section 30253 and other Coastal Act policies.

Even if the revetment met Section 30235 and 30253 tests, the proposed (and existing) revetment is currently not providing protection to protect against a 10- to 20-year storm event (including storm waves, erosion, flooding, etc.) because during a storm of that magnitude there is a potential for some 2.4 feet of overtopping of the revetment and the plant itself (according to the District's consultant's analyses). Thus, the proposed revetment does not even provide the level of protection typically required for critical coastal public infrastructure such as this facility, particularly for larger storms (e.g., suitable to protect against a 100-year storm event and provide for 100 years of safety and stability), including as the effects of such storms may be exacerbated by expected sea level rise.

In addition, and again if the revetment met Section 30235 and 30253 tests, the Coastal Act requires that such a project eliminate or mitigate impacts to local shoreline sand supply, and that it avoid and/or mitigate (if unavoidable) other coastal resource impacts (related to public access, views, etc.). In this case, the current revetment does not avoid and limit coastal resource impacts and it has not mitigated for its unavoidable impacts to coastal resources over its lifetime. Specifically, the revetment footprint results in a direct loss of usable public beach area (with portions of the riprap also occupying a previously dedicated public access area⁵), and the revetment has not been sited and designed to minimize visual impacts. Moreover, the project fails to mitigate for long-term sand supply loss and related beach recreational access impacts (such as those due to fixing the back beach on an eroding shoreline) at this popular beach area. Therefore, the revetment also cannot be found consistent with Section 30253 or other Coastal Act resource protection requirements, which also warrants denial.

⁵ Required by the Commission on March 9, 1979, pursuant to CDP 199-09 that allowed for the construction of a 100,000 gallon flow balancing tank at the WWTP.

In addition, portions of the revetment and the riprap placed at the pipe support structure abutments occupy resource areas that are ESHA associated with Arroyo del Padre Juan Creek. These ESHA areas were graded over and covered with rock without CDPs. and are also part of the ATF application here. Section 30240 only allows resource-dependent use and development in ESHA, and riprap and revetments do not constitute such an allowable use in ESHA. As a result, Section 30240 directs denial of these elements of the proposed project independently as well.

Thus, the Coastal Act directs denial of the revetment as well as the other riprap in the Creek area. However, the WWTP represents important public infrastructure that if removed, damaged, or otherwise is impacted by erosion and other coastal hazards, could result in sewage effluent discharges which would negatively impact water quality, wildlife, and human health and safety. For this reason, Sections 30230, 30231, and 30240 separately compel approval of both the ATF components that allow the WWTP to operate, as well the revetment/riprap that protects the WWTP. Thus, Coastal Act policies related to coastal hazards (in particular Section 30253) and coastal resource protection (and particularly related to Section 30240 requirements for ESHA) direct denial of the revetment, but at the same time denial would conflict with other Coastal Act policies for which an operational WWTP are key (i.e., Sections 30230, 30231, and 30240). In these scenarios where the Commission identifies a conflict between policies of the Coastal Act, the Commission is empowered to resolve the conflict in a manner which is on balance the most protective of significant coastal resources (pursuant to Section 30007.5 and 30200).

One alternative to resolving the policy conflict in this case (coastal hazards and ESHA policies on the one hand, and marine resource, water quality, and ESHA/biological resource policies on the other hand) is to encourage/facilitate the District to relocate the entire facility to a more inland and safer location, and to remove the existing revetment and related development for which the Coastal Act directs denial, and that is resulting in ongoing coastal resource impacts. The District has submitted an analysis of alternative locations within San Simeon Acres suitable for such relocation. However, immediate relocation is made difficult by the fact that while it is possible to physically relocate and reconstruct a new WWTP in a different location, implementation would require time to purchase property, to develop relocation plans, to construct a new WWTP, to decommission the existing WWTP and restore the site for public benefit, and to address related issues (e.g., if a San Luis Obispo County Local Coastal Program (LCP) amendment would be necessary to allow a WWTP on an inland property). All of this also necessarily requires a significant expenditure of public funds. In addition, the District has not undertaken analysis of other alternatives to the current situation, such as replacing the existing WWTP with a smaller package plant (or a series of smaller package plants) in a different location (and perhaps in conjunction with State Parks installing its own package plant or developing an alternative means of sewage disposal related to Hearst Castle operations), or potentially directing effluent to Cambria's WWTP, thus avoiding the need for a full-scale WWTP in San Simeon Acres altogether. Regardless, any relocation alternative would be a significant undertaking, and thus staff has concluded that a wholesale relocation or other similar such alternative does not appear to be a feasible alternative in the short-term to reconcile the conflict between the coastal hazards and ESHA policies with the marine resource, water quality, and ESHA/biological resource policies.

Absent relocation or another similar alternative that moves wastewater treatment functions away from the identified coastal hazards, the most appropriate protection would be a low-profile

vertical seawall that could protect the endangered WWTP while minimizing encroachment onto the beach. Removal of the revetment (in conjunction with construction of such a vertical wall) would also open up public beach space that is currently covered by this revetment. However, in this case staff is recommending that the revetment stay in place in the short term, and that the existing revetment be slightly augmented at its top nearest the WWTP in the interim while the District develops plans to relocate the WWTP and its functions in the near future. Staff believes that such an approval helps to apply scarce District resources towards longer-term relocation efforts (to better address *long-term* consistency with coastal resource policies than a replacement seawall would achieve), while still providing for crucial WWTP water quality functions in the interim (thus ensuring short term consistency with marine resources and water quality protection), and making minor revetment modifications to slightly increase protections (and in a way that no additional beach is covered).

Thus, staff is recommending a limited 20-year temporary authorization to both address short-term water quality, biological resource, and flood-proofing issues, but also to require a thorough evaluation of long-term wastewater service options (including those listed above) to ensure minimized risk in conformance with Coastal Act Section 30253. During the life of the 20-year authorization, the District would be required to submit a Coastal Hazards Response Plan within three years to expand on prior work done by the District to study alternative site locations, as well as alternative options to reconstruction as discussed above, and feasibility issues and costs related to same. To ensure that the District makes adequate progress towards meeting the terms and conditions of this approval, including with respect to the aforementioned plans and analyses, the Executive Director is tasked with verifying that significant and diligent progress has been made on meeting the terms and conditions of this approval, with a formal evaluation after every 5 years (three times in total). If the Executive Director is satisfied with the progress made towards such compliance at these intervals, then the authorization will continue. If the Executive Director is not satisfied with the progress, then the matter will be brought to the Commission for consideration and potential action, which may include, but not be limited to, changes to the CDP authorization duration.

In any case, recognition and retention of the revetment for 20 more years, however, requires compensatory mitigation for the impacts to sand supply and public recreational access, natural landforms, and public views due to the presence of the revetment in past years and into the future (i.e., for the 35 years the revetment has been in place, and for the 20 additional years of placement authorized by this CDP). In terms of sand supply and shoreline/beach use loss, staff has used the Commission's typical methodology to quantify the degree of impact of the revetment, and has worked with the District on a compensatory mitigation package, including a public access bridge across Arroyo del Padre Juan Creek to fill a gap in the California Coastal Trail. These mitigation improvements appropriately offset project access impacts over the temporary approval horizon.

Mitigation is also required for past and future impacts to coastal resources within Arroyo del Padre Juan Creek itself. Rock riprap placed within and along both banks of the creek in 1995 has resulted in direct impacts to stream and riparian ESHA. Such has been the case for the 23 years since the identified rock riprap was placed around the pipe support structure's abutments, and these impacts will continue for the 20 years associated with this temporary approval (for a total of 43 years of impacts). Even though the riprap has settled and been overgrown by a mix of

native and non-native vegetation, as indicated above riprap is not an allowed use in ESHA and thus approval of the rock riprap in this location in the long-term would also warrant denial. However, Staff believes this riprap is still serving its purpose to help protect the pipe support structure from erosion, and removal of the riprap at this time could lead to potential damage to that structure, including the potential for service disruption and/or sewage leaks. Staff, including Commission Ecologist Dr. Laurie Koteen, additionally believes that removal of this riprap at this time could create additional significant adverse impacts to stream and riparian habitat, and thus denial of this rock riprap would result in short-term inconsistencies with marine resource, water quality, and ESHA policies, specifically Coastal Act Sections, 30230, 30231, and 30240. Such impacts would likely be acceptable (but mitigated for) in the context of a full removal and relocation option (as ultimately removal, as mitigated, would ensure consistency with marine resource, water quality, and ESHA policies in the long-term), as is expected to be the case in the future after the 20-year term of this temporary authorization, but is not an acceptable impact justifying immediate removal of the riprap in the creek area now (since full mitigation of impacts to marine resources, water quality, and ESHA would not be feasible considering the risk of related impacts to those resources associated with immediate removal of the revetment). Thus, in this case and at this time, to mitigate present marine resource and ESHA impacts associated with continued placement of the rock riprap under the temporary 20-year approval, staff is recommending that the District carry out a limited but focused restoration aimed at removing pockets of *Myoporum*, iceplant and other non-native and invasive vegetation in the general vicinity of the pipe support structure (i.e., within and adjacent to the creek), where such a focused approach can achieve short-term restoration objectives, and addresses what is the most impactful of the non-natives in the creek area in the short-term, short of requiring removal of the revetment at this time on the basis of impacts to biological resources and ESHA.

Finally, in terms of the ATF outfall work, the District replaced a 600-foot-long section of original outfall pipeline in 1984 and undertook emergency and follow-up repairs to a portion of the pipeline beginning in 2010. Currently, the outfall is located partly on top of or under soft substrate, such as sand, which generally does not result in significant adverse impacts due to the relative abundance of similar offshore habitat that typically lacks sensitive species. However, available baseline habitat mapping and survey data that have been collected as part of Marine Protected Area monitoring efforts, as well as aerial photography from Google Earth and oblique imagery from the California Coastal Records Project, indicate that the seaward one-third of the outfall very likely passes through an area of rocky outcrops/reefs and kelp beds.⁶ As such, there is a strong possibility that at the time the 600-foot-long replacement portion was installed (1984), it was placed within and through an area of sensitive marine habitat and therefore resulted in some level of adverse impacts to that habitat.⁷ To resolve this portion of the violation, the District would be required to provide mitigation for the impacts that it has caused and will continue to cause at its current location, until relocation of the WWTP warrants the outfall obsolete or following expiration of the 20-year limited authorization. In several past projects, the

⁶ While more recent information (including the District's 2016 and 2017 diver survey reports from Marine Diving Solutions) indicate that the majority of the replaced outfall portion is partially or fully buried, this may be the result of recent trends in sand movement and does not appear to be a consistent pattern.

⁷ Those impacts likely persisted until burial occurred and would likely occur again when the line and reef are exposed in the future.

Commission has found that the removal of derelict fishing gear and other marine debris has provided important enhancements to the marine environment that adequately mitigate for impacts to hard substrate.⁸ Thus, this project is conditioned to require such mitigation. In addition, more recent emergency repairs to the outfall indicate that as recently as 2010, the outfall had failed and apparently released treated sewage onto the beach and surf zone. While tests were performed to assess the integrity of the outfall, the tests were not capable of detecting smaller leaks or areas of the line that are in imminent threat of failing. In addition, the outfall is located within two different Marine Protected Areas (the Cambria State Marine Conservation Area and the Monterey Bay National Marine Sanctuary) requiring special protection under the Coastal Act. Thus, staff is recommending an integrity assessment of the outfall to be completed by the District to ensure that the outfall is not leaking or in danger of failure close to shore. If the assessment shows the line is leaking, that the outfall's diffusers are not functioning as designed, or that portions of the line are at risk of failing, the approval is conditioned to require the District to submit a complete permit amendment application within 30 days to address the compromised condition of the line.

In short, to address Coastal Act policy conflicts in a manner that is most protective of coastal resources, staff recommends that the Commission approve the project on a temporary basis in a manner designed to allow the District reasonable time to secure funding, plan for, and carry out an ultimate alternative that would relocate and redevelop its wastewater treatment functions to an inland location safe from coastal hazards and where such a facility will have fewer coastal resource impacts overall. Such approval recognizes the need for the WWTP in the current location in the short term, while also providing a path forward to relocation and other alternatives that are appropriate for such critical public infrastructure in light of coastal hazards and sea-level rise in the longer term.

In other words, on the basis of conflict resolution, a 20-year limited authorization for the revetment and a requirement to remove the revetment after 20 years (and plan for relocation of the WWTP during the interim since it will not have the benefit of shoreline protection after expiration of the 20-year limited authorization) resolves the conflict between Chapter 3 policies which warrant denial presently of the proposed ATF revetment (specifically, coastal hazards and ESHA policies) with Chapter 3 policies which warrant approval presently of the proposed ATF revetment and riprap (specifically, marine resource, water quality, and ESHA policies). This is so because the 20-year limited authorization for the revetment and riprap ensures immediate and short-term protection for marine resources, water quality, and ESHA which would be threatened if the revetment and riprap were removed now, but after 20 years ensures minimization of coastal hazards and ESHA impacts in the long-term by providing the District adequate time to plan for relocation of the WWTP in a location more consistent with coastal resource policies overall. This approval recommendation resolves the conflict between Coastal Act policies in a manner which on balance is the most protective of significant coastal resources by balancing both short-term and long-term coastal resource protection. As conditioned, the project can be found consistent with the Coastal Act, and staff recommends approval of the CDP. The motion is found on page 10 below.

⁸ See, for example, E-08-021, E-11-017, and 9-16-0160.

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APPENDICES

- Appendix A: Substantive File Documents
- Appendix B: Staff Contact with Agencies and Groups

EXHIBITS

- Exhibit 1: Project Location Maps
- Exhibit 2: Historical Site Photos, from 1972 to 2013
- Exhibit 3: Project Site Photos
- Exhibit 4: Project Plans Showing After-the-Fact Revetment and Outfall Development
- Exhibit 5: San Luis Obispo County LCP Flood Hazard Map for San Simeon Acres
- Exhibit 6: Deed Restriction for Lateral Access as Required by CDP 199-09
- Exhibit 7: San Simeon Public Access Dedications Map
- Exhibit 8: Applicant’s Habitat Map
- Exhibit 9: Applicant’s Potential Revegetation Areas Map
- Exhibit 10: Aerial Imagery Showing Outfall Location
- Exhibit 11: Applicant’s Conceptual Public Access Bridge Designs
- Exhibit 12: Adjacent Landowner’s Support for Bridge
- Exhibit 13: Adjacent Landowner’s Authorization for Retention of Riprap (9231 Balboa Avenue)
- Exhibit 14: Applicant’s Alternative Site Map (within San Simeon Acres only)
- Exhibit 15: WWTP Life Expectancy Analysis and WWTP Component Upgrade Dates
- Exhibit 16: Draft Memorandum of Agreement for Outfall Substrate Mitigation

CORRESPONDENCE

EX PARTE COMMUNICATIONS

I. MOTION AND RESOLUTION

Staff recommends that the Commission, after public hearing, **approve** a coastal development permit for the proposed development. To implement this recommendation, staff recommends a **YES** vote on the following motion. Passage of this motion will result in approval of the CDP as conditioned and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

***Motion:** I move that the Commission **approve** Coastal Development Permit Number 3-15-2114 pursuant to the staff recommendation, and I recommend a **yes** vote.*

***Resolution to Approve CDP:** The Commission hereby approves Coastal Development Permit Number 3-15-2114 and adopts the findings set forth below on grounds that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.*

II. STANDARD CONDITIONS

This permit is granted subject to the following standard conditions:

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

III. SPECIAL CONDITIONS

This permit is granted subject to the following special conditions:

1. Approved Project.

- a. **ATF Development.** This CDP authorizes after-the-fact development consisting of: 1) the placement of an approximately 666-cubic-yard riprap revetment on the beach and fronting the bluffs immediately adjacent to the San Simeon Community Services District's (SSCSD) wastewater treatment plant (WWTP) in 1983 (as described and shown on the plan sheet titled *Site Map* dated June 2016 and dated received in the Commission's Central Coast District Office on December 23, 2015); 2) the placement of an up to 450-cubic-yard riprap revetment along both sides of Arroyo del Padre Juan Creek and improvements to a pipe support structure crossing the creek, both in 1995 (as shown on a plan sheet from John Wallace & Associates dated received in the Commission's Central Coast District Office on December 23, 2015); 3) replacement of the entire pipe support structure with a new structure in 1999; 4) replacement of 600 feet of outfall pipe in 1984 and repairs and replacement of a 100-foot section of outfall pipe between 2010 and 2013; and 5) miscellaneous upgrades and related development over many years (as described in **Exhibit 4**).
- b. **New Development.** This CDP also authorizes riprap restacking, native habitat restoration, and construction of a free-span pedestrian access bridge as described in more detail in **Special Condition 4** below.
- c. **Maintenance.** This CDP also authorizes maintenance of the revetment, the native habitat restoration, and a pedestrian access bridge and associated development (see also **Special Conditions 4 and 5**).
- d. **Other Minor Measures.** This CDP also authorizes limited additional measures necessary to address coastal hazards (including as exacerbated by sea level rise) in order ensure the continuous operation of the WWTP to protect water quality and public health, upon determination by the Executive Director that the limited additional measures fall within the scope of authorized development pursuant to this CDP and do not require a CDP amendment. Any such measures shall be the minimum necessary to abate the identified problem.
- e. **Interim Authorization.** By acceptance of this CDP, the Permittee acknowledges and agrees that this approval is an interim authorization (i.e., for 20 years as specified in **Special Condition 2**) for the Approved Project as specified in subsections (a) through (d) above, to allow for the continued operation and function of the SSCSD WWTP over this timeframe to protect against erosion and potential water quality and public health impacts, while simultaneously allowing the Permittee time to plan and consider inland alternatives for future wastewater treatment functions, such as WWTP relocation away from existing and future coastal hazards at this low-lying shoreline location. The public access bridge is not subject to the 20-year authorization timeframe, and is instead authorized and required permanently.

- 2. Duration of Authorization.** The Approved Project identified in **Special Condition 1** is authorized for 20 years from the date of approval (i.e., through February 7, 2038, the expiration date of this CDP), other than the public access bridge that is authorized and required permanently. By acceptance of this CDP, the Permittee acknowledges and agrees that such development authorized pursuant to this CDP is only permitted for the next 20 years to provide the Permittee a reasonable period of time to plan, develop, consider, and implement a project designed to relocate WWTP functions to an inland site (or sites if functions are broken up into one or more facility locations) that minimizes coastal hazard threats (see also **Special Condition 3**).

The Permittee also acknowledges and agrees that it shall remove the Approved Project in its entirety, restore the affected bluff and creek areas to their pre-development condition or better, and repurpose the WWTP property for public access and/or recreational opportunities (e.g., a coastal park or similar) within one year of removal of the Approved Project, or expiration of this CDP, whichever comes first. Prior to initiating removal of the WWTP and resultant restoration and/or repurposing activities, the Permittee shall submit a plan for same to the Coastal Commission for its review and approval.

The expiration date of this CDP may only be altered by the Commission, and only if the Permittee submits a complete CDP amendment request (i.e., including all necessary information identified by Commission staff as required for filing purposes) to the Commission prior to the expiration date of this CDP (i.e., before February 7, 2038). Any CDP amendment request that includes retention of the approved development and WWTP in its current location may not be accepted for filing nor approved without a showing of significant and diligent action taken in furtherance of the requirements of the approved Coastal Hazards Response Plan (see **Special Condition 3**), and may not just rely on an expectation of long-term operation of the WWTP at the present location.

In late 2022, early 2027, and early 2032 (and in no event later than February 7, 2023, February 7, 2028, and February 7, 2033, respectively) the Permittee shall request a determination from the Executive Director about whether significant and diligent progress has been made on meeting the terms and conditions of this CDP. At that time, the Permittee shall submit to the Executive Director documentation specified in the CDP that the Permittee or the Executive Director deems necessary or appropriate to evaluate and demonstrate compliance in this regard. If the Executive Director is satisfied with the progress made towards such compliance at this ten-year check-in, then the Executive Director shall notify the Permittee of this determination, and the authorization will continue. If the Executive Director reasonably concludes that the Permittee is not making significant and diligent progress with respect to the terms and conditions of this CDP, then the Executive Director shall notify the Permittee of this determination, and the matter will be brought to the Commission for consideration and potential action, which may include but not be limited to changes to the CDP authorization duration.

- 3. Coastal Hazards Response Plan.** WITHIN THREE YEARS OF THE DATE OF THE APPROVAL OF THIS CDP (i.e., no later than February 7, 2021), the Permittee shall submit two copies of a Coastal Hazards Response Plan to the Executive Director for review and approval. The Response Plan shall be developed in coordination with the County, the

Regional Water Quality Control Board, and any other relevant agencies with authority over the development of a new or relocated WWTP and/or associated wastewater functions. The Response Plan shall build upon the work completed to date as described in the document titled *Alternatives Analysis for Relocation of the San Simeon Community Services District Wastewater Treatment Plant* (dated April 18, 2008 and dated received in the Commission's Central Coast District Office on December 23, 2015) and the document titled *San Simeon Community Services District Estimated WWTP Life Expectancy Analysis* (dated August 18, 2016 and dated received in the Commission's Central Coast District Office on August 29, 2016). The Response Plan shall provide a clear long-term plan for providing necessary SSCSD wastewater treatment functions at an inland location or locations that are not subject to the significant coastal hazards threatening the existing WWTP.

The Response Plan shall, at a minimum, identify a preferred inland site or sites for SSCSD wastewater treatment functions, including evaluating alternative wastewater treatment options in-lieu of building a new inland WWTP (including the construction of an inland package plant or plants, the possibility of combining services with other nearby existing WWTPs, and similar alternatives), and shall provide details regarding the mechanisms, costs, and timing for potential relocation and for full restoration of the existing WWTP site. Expected costs to purchase land for a relocated plant, to decommission the existing plant and to restore and repurpose the site, to upgrade any relocated wastewater treatment functions to include water recycling (including addressing the potential for joint satellite facilities and/or collaborations with nearby communities and wastewater service providers for water recycling) must be included. The Response Plan shall provide a detailed evaluation of whether the use of the WWTP outfall can be eliminated and the outfall removed as part of moving wastewater functions to a more inland location. Any costs associated with new and/or upgraded outfall pipelines, pumps, and/or lift stations deemed necessary (including rerouting of sewer pipes to a relocated plant, etc.) shall also be included. The Response Plan shall include a timeline of potential major relocation events, including expected timeframes for land acquisition, planning, permitting, design, construction and eventual operation of a relocated plant or alternative wastewater treatment solutions that avoid the significant coastal hazards that threaten the existing WWTP. Extension to the three-year deadline for submittal of the Coastal Hazards Response Plan may be granted by the Executive Director for good cause.

4. **Mitigation Plan.** PRIOR TO ISSUANCE OF THIS CDP (and in no case later than one year from approval of this CDP (i.e., no later than February 7, 2019), the Permittee shall submit two copies of a Mitigation Plan to the Executive Director for review and approval. The Mitigation Plan shall clearly provide for the following:
 - a. **Additional Riprap.** The placement of additional riprap along the exposed fill areas located between the top of the existing riprap revetment and the existing WWTP perimeter wall to an elevation of approximately 22.5 to 23.0 feet, as shown on **Exhibit 4**. The Plan shall provide for this additional riprap to be installed prior to the beginning of the next winter storm season (i.e., by the end of 2018 or sooner) and shall describe all aspects of the riprap construction methodology (e.g., rock to be used (which may include rock that has migrated seaward from the existing revetment); minor changes to the existing revetment if required to account for the placement of the additional rock;

machinery to be used; construction staging areas; time and duration of construction; construction access (e.g., from the area of the WWTP itself or from the beach); etc.).

- b. Non-Native Plant Removal and Restoration.** 1) The removal of all invasive ice plant and *Myoporum* and other non-native species in the portions of Arroyo del Padre Juan Creek that are in the vicinity of the buried riprap (i.e., in the creek, along the creek bank, and in the creek floodplain, as roughly shown in yellow and green in **Exhibit 9**); and 2) restoration of this area through the planting of appropriate native vegetation designed to increase the biological productivity and native species richness of the creek environment. The Permittee shall provide plans and photos of the project area for where the removal and restoration shall occur, and a timeline for when this work shall occur. Other requisite plan elements include a description of the methods of non-native plant removal and restoration planting, identification of an appropriate reference site and sampling scheme for derivation of the restoration plant palette, as well as a description of the source of plant materials to be used in the restoration, and a list of specific, measurable performance criteria to be achieved. Regular monitoring and provisions for remedial action to occur over the continued life of the Approved Project (such as replanting as necessary based on a failure to achieve performance criteria) shall be identified to ensure restoration success, as well as a timeline for reporting monitoring findings to the Executive Director. The Plan shall provide for this restoration being completed according to the provisions of the approved Mitigation Plan within two years of the approval of this CDP (i.e., by February 7, 2020).
- c. Public Access Pedestrian/Bicycle Bridge.** A free-span bridge shall be installed to provide continuous 24-hour pedestrian and bicycle access from the end of Balboa Avenue to the existing public access trail near the end of San Simeon Avenue. The bridge shall be a minimum of 10 feet wide, shall utilize a consistent and uniform design that seamlessly integrates into and blends with the surrounding environment as much as possible, and shall integrate all necessary utility crossings below the bridge deck. The bridge shall be sited and designed to be safe from erosion and flood threat for a 100-year storm. No bridge abutments or support piles shall be located within the creek or on the creek banks. All railings shall be minimized and only provided when necessary to protect public safety, and shall be sited and designed in a manner that does not negatively obstruct public coastal views. The Plan shall provide for construction of the bridge and installation all related signage according to the provisions of the approved Mitigation Plan within five years of approval of this CDP (i.e. by February 7, 2023). The Plan shall also provide for the following:

 - 1. Signage.** Public access informational and directional signage shall be installed at appropriate locations in relation to the bridge. The signs shall be designed so as to provide clear information without impacting public views and site character. At a minimum, at least one public access sign shall be located at either end of the bridge and near the ends of San Simeon and Balboa Avenues. Sign details showing the location, materials, design, and text of all public access signs shall be provided. Signs shall include the California Coastal Trail and California Coastal Commission emblems and recognition of the Coastal Commission's role in providing public access at this location.

2. **Repair and Maintenance.** The bridge and all related signs and improvements shall be repaired and maintained in their approved state to provide continued function and public utility in perpetuity. The Plan shall clearly provide for this requirement, including a schedule for ongoing inspection, and provisions for repair and maintenance as needed, subject to Executive Director approval.
3. **License Agreement or Easement.** The Permittee shall provide written evidence that one of the following options has been implemented prior to issuance of the CDP:

Option 1: License Agreement. The Permittee shall provide written evidence that the Permittee and Cavalier Acres, Inc. (i.e., the owner of the property where the pedestrian/bicycle bridge will at least be partially constructed) have entered into an agreement with the Executive Director in the form of an irrevocable license that provides for the construction, maintenance, and general public access and use of the pedestrian/bicycle bridge over Arroyo del Juan Padre Creek and the installation of associated public access signage (as described in **Special Conditions 4(c), 4(c)(1) and 4(c)(2)**) pursuant to the terms and conditions of this CDP. The license agreement shall provide that the public has a right of access to and across the bridge from the end of San Simeon Drive on the upcoast side of the creek, and from the end of Balboa Avenue on the downcoast side of the creek. The license agreement shall include an acknowledgement that the Permittee shall repair and maintain the approved bridge and all related signs and improvements in their approved state to provide continued function and public utility in perpetuity (as described in **Special Condition 4(c)(2)**). The license agreement shall be drafted to run with the land, binding any successor owner of the Cavalier Acres, Inc. property; must include a provision requiring Cavalier Acres, Inc. to disclose the existence of the agreement to any prospective successor; must be acceptable to the Executive Director in form and content; must provide the Commission a right to enforce the license agreement; and must have the Permittee's and Cavalier Acres, Inc. representative's signatures notarized.

Option 2: Easement. The Permittee shall provide written evidence that Cavalier Acres, Inc. has executed and recorded a document in a form and content acceptable to the Executive Director, dedicating to the San Simeon Community Services District a public access easement for public access and recreational uses in perpetuity. The easement shall be at least ten feet wide (and at least wide enough to accommodate all of the required bridge and related access features) and shall extend from the end of San Simeon Drive on the upcoast side of the creek to the end of Balboa Avenue on the downcoast side of the creek, including the area of the pedestrian/bicycle bridge over Arroyo del Juan Padre Creek and related public access signage (as described in **Special Conditions 4(c), 4(c)(1) and 4(c)(2)**). The purpose of the easement shall be to provide general public access across the bridge and between the two street ends. No development, as defined in Section 30106 of the Coastal Act, shall occur within the easement area except for a public access trail, bridge, sign and related development, and habitat restoration in accordance with Special Condition 4b. The recorded document shall include a legal description and corresponding graphic depiction of the legal parcels within which the easement is located, and a metes and bounds legal description and a corresponding graphic depiction, drawn to scale, of the

perimeter of the easement area prepared by a licensed surveyor based on an on-site inspection of the easement area. The easement shall be recorded free of prior liens and any other encumbrances that the Executive Director determines may affect the interest being conveyed. The document shall provide that the easement shall not be used or construed to allow anyone to interfere with any rights of public access acquired through use which may exist on the property. The easement shall run with the land in favor of the People of the State of California, binding successors and assigns of the Permittee and Cavalier Acres, Inc. in perpetuity.

The Permittee shall undertake development in accordance with this condition and the approved Mitigation Plan. All requirements above and all requirements of the approved Mitigation Plan shall be enforceable components of this CDP. Minor adjustments to the above requirements, as well as to the Executive Director-approved Plan, which do not require a CDP amendment or new CDP (as determined by the Executive Director) may be allowed by the Executive Director if such adjustments: (1) are deemed reasonable and necessary; and (2) do not adversely impact coastal resources.

- 5. Riprap Revetment, Monitoring, Repair and Maintenance.** The Permittee shall ensure that the condition and performance of the approved riprap revetment fronting the WWTP is regularly monitored, including that the revetment and all related components, including the pipe support structure and abutments, must be regularly monitored by a licensed civil engineer with experience in coastal structures and processes. Such monitoring evaluation shall at a minimum address whether any significant weathering or damage has occurred that would adversely impact future performance, and identify any structural damage requiring repair to maintain the approved as-built project in its approved and/or required state for the duration of the authorization. A monitoring report prepared by a licensed civil engineer with experience in coastal structures and processes, and covering the above-described evaluations, shall be submitted to the Executive Director for review and approval every five years from the date of approval (i.e., by February 7, 2023, February 7, 2028, and February 7, 2033, respectively; and additional five-year terms should the expiration date of this CDP be extended by the Commission). The monitoring report shall provide for evaluation of the condition and performance of the revetment, and shall recommend any necessary maintenance, repair, changes or modifications.

This CDP authorizes revetment repair and maintenance as described in this special condition. The Permittee acknowledges and agrees to: (a) maintain the approved revetment and all related development, including the pipe support structure and abutments, in a structurally sound manner and in their approved states; (b) retrieve and restack any portion of the permitted revetment or related improvements that might otherwise substantially impair beach access and recreation; and (c) annually or more often inspect the revetment and related development for signs of failure and/or displaced riprap. Any such maintenance-oriented development associated with the approved riprap revetment and related development shall be subject to the following:

- a. Repair and Maintenance.** “Repair” and “Maintenance,” as it is understood in this special condition, means development that would otherwise require a CDP whose purpose is to repair and/or maintain the overall permitted riprap revetment, and related

development, in its approved configuration, including retrieval of any riprap that may be displaced from the approved configuration.

- b. **Other Agency Approvals.** The Permittee acknowledges that this repair and maintenance condition does not obviate the need to obtain authorizations from other agencies for any future maintenance and/or repair episodes.
- c. **Repair and Maintenance Notification.** At least 30 days prior to commencing any repair and/or maintenance event, the Permittee shall notify, in writing, planning staff of the Coastal Commission's Central Coast District Office. The notification shall include: a detailed description of the repair and/or maintenance event proposed; any plans, engineering and/or geology reports describing the event; a construction plan that complies with all aspects of the approved construction plan (see **Special Condition 8**); identification of a construction coordinator and his/her contact information (i.e., email, phone numbers, etc.) as described below (see **Special Condition 8(e)**); other agency authorizations; and any other supporting documentation (as necessary) describing the repair and/or maintenance event. The repair and/or maintenance event shall not commence until and unless the Permittee has been informed by planning staff of the Coastal Commission's Central Coast District Office that the repair and/or maintenance event complies with this CDP. If the Permittee has not been given a verbal response or sent a written response within 30 days of the notification being received in the Central Coast District Office, the repair and/or maintenance event shall be authorized as if planning staff affirmatively indicated that the event complies with this CDP. The notification shall clearly indicate that the repair and/or maintenance event is proposed pursuant to this CDP, and that the lack of a response to the notification within 30 days constitutes approval of it as specified in the CDP. Absence of such description in the notification shall negate the automatic approval provisions of this condition.
- d. **Emergency.** In the event of an emergency requiring immediate maintenance, the notification of such an emergency episode shall be made as soon as possible, and shall (in addition to the foregoing information) clearly describe the nature of the emergency. Nothing in this condition shall serve to waive any Permittee rights that may exist in cases of emergency pursuant to Coastal Act Section 30611, Coastal Act Section 30624, and Subchapter 4 of Chapter 5 of Title 14, Division 5.5, of the California Code of Regulations (Permits for Approval of Emergency Work).
- e. **Non-compliance Proviso.** If the Permittee is not in compliance with any of the conditions of this CDP, or is in violation of the permitting requirements of the Coastal Act otherwise related to the WWTP site, at the time that a repair and/or maintenance event is proposed, then the repair and/or maintenance event that might otherwise be allowed by the terms of this future repair and maintenance condition may not be allowed by this condition, subject to determination by the Executive Director. Any proposed repair and/or maintenance event that planning staff of the Coastal Commission's Central Coast District Office does not determine to be in compliance with this CDP shall require a CDP amendment or a new CDP.

- f. Duration and Scope of Covered Revetment Repair and Maintenance.** Future revetment repair and maintenance under this CDP is allowed subject to the above terms throughout the duration of the authorization (see **Special Condition 2**). The Permittee shall maintain the approved revetment and other related development in their approved state during the period of authorization.
- 6. Ocean Outfall Substrate Mitigation Fee.** WITHIN SIX MONTHS OF THE DATE OF THE APPROVAL OF THIS CDP (i.e., no later than August, 7, 2018), the Permittee shall compensate for ocean substrate habitat impacts through payment of \$3,141.43 to the Regents of the University of California on behalf of the UC Davis Wildlife Health Center. The Mitigation Fee shall be used by the SeaDoc Society, a marine ecosystem health program of the UC Davis Wildlife Health Center, to remove lost fishing gear offshore of the central coast of California as part of its “California Lost Fishing Gear Recovery Project” in accordance with the terms and conditions of a Memorandum of Agreement (Agreement) (see draft of Agreement in **Exhibit 16**) between the California Coastal Commission and the Regents of the University of California on behalf of the Wildlife Health Center. If the Executive Director determines that the UC Davis Wildlife Health Center is not carrying out the ocean substrate impact mitigation project in accordance with the terms and conditions of the Agreement, the Executive Director shall require transfer of any Mitigation Fee funds remaining at the time of such determination to an alternative entity to implement an alternative ocean substrate mitigation project acceptable to the Executive Director.
- 7. Outfall Integrity Assessment Plan.** WITHIN SIX MONTHS OF THE DATE OF THE APPROVAL OF THIS CDP (i.e., no later than August 7, 2018), the Permittee shall submit two copies of an Outfall Integrity Assessment Plan to the Executive Director for review and written approval. The Assessment Plan shall include a procedure for undertaking a complete inspection of the existing outfall line from the WWTP connection point to the line termination point in the ocean to assess whether the outfall is leaking or is in danger of failure. The Permittee shall undertake the outfall line assessment consistent with the approved Assessment Plan. If the assessment shows that the outfall line is leaking, or that the diffusers are not functioning as designed, or that portions of the outfall are at risk of failing, the Permittee shall submit a complete CDP amendment request within 30 days to address the compromised condition of the outfall line.
- 8. Construction Plan.** PRIOR TO ANY CONSTRUCTION ASSOCIATED WITH THE APPROVED MITIGATION PLAN DESCRIBED IN SPECIAL CONDITION 4(c) ABOVE, the Permittee shall submit two copies of a Construction Plan to the Executive Director for review and approval. The Construction Plan shall, at a minimum, include the following:
- a. Construction Areas.** The Construction Plan shall identify the specific location of all construction areas, all staging areas, and all construction access corridors in site plan view. All such areas within which construction activities and/or staging are to take place shall be minimized to the fullest extent feasible in order to have the least impact on public access, beach and creek habitat, and ocean resources, including by using inland areas for staging and storing construction equipment and materials as feasible.
- b. Construction Methods.** The Construction Plan shall specify the construction methods to

be used, including all methods to be used to keep the construction areas separated from public recreational use and habitat areas (including using unobtrusive fencing or equivalent measures to delineate construction areas), and including verification that equipment operation and equipment and material storage will not significantly degrade public views during construction to the maximum extent feasible.

- c. **Construction BMPs.** The Construction Plan shall identify the type and location of all erosion control/water quality best management practices that will be implemented during construction to protect coastal water quality, including at a minimum the following: (1) silt fences, straw wattles, or equivalent apparatus, shall be installed at the perimeter of the construction site to prevent construction-related runoff and/or sediment from discharging to the ocean; (2) equipment washing, refueling, and/or servicing shall take place at least 50 feet from the bluff edge, and all construction equipment shall be inspected and maintained at an off-site location to prevent leaks and spills of hazardous materials at the project site; (3) the construction site shall maintain good construction housekeeping controls and procedures (e.g., clean up all leaks, drips, and other spills immediately; keep materials covered and out of the rain, including covering exposed piles of soil and wastes; dispose of all wastes properly, place trash receptacles on site for that purpose, and cover open trash receptacles during wet weather; remove all construction debris from the site); and (4) all erosion and sediment controls shall be in place prior to the commencement of construction as well as at the end of each work day.
 - d. **Construction Site Documents.** The Construction Plan shall provide that copies of the signed CDP and the approved Construction Plan be maintained in a conspicuous location at the construction job site at all times, and that such copies are available for public review on request. All persons involved with the construction shall be briefed on the content and meaning of the CDP and the approved Construction Plan, and the public review requirements applicable to them, prior to commencement of construction.
 - e. **Construction Coordinator.** The Construction Plan shall provide that a construction coordinator be designated to be contacted during construction should questions arise regarding the construction (in case of both regular inquiries and emergencies), and that the construction coordinator's contact information (i.e., address, phone numbers, email, etc.) including, at a minimum, a telephone number and email that will be made available 24 hours a day for the duration of construction, is conspicuously posted at the job site where such contact information is readily visible from public viewing areas (while minimizing public view impacts), along with indication that the construction coordinator should be contacted in the case of questions regarding the construction (in case of both regular inquiries and emergencies). The construction coordinator shall record the name and contact information (i.e., address, email, phone number, etc.) and nature of all complaints received regarding the construction, and shall investigate complaints and take remedial action, if necessary, within 24 hours of receipt of the complaint or inquiry.
9. **Assumption of Risk, Waiver of Liability, and Indemnity Agreement.** By acceptance of this CDP, the Permittee acknowledges and agrees on behalf of itself and all successors and assigns:

- a. **Coastal Hazards.** That the site is subject to extreme coastal hazards including but not limited to episodic and long-term shoreline retreat and coastal erosion, high seas, ocean waves, storms, tsunami, coastal flooding, landslides, bluff and geologic instability, and the interaction of same;
 - b. **Assume Risks.** To assume the risks to the Permittee and the property that is the subject of this CDP of injury and damage from such hazards in connection with this permitted development;
 - c. **30235 Waiver.** To waive any rights that the Permittee may have under Coastal Act Section 30235, the San Luis Obispo County LCP, or other applicable laws, to shoreline armoring beyond what is recognized in this CDP to protect the existing WWTP and development authorized by this CDP for the limited duration of 20 years;
 - d. **Waive Liability.** To unconditionally waive any claim of damage or liability against the Commission, its officers, agents, and employees for injury or damage from such hazards;
 - e. **Indemnification.** To indemnify and hold harmless the Coastal Commission, its officers, agents, and employees with respect to the Commission's approval of the project against any and all liability, claims, demands, damages, costs (including costs and fees incurred in defense of such claims), expenses, and amounts paid in settlement arising from any injury or damage due to such hazards; and,
 - f. **Property Owner Responsible.** That any adverse effects to property caused by the Approved Project shall be fully the responsibility of the property owner.
- 10. Future Development.** Any and all future proposed development at and/or directly related to the WWTP site and/or this CDP shall be processed through a CDP amendment by the Coastal Commission subject to the Coastal Act.
- 11. Liability for Costs and Attorneys' Fees.** The Permittee shall reimburse the Coastal Commission in full for all Coastal Commission costs and attorneys' fees (including but not limited to such costs/fees that are: (1) charged by the Office of the Attorney General; and/or (2) required by a court) that the Coastal Commission incurs in connection with the defense of any action brought by a party other than the Permittee against the Coastal Commission and/or its officers, employees, agents, successors and assigns challenging the approval or issuance of this CDP, the interpretation and/or enforcement of the CDP conditions, or any other matter related to this CDP. The Permittee shall reimburse the Coastal Commission within 60 days of being informed by the Executive Director of the amount of such costs/fees. The Coastal Commission retains complete authority to conduct and direct the defense of any such action against the Coastal Commission and/or its officers, employees, agents, successors and assigns.

IV. FINDINGS AND DECLARATIONS

A. PROJECT LOCATION, BACKGROUND, AND DESCRIPTION

Project Location and Background

The San Simeon Community Services District's (District's) wastewater treatment plant (WWTP) is located on the seaward side of Balboa Avenue in San Simeon Acres in northern San Luis Obispo County (see **Exhibit 1**). The WWTP was originally constructed beginning in 1961. Aerial photographs from 1972 to 2013 provide a historical visual perspective of the WWTP's location in relation to the beach, the bluff, and adjacent Arroyo del Padre Juan Creek (see **Exhibit 2**). Because of its low-lying location adjacent to the beach and adjacent to a creek, the site is located wholly within the LCP's Flood Hazard (FH) combining designation (see **Exhibit 5** for a map of the FH zone specific to the San Simeon Acres area).

Arroyo del Padre Juan Creek drains to the beach and, as a result, the WWTP is located on a cornered bluff/bank (with part of the bluff facing the ocean (westerly) and part running perpendicular to the shoreline facing the channel of Arroyo del Padre Juan (northerly)). The WWTP sits atop this bluff at an approximate elevation of 13-15 mean sea level. According to the submitted project materials, the western portion of the WWTP site is underlain by fill, while the eastern portion of the WWTP is underlain by natural terrace deposits. It is believed that the fill originated from excavated terrace deposits, including from excavation to form the WWTP's holding ponds.

Today, the bluff at this location, both the northern section that faces the creek and the western section that faces the ocean, is almost entirely fronted by an existing riprap revetment that sits on a sand and gravel base. The District installed these materials (i.e., the riprap, sand, and gravel) in 1983 without a CDP.⁹ Dense vegetation consisting of non-native invasive species, such as *Myoporum* and iceplant, covers the top of the riprap area nearest the WWTP (see **Exhibit 3** for project site photos). The riprap rises to the top of an existing approximately vertical containment/retaining wall that extends around the WWTP and which was built as part of the initial WWTP construction in the early 1960s. An approximately six-foot-tall chain link fence is affixed to the top of this vertical wall.

The District originally placed riprap along the bluff in 1969 (prior to passage of the Coastal Act). This riprap had scattered or washed away some time after passage of the Coastal Act, leaving the WWTP unprotected from erosion and wave run-up. In January 1981, the District requested direction from Commission staff regarding the process for obtaining a CDP to install new riprap protection. In January 1982, Commission staff informed the District via letter that the District would need to submit a CDP application that included a geology report. The District submitted a geology report to Commission staff in July 1982, but did not submit a CDP application at that time. The severe storms during the winter of 1982-83, which resulted in inundation of the WWTP, apparently interrupted the District's CDP application process. In response to these storms, the District placed a sand and gravel base adjacent to and on the seaward/creekward side

⁹ The riprap revetment and the sand and gravel base that were installed without a CDP are referred to in this report as "existing," where existing is understood to mean physically in place but not legally authorized by a CDP.

of the aforementioned vertical containment wall, and then placed riprap on top of this base to form a revetment without first obtaining a CDP or an emergency CDP. This riprap revetment stretches roughly 200 linear feet around the northern and westerly faces of the bluff and creek, and extends approximately 50 feet downcoast of the District's property boundary onto adjacent property. The revetment also extends up the bluff face (on both the creek and ocean sides of the WWTP) toward the top of the bluff. The Applicant's geologist indicates that when placed in 1983, the revetment was approximately 12 feet high with a depth of approximately 15 feet. The footprint of this riprap revetment is estimated to be 2,277 square feet, and consists of approximately 666 cubic yards of material, including the sand and gravel base material. In 1984, the District also replaced a 600-foot-long portion of the original outfall pipeline damaged by similar winter storms,¹⁰ and undertook repairs and replaced a smaller section (100 feet) beginning in 2010 after a portion of the outfall line failed.¹¹

In 1995, again following winter storms, the District placed between 260 and 450 cubic yards of additional riprap¹² along both banks of Arroyo del Padre Juan Creek on an adjacent property without obtaining a required CDP.¹³ Placement of this riprap included the removal of riparian vegetation and some grading of the creek bank. The District placed this riprap to protect the WWTP's elevated pipe support structure's abutments (which support the structure that contains sewer and water pipelines) against damaging winter storm flows. Today this riprap has settled into the soft floodplain ground of the creek and has been mostly covered over time by sediment and vegetation. In 1999, the District fully replaced the pipe support structure, again without the

¹⁰ According to the District via the 1964 WWTP plan sheets provided, the original outfall associated with the WWTP was eight inches in diameter and 840 feet long. The District's Waste Discharge Requirements Order No. R3-2013-0021 (National Pollutant Discharge Elimination System (NPDES) Permit No. CA0047961 (which expires February 1, 2019) identifies that "wastewater is discharged via an 800-foot ocean outfall."

¹¹ An emergency permit was issued by San Luis Obispo County for repairs and maintenance to the outfall on May 10, 2010 (ZON2009-00650). Following emergency repairs, the District applied for a regular follow-up CDP from the County to permanently fix the outfall that was previously repaired. In a letter dated June 9, 2011, the County informed the District that both the emergency work and the follow-up repairs to be undertaken by the District were minor and exempt, pursuant to Coastal Zone Land Use Ordinance (CZLUO) Section 23.03.040(d)(1). However, the work was subject to the Coastal Act and the Commission's CDP jurisdiction, not the County's, and the work involved development that is not exempt from CDP requirements. Because the work cannot be exempted under the law, it requires an ATF CDP. Upon discovery of the work that was done, the Commission has consistently informed the District of these CDP requirements.

¹² The District does not know how much material was actually placed, and visual inspection has proven inconclusive on this point. The file includes two conflicting plan sheets showing the placement of riprap in the creek, where one identifies 450 cubic yards (dated in an accompanying document on 8/28/95 by John Wallace & Associates), and another identifies the same geographic area (dated 8/30/95 by Craig Campbell) but which is associated with the District's 1995 application to the County for a construction permit for repairs needed, "to protect our facilities damaged in Federal Disaster #1044," which includes a request to install 260 cubic yards of riprap.

¹³ The County provided the District an exemption from CDP requirements for this work, as well as a Construction Permit (96390). However, such development is not exempt from CDP requirements under the Coastal Act and the LCP. Because the County at that time deemed this a repair and replacement project that did not require a CDP, the District believed it had secured all CDP authorizations it needed for this portion of the project. Nonetheless, because the work cannot be exempted under the law, it requires an ATF CDP. Upon discovery of it, the Commission has consistently informed the District that such development is not exempt from CDP requirements and requires an ATF CDP.

benefit of a CDP.¹⁴ Again, see **Exhibit 1** for location maps and **Exhibit 3** for photos of the site and surrounding area.

The Commission has approved two CDPs at this site (CDPs 199-09 in 1979 and 4-85-180 in 1985). The Commission's 1979 approval of CDP 199-09 allowed for the construction of a 100,000-gallon flow balancing tank at the WWTP. This CDP included special conditions that required: 1) recordation of a deed restriction allowing public use of the beach seaward of the WWTP property from the mean high tide line to the toe of the bluff; and 2) recordation of a deed restriction waiving the Commission's liability and recognizing that the Commission's approval of the CDP does not include a commitment for approval of the construction of future protective devices.

The Commission's 1985 approval of CDP 4-85-180 allowed the District to increase the sewage treatment capacity from 150,000 gallons per day (gpd) to 200,000 gpd via the installation of additional aeration and clarifier tanks. CDP 4-85-180 included special conditions that required: 1) written evidence of Regional Water Quality Control Board approval of the increase in sewage treatment capacity; and 2) that the District accept and agree to maintain any outstanding public access dedications in the San Simeon Acres area. The District did not comply with the special condition requirement to accept and maintain all outstanding public access dedications in the area. However, since that time other public entities (i.e., San Luis Obispo County and the State Coastal Conservancy) have accepted the totality of public access dedications in the area. Some of these public access dedications are for lateral beach access and some are for vertical access. The vertical access dedications are in need of actual construction of improvements to make them usable to the public (see Public Access section below).

And finally, the District undertook a series of upgrades and expansions of key WWTP components over the years (see **Exhibit 15** for the full list of upgrades, which includes the above development that did receive a CDP) without the required CDP authorizations. For example, upgrades to the sludge tank pump and air lines, the blower building's electrical cabinets and wiring and other development, and the disinfection contact chamber's pumps and baffles in 2007, and the equalizations basin's pumps in 2013.

Project Description

The Applicant is requesting that the Commission recognize and authorize retention of the approximately 666 cubic yards of riprap revetment (and associated sand and gravel base) that wraps around the western and northern sides of the WWTP and extends to approximately 50 feet downcoast of the end of the District's property.¹⁵ In addition, the District requests that the

¹⁴ In the fall of 1997, the District met with County Planning staff to discuss a project to replace the pipe bridge across Arroyo del Padre Juan Creek. In a letter from County Planning staff to the District (dated January 25, 1998), the County indicates that the proposed project, which included no machinery or equipment in the creek corridor at any time, can be classified as repair and maintenance and thus no coastal permit or environmental review will be necessary. However, as with the 1995 repair work, the 1999 replacement cannot be exempted under the law, and thus requires an ATF CDP. Upon discovery of the work that was done, the Commission has consistently informed the District of these CDP requirements.

¹⁵ The southern end of the riprap revetment extends roughly 50 linear feet beyond the District's property line onto adjacent private property (see site plans in **Exhibit 4** and photos in **Exhibit 2 and 3**). The adjacent property

Commission recognize and authorize retention of the up to 450 cubic yards of riprap that was placed along both sides of Arroyo del Padre Juan Creek in 1995; the clearing of riparian vegetation and the grading of the creek bank that was done when this riprap was installed, and; the 1999 replacement of the original pipe support structure over the creek. In addition, the District proposes to recognize the replacement of a portion of the WWTP's outfall pipe in 1984 and emergency and other repairs to the outfall completed between 2010 and 2013. Finally, the District proposes retention of the series of WWTP improvements over the years that have not to date been coastal permitted.

Even though the "proposed" project has already been constructed, for the Commission's CDP review purposes, the revetment and other after-the-fact (ATF) development must be treated as if it is all newly proposed at this time, since it was not properly evaluated, permitted, revised, and conditioned (as applicable) in consideration of impacts to coastal resources and applicable Coastal Act requirements. Where appropriate (e.g., in determining whether the current riprap revetment is providing sufficient safety from erosion and coastal hazards today and adequate protection of the WWTP) the Applicant has provided up-to-date information about the current conditions at the site.

See **Exhibit 4** for the project's as-built project plans for the revetment, given that the proposed project is for ATF development.

B. STANDARD OF REVIEW

If a CDP for a particular development is needed from both the Commission and a local government with a certified LCP, Coastal Act Section 30601.3 allows the Commission to act on a single consolidated CDP (with the policies of Chapter 3 of the Coastal Act as the standard of review, and the certified LCP to be used as guidance), if the Commission, local government, and the applicant agree to such consolidation. In this case, the ATF development is proposed in the Commission's retained CDP jurisdiction as well as the CDP jurisdiction of San Luis Obispo County. All parties have agreed to consolidate the CDP application, and thus the standard of review for this consolidated CDP application is the policies of Chapter 3 of the Coastal Act.

C. COASTAL HAZARDS

Coastal Act Section 30235 addresses the use of shoreline protective devices for existing structures:

30235. 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 fish kills should be phased out or

owners at 9231 Balboa Avenue have given their consent for the District to apply for authorization of retention of this revetment (see **Exhibit 13**).

upgraded where feasible.

Coastal Act Section 30253 requires that new development minimize risk to life and property in areas of high flood hazard areas, ensure long-term structural integrity, and avoid landform altering protective measures along bluffs and cliffs. Section 30253 states in relevant part:

30253. *New development shall do all of the following:*

- (a) Minimize risks 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 or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs.*

Together, Coastal Act Sections 30235 and 30253 acknowledge that seawalls, revetments, retaining walls, groins, and other such structural or “hard” shoreline protection devices designed to forestall erosion often alter natural landforms and natural shoreline processes. Accordingly, Section 30235 provides for approval of such shoreline protective devices 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 shoreline processes. Furthermore, Section 30253(b) requires that new development be sited, designed, and built in a manner to not require construction of shoreline protective devices that would substantially alter natural landforms along bluffs and cliffs. The Coastal Act provides these limitations because shoreline protective devices can and often do have a variety of negative impacts on coastal resources, including adverse effects on sand supply, public access, coastal views, natural landforms, and overall shoreline beach dynamics on and off site, ultimately resulting in the loss of beaches, which are a fundamental coastal resource. To protect these core coastal resources, the Coastal Act has a series of specific criteria that must be met in order to approve a shoreline protective device. For example, shoreline protective devices compelled by Coastal Act Section 30235 must be supported by evidence conclusively demonstrating (1) there is an existing structure; (2) the existing structure is in danger from erosion; (3) a shoreline protective device is required to protect the existing endangered structure; and (4) the required shoreline protective device is designed to eliminate or mitigate its adverse impacts on shoreline sand supply. The first three questions relate to whether the proposed shoreline protective device is necessary, while the fourth question applies to mitigating at least some of its coastal resource impacts. This Section 30235 analytic framework also needs to be understood in relation to other Coastal Act requirements that address the need to avoid and/or mitigate for other potential coastal resource impacts (e.g., related to views, public access, water quality, habitat, etc.). There can often be considerable overlap, such as the ways in which shoreline sand supply issues translate into beach access issues, and this finding explores those overlaps as well.

Existing Structure to be Protected

The first Section 30235 test is whether the structure for which a shoreline protective device is proposed is “existing” or not. The Coastal Act distinguishes between development that is compelled the protection offered by a shoreline protective device and development that is not. Under Coastal Act Section 30235, existing structures (which the Commission has interpreted to mean structures existing prior to the effective date of the Coastal Act on January 1, 1977) is

potentially compelled a shoreline protective device if the remaining three criteria identified above are satisfied (and if other Coastal Act issues are resolved). In contrast, under Section 30253, new structures (i.e., all structures built on or after January 1, 1977) are to be sited, designed, and built in a manner safe from coastal hazards without creating a need for a shoreline protective device that would substantially alter natural landforms along bluffs and cliffs.

In this case, the structure for which the shoreline protective device (i.e., the riprap revetment) is being considered is the WWTP itself (including the accessory pipe support structure and pipelines). This structure was built in phases beginning in the late 50's to early 1960s, before the Coastal Act's operative January 1, 1977 date (some of which was constructed before CDP requirements associated with 1972's Proposition 20 ("The Coastal Initiative" began in February of 1973). However, it should be noted while the WWTP was originally built prior to these dates, it has also had considerable upgrades, new installation, and various component replacements performed since then,¹⁶ and thus substantial remodeling/redevelopment has been undertaken after the Coastal Act's enactment both with¹⁷ and without CDPs,¹⁸ including some of the ATF development being considered in this CDP application. Thus even though the facility's walls and foundation were constructed before the Coastal Act, it is clear that most of (over 50%) the WWTP's components have been in some form replaced or upgraded/expanded (e.g., the Blower Building, Disinfection Chamber, Digester, Clarifiers, Aeration Tanks, Outfall Pipe etc.) since enactment of the Coastal Act (again see **Exhibit 15** for a full list) which are critical to its use at all as a WWTP. Thus, on this basis, the WWTP is not an "existing structure" but represents a major remodel/redevelopment. In other words, while *a* WWTP has been functioning at this site since before the Coastal Act, the WWTP *today* has been extensively redeveloped over the years such that it does not qualify as an existing structure for purposes of Coastal Act Section 30235. As a result, the WWTP does not qualify for shoreline armoring under Coastal Act Section 30235 tests, and for this and other reasons (e.g., due to coastal hazard requirements and coastal resource impacts from the armoring), the Coastal Act directs denial of this component of the project.

Danger from Erosion

As a preliminary matter, since the WWTP does not constitute an "existing structure" under 30235, as explained above, it thus constitutes "new development" subject to 30253, which requires, among other things, new development to: minimize risks to life and property in areas of high geologic, flood, and fire hazard (subsection (a)); assure stability and structural integrity (subsection (b)); and not in any way require the construction of a protective device that would substantially alter natural landforms along bluffs and cliffs (subsection (b)).

In this case, empirical evidence from historic storm events and a number of Applicant-submitted geotechnical studies support the proposition that the WWTP is in danger from erosion,¹⁹

¹⁶ See Exhibit 15 for the Applicant's Life Expectancy Analysis, which lists these modifications.

¹⁷ CDPs 199-09 and 4-85-180, which authorized a new balancing tank and aeration/clarifier tanks, respectively.

¹⁸ See **Exhibit 15** for a list of WWTP upgrades and redevelopment undertaken with and without CDPs. The Coastal Act has no particular exemption from CDP requirements for development undertaken on and within public works facilities.

¹⁹ While the Coastal Act does not define the term "in danger," and while each case is evaluated based upon its own particular set of facts, the Commission has generally interpreted "in danger" to mean that a structure would be

primarily due to direct ocean wave attack and from stream flow/scour from Arroyo Del Padre Juan Creek. For example, Wooley²⁰ concluded as early as 1982 that some locations along the bank of the creek had eroded up to 20 feet in recent years, and that “retreat of the seacliff at the western corner is very close to exposing the containment wall of the sewage treatment plant, and requires remedial action to prevent the undercutting and possible failure of the wall.” A 1983 storm event resulted in ocean waves striking the WWTP’s boundary wall, and the Applicant constructed the revetment at that time in order to protect critical WWTP infrastructure and avoid a public health and water quality emergency, thus violating 30253(a) by not minimizing risks to life and property in an area of high geologic and flood hazard and violating 30253(b) by not assuring stability and structural integrity, but requiring the construction of a protective device that substantially altered the natural landforms along the bluffs here (e.g., the riprap occupied the sandy beach, blocked natural passive erosion of the bluff, changed its slope, and altered the natural bluff to what it is today).

In addition, a quantitative slope stability analysis was performed (Earth Systems Pacific, May 13, 2006) to help assess the degree of danger to the facility. The 2006 report concluded that “without a bluff protection structure, the WWTP could be undermined and flooded within a 10-year period.” This analysis was updated in 2016 and 2017, with the average annual erosion rate for the bluffs adjacent to the WWTP estimated at eight inches per year, with the WWTP’s clarifiers, aeration basins, chlorine contact basin, office, and equalization basin close to and only protected from bluff edge erosion threat by the rock riprap revetment. These analyses concluded that while the riprap revetment may be overtopped, the revetment is necessary to provide protection for the WWTP and its continued wastewater treatment function.

In sum, these past studies and historic events have confirmed that the WWTP was historically and is currently subject to significant coastal hazards which did not minimize risks to life and property in an area of high geologic and flood hazard (inconsistent with 30253(a)) and which led to construction of a protective device that substantially altered the natural landforms along the bluffs here (inconsistent with 30253(b)). The WWTP is located at a low-lying area just above beach level and about 13-15 feet above sea level adjacent to the mouth of a creek. The erosion danger is two-fold: erosion and flooding associated with ocean storm and wave attack and inundation, as well as from riverine scour and flooding from the adjacent Arroyo del Padre Juan Creek, and the combination of these ocean and riverine forces. Therefore, and including as determined by the Commission’s Senior Coastal Engineer, Dr. Lesley Ewing, the WWTP was in danger from erosion at the time of the placement of revetment in 1983 and continues to be today. Furthermore, since the WWTP is in danger from erosion, it does not minimize risks to life and property in an area of high geologic and flood hazards, as required by 30253(a). These dangers and risks compelled the District to construct a protective device that substantially altered the natural landforms along the bluffs here, in violation of 30253(b). In short, the WWTP is

unsafe to use or otherwise occupy within the next two or three storm season cycles (generally, the next few years) if nothing were to be done (i.e., in the no project alternative). See, for example, CDP 3-07-019 (Pleasure Point seawall); CDP 3-09-025 (Pebble Beach Company Beach Club seawall); CDP 3-09-042 (O’Neill seawall); CDP 2-10-039 (Lands End seawall); and 3-14-0488 (Iceplant LLC seawall).

²⁰ R.T. Wooley, Geologic Conditions Beach Embankment at Plant, San Simeon Community Services District, San Simeon, San Luis Obispo County, California, dated July, 23, 1982.

inconsistent with Chapter 3 coastal hazards requirements, thus warranting denial of ATF approval for the revetment.

Alternatives Analysis

Other alternatives to shoreline protective devices typically considered include: the “no project” alternative; removal and/or relocation of the threatened structures away from coastal hazards risk; sand replenishment programs; drainage and vegetation measures on the blufftop; and combinations of each. In this case, the District analyzed the feasibility associated with a range of potential alternatives, including: 1) the no project alternative (i.e., removal of the existing rock revetment); 2) retention of the existing revetment; 3) removal of the existing revetment and installation of a vertical seawall; 4) removal of the existing revetment and full relocation of the WWTP.

With respect to the no project alternative, this option was dismissed for the reasons described previously, in that the WWTP is located in a highly hazardous location where critical public infrastructure affecting public health and the environment would be in danger without some form of shoreline protection if the WWTP is not moved. In other words, the no project alternative would not ensure project consistency with the Coastal Act’s marine resource (Section 30230), water quality (Section 30231), and ESHA (Section 30240) policies. Thus, the no project alternative is not a feasible option. The next alternatives analysis evaluated different shoreline protective devices, including retaining the existing riprap revetment as well as replacing the revetment with a more vertical seawall. The analyses concluded that the existing revetment, constructed in 1983, is nearing the end of its useful life (i.e., it was constructed 35 years ago with a then identified 50-year life expectancy) and it does not offer longer-term (i.e., 50 to 100 years) protection, including as sea level rises. Specifically, the District’s analyses show that the revetment would be overtopped by 2.4 feet during just a 10-20 year storm event now.²¹ While the District maintains that such degree of overtopping would not necessarily adversely affect critical WWTP infrastructure operation, it is clear that the existing revetment in its present condition does not provide long-term protection and that a more robust shoreline protective device would be needed in the relative short term to provide even just limited storm protection, let alone longer-term storm protection (i.e., for 100-year storms and 100 years of safety and stability, as is more typically the standard for such critical infrastructure).

On this point, the alternatives analysis identified different height elevations needed for vertical walls, which would offer the type of long-term protection needed for the WWTP. The alternatives studied included increasing the existing height of the upper bluff facility retaining wall and constructing a separate vertical seawall just seaward of the facility wall, both with and without the existing revetment.

²¹ Using a maximum observed stillwater ocean level of +5.24 feet (using the NAVD88 datum where mean sea level is approximately +3 NAVD88), and the estimated wave run-up height for a 10-20 year storm at this location of +17.16 feet NAVD88. When the 17.16-foot wave run-up height is added to the stillwater elevation of 5.24 feet, the corresponding flood elevation is +22.4 feet NAVD88. The top of the current revetment structure is about +20 feet NAVD88, resulting in the 2.4-foot overtopping. Given that the finished grade of the WWTP site itself is about 5 feet lower than the top of the revetment, the potential for serious problems, including failure and sewage spills, during such an event are severe.

In terms of raising the existing facility wall height to provide needed protection, the Applicant's consultants estimate that the existing facility wall would have to be increased by 7.5 to 11 feet to prevent overtopping as a result of the 50- and 100-year sea wave run-up amounts if the riprap revetment were to remain, and by approximately 3 to 7 feet if the riprap revetment were to be removed. However, they concluded that removing the riprap would increase the potential for erosion and undermining of the upper bluff wall foundation, possibly resulting in failure of the wall. In either case, this alternative is not recommended: the existing upper bluff vertical wall was built in the 1960's and was generally built to retain fill soil and support the bluff and not designed to withstand sea wave impact. The integrity of the wall and its foundation are currently unknown and may not have the ability to withstand the impacts of wave run-up striking the wall or any increases to its height. For these reasons, the walls would likely need to be even higher to account for such overtopping elevations, and would likely need to be augmented otherwise to address engineering concerns. Considering this, raising the retaining wall of the existing facility would not ensure project consistency with the Coastal Act's marine resource (Section 30230), water quality (Section 30231), or ESHA (Section 30240) policies.

In terms of constructing a new vertical seawall just seaward of the existing facility wall, required wall elevations to prevent overtopping within the next 10, 20, 50, and 100 years are estimated by the Applicant's consultants to be at least 2.7, 3.0, 7.5, and 11.2 feet higher than the existing revetment elevation, respectively.

If the existing revetment were to be removed, required wall elevations to prevent overtopping within the next 10, 20, 50, and 100 years were estimated to be about the same as the revetment elevation for the 10 and 20 year estimates, and 2.1 feet and 6.4 feet higher for the 50 and 100 year estimates, respectively. However, the existing revetment mitigates the retreat of the bluff and provides erosion protection for the bluff. Without the revetment, the bluff retreat rate would be significant (or the revetment would not have been put there in the first place) and any wall founded on a conventional shallow footing would be very short lived. Thus, the Applicant's consultants estimate that any new vertical seawall would need to be keyed into bedrock for structural stability and would need to reach at least +26.4 feet NAVD88 in elevation (or about 10 feet taller than the elevation of the existing WWTP) to ensure overtopping protection from a 100-year storm. Constructing a new vertical seawall at this location also poses some identified problems by the Applicant. For example, access to this area of the site with conventional heavy construction equipment would be quite difficult which may prohibit its construction altogether, and short term impacts during its construction may be significant due to the necessary heavy equipment. In addition, environmental and biological impacts to the beach and creek areas are likely to be significant and would need to be minimized and mitigated. Thus, construction of a new vertical seawall would not ensure consistency with marine resources (Section 30230), water quality (Section 30231), or ESHA (Section 30240) policies. Additionally, construction of a new wall would not be cost effective.

Thus, based on the existing protection provided by the existing riprap revetment (again, only providing 10-20 year protection with as much as 2.4 feet of overtopping potential), the District's analysis concluded that should the WWTP remain in its current location immediately fronting the ocean/beach and adjacent to the mouth of Arroyo del Padre Juan Creek, some type of significant new shoreline protective device would be needed to reach levels of longer-term storm protection (i.e., for 100-year storms and 100 years of safety and stability) – which does not

ensure consistency of the WWTP with Coastal Act hazards policies (specifically Section 30253) as discussed above. In the interim, however, the analysis concludes as well that the existing riprap revetment height and/or geometry could be modified to prevent the estimated overtopping and flooding of the facility by 10 to 20-year storm events during the next 10, 20, and 50 years, respectively.²²

And finally, the alternatives analysis evaluated the feasibility associated with relocation of the WWTP to an inland location away from coastal hazards risk (see **Exhibit 14** for the Applicant's alternative locations map). In other words, while the other options evaluated the type of shoreline protective device needed to manage coastal hazards risk, this option looked at whether such risk could be completely avoided by moving the WWTP away from it. While preliminary and not an exhaustive evaluation of all potential sites and options, the analysis offered an assessment of the feasibility and issues associated with various sites and general costs. This was first undertaken in 2008 by Boyle Engineering and then more recently updated by the District in 2016 (as part of the current ATF application), with criteria including sites that were within San Simeon Acres, at least 12 acres in size, inland and away from coastal hazards risk, and LCP-designated to allow a wastewater treatment plant.²³ The analysis identified several offsite locations meeting the listed criteria but concluded that relocation would take significant time and money and thus could not be done at this time. In addition, the District's construction cost for a relocated WWTP was estimated at roughly \$17 million,²⁴ not including property acquisition, planning, and permitting. Thus, the analysis concluded that some sites were feasible for WWTP relocation in the future,²⁵ but it would take time and financial resources to do so.

As evidenced both empirically by historic storms, and as evidenced scientifically through geologic reports and District-provided analyses, the WWTP is located in a very hazardous site that is subject to significant coastal and riverine flood and erosion risks. The key question is what to do about this risk, including what options and tools to employ to ensure that critical public infrastructure that protects public health and the environment remains safe and operational in both the short and the long term. The alternatives analysis helped to clarify potential risk abatement options. Notably, as described above, the analysis found that the "no project" option

²² However, it is generally agreed, by the District, the District's consultant (Earth Systems, Inc.), and Dr. Lesley Ewing, that the overall structural integrity of the now 35-year-old revetment is unknown, since no work has been done to it since the date it was installed, and that restacking could potentially trigger a whole range of consequences, including the need for substantial restructuring or complete replacement.

²³ In addition to these criteria, the District's analysis included an evaluation of size, topography, land use and zoning, sensitive receptors, visibility, agriculture, biological resources, and cultural resources. Three of the sites were eliminated due to the potential for substantial environmental impacts (Sites A, F, and G). Of the six remaining sites, two were rejected due to the number and proximity of adjacent residences (Sites B and C). One site was rejected due to the potential for blocking public and private views of the ocean (Site I). The District opined that two remaining sites (Sites D and E) showed the most promise as alternative locations for relocation.

²⁴ For comparison, the estimated cost to fully replace all of the WWTP components at the existing site would be roughly \$7 million.

²⁵ In addition, the District did not explore in depth other potentially feasible alternatives, including the possibility of connecting with Cambria's WWTP, located to the south, or by investigating the feasibility of constructing a smaller package plant inland and out of harm's way, or a series of smaller package plants. Some of these potential options could, if feasible, negate the need for a new WWTP at all.

(i.e., removing the revetment) would place the WWTP at imminent hazards risk. The analysis also concluded that simply retaining the existing revetment will only provide limited protection (i.e., up to a 10- to 20-year storm event and, even then, with some overtopping). In order to provide enhanced safety, including over the longer term if the WWTP were to remain at this location, the WWTP would require a new, substantially larger shoreline protective device to abate coastal hazards, while implicating consistency issues of the WWTP with other Coastal Act hazards policies. Finally, while it would take time and money, the analysis concluded that relocation of the WWTP to a location safe from these coastal hazards is feasible as a long-term solution. In sum, allowing continued placement of the revetment at its current location to protect the WWTP does not ensure long-term consistency with Coastal Act hazards policies (Section 30253), but none of the evaluated alternatives are approvable either, as discussed above. Thus approval of the revetment as proposed would be inconsistent with Section 30253 of the Coastal Act.

As discussed above and below in the Marine Resources section, while the WWTP is “in danger from erosion” that necessitates some form of shoreline protective device now if left in the current location, including to avoid severe public health and environmental damage, WWTP relocation is feasible *in the relatively near future*, but not immediately as of the time of consideration of this CDP application, and such relocation would completely avoid all coastal resource impacts because it avoids the need for a shoreline protective device altogether.²⁶ That being said, as described above, the District needs time in order to plan, develop, consider and implement a relocated WWTP (including securing requisite funding to do so). Given that approval of the revetment to protect the WWTP does not ensure consistency with Coastal Act hazards policies *in the long term*, approval here is premised on protecting marine resources, water quality, and ESHA which would be significantly impacted if the revetment were removed immediately. This is accomplished through the conflict resolution provisions of the Coastal Act (i.e., Coastal Act Sections 30007.5 and 30200(b)), a procedure which allows for resolution of conflict between a policy or policies of the Coastal Act which warrant denial (here, coastal hazards policies and, as discussed below, ESHA policies) with a policy or policies which compel approval (here, protection of marine resources, water quality, and ESHA) by taking the action which, on balance, is most protective of significant coastal resources (see Conflict Resolution section below for further explanation justifying approval). So, the Coastal Act-consistent solution is essentially a two-pronged approach: require planning for WWTP relocation in the future (to ensure consistency with coastal hazards policies, including 30253) while, in the interim, retain the existing revetment to provide other necessary coastal hazards protection (including protection of marine resources, water quality, and ESHA per Sections 30230, 30231, and 30240). The combination of these two approaches (an interim and a longer-term solution) satisfies both

²⁶ In addition, the expected remaining useful life of the WWTP (not counting the outfall or riprap revetment) is estimated by the District at 22 years without significant upgrades, all of which will require significant funds. In addition, the 600-foot replacement of outfall line in 1984 has a published expected lifespan of 25 years (which has since passed), and the riprap revetment, which has had no maintenance or other work done to it since it was placed in 1983, had a then identified 50-year lifespan. Revetments such as this are well known for lasting well less than even 20 years in the coastal environment absent regular maintenance and repair. Thus, continued placement of the WWTP and critical accessory development will need significant upgrades in the near term, which all have significant fiscal as well as coastal resource components, and options now need to be understood in that context as well.

Coastal Act Section 30253 requirements and 30230, 30231, and 30240, including because it authorizes a needed shoreline protective device *now* to protect critical public infrastructure while simultaneously proactively planning for and ensuring that WWTP relocation and shoreline protective device (and attendant coastal resource impacts) avoidance is carried out in the *future*.

Thus, **Special Condition 2** authorizes the revetment on a temporary 20-year basis (subject to required mitigations as described subsequently) to allow for the continued operation and function of the WWTP, including to presently protect water quality and public health, while simultaneously allowing time to plan for WWTP relocation away from coastal hazard risks.

Special Condition 2 also recognizes that limited measures to ensure continuing function of the WWTP may be necessary in the interim in relation to the revetment or otherwise, including restacking, augmentation, and other measures to address flooding and other coastal hazards, and that these shall be the minimum necessary to abate the identified problem, shall only be allowed if they are required to ensure the continuous operation of the WWTP to protect water quality and public health, and shall be removed and the affected area restored to its pre-construction state or better upon WWTP relocation or expiration of this CDP. **Special Condition 5** requires monitoring reports that evaluate the condition and performance of the revetment, including with recommendations, if any, for necessary maintenance, repair, changes, or modifications.

Special Condition 3 requires a Coastal Hazards Response Plan to build upon the work completed to date in terms of potential WWTP relocation and/or other alternatives to provide necessary wastewater functions at more inland and safer locations. The Coastal Hazards Response Plan is intended to provide a clear plan for addressing WWTP relocation, including building upon the preliminary work already done in this regard. The analysis would include expected costs of purchasing land for a relocated plant or other facilities, as well as expected costs to: decommission the existing plant and to restore the site to its natural state and/or its highest public utility use (e.g., a coastal park); provide for water recycling (including addressing the potential for joint satellite facilities and/or collaborations with nearby communities for water recycling); and include a timeline of potential major relocation events, including expected timeframes for land acquisition, planning, permitting, design, construction and eventual operation, of a relocated plant or alternative wastewater treatment solutions that avoid the significant coastal hazards that threaten the current WWTP. The Response Plan will also include a detailed evaluation of whether the use of the WWTP outfall can be eliminated and the outfall removed as part of moving wastewater functions to a more inland location. Any costs associated with new and/or upgraded outfall pipelines, pumps, and/or lift stations deemed necessary (including rerouting of sewer pipes to a relocated plant, etc.) shall also be included. The Response Plan is due in three years, but extension to the three-year deadline for submittal of the Coastal Hazards Response Plan may be granted by the Executive Director for good cause. The intent of all this work would then be for the District to eventually submit a CDP amendment request or new CDP application to the Commission to authorize implementation of the approved Coastal Hazards Response Plan.

In terms of recognizing and assuming the hazard risks for shoreline development, the Commission's experience in evaluating proposed developments in areas subject to hazards has been that permittees continue to pursue development despite periodic episodes of heavy storm damage and other such occurrences. Development in such dynamic environments is susceptible to damage due to such long-term and episodic processes. Past occurrences statewide have

resulted in public costs (through low interest loans, grants, subsidies, direct assistance, etc.) in the millions of dollars. As a means of allowing continued development in areas subject to these hazards while avoiding placing the economic burden for damages onto the people of the State of California, applicants are regularly required to acknowledge site hazards and agree to waive any claims of liability on the part of the Commission for allowing the development to proceed. Accordingly, this approval is conditioned for the Applicant to assume all risks for developing at this location (see **Special Conditions 9 and 11**).

And finally, to ensure that the District makes adequate progress towards meeting the terms and conditions of this approval, including with respect to the aforementioned plans and analyses, the Executive Director is tasked with verifying that significant and diligent progress has been made on meeting the terms and conditions of this approval, with a formal evaluation at every five-year interval (i.e., by February 7, 2023, February 7, 2028, and February 7, 2033). If the Executive Director is satisfied with the progress made towards such compliance at these intervals, then the authorization will continue. If the Executive Director is not satisfied with the progress, then the matter will be brought to the Commission for consideration and potential action, which may include, but not be limited to, changes to the CDP authorization duration. See **Special Condition 2**.

Sand Supply Mitigation

Since Special Condition 1 authorizes the revetment, the Coastal Act requires mitigation of all impacts to shoreline sand supply from the shoreline protective device (where avoidance of impacts is not possible). Some of the effects that a shoreline structure may have on natural shoreline processes can be quantified, including: (1) the loss of the beach area on which the structure is located; (2) the long-term loss of beach that will result when the back-beach location is fixed on an eroding shoreline; and (3) the amount of material that would have been supplied to the beach if the back-beach or bluff were to erode naturally. The first two calculations affect beach and shoreline use areas, and the third is related to shoreline sand supply impacts, but all three impact public access to the beach.

With respect to the loss of beach (and shoreline area that could become beach over time) on which a structure is located, shoreline protective devices are physical structures that occupy space. When a shoreline protective device is placed on a beach area, the underlying beach area cannot be used as beach. This generally results in a loss of public recreational access and sand supply. The area located beneath a shoreline protective device, referred to as the encroachment area, is the area of the structure's footprint. In this case, the revetment protecting the WWTP covers approximately 3,000 square feet of shoreline and beach area (the revetment is approximately 200 feet long by 15 feet wide (by 12 feet tall)). Thus, this revetment has covered approximately 3,000 square feet of shoreline and beach area for approximately 35 years, and will continue to cover shoreline and beach area for the next 20 years. Thus, approximately 3,000 square feet of shoreline and beach area has been unavailable for public use for 35 years, and an approximate same amount will continue to be unavailable to the public for at least the next 20 years under this CDP.

In terms of fixing the back beach, on an eroding shoreline a beach will generally exist between the ocean and inland bluffs as long as there is space available to form such a beach. As natural bluff erosion proceeds, the profile of the beach also retreats and the beach area migrates inland

with the bluff. This process stops, however, when the backshore is fronted by a hard structure such as a revetment. Experts generally agree that where the shoreline is eroding and a shoreline protective device is installed, the device will eventually define the boundary between the sea and the upland. While the shoreline on either side of the armor continues to retreat, shoreline in front of the armor eventually stops at the armoring. This effect is also known as passive erosion or “coastal squeeze.” The beach area will narrow, being squeezed between the moving shoreline and the fixed backshore, and this represents the loss of a beach and shoreline as a direct result of the armor.

The passive erosion impacts, or the long-term loss of beach due to fixing the back beach, of a riprap revetment is equivalent to the footprint of the bluff area that would have become beach due to erosion and is equal to the long-term average annual erosion rate multiplied by the length of property that has been fixed by a shoreline protective device.²⁷ In this case, the revetment is approximately 200 feet in length,²⁸ and the estimated average annual bluff retreat for this site is between six and eight inches per year. Therefore, being conservative, the impacts from fixing the back beach will be the annual loss of beach over the span of 200 feet, or approximately 133 square feet of beach annually (0.66 feet x 200 feet). The riprap revetment has been on the site for 35 years, since 1983. The Commission is also authorizing the revetment for an additional 20 years. So the revetment will have 55 years of impact under this CDP, representing a total loss of 7,315 square feet (133 square feet of beach lost per year for 55 years) of beach/shoreline that would have been created naturally if the back beach had not been fixed by the revetment.

Thus, the revetment leads to beach and shoreline use area impacts of approximately 10,315 square feet (3,000 square feet associated with the revetment’s footprint and 7,315 square feet associated with passive erosion due to fixing the back beach) over 55 years through 2038. There is no doubt that such impacts represent a significant public recreational access impact, including a loss of the social-economic value of beach and shoreline recreational access, for which the Coastal Act requires mitigation.

The most obvious in-kind mitigation for these impacts would be to create a new 10,315-square-foot area of beach/shoreline to replace what has been and will be lost over the 55-year timeframe with an identical area of beach/shoreline in close proximity to the eliminated beach/shoreline area. While in concept this would be the most direct mitigation approach, in reality, finding an area that can be turned into a beach and ensuring it does so appropriately over time is very difficult in practice. At the same time, the calculations of affected area do provide an appropriate relative scale for evaluating alternative mitigations. Historically, the Commission has looked at several ways to value such beach and shoreline areas in order to determine appropriate in-lieu mitigation fees, including the real estate value of the land that will be taken from public use. The Commission has found that using a real estate valuation method as a basis for identifying mitigation allows for objective quantification of the value of beach and shoreline area, and is

²⁷ The Commission’s long-standing equation for calculating this impact is that the area of beach lost due to passive erosion (A_w) is equal to the long-term average annual erosion rate (R) times the number of years that the back-beach or bluff will be fixed (L) times the width of the property that will be protected (W). This can be expressed by the following equation: $A_w = R \times L \times W$. The annual loss of beach area can be expressed as $A_w' = R \times W$.

²⁸ Where this includes both westerly and northerly components, both of which are included in the calculation here inasmuch as both lead to the identified loss of beach.

related in both nature and extent to the impact. This method requires an evaluation of the cost of land that could be purchased and allowed to erode and turn into beach naturally to offset the area that will be lost due to the revetment.

Toward this end, Commission staff identified the market value of a number of blufftop properties throughout the San Simeon Acres area as a means to identify the value of such property that could be purchased and allowed to erode and create beach. Specifically, this review was conducted by looking at the sales of blufftop property in this specific area within the last five years. This value is then divided by the property square footage to arrive at a price per square foot. The evaluation included one blufftop property within the vicinity of the revetment for which sales information was available over the past four years and three properties just inland of the blufftop along Balboa Avenue. The values range from a low of \$373 per square foot for the property at 9140 Balboa Avenue to a high of \$514 per square foot for two properties at 279 and 289 Vista Del Mar. The one blufftop property in the evaluation, located adjacent to and just downcoast of the WWTP, had a value of \$498 per square foot.²⁹ The average value per square foot for these four properties is approximately \$475. This value represents a reasonable estimate of the market value of blufftop and non-blufftop property nearest the subject site based on actual sales data in the last four years. Applying this \$475 land value to the revetment's 10,315-square-foot impact would result in a fee of \$4,899,625 (10,315 square feet x \$475 per square foot) to mitigate for the riprap revetment's 55 years' worth of beach loss impacts.

The final impact calculation is with respect to the loss of sand in the larger sand supply system. Beach sand material comes to the shoreline from inland areas, carried by rivers and streams; from offshore deposits, carried by waves; and from coastal dunes and bluffs. Bluff retreat is one of several ways that sand is added to the shoreline. Bluff retreat and erosion is a natural process resulting from many different factors such as erosion by wave action causing cave formation, enlargement and eventual collapse of caves, saturation of the bluff soil from groundwater causing the bluff to slough off, and natural bluff deterioration. When the bluff is protected by a shoreline protective device, the natural exchange of material from the bluff to the beach will be interrupted and, if the shoreline is eroding, there will be a measurable loss of material to the beach.

In these cases, bluff sediment would be added to the beach at these locations, as well as to the larger littoral cell sand supply system fronting the bluffs, if natural erosion were allowed to continue. The volume of total material that would have gone into the sand supply system over the lifetime of the shoreline structure would be the volume of material between (a) the likely future bluff face location with shoreline protection; and (b) the likely future bluff face location without shoreline protection. Using the Commission's typical methodology to calculate this impact, the Commission's Senior Coastal Engineer determined that this impact is roughly equal

²⁹ Properties included one blufftop property and three properties just inland of the blufftop along Balboa Avenue over the past four years. 9140 Balboa Avenue equaled \$373 per square foot, 279 and 289 Vista Del Mar equaled \$514 per square foot. The one blufftop property at 9231 Balboa Avenue, located adjacent to and just downcoast of the WWTP, had a value of \$498 per square foot.

to 28 cubic yards of sand per year.³⁰ Over the course of the 55-year mitigation horizon, the revetment will thus result in the loss of about 1,540 cubic yards of sand (i.e., 28 cubic yards/year x 55 years = 1,540 cubic yards) that would otherwise be added to the beach/sand supply system. Based on recent estimates of costs for beach quality sand for other projects, the cost of purchasing and delivering 1,540 cubic yards of beach quality sand is currently approximately \$50 per cubic yard.³¹ Thus, an in-lieu fee to address this sand supply impact would be approximately \$77,000 (i.e., \$50/cubic yard x 1,540 cubic yards = \$77,000).

Therefore, over the 55-year mitigation timeframe, beach/shoreline and sand supply loss impacts associated with the revetment would result in a mitigation fee of \$4,976,625 (i.e., \$4,899,625 + \$77,000 = \$4,976,625).

Sand Supply Impacts Conclusion

In this case, the revetment's impacts to sand supply and public access and recreation over the 55-year timeframe total nearly \$5 million using the property valuation method. While ordinarily this payment, or a monetarily equivalent public access improvement package (i.e., new public accessways, etc.) could be used to offset project impacts, two things are important to note. The first, and as described in more detail in the Public Access section below, is that the District is willing to construct a lateral access pedestrian and bicycle bridge across Arroyo del Padre Juan Creek as a means of mitigating project impacts in lieu of paying the mitigation fee. Such a bridge would provide lateral access from the network of blufftop trails upcoast from the project, across the creek, and through to Balboa Avenue and open space downcoast at San Simeon State Park. The bridge would close a gap in the access system at this location (i.e., there is no creek crossing, and access users are forced to circumnavigate the creek either by walking along the beach or walking up to Hearst Drive, to get from one side to the other) and thus facilitate full connection of the California Coastal Trail in this area, providing substantial and lasting public access benefits. And, perhaps most importantly, and as discussed above, the revetment is authorized here for an interim 20-year period while the District undertakes efforts to relocate the WWTP outside of this hazardous location, which necessitates the revetment in the first place. Upon expiration of the approval here, the revetment will be removed, the WWTP expected to be relocated, and the site restored (and the revetment's future public access, recreation, sand supply, and other coastal resource impacts will also be eliminated as well). So, while mitigating the revetment's coastal resource impacts *could* include additional substantial public access mitigation measures now, including payment of the mitigation fee and additional access improvements commensurate with the calculated impacts, such mitigation would usurp scarce time, money, and resources the District needs in order to focus on planning for WWTP relocation out of this hazardous beachfront location, and site restoration and repurposing the WWTP property consistent with the requirements of the Coastal Act. Again, doing so will fully mitigate for all of the revetment's coastal resource impacts because it will no longer be extant. Therefore, the Commission finds that the construction of the public access bridge over Arroyo

³⁰ Sand supply loss is calculated with a formula that utilizes factors such as the fraction of beach quality material in the bluff material; the height of the armoring in relation to the bluff; and the predicted rate of retreat of the bluff during the period that the revetment would be in place, assuming no revetment were installed.

³¹ See, for example, CDPs 3-14-0569 (Custom House Embankment Repairs), A-3-STC-12-011 (4th Avenue Armoring), 2-11-009 (City of Pacifica Shoreline Protection), 2-10-039 (Land's End Seawall), etc.

del Padre Juan Creek and planning for the future relocation of the WWTP and removal of the revetment (and thus future elimination of all revetment coastal resource impacts), and restoration/repurposing the WWTP property for another use, including potential public access or open space, appropriately mitigates for the revetment's sand supply and public access impacts, consistent with the Coastal Act, in lieu of payment of the calculated mitigation fee.

Coastal Hazards Conclusion

The WWTP has historically and is currently in danger from erosion and coastal hazards. Thus the WWTP does not minimize risks to life and property in an area of high geologic and flood hazards. As a result, the WWTP necessitated a riprap revetment that substantially altered the natural landforms along the bluffs here. The WWTP and ATF approval of the revetment cannot be found consistent with the Coastal Act's hazards policies in the long-term. However, on the basis of conflict resolution (discussed below), the Commission is able to approve the proposed project on a limited-term basis to protect marine resources, water quality, and ESHA in the immediate-term and the Commission accordingly conditions the approval to mitigate the revetment's sand supply and public access impacts as discussed above.

D. MARINE RESOURCES

The Coastal Act protects the marine and freshwater resources and offshore habitat located in the vicinity of this site. Coastal Act Sections 30230 and 30231 specifically state:

***Section 30230.** Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the 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.*

***Section 30231.** The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.*

In addition, Coastal Act Section 30233(a) states:

***Section 30233(a).** The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:*

- (1) New or expanded port, energy, and coastal-dependent industrial facilities, including commercial fishing facilities.*

- (2) *Maintaining existing, or restoring previously dredged, depths in existing navigational channels, turning basins, vessel berthing and mooring areas, and boat launching ramps.*
- (3) *In open coastal waters, other than wetlands, including streams, estuaries, and lakes, new or expanded boating facilities and the placement of structural pilings for public recreational piers that provide public access and recreational opportunities.*
- (4) *Incidental public service purposes, including but not limited to, burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines.*
- (5) *Mineral extraction, including sand for restoring beaches, except in environmentally sensitive areas.*
- (6) *Restoration purposes.*
- (7) *Nature study, aquaculture, or similar resource dependent activities.*

Unpermitted Outfall Development

The proposed 600-foot outfall replacement (that was placed in 1984) and the proposed 100-foot outfall replacement (that was placed in 2010) both required “fill” as that term is defined in the Coastal Act,³² and also implicates the marine resource and water quality protection policies of the Coastal Act.

Coastal Act Section 30233 restricts the Commission from authorizing a project that requires filling open coastal waters unless it meets three tests. The first test requires the proposed activity to fit within one of seven categories of allowed uses described in Coastal Act Section 30233(a)(1)-(7). The second test requires that there be no feasible less environmentally damaging alternatives to the fill. The third test mandates that feasible mitigation measures be provided to minimize the project’s adverse environmental effects. Sections 30230 and 30231 reaffirm and support these latter two tests in terms of requiring that marine resources and biological productivity of coastal waters be protected as much as possible.

In terms of the first test under 30233, or the allowable use test, Coastal Act Section 30233(a)(4) allows fill in open coastal waters for “incidental public service purposes, including but not limited to, burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines.” The purpose of the proposed outfall pipe and pipe replacement which necessitated fill is to improve water quality and protect public health by replacing a damaged portion of existing wastewater outfall. Therefore, the Commission finds that the proposed replacement of the outfall qualifies as an allowable use pursuant to Coastal Act Section 30233(a)(4).

The second test of Coastal Act Section 30233 requires an assessment of whether there are feasible less environmentally damaging alternatives. The Applicant has provided no information on project alternatives to the proposed outfall at this time. That said, a typical range of alternatives for this type of project would likely include the no-project, relocation, and full replacement alternatives. With respect to the former, the no-project alternative (i.e., not replacing the damaged portion of outfall and not undertaking the emergency repairs and follow-up

³² Coastal Act Section 30108.2 defines “fill” as “earth or any other substance or material ... placed in a submerged area.”

development) would not solve the problem of effluent flow from the damaged outfall, thus allowing the outfall to continue to function inadequately and unsafely with associated impacts to public health and water quality in ocean waters off of San Simeon Acres (in violation of Coastal Act Sections 30230 and 30231). With respect to relocation, while this option could provide short term benefits to habitat (e.g., removing the line from its current location in an area known to contain rocky reef and kelp habitat to an area that is solely comprised of soft, sandy substrate), this option is not feasible right now, including due to the costs involved in studying the surrounding habitat and assessing the most environmentally friendly location. In addition, movement of the line to another area in the vicinity may not be allowed by NOAA and CDFW due to the fact that the new line would be placed in two established Marine Protected Areas (MPAs).

With respect to full replacement, the replacement of the entire outfall would surely provide an upgrade to the damaged outfall to a condition at least as good as it was in 1983 and prior. A new outfall would be built to the latest standards (including with the addition of modern day outfall diffusers) and could be placed in the most environmentally appropriate location (assuming connection to the WWTP where it is situated now) with the most environmentally appropriate length. However, the estimated cost for a new outfall built to the current design (800 feet by eight inches) would range between approximately \$150,000 and \$300,000, based on recent examples. Furthermore, this alternative does not address the fundamental coastal hazards associated with maintaining the WWTP at its present location in the long-term and thus diverts scarce resources to an alternative which is not fully consistent with the Coastal Act.

The above-described alternatives are either infeasible or do not resolve all project inconsistencies with the Coastal Act, especially, when no evidence suggests that the proposed replacement portion is malfunctioning. The Commission thus finds that the proposed project at this time is the least environmentally damaging feasible alternative.

The third test under Coastal Act Section 30233 requires that the project include feasible mitigation measures to minimize adverse environmental effects. Offshore of central California, hard substrate (especially high-relief substrate) and its associated biota are relatively rare, and therefore any effect to them is potentially significant. Impacts to high-relief substrate in particular are significant because: (a) rocky reefs are relatively rare along the central and southern California coast; (b) they support a diverse assemblage of epifaunal invertebrates; (c) they attract fish as a nursery ground, food source, and as shelter; and (d) epibiota residing on rocky substrates are sensitive to mechanical disturbance and increased sediment loads. Adverse impacts (e.g., crushing, scraping, and/or displacement) to hard substrate can occur during cable or pipeline installation and subsequent movement of the pipeline or cable on the seafloor due to currents and wave action. Placement of the outfall on and across rocky substrates would disrupt associated bottom communities, likely crushing and/or dislodging small, sessile or relatively sedentary invertebrates along a narrow strip.

Here there are several feasible mitigation measures that will minimize adverse impacts of the proposed ATF outfall development. These mitigation measures include requiring the District to assess and mitigate for impacts to substrate habitat incurred by the proposed project. By imposing the special conditions described in this report (see **Special Conditions 6 and 7** - see further discussion of these conditions below and in the Conflict Resolution section) as part of the

coastal development permit, the Commission finds that the third test of Coastal Act Section 30233 has been met.

The Commission therefore finds the outfall replacement project and the more recent emergency repair and maintenance project beginning in 2010 can be found consistent with Coastal Act Section 30233.

In terms of Coastal Act Sections 30230 and 30231, the outfall, and thus the development undertaken on the outfall, is located offshore of San Simeon Acres in coastal waters that are now part of two different Marine Protected Areas (MPAs), the Cambria Marine Conservation Area and the Monterey Bay National Marine Sanctuary, both of which generally do not allow new outfall pipelines to be installed within their boundaries. In this case, though, the original outfall was placed in the early 1960s well before the Coastal Act and well before the origination of the two MPAs identified above.³³ However, the replacement portions that are the subject of this ATF proposal occurred in 1984 and in 2010 subsequent to adoption of the Coastal Act (thus Sections 30230 and 30231 apply to the replacements), and subsequent to the MPA designations for the 2010 work, and the outfall's functionality is critical to preventing significant adverse water quality degradation and resultant public health and safety impacts in the coastal environment. In light of this, marine resources and water quality policies of the Coastal Act (Sections 30230 and 30231) affirmatively compel approval of the ATF portions of the outfall pipelines in order to protect water quality and public health and safety. However, at the same time placement of the outfall, including the ATF portions, in the first place results in its own impacts to marine resources and the critical question at this juncture is how to best mitigate for those impacts of the outfall replacement projects at this time, beyond its potential removal (since, as discussed above, the outfall's function in preventing significant adverse water quality degradation and resultant public health and safety impacts in the coastal environment compels approval of the ATF portions under Sections 30230 and 30231) as described in **Special Condition 3** (see discussion in Conflict Resolution section below for justification of project approval and imposition of special conditions here).

In terms of quantifying these impacts, available habitat mapping data from MPA monitoring efforts and the District's own monitoring reports (per Waste Discharge Requirements Order No. R3-2013-0021/National Pollutant Discharge Elimination System (NPDES) Permit No. CA0047961, which expires February 1, 2019) have been analyzed. According to the District's most recent monitoring inspection reports (in 2016 and 2017), the outfall is located in mostly sandy soft-bottom substrate, either laying on top of sand or buried underneath it in parts. However, these reports are very brief, were undertaken during times of high turbidity/low visibility, and only include descriptions for the 100 feet or so of the outfall line closest to the termination point. Additionally, it is not clear in what type of habitat or habitats the outfall line was initially installed back in the early 1960s, or the habitats in which the replacement portions in 1984 and in 2010 were installed (i.e., whether these went through a rocky reef or kelp habitat and more recently became buried in sand) given that no surveys of the offshore area were undertaken at those times. Thus, while the District's recent monitoring inspection reports

³³ The Monterey Bay National Marine Sanctuary was established in 1992 and the Cambria Marine Conservation Area was established in 2007.

indicate that the shoreward 700 feet or so of the outfall line is partially or fully buried, this may be the result of recent trends in sand movement. Further, based on available baseline habitat mapping and survey data that has been collected as part of MPA monitoring efforts, as well as aerial photography from Google Earth and oblique imagery from the California Coastal Records Project, the seaward portion of the outfall (i.e. about approximately 325 feet) appears to pass through an area known to include rocky outcrops/reefs and kelp beds (see **Exhibit 10** for aerial imagery showing this area). As such, there appears to be a strong likelihood that at the time that portions of the line were replaced in 1984 and in 2010, that this was done within and through an area of sensitive marine habitat (both hard and soft substrate)³⁴ and therefore resulted in some level of adverse impacts to that habitat. Those impacts likely persisted until burial of the outfall occurred due to sand movement and would likely occur again if and when the outfall line and reef are exposed in the future due to potential futures changes in sand movement.

Although one can identify with some precision the square footage of hard bottom habitat adversely impacted by a project, it is difficult to create new underwater hard bottom habitat to mitigate for the adverse impacts of a project to this habitat type. The Commission has, however, approved enhancement of underwater habitats as appropriate mitigation for these types of impacts. One form of habitat enhancement is the removal of derelict fishing gear and other marine debris from hard bottom habitat. UC Davis has an established program, its Wildlife Health Center's California Lost Fishing Gear Recovery Project that removes derelict nets and gear from submerged reef habitat (see **Special Condition 6** and discussion in Conflict Resolution section below for justification of project approval and imposition of special conditions here).³⁵ Derelict fishing gear is found in the water along the entire coast of California. The gear is potentially hazardous to divers and an array of wildlife including seabirds, turtles, sea otters, and other marine mammals. Derelict fishing gear affects the marine environment in several ways: it can continue to "catch" fish and marine animals, which become enmeshed or trapped, and it can damage the habitat upon which it becomes entangled or upon which it rests. It is also a visual blight on the seafloor, diminishing the natural aesthetic quality of the seafloor and rocky habitat. Currently, the SeaDoc Society, a marine ecosystem health program of the UC Davis Wildlife Health Center, is focusing gear recovery efforts within the State's network of MPAs and near the Channel Islands.

Commission staff recently examined data on completed compensatory mitigation work to quantify the acreage of compensation that could be achieved for the funds provided to the Recovery Project for this purpose. In total, between 2009 and 2015, the Recovery Project has

³⁴ Hard substrate is exposed rocky seafloor that provides habitat for a diverse group of plants and animals. Along much of the California coast, hard substrates, including exposed bedrock, rock outcroppings, and rock crevices, provide habitat and shelter for numerous sessile organisms, fishes, and mobile invertebrates such as lobsters and crabs.

³⁵ Started in 2005 by the SeaDoc Society, the primary purpose of the Recovery Project is to remove commercial fishing gear that is accidentally lost or intentionally discarded in California's marine environment. The Commission has previously found contributions to the Recovery Project to be an acceptable form of compensation for unavoidable adverse impacts to substrate habitat and the organisms it supports. Recently, in combined CDP/Consistency Certification Number E-08-021/CC-005-09, the Commission accepted AT&T's offer of \$100,000 to the Recovery Project as adequate to compensate for potential project-related impacts to 5,500 square feet of hard substrate and its biota.

received \$801,193 in compensatory mitigation funds to mitigate impacts to a collective total of 24,325 square feet of hard bottom habitat from seven fiber optic cable projects and two pipeline removal projects. With these funds, the Recovery Project was able to collect 1301 items of derelict fishing gear over 105 field days, resulting in the enhancement of an estimated 64,702 square feet of bottom habitat. These data show that the Recovery Project was able to achieve enhancement of marine habitats at a mitigation ratio of 2.7 to 1 and for a cost per area of \$12.38/square foot. When this cost per acre figure is adjusted to present dollars using the Consumer Price Index, the result is \$13.80/square foot.

Thus, to mitigate for the impacts of the replacement of 600 feet of outfall in 1984 and the replacement of 100 feet of outfall between 2010 and 2013³⁶ in accordance with the requirements of Sections 30230, 30231 and 30233 as discussed above, and based on the GPS coordinates for the end of the outfall, a worst case estimate is that approximately 325 linear feet of line passes through an area known to support rock outcrops/reef and kelp beds (see **Exhibit 10** for aerial imagery showing the outfall termination point). Recent Commission actions (e.g., CDP application 9-16-0160) provide for a habitat mitigation fee to be calculated by applying a 3:1 mitigation ratio to the total square footage of impacted hard substrate and then multiplying that area by a compensation rate of \$13.80 per square foot. Thus the fee, in this case, would equate to \$2991.84 (216.8 square feet³⁷ x \$13.80) + Administrative Costs of \$149.59 (5% of \$2991.84) = \$3,141.43

This mitigation is also warranted because of the location of the outfall in MPAs. On April 13, 2007, the California Fish and Game Commission voted unanimously to adopt 29 MPAs covering many of those areas identified as particularly important through the Marine Life Protection Act Initiative process in the Central Coast study region. The District's proposed ATF outfall replacement would involve the placement of outfall pipeline portions within the Cambria Marine Conservation Area and the Monterey Bay National Marine Sanctuary, both of which constitute MPAs. Coastal Act Section 30230 requires special protection of areas of special biological significance, such as MPAs. The replacement of the outfall in these MPAs will cause impacts in the MPAs as identified above. **Special Condition 6** will also ensure the enhancement of the marine environment along California's central coast in and around these MPAs, thereby ensuring that the special protection of these areas required by Section 30230 is provided (see discussion in Conflict Resolution section below for justification of project approval and imposition of special conditions here).

Further, because the line has failed as recently as 2010, an integrity assessment would be required in order to ensure that the outfall line is not leaking or in danger of failure, including close to shore, to ensure resource protection consistent with Coastal Act Sections 30230 and

³⁶ The 100-foot section was replaced in the same footprint, and thus separate mitigation is not required.

³⁷ This value is based on an estimated 216.8 square feet (325 linear feet x 0.666-foot outfall width) of pipeline transit through sensitive marine habitat and the resulting potential habitat loss, damage, displacement and disturbance. Recent reports (e.g., CDP application 9-16-0160) provide for a habitat mitigation fee to be calculated by applying a 3:1 mitigation ratio to the total square footage of impacted hard bottom and then multiplying that acreage by a compensation rate of \$13.80 per square foot. The Commission also typically specifies an additional 5% administrative fee calculated from the mitigation fee be required separately to ensure that all of the mitigation fee is applied to direct habitat enhancement efforts.

30231. Although the District's diver survey team suggested that the line be dredged to facilitate this type of inspection, less invasive methods may also be used to evaluate the line (such as internal video surveys or remote sensing equipment that can be operated within the line or from the surface of the sand above it). Thus, **Special Condition 7** requires the District to develop an Executive Director-approved plan to carry out an integrity assessment of the outfall line. Once approved, the Plan would need to be implemented as approved. **Special Condition 7** also requires that if the assessment shows the line is leaking, the diffuser is not functioning as designed, or portions of the line are at risk of failing, the District shall submit a complete permit amendment application within 30 days to address the compromised condition of the line (see discussion in Conflict Resolution section below for justification of project approval and imposition of special conditions here).

Unpermitted Riprap Revetment

As mentioned above, the WWTP is located in a low-lying area immediately adjacent to the Pacific Ocean and Arroyo del Padre Juan Creek, which currently experiences flooding events primarily during winter storms that produce large swells from the ocean and heavy flows down the creek. These events can produce large waves and flows that can overtop the existing riprap revetment at the WWTP. Because of its location, the site is located wholly within the LCP's Flood Hazard (FH) combining designation (see **Exhibit 5** for the FH map for San Simeon Acres).

As discussed above, the primary purpose of the proposed retention of the revetment is to protect the WWTP and associated critical infrastructure. However, and also as described above, the existing revetment is not adequate to provide required protection, and the District is not proposing to provide additional protection at this time. Thus, as proposed, the Commission cannot find that the proposed project will adequately protect marine and freshwater resources and water quality, because the riprap revetment only provides protection barely adequate for a 10- to 20-year storm (and even then there is an estimated 2.4 feet of overtopping that could occur). Thus, the revetment cannot be relied upon to avoid water quality and public safety impacts. If the WWTP and critical adjacent infrastructure were to experience a 100-year storm event, major damage, including wastewater spills, are likely to occur.³⁸

Typically, the Commission would require protection to be adequate to protect the existing critical infrastructure for the longer term, such as protection against a 100-year storm and safety and stability over 100 years, and thereby adequately protect water quality. Conditions to remove the inadequate shoreline protection would be required as would conditions to replace the inadequate protection with adequate protection (e.g., a vertical seawall). However, as described above, ATF approval of the revetment cannot be found consistent with Coastal Act hazards policies in the long-term. Therefore, as discussed below (see discussion in Conflict Resolution section below), this approval is structured as a temporary approval, in which the District will retain the existing

³⁸ It is worth noting that immediate removal of the revetment to address project inconsistency with Coastal Act hazards policies, including Section 30253, would implicate the same marine resource and water quality concerns in that the WWTP and critical adjacent infrastructure would be at risk of a 100-year storm event, which would likely result in major damage and wastewater spills. This conflict between the Coastal Act's hazards policies and marine resource and water quality policies as they relate to the revetment are discussed further below in the Conflict Resolution section.

riprap, provide for additional riprap for additional coastal hazard protection in the 20-year authorization period (via new or existing rock on the beach in order to return as much public beach property to the public as possible), until such time as the ATF approved portion of the revetment is removed or until the 20-year limited authorization expires, whichever occurs first (**Special Condition 2**). The Commission finds that this limited-term authorization for the continued placement of the revetment to allow the District adequate time to study, fund, and pursue relocation efforts for the WWTP (which if relocated will ultimately ensure greater protection of water quality and habitat) adequately mitigates for potential impacts of the proposed development consistent with Sections 30230 and 30231.

Furthermore, as partial mitigation for beach/shoreline public access impacts, as described in the Conflict Resolution section below, the District has expressed a willingness to construct a public access pedestrian/bicycle bridge across Arroyo del Padre Juan Creek (see **Special Condition 4(c)**). However, as part of this construction, impacts to the creek and creek banks will likely occur. With respect to construction impacts, this project will require the movement and placement of large equipment, workers, materials, and supplies through the mouth of the creek and public access areas on the north side of the creek to gain access for the abutments (which are required to remain outside the creek and creek banks) and generally intrude and negatively impact the aesthetics, ambiance, serenity, and safety of the recreational beach experience. To protect the water quality of nearby creeks (which flow into the ocean) during construction, **Special Condition 8** requires submission of a Construction Plan that includes the methods typically required by the Commission to protect water quality and marine resources during construction of the bridge (including maintaining good construction site housekeeping controls and procedures, the use of appropriate erosion and sediment controls, requiring any equipment washing, refueling, or servicing at the site to be done at least 50 feet from the site's perimeter fence, etc.). To further protect marine resources and offshore habitat, **Special Condition 8** requires construction documents to be kept at the site for inspection, and also requires a construction coordinator to be available to respond to any inquiries that arise during construction.

Thus, as conditioned, the project is consistent with Coastal Act Sections 30230, 30231, and 30233 regarding protection of marine and freshwater resources and offshore habitat. (See discussion in Conflict Resolution section below for justification of project approval and imposition of special conditions here.)

E. SCENIC AND VISUAL RESOURCES

Coastal Act Section 30251, cited below, protects the aesthetic and visual quality of coastal areas.

Section 30251. The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

Coastal Act Section 30251 thus requires that scenic and visual qualities of coastal areas be considered and protected as a resource of public importance. New development must be sited and designed to protect public views to and along the ocean and in scenic coastal areas, and where feasible to restore and enhance visual quality in visually degraded areas. The proposed project includes after-the-fact development located within the WWTP site that is in the public view from a variety of vantage points.

First, with respect to view from Highway 1, the District's WWTP is located in a small developed area of the north coast of San Luis Obispo known as San Simeon Acres. Highway 1 is a national scenic byway in this location and public views from Highway 1 are protected along this stretch of coast as required by the County's LCP and Coastal Act, and great care has been taken over the decades to protect such views of the coast and ocean in this general location. The proposed project includes the ATF authorization of a riprap revetment and related development near the immediate shoreline, but none of this development is visible from Highway 1 due to the presence of other intervening development located between Highway 1 and the WWTP site. Thus the proposed project will not have any visual impacts to coastal views from Highway 1.

However, with respect to coastal views from other locations, the project site is on and adjacent to a popular beach recreation area, and a series of coastal paths, including the beach access path immediately upcoast of the site in which the WWTP and the revetment are in full view. This beach is an important coastal access destination for residents and visitors to the area alike. The riprap revetment is an anomaly inasmuch as there is virtually no armoring upcoast and downcoast at this location and in the overall San Simeon Acres beach area. Thus it remains a relatively pristine area with a mostly natural, unarmored shoreline, and the proposed project would authorize an unnatural artificial looking and highly visible structure (i.e., the riprap revetment) in this significant public recreational viewshed, including as seen from the beach and from nearby trails.

In terms of views from the beach and nearby trails (including the vertical accessway on the north side of the creek), the revetment fronting the WWTP is visible from these locations and has been for 35 years (i.e., since 1983). Through this authorization, the revetment would continue to be present and highly visible from the beach and trails for an additional 20 years (pursuant to **Special Condition 2**). As mentioned, the beach in this location is highly popular and well used, especially in the summer, when flocks of visitors descend on San Simeon acres to explore San Luis Obispo County's rural north coast and visit Hearst Castle. Many of these people stay in the area's multitude of lodging options and take advantage of the beach in front of the WWTP. The revetment thus presents a highly artificial distraction in its present state to a multitude of people, and has been adversely impacting public views for decades. In addition, only the top of the riprap revetment is currently being screened from view by vegetation (see photos of the site in **Exhibit 3**). While vegetation growth on the top of the revetment has helped mitigate some of the visual impact over time by screening the riprap, photographic evidence of the revetment soon after its placement shows an imposing and unnatural (compared to the natural bluff landforms upcoast and downcoast of the project site) riprap facade covering significant back beach and natural bluff area. In addition, even though this vegetation is providing some relief, the covering is a variety of mostly non-native vegetation (e.g., *Myoporum* and iceplant), which has been fostered over time by the riprap itself, leading to additional visual impacts.

Other aspects of the proposed project also cause public view impacts from the beach and trails, including the pipe support structure (which was fully replaced in 1999) and any remnant riprap that is still visible in the creek mouth. In addition, the pedestrian and bicycle bridge which will cross the creek in the near future (required as mitigation for the project's public access impacts, as discussed below) will also likely be visible from some public beach vantage points and will likely provide additional public view impacts from the beach and public trails, including blufftop trails to the north of the creek.

Thus, the proposed project has adversely affected, and will continue to adversely affect the overall public viewshed and aesthetic of the area for another 20 years by retaining the riprap revetment along the back beach and bluff area of the project site, and other proposed development within the creek area, in an area of coastline that is otherwise mostly unarmored. The riprap revetment is prominently visible in public views from vantage points on the beach and the vertical accessway located directly across the creek from the WWTP, detracting from and degrading views from these areas. In short, the project as proposed is inconsistent with the Coastal Act's visual resources policies, specifically 30251.

Therefore, to reduce/mitigate the revetment's identified visual impacts, several options could be recommended. The first is to require a different shoreline protective device that would better blend into the area's natural aesthetic. For example, the District could be required to, at least, remove the riprap revetment fronting the WWTP and install a vertical wall, which would be colored, contoured, and textured to mimic the bluff face. This would provide a visual improvement over the riprap, while still providing protection for the WWTP. In addition, the top of the wall could be planted with native bluff landscaping, which would further help soften its visual impact. Another recommendation would be to fully revegetate the existing riprap revetment fronting the WWTP (including removal of all non-native species and revegetation with native, drought-tolerant, and ocean friendly vegetation) to provide effective vegetative screening. Restoration within the creek would also provide for some visual mitigation to soften the impacts identified above.

However, as described previously in this report, while mitigating the revetment's coastal resource impacts *could* include substantial measures now to address impacts in the short-term (e.g., replacement of the revetment with a vertical wall that mimics the natural bluff form, and/or impact fees, etc.), such mitigation would divert scarce time, money, and resources the District needs in order to focus on what is ultimately the only way to find the revetment consistent with the Coastal Act in the long-term (i.e., relocation of the WWTP out of this hazardous beachfront location, followed by removal of the revetment and restoration of the entire site; see discussion in Conflict Resolution section below for justification of project approval and imposition of special conditions here). Again, the eventual relocation of the WWTP and restoration of the site is the primary long-term goal here. When authorization for the riprap revetment expires, the District will in all likelihood need to relocate the WWTP, and thus the revetment will be removed and the site restored (and the revetment's visual resource impacts, which heretofore could only be mitigated for, will also be eliminated as well) consistent with **Special Condition 2**. As discussed below in the Conflict Resolution section, the revetment can only be found consistent with the Coastal Act for an interim period to protect the existing WWTP while the District undertakes efforts to relocate the WWTP outside of this hazardous location.

Thus, in the interim, this approval is conditioned accordingly (see **Special Conditions 4(a) and 4(b)**) to ensure additional riprap protection is provided for the next 20 years, and the adjacent creek area is restored as much as feasible for the life of the 20-year authorization (see further discussion of creek restoration in the “Biological Resources” section below). These components of the required Mitigation Plan will ensure the visual nature of the existing site mitigates the project’s visual resource impacts consistent with the visual resource protection policies of Coastal Act Section 30251 for the limited 20-year duration of this permit. Therefore, as conditioned, the proposed project can be found consistent with the Coastal Act.

F. PUBLIC ACCESS AND RECREATION

Coastal Act Section 30604(c) requires that every coastal development permit issued for any development between the nearest public road and the sea “shall include a specific finding that the development is in conformity with the public access and public recreation policies of [Coastal Act] Chapter 3.” The proposed project is located seaward of the first through public road (Highway 1). Coastal Act Section 30210 requires maximization of public access consistent with public safety needs, and Coastal Act Section 30211 requires that development not interfere with the public’s right to access the sea. Coastal Act Sections 30212(a)(1) and (a)(2) require new public access in development projects located between the nearest public roadway to the shoreline and along the coast except where it is inconsistent with public safety, etc., and where adequate access exists nearby. Section 30213 requires that lower cost visitor and recreational facilities be provided where feasible. And, finally, Sections 30221 and 30223 protect oceanfront land and upland areas for recreational uses, respectively:

***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 resource areas from overuse.*

***Section 30211.** 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(a)(1)(2) (in relevant part).** 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...*

***Section 30213 (in relevant part).** Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred...*

***Section 30221.** Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.*

Section 30223. Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.

Permitting History

The Commission has approved two CDPs on the District's WWTP site previously: CDP 199-09 and CDP 4-85-180. Specifically, on March 9, 1979 the Commission approved CDP 199-09, which allowed for the construction of a 100,000 gallon flow balancing tank. This CDP was conditioned to require recordation of a document such as a deed restriction binding the Applicant and any successors in interest to allow the public to use that portion of the beach on the District's property *from the mean high tide line to the toe of the bluff* (see **Exhibit 6** for the recorded Deed Restriction dated December 8, 1981).

On June 26, 1985, the Commission approved CDP 4-85-180, which allowed for an increase in the sewage treatment capacity from 150,000 gallons per day (gpd) to 200,000 gpd by installing aeration and clarifier tanks. This CDP included a special condition that required the District to accept and agree to maintain any outstanding vertical and lateral access offers of dedications (OTDs) in the area. The District, however, did not comply with this special condition requirement; however, since that time other public entities (i.e., San Luis Obispo County and the State Coastal Conservancy) have accepted the totality of required public access dedications in the area. These include lateral public access dedications between the mean high tide line and the toe of the bluff³⁹ and vertical access dedications from the blufftop to San Simeon beach.⁴⁰ See **Exhibit 7** for the locations of these public access dedications.

Overview of Existing Access in San Simeon Acres

Besides the lateral access dedicated area seaward of the WWTP mentioned above, public access to and along the beach to the north and south of the WWTP within the San Simeon Acres area exists in several places.

Existing lateral and vertical access is available north of the project site. The primary vertical access in this area is a stairway that is located about 1,000 feet north of the WWTP at the end of the cul-de-sac on Pico Avenue. The stairway, which has recently been repaired, provides access from the end of the cul-de-sac to the beach. Free and ample vehicular parking is available at the end of the cul-de-sac as well. On the Cavalier Oceanfront Resort property (which is about 300 feet north of the WWTP), a recorded deed restriction exists allowing public access from the mean high tide line to the toe of the bluff (as required by CDP 4-81-242). While the dedicated lateral access on this property is technically on the beach, the resort property and the adjacent Sands-by-the-Sea hotel property contain an informal trail adjacent to the blufftop's edge and a more formalized series of pathways between the blufftop and the hotels. The public uses these trails, which contains a series of benches and lookouts. These trails then connect to a sidewalk that extends along San Simeon Avenue, where the sidewalk then meets a partially paved trail that extends down along the northern side of Arroyo del Padre Juan Creek and terminates on the

³⁹ Including as required by CDPs 4-81-242 (Cavalier Acres, Inc.), 4-82-566 (Cohen et al.), 4-82-380 (Western California Investments), 4-85-175 (Sansome et al.), 418-28 (Sessa) and 4-86-236 (Midland Pacific Building Corporation).

⁴⁰ Including as required pursuant to CDPs 4-81-242 (Cavalier Acres Inc.), 4-82-566 (Cohen et al.), 4-85-175 (Sansome et al.), and 42-02 (Stinson – which expired).

beach. There is, however, no bridge access across this creek that connects San Simeon Avenue to Balboa Avenue. See **Exhibit 7** for these access points that are located north of the project site.

There are no lateral blufftop trails located south of the project site, primarily due to intervening residential development located seaward of Balboa Avenue. Two accepted vertical OTDs⁴¹ exist south of the WWTP; however, they have not been formally opened. However, an informal vertical accessway exists at the intersection of Balboa Avenue and Vista Del Mar Avenue, with free street parking available. Here, an unimproved dirt path, just upcoast of San Simeon State Park property, connects the road to the blufftop, and an informal path down the bluff provides access to the beach.⁴² This path is well used by the public. See **Exhibit 7** for the location of the two accepted OTDs and for the informal vertical access path.

In conclusion, there are two vertical access points to the beach north of the project site and one to the south. Regarding lateral access, while lateral access is available on the beach and lateral blufftop access exists north of the project site, there is no lateral bridge connection across Arroyo del Padre Juan Creek to connect to Balboa Avenue and Vista del Mar, which are located adjacent to or south of the project site.

Analysis

This entire stretch of coast, including the beach located seaward of the WWTP site (which, as previously mentioned, is subject to a public access easement), is extensively used by the public, especially in the summer as visitors take an opportunity to enjoy the coast to surf, fish, sunbathe, walk, and swim. As discussed further below in the Conflict Resolution section, shoreline structures can have a variety of negative impacts on coastal resources including adverse effects on beaches and sand supply, which ultimately result in the loss of the beach with associated impacts to public recreational access. The proposed project has impacted sand supply, and ultimately public access, for the last 35 years (and will continue to impact these coastal resources for the next 20 years until the WWTP is relocated and the revetment is removed pursuant to **Special Condition 2**⁴³) as a result from encroachment of the revetment onto approximately 3,000 square feet of beach (including the area covered by a public access easement), the loss of beach creation due to passive erosion, and the loss of sand that would be supplied to the shoreline system from erosion if the bluffs were not armored. There are thus bona fide public access and recreation impacts that require mitigation. For these reasons, the proposed project is inconsistent with the public access policies cited above which require: 1) that access be maximized (Section 30210); that development shall not interfere with the public's right of access to the sea, including the use of dry sand (Section 30211); 3) that development located between the sea and first public road shall provide access to and along the shoreline (Section 30212); and, 4) the protection of

⁴¹ These OTDs, which were required by CDPs 4-82-566 (Cohen et al.) and 4-85-175 (Sansome et al.), have been accepted by the State Coastal Conservancy.

⁴² San Simeon State Park is located just south of this informal trail. A segment of the CCT runs along the blufftop in this area.

⁴³ As discussed in the Conflict Resolution section below, Special Conditions 1 and 2 allow the revetment, and thus the WWTP, to remain in place during an interim 20-year period while the District undertakes efforts to relocate the WWTP outside of this hazardous location. Upon expiration of this approval, the riprap revetment will also need to be removed, which will remove the encroachment on the beach (including the lateral access easement area), will eliminate passive erosion impacts, and will allow for the bluff to naturally retreat.

lower-cost visitor recreational opportunities (Section 30213) (see discussion in Conflict Resolution section below for justification of project approval and imposition of special conditions here).

Fortunately, the Applicant has indicated a willingness to provide appropriate and meaningful mitigation to address the public access impacts of the revetment that have occurred over the past 35 years and will continue until the WWTP is relocated and the revetment is removed. Specifically, the Applicant has indicated a willingness to construct a pedestrian/bicycle bridge over Arroyo del Padre Juan Creek. The bridge will fill a gap in the California Coastal Trail (CCT) along this area of coast by providing a lateral access connection between upcoast trails and the downcoast areas of Balboa Avenue, Vista del Mar, and San Simeon State Park. See **Exhibit 11** for two conceptual plan options for the access bridge. **Special Condition 4(c)** lays out the required parameters for the bridge (e.g., a minimum 10-foot width, supports and abutments located outside the creek and creek-banks, available for use 24 hours a day, that the bridge's design integrates with the surrounding environment, and that the bridge be sited and designed to be safe from erosion and flooding threats, etc.). **Special Condition 4(c)** requires that the bridge be constructed within five years of this CDP approval, that the Applicant provide either a license agreement or an easement from the adjacent property owner⁴⁴ on whose property the bridge will be at least partially located, and also requires that the bridge's public access signage includes the California Coastal Trail and California Coastal Commission emblems and recognition of the Coastal Commission's role in providing public access at this location. Finally, this condition requires that the Applicant maintain all bridge improvements and related signage in perpetuity. Per **Special Condition 1**, the bridge is not subject to the 20-year authorization timeframe, and instead is authorized permanently. As conditioned to require this bridge and, as discussed in the Conflict Resolution section below, to require removal of the revetment upon expiration of this approval, the project can be found consistent with the Coastal Act policies identified above because the project (i.e., the bridge and the expected removal of the revetment when the WWTP is relocated) will: 1) provide maximum public access and recreational opportunities consistent with public safety needs and the Applicant's private property rights (Section 30210); 2) facilitate the public's right of access to the sea, including the use of dry sand (Section 30211); 3) provide access from the nearest public roadway to the shoreline and along the coast (Section 30212); 4) provide a lower-cost recreational facility (i.e., the pedestrian bridge (Section 30213); 5) protect oceanfront land for recreational use (Section 30221), and 6) provide an amenity in an upland area (i.e., the bridge) that will support recreational uses (Section 30223).

G. BIOLOGICAL RESOURCES

Coastal Act Sections 30230 and 30231 state:

Section 30230. Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner

⁴⁴ The Applicant has stated that a representative of this property owner (Cavalier Acres, Inc.) has indicated it agrees to have the bridge constructed on its property (see **Exhibit 12** for an email from Charlie Grace, San Simeon CSD) and has been provided conceptual plans.

that will sustain the 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.

Section 30231. *The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of groundwater supplies and substantial interference with surface waterflow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.*

Coastal Act Section 30240 requires that development within and adjacent to ESHA be sited and designed to prevent impacts to such areas, and states:

Section 30240.

(a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.

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

As described earlier, the proposed project includes after-the-fact placement of an up to 450-cubic-yard riprap revetment within Arroyo del Padre Juan Creek that occurred in 1995 (with associated vegetation clearing and bank grading activities) and the after-the-fact placement of an approximately 666-cubic-yard riprap revetment along the face of the low coastal bluff and along the WWTP's west and north sides. These revetments were placed directly in the creek and riparian corridor, as well as adjacent to it.

The general area of both revetments includes a seasonal beach barrier lagoon and riparian corridor, and beach and tidal wetlands that support species characteristic of saltmarshes and coastal dunes. A District-submitted biological report from 2006⁴⁵ describes the saltmarsh flat as dominated by "salt grass and ice plant, with beach silver weed, beach bur, seaside daisy, and bulrush." Salt grass is a species characteristic of both salt marshes and coastal dunes while beach bur is characteristic of beaches and coastal dunes.⁴⁶ A more recent 2016 report⁴⁷ concludes similarly that the area within the creek contains both seasonal wetlands as well as a variety of riparian vegetation (see **Exhibit 8** for the Applicant's habitat map for this area). The

⁴⁵ By David Wolff Environmental and dated May 27, 2006.

⁴⁶ Hickman, J.C. 1993. The Jepson Manual of Higher Plants of California. University of California Press, Berkeley, CA. 1424 pgs.

⁴⁷ By Kevin Merk Associates and dated May 23, 2016.

Commission's Ecologist, Dr. Laurie Koteen, has evaluated the relevant project materials and concluded that the portion of the riprap placed near the pipe support structure was placed directly in environmentally sensitive habitat area (ESHA) and the main riprap revetment covers a portion of the upper beach. Currently, the riprap placed in ESHA is essentially completely buried and covered with a variety of native and non-native vegetation, and the riprap around the WWTP is covered at its top with non-native *Myoporum laetum* and non-native ice plant. In summary, the revetments cover an area of beach, wetlands, beach lagoon, and riparian habitat, some of which constitutes ESHA under the Coastal Act.

The California Department of Fish and Wildlife Natural Diversity Data Base reports that California red-legged frogs, tide water goby, and steelhead, federally listed as threatened, endangered, and threatened respectively, have been recorded in Pico Creek, about a half-mile north of Arroyo del Padre Juan Creek. Other special status species identified in the general north San Luis Obispo County coastal region include western snowy plovers, western pond turtles, and two-striped garter snakes. In terms of the beach environment here, beach wrack is seasonal and ephemeral, but may be an important beach foraging and habitat resource at different times of the year. The California Coastal Records Project website (see, e.g., the photos in **Exhibit 2**) shows a generally narrow sandy beach dotted with a moderate amount of wrack that forms a recognizable wrack line and that lacks large cobble/aggregate. Although the area does not appear to be suitable for nesting by shore birds, it appears to provide foraging habitat in the summer and fall when sand is present. The small barrier beach lagoon, salt marsh, and riparian habitat of Arroyo del Padre Juan Creek appear to represent only marginal habitat for the steelhead, tidewater goby, red-legged frog, western pond turtle, and two-striped garter snake.

If any of these species are periodically present, the riprap that lines the coastal bluff around the WWTP is unlikely to affect their use of the area. However, the riprap within the creek certainly can affect the natural processes of the creek and its habitat functions. The presence of the riprap can cause significant negative ecological impacts on the riparian corridor, seasonal beach lagoon, and wetland areas, including because the placement of the riprap can prevent the establishment of coastal bluff native vegetation and disrupt the natural habitat for sensitive species. All of these impacts raise questions of consistency with Coastal Act Sections 30230 and 30231 that require protection of these creek and related resource values. In addition, riprap is not an allowed use in ESHA under the Coastal Act. Thus, the Coastal Act's ESHA and creek-related policies would direct denial of the riprap in Arroyo del Padre Juan Creek, and its removal.

Clearly, full removal and restoration of the areas affected, including the creek area and the beach and bluff surrounding the WWTP, would be the most Coastal Act-consistent project in the long-term. At the same time, and for similar reasons as articulated in the Marine Resources and Water Quality section of this report, such riprap (both in the creek and around the WWTP) is protecting against immediate problems that accrue to the WWTP and its associated infrastructure by virtue of its low-lying and creek/creekmouth location, and complete removal now would put the WWTP at significant risk, including risk of additional impacts to these affected habitats (including in the case of potential release of contaminated materials). In other words, immediate removal of the revetments would likely result in greater inconsistency with Section 30240 than simply allowing it to remain in place in the short-term. As discussed below in the Conflict Resolution section, to reconcile this conflict in policies, the Commission here provides a 20-year limited-term authorization for the existing revetment and riprap (which has been in place for 35

years and for which impacts to ESHA have already occurred long ago) and allowing for interim measures to mitigate present/ongoing impacts to biological resources (see discussion below), and complete site restoration upon removal of the revetment and expected relocation of the WWTP, thus resulting in full consistency with Section 30240 at that time. Thus, this approval is conditioned on removal of the riprap revetments and restoration of the affected areas on the same time frame as applies to the expected relocation of WWTP functions to more inland locations. **Special Condition 2** requires full removal of the riprap revetments and full restoration at such time as the riprap revetments is no longer in existence at this location or the CDP expires, whichever occurs first. Only in this way can the project be found consistent with the above Coastal Act requirements in the long term.

At the same time, and in the interim, it is also clear that the Applicant can take measures that will limit ongoing impacts on the creek and its related habitats via a program for non-native and invasive removal, and native species replanting. The intent in this regard is not a full restoration of the affected area at this time, as that would necessarily entail more significant work, including disturbing existing habitat and removing the riprap itself. Rather, the intent is to eradicate the most significant of the adversely-impacting vegetation, and implement a focused revegetation effort, including monitoring and performance criteria, to help offset project impacts over the interim 20-year approval period. Thus, this approval is conditioned for such an effort in the area nearest to where the riprap was placed, along both sides of the creek, as shown generally on the plan sheets shown in the yellow and green areas in **Exhibit 9** (see **Special Condition 4(b)**). It is noted that although the *Myoporum* and ice plant covering the top of the revetment nearest the beach are fairly virulent invasive non-natives, they are also effective in screening some of the riprap and softening its impact on the public view. This area is also the farthest from the more inland creek-related habitats, and thus has the least impact on them, relatively speaking. While the Commission would normally require removal of these non-natives and revegetation with natives in this area, in this case, this vegetation is allowed to remain in this case for the 20-year authorization period, after which full restoration of this area with native plant species will be required per **Special Condition 2**. As conditioned, the project can be found consistent with Coastal Act Sections 30230, 30231, and 30240.

H. CONFLICT RESOLUTION

Coastal Act Section 30007.5 states:

Section 30007.5. The Legislature further finds and recognizes that conflicts may occur between one or more policies of the division. The Legislature therefore declares that in carrying out the provisions of this division such conflicts be resolved in a manner which on balance is the most protective of significant coastal resources. In this context, the Legislature declares that broader policies which, for example, serve to concentrate development in close proximity to urban and employment centers may be more protective, overall, than specific wildlife habitat and other similar resource policies.

Coastal Act Section 30200(b) states:

Section 30200(b). Where the commission or any local government in implementing the provisions of this division identifies a conflict between the policies of this chapter,

Section 30007.5 shall be utilized to resolve the conflict and the resolution of such conflicts shall be supported by appropriate findings setting forth the basis for the resolution of identified policy conflicts.

As noted previously in this report, the proposed project is inconsistent with a series of Coastal Act policies related to coastal hazards (in particular Section 30253) and coastal resource protection (and particularly in relation to Section 30240 related to ESHA) **in the long term**. However, as noted previously and as further explained below, denying the proposed project to eliminate these inconsistencies would lead to nonconformity with other Coastal Act policies, namely Sections 30230 and 30231 (marine resources and biological productivity) and Section 30240 (ESHA), which warrant protection in the **immediate term**. In such a situation, when a proposed project is inconsistent with a Chapter 3 policy, and denial of the project would cause inconsistency with another policy, Section 30007.5 of the Coastal Act provides for resolution of such a policy conflict.

Analysis

The Commission in the past has resolved conflicts through application of Section 30007.5 involving the following seven steps:

1. The project, as proposed, is inconsistent with at least one Chapter 3 policy;
2. The project, if denied or modified to eliminate the inconsistency, would affect coastal resources in a manner inconsistent with at least one other Chapter 3 policy that affirmatively requires protection or enhancement of those resources;
3. The project, if approved, would be fully consistent with the policy that affirmatively mandates resource protection or enhancement;
4. The project, if approved, would result in tangible resource enhancement over existing conditions;
5. The benefits of the project are not independently required by some other body of law;
6. The benefits of the project must result from the main purpose of the project, rather than from an ancillary component appended to the project to “create a conflict”; and,
7. There are no feasible alternatives that would achieve the objectives of the project without violating any Chapter 3 policies.

The proposed development meets all of the above criteria for applying conflict resolution, as follows:

Step 1

For the Commission to apply Section 30007.5, a proposed project must be inconsistent with an applicable Chapter 3 policy. Approval of the revetment would be inconsistent with the Coastal Act’s hazard policies (in particular Section 30253) in the long-term because it does not meet Section 30235 tests related to armoring, and the protection (and thus, ongoing placement) of the WWTP in its current low-lying, oceanfront location does not minimize risks to life and property

in an area of high geologic and flood hazard, as exacerbated by sea-level rise is not consistent with minimizing risk (Section 30253(a)). Nor does reliance on the revetment to allow continued, long-term operation of the WWTP assure stability and structural integrity of the site (Section 30253(b)). To the contrary, the fact that the Applicant is seeking ATF approval of the revetment demonstrates that the WWTP requires construction of a protective device that substantially altered the natural landform along the bluffs and cliffs at this location (inconsistent with Section 30253(b)). The revetment is also inconsistent with other Coastal Act coastal resource protection policies as articulated in the findings above, perhaps most fundamentally because the revetment and associated riprap is partially placed within ESHA inconsistent with Section 30240.

Step 2

The project, if denied or modified to eliminate the inconsistency, would affect coastal resources in a manner inconsistent with at least one other Chapter 3 policy that affirmatively requires protection or enhancement of those resources. A true conflict between Chapter 3 policies results from a proposed project which is inconsistent with one or more policies, and for which denial or modification of the project would be inconsistent with at least one other Chapter 3 policy. Further, the policy inconsistency that would be caused by denial or modification of a project must be with a policy that affirmatively mandates protection or enhancement of certain coastal resources.

As discussed above, the proposed project is inconsistent with Coastal Act coastal hazard and coastal resource protection policies (particularly Sections 30253 and 30240), which warrants denial of the project. However, Coastal Act Sections 30230 and 30231 affirmatively require the Commission to maintain and restore marine resources and the biological productivity and the quality of coastal waters for, among other things, protection of human health. Here, denial of the proposed project on the basis of the above-described inconsistencies would require removal of the revetment, which would subject the WWTP to flooding, erosion, and other coastal hazards identified above, as exacerbated by sea-level rise, and result in significant risk of adverse impacts to marine resources and water quality if the WWTP integrity was compromised. Thus, at least in the immediate term 30230 and 30231 affirmatively compel approval of the revetment to *maintain* and *restore* marine resources and the biological productivity and the quality of coastal waters for *maintenance* of optimum populations of marine organisms and for the *protection* of human health.

Furthermore, though placement of the revetment results in long-term inconsistency with ESHA policies (Section 30240), by the same token, given that the revetment has been in place protecting the WWTP for so long, removal of the revetment (on the basis of the above-described Coastal Act inconsistencies) would subject the WWTP to the same flooding, erosion, and coastal hazards identified above, as exacerbated by sea-level rise, and result in significant risk of adverse impacts to the ESHA habitat, if the WWTP integrity was compromised. Thus, in the immediate term Section 30240 affirmatively compels approval of the revetment to *protect* ESHA against any significant disruption of habitat values.

Step 3

The project, if approved, would be fully consistent with the policy that affirmatively mandates resource protection or enhancement. For denial of a project to be inconsistent with a Chapter 3 policy, the proposed project would have to protect or enhance the resource values for which the

applicable Coastal Act policy includes an affirmative mandate. That is, if denial of a project would conflict with an affirmatively mandated Coastal Act policy, approval of the project would have to conform to that policy. If the Commission were to interpret this conflict resolution provision otherwise, then any proposal, no matter how inconsistent with Chapter 3, that offered a slight incremental improvement over existing conditions could result in a conflict that would allow the use of Section 30007.5. The Commission concludes that the conflict resolution provisions were not intended to apply to such minor incremental improvements.

The revetment, if approved as proposed to be conditioned herein, would be consistent with Sections 30230, 30231, and 30240 of the Coastal Act which affirmatively mandate resource protection. As described above, the Commission's approval here of the revetment is only for a limited 20-year term to provide adequate protection of the WWTP and marine resources, water quality, and ESHA in the immediate-term while the District continues studying, evaluating, and developing a plan to ultimately relocate the WWTP from its current location, to ensure long-term consistency with coastal hazards (particularly Section 30253) and coastal resource protection (particularly Section 30240) policies. In fact, the limited authorization for the revetment here ensures fully consistency with Sections 30230, 30231, and 30240 because, upon development and implementation of a relocation plan, protection of marine resources, water quality, and ESHA will be assured in the long-term because relocation of the WWTP pursuant to the plan will avoid any risk of adverse impacts to marine resources, coastal hazards, or ESHA by the WWTP.

Step 4

The project, if approved, would result in tangible resource enhancement over existing conditions. This is the case here for several reasons. First, portions of the WWTP, the revetment, outfall pipeline, and outfall structure as they current exist are unpermitted development in violation of the Coastal Act. By approving the project as herein recommended by Commission staff, the development will become legitimized in a manner that takes into account appropriate coastal resource protection.

Furthermore, as discussed throughout this report, the 20-year time-limited approval for the in-place development is the outcome most protective of coastal resources because it balances both short-term and long-term concerns regarding coastal resources. Namely, that uninterrupted and ongoing shoreline protection is necessary to protect marine resources (Section 30230), water quality (Section 30231), and ESHA (Section 30240) from significant adverse impacts to the WWTP and associated infrastructure if the revetment were not in place to protect them; however, at the same time, in the long-term the revetment (and existence of the WWTP at its current location) are untenable because they cannot be found consistent with coastal hazards (particularly Section 30253) and coastal resource protection (particularly Section 30240) policies on an extended timeframe. Thus, the 20-year time-limited approval provides protection for coastal resources in the near-term but also directs the District to continue developing a relocation plan to determine a feasible location where the WWTP can be placed that will avoid the potential for any coastal resource impacts in the long-term.

Finally, as discussed above in this report, the proposed project can be found consistent with other resource policies of the Coastal Act, *as mitigated and conditioned*, which will result in tangible

resource enhancement over existing conditions. This is especially so considering that the proposed development here has been in place for over thirty years. These resource enhancements are as follows:

Special Condition 4(c) requires a lateral access pedestrian and bicycle bridge across Arroyo del Padre Juan Creek to mitigate the project's public access and sand supply impacts. This bridge will provide lateral access from blufftop trails upcoast, across the Creek, through Balboa Avenue, and downcoast at San Simeon State Park. The bridge will also close a gap in the access system at this location and facilitate full connection of the California Coastal Trail.

Special Condition 6 requires a \$3,141.43 payment to the UC Davis Wildlife Health Center's California Lost Fishing Gear Recovery Project to mitigate the project's marine resource impacts. The Lost Fishing Gear Recovery Project removes derelict nets and gear from submerged reef habitat, which will result in habitat enhancement of hard bottom habitat which is difficult to mitigate for through replication.

Special Condition 4(a) requires the addition of riprap to increase protection of the revetment fronting the WWTP over the life of the permit authorization duration. Finally, **Special Condition 4(b)** requires removal of non-native and invasive species and further replanting of native species on and around the revetment and Creek to limit ongoing ESHA impacts on the Creek during the 20-year limited-term authorization for the revetment provided here. The intent of this mitigation is not full restoration of the affected area, but rather eradication of the most significant of the adversely-impacting vegetation and implementation of focused revegetation efforts, including monitoring and performance criteria, to help offset project impacts over the interim 20-year approval period.

Step 5

The benefits of the project are not independently required by some other body of law. The benefits that would cause denial of the project to be inconsistent with a Chapter 3 policy cannot be those that an Applicant is already being required to provide pursuant to another agency's directive under another body of law. In other words, if the benefits would be provided regardless of the Commission's action on the proposed project, the Applicant cannot seek approval of an otherwise unapprovable project on the basis that the project would produce those benefits. That is, the Applicant does not get credit for resource enhancements that it is already being compelled to provide.

Here, the proposed project's benefits of protecting marine resources, water quality, and ESHA through continued placement of the riprap revetment for a limited 20-year period while a long-term relocation plan for the WWTP is developed are not required by another agency under another body of law.

Step 6

The benefits of the project must result from the main purpose of the project, rather than from an ancillary component appended to the project to artificially create a conflict. A project's benefits to coastal resources must be integral to the project purpose. If the project is inconsistent with a Chapter 3 policy, and the main elements of the project do not result in the cessation of ongoing

degradation of a resource the Commission is charged with enhancing, the Applicant cannot “create a conflict” by adding to the project an independent component to remedy the resource degradation. The benefits of a project must be inherent in the purpose of the project. If this provision were otherwise, Applicants could regularly “create conflicts” and then request that the Commission use Section 30007.5 to approve otherwise unapprovable projects. The balancing provisions of the Coastal Act could not have been intended to foster such an artificial and easily manipulated process, and were not designed to barter amenities in exchange for project approval.

Here the identified benefits of the proposed project (protection of marine resources, water quality, ESHA, and human health through continued use of the WWTP and the revetment) directly stem from the main purpose of the project, which is to allow continued placement of the revetment to provide protection to the WWTP and associated infrastructure from coastal hazards. In other words, the entire purpose of the revetment is to protect the WWTP and associated infrastructure to prevent the types of marine resources, water quality, ESHA, and human health impacts which would result if the revetment were not in place.

Step 7

There are no feasible alternatives that would achieve the objectives of the project without violating any Chapter 3 policies. In this case, as discussed in the Coastal Hazards section above, there are no feasible alternatives that would achieve the objectives of the project without violating any Chapter 3 policies. Specifically, this report analyzed the following potential alternatives: (1) no-project alternative (removal of existing revetment); (2) retention of the existing revetment; (3) removal of existing revetment and installation of vertical seawall; and (4) removal of existing revetment and full relocation of WWTP.

Regarding the no-project alternative, removal of the revetment would result in greatly increased risks of failure of the WWTP and associated infrastructure resulting in impacts to marine resources, water quality, ESHA, and public health due to the highly hazardous location of this existing critical public infrastructure. Regarding retention of the revetment, the revetment in its present condition does not provide long-term protection, as discussed in this report, and would necessitate either raising of the WWTP facility exterior wall. However, the upper bluff vertical wall was built to retain fill soil and support the bluff and was not designed to withstand sea wave impact. Regarding installation of a new vertical seawall, the elevation of the seawall would have to be significantly higher than the revetment in order to prevent overtopping within the next 10 to 100 years. Furthermore, construction of a new vertical seawall would require heavy construction equipment that may result in additional environmental and biological impacts to the beach and creek. Ultimately, this alternative is not feasible. Finally, removal of the revetment and relocation inland of the WWTP does ensure the most consistency with coastal resources, but is not feasible *in the short-term*. However, as proposed here for a 20-year limited-term authorization for the revetment while requiring the District to develop a relocation plan for the WWTP, this alternative is feasible (and required) in the long-term.

Conflict Resolution Conclusion

Based on the above, the Commission finds that the proposed project presents a conflict between Coastal Act policies related to coastal hazards (in particular Section 30253) and coastal resource protection (and particularly ESHA; Section 30240) on the one hand, and Sections 30230, 30231,

and 30240, on the other, which must be resolved through application of Section 30007.5, as described above. With the conflict among several Coastal Act policies established, the Commission must resolve the conflict in a manner which on balance is the most protective of significant coastal resources. In reaching this decision, the Commission evaluates the project's tangible, necessary resource enhancements over the current state and whether they are consistent with resource enhancements mandated in the Coastal Act. In the end, the Commission must determine whether its decision to either deny or approve a project is the decision that is most protective of significant coastal resources.

In this case, the Commission finds that the impacts on coastal resources from not allowing ATF approval of the project, as conditioned, would be more significant in the short-term than the providing a 20-year limited-term authorization to protect for impacts to marine resources, water quality, ESHA, and human health while requiring the District to develop a relocation plan which will ensure avoidance of significant adverse impacts to coastal resources (including from coastal hazards response and to ESHA) in the long-term. Denying the proposed project because of its above-described Coastal Act inconsistencies now would result in significant increased risk of failure of the WWTP and its associated infrastructure, resulting in increased risk of significant adverse impacts to marine resources, water quality, ESHA, and human health. In contrast, approving the development as proposed for a limited 20-year term would allow adequate protection of those resources during an interim period in which the District must develop a relocation plan to relocate the WWTP and its associated infrastructure to a more appropriate location which avoids long-term issues relating to coastal hazards and ESHA consistency, thus ensuring maximum Coastal Act consistency in the long-term. To ensure that all potential future development at the site and/or related to the WWTP and/or this CDP is appropriately evaluated in light of the terms and conditions of this approval, such future development shall be required to be processed through a CDP amendment by the Coastal Commission subject to the Coastal Act (see **Special Condition 10**).

Finally, the test for approval is not for the project to be "more" protective of significant resources; it must be "most" protective. In order for that finding to be made, the adverse coastal resource impacts caused by the project have to be avoided, minimized and mitigated to the maximum feasible extent. As discussed above, the 20-year limited term authorization for the ATF development and concurrent requirement for the District to develop a relocation plan for the WWTP ensures that this approval is the most protective project in the long-term.

I. VIOLATION

Violations of the Coastal Act exist on the subject property including, but not limited to, placement of an approximately 666-cubic-yards riprap revetment at the bluff fronting the WWTP property in 1983; replacement of portions of the WWTP's ocean outfall line in 1984 and between 2010 and 2013; placement of riprap to protect the District's pipe support structure crossing Arroyo del Padre Juan Creek (including associated grading and vegetation clearing in the creek) and repair and maintenance of the structure in 1995, and full replacement of the pipe support structure in 1999. Commission staff and the District have engaged in ongoing conversations and mutual efforts to resolve the violations at this site for some time, beginning in 2001 when staff was first made aware of the unpermitted placement of riprap at this location.

Ultimately, following an enforcement investigation (that identified even more unpermitted development as identified above), the District submitted an ATF CDP application, which was then scheduled for hearing in 2009, but the District withdrew the application at that time in order to further discuss staff's recommended conditions, including the requirement to remove the revetment and to construct a low-profile vertical seawall. Additional conversations followed the District's withdrawal, including staff providing the Applicant with a list of application materials that would need to be updated prior to any submittal of a new application. Ultimately, following additional violation noticing, the Applicant applied for the current project, which is seeking recognition and retention of the work previously done on the site without benefit of a CDP.

Approval of this CDP will recognize the work done previously on the site without the benefit of a CDP (including the series of upgrades and expansions of key WWTP components done over the years as shown in **Exhibit 15**), and will allow the riprap revetment placed around the WWTP and around the pipe support structure to remain on the site for 20 years (which is the duration of this authorization), pursuant to **Special Conditions 1 and 2**. This approval is structured for anticipated relocation of WWTP functions to safer inland locations, as well as restoration of the site and affected area, and repurposing of the WWTP property to open space or recreational purposes (see **Special Condition 3**). The Applicant will also be required to mitigate in the interim for project impacts, including temporarily adding to the riprap for increased coastal hazard protection, non-native and invasive plant removal and native revegetation in Arroyo del Padre Juan Creek, and construction of a pedestrian access bridge over Arroyo del Padre Juan Creek (see **Special Condition 4**). The Applicant is also required to maintain the revetment in its permitted state (see **Special Condition 5**), to mitigate for offshore impacts via a mitigation payment (see **Special Condition 6**) and through verification of outfall integrity (see **Special Condition 7**), to perform construction activities in a manner designed to have the least impact on coastal resources (see **Special Condition 8**), and to assume all risks for the approved development and to indemnify the Commission (see **Special Conditions 9 and 11**).

Issuance of the CDP and compliance with all of the terms and conditions of this CDP will result in resolution of the aforementioned violations of the Coastal Act on the subject property.

Although development has taken place prior to submission of this CDP application, consideration of this application by the Commission has been based solely upon the Chapter 3 policies of the Coastal Act. Commission review and action on this CDP does not constitute a waiver of any legal action with regard to the alleged violations, nor does it constitute an implied statement of the Commission's position regarding the legality of development, other than the development addressed herein, undertaken on the subject site without a CDP. In fact, approval of this CDP is possible only because of the conditions included herein and failure to comply with these conditions would also constitute a violation of this CDP and of the Coastal Act. Accordingly, the Applicant remains subject to enforcement action just as it was prior to this CDP approval for engaging in unpermitted development, unless and until the conditions of approval included in this CDP are satisfied.

Failure to comply with the terms and conditions of this CDP may result in the institution of enforcement action under the provisions of Chapter 9 of the Coastal Act. Only as conditioned can the proposed development be found consistent with the Coastal Act.

J. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with CDP applications showing the application to be consistent with any applicable requirements of CEQA. Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect that the activity may have on the environment.

The Applicant was granted an exemption from CEQA requirements by the San Luis Obispo County Department of Planning and Building Department on May 26, 2016 for the rip rap revetment. The Coastal Commission's review and analysis of CDP applications has been certified by the Secretary of the State's Natural Resources Agency as being the functional equivalent of environmental review under CEQA pursuant to Title 14 Section 15251(c) of the California Code of Regulations. The preceding CDP findings discuss the relevant coastal resource issues with the proposed project, and the CDP terms and conditions identify appropriate modifications to avoid and/or lessen any potential for adverse impacts to said resources.

As such, there are no additional feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse environmental effects that approval of the proposed project, as conditioned, would have on the environment within the meaning of CEQA. Thus, if so conditioned, the proposed project will not result in any significant environmental effects for which feasible mitigation measures have not been employed consistent with CEQA Section 21080.5(d)(2)(A).

APPENDIX A – SUBSTANTIVE FILE DOCUMENTS

- Geologic Conditions, Beach Embankment at Plant, San Simeon Community Services District (R.T. Wooley, July 23, 1982)
- Analysis of Potential Erosion at Wastewater Treatment Plant, San Simeon (Cleath & Associates, July 17, 2002)
- Bluff Protection Alternative Analysis (Earth Systems Pacific, May 16, 2006);
- Response to Comments (Earth Systems Pacific, March 27, 2008)
- Alternatives Analysis for Relocation of the San Simeon Community Services District Wastewater Treatment Facility (Rincon Consultants Inc., April 18, 2008)
- Biological Assessment for the San Simeon Community Services District Wastewater Treatment Plant Rip Rap Erosion Protection Project (David Wolff Environmental, May 27, 2006)
- Biological Resources Assessment Update for the Unpermitted Rip Rap Violation Project at the San Simeon Community Services District’s Wastewater Treatment Plant, San Simeon, San Luis Obispo County, California (Kevin Merk Associates LLC, May 23, 2016)
- Response to California Commission Comments, San Simeon Wastewater Treatment Plant, San Simeon, California (Earth Systems Pacific, June 16, 2016)
- Response to California Commission Comments, San Simeon Wastewater Treatment Plant, San Simeon, California (Earth Systems Pacific, January 19, 2017)
- Added Response to California Commission Comments, San Simeon Wastewater Treatment Plant, San Simeon, California (Earth Systems Pacific, July 20, 2017)

APPENDIX B – STAFF CONTACT WITH AGENCIES AND GROUPS

- San Simeon Community Services District (Charlie Grace, District Manager)
- Regional Water Quality Control Board (Katie DiSimone and Shelia Soderberg)
- Monterey Bay National Marine Sanctuary (Sophie De Beukelaer)
- California Department of Fish and Wildlife (Becky Ota)
- San Luis Obispo County Department of Planning and Building (Steve McMasters)