

CALIFORNIA COASTAL COMMISSION

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February 6, 2018

TO: California Coastal Commission and Interested Parties

FROM: John Ainsworth, Executive Director

SUBJECT: Executive Director's Report, February 2018

Significant reporting items for the month. [Strategic Plan](#) (SP) reference provided where applicable:

LCP Program Status – San Luis Obispo County (SP Goal 4)

The Central Coast District (District) stretches from the San Mateo/Santa Cruz County border near Año Nuevo State Reserve in the north to San Luis Obispo County's southern border near the Guadalupe Dunes in the south, and constitutes nearly 300 miles of coastline. The Monterey Bay National Marine Sanctuary is located offshore of the majority of this coastline. The District has three coastal counties (Santa Cruz, Monterey, and San Luis Obispo) and 12 incorporated cities (Santa Cruz, Capitola, Watsonville, Marina, Sand City, Seaside, Monterey, Pacific Grove, Carmel, Morro Bay, Pismo Beach, and Grover Beach) each with a certified LCP, with the exception of the Cities of Monterey and Pacific Grove. There are also four major harbors (in Santa Cruz, Monterey, Morro Bay, and Port San Luis), numerous State Parks' Public Works Plans, and one coastal long range development plan (for the University of California at Santa Cruz's Marine Science Campus).

The Central Coast District's coastal zone is diverse, with both rugged and more pastoral rural areas interspersed between population centers. Planning issues include protecting agriculture and scenic rural areas and responding to coastal erosion and sea level rise in the more urban parts of the District. The District also has significant public park lands and popular visitor destinations, intensifying the need to provide visitor-serving facilities and opportunities. Each of the District's LCPs within San Luis Obispo County are summarized below (Santa Cruz and Monterey Counties and their incorporated cities will be detailed in an Executive Director's report for a future Commission meeting held in the Central Coast District).

San Luis Obispo County

San Luis Obispo County is located along 107 miles of California's temperate Central Coast, between Guadalupe Dunes in Santa Barbara County to the south and the Big Sur coast area of Monterey County to the north. Several major unincorporated communities are located within the San Luis Obispo County coastal zone, including Cambria, Cayucos, Los Osos, Avila Beach, and Oceano. About 251 square miles out of the County's overall 3,616 square miles is located in the coastal zone. This coastal zone area is diverse, both varied in terrain and use, and includes significant beaches, dune areas, rocky headlands, and vast woodland areas mixing with recreational uses, agriculture, visitor-serving facilities and ports, such as Port San Luis in Avila Beach. The San Luis Obispo County LCP was originally certified in 1988. Although the County has no plans for a comprehensive LCP update at this time, the County continues to pursue modifications to components of the LCP. Perhaps the most significant at this juncture is the County's ongoing development of an updated LCP Community Plan for the Los Osos community. Major resource issues in Los Osos include availability of water as well as the presence of significant environmentally sensitive habitat areas.

There are three cities within San Luis Obispo County with certified LCPs: Morro Bay, Pismo Beach and Grover Beach. Each of these is discussed below.

City of Morro Bay

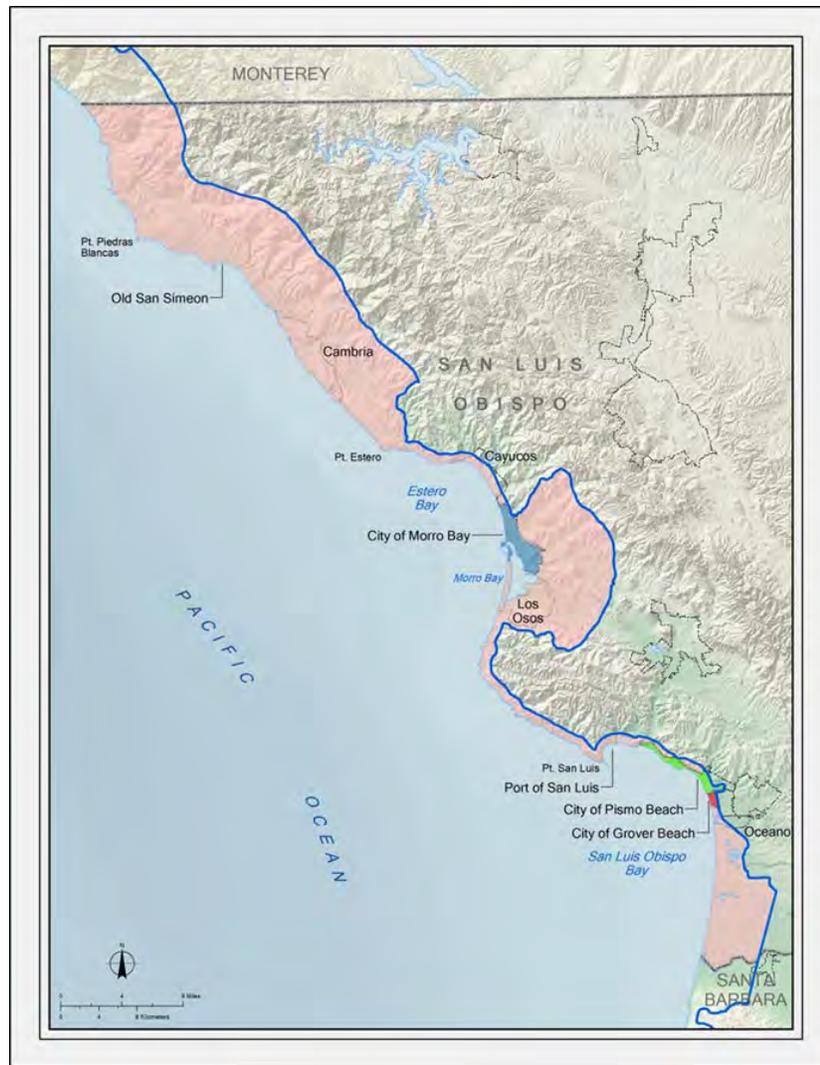
The City of Morro Bay is located in San Luis Obispo County between the unincorporated areas of Cayucos and Los Osos. The City is approximately six square miles in size and includes large portions of the Morro Bay Estuary, Morro Bay State Park, and Atascadero Beach State Park. Almost all of Morro Bay is located within the coastal zone. Morro Bay provides a large number of important visitor-serving and recreational facilities, and is a popular visitor destination point along the Central Coast. Most of these facilities are concentrated along the bayfront area known as the Embarcadero, which abuts a commercial fishing and recreational boating harbor. Many significant coastal visual resources are located within Morro Bay including Morro Rock, the Morro Bay Estuary, and the surrounding foothills. Additionally, developed portions of Morro Bay, particularly the harbor facilities along the Embarcadero, constitute significant scenic aspects of the City. Morro Bay's LCP was first certified in October 1982, and it was last significantly updated in 1995. The City has recently been awarded several grants to help support a new LCP update effort, including to address coastal hazards, the development of a new wastewater treatment plant, potential reuse at and around the former Morro Bay Power Plant site, and continued enhancement of the visitor-serving and recreational areas at and along the Embarcadero. In particular, by leveraging grant funds from the Ocean Protection Council and two grant rounds from the Commission, the City has completed a sea level rise vulnerability assessment, and is working to complete technical studies related to environmentally sensitive habitat areas within the Morro Bay estuary, lateral access opportunities, an inventory of lower-cost accommodations, and the modelling and evaluation of possible sea level rise adaptation strategies. Commission staff continues to work closely with the City on this LCP update effort, including providing directive comments and edits on an administrative draft LCP recently provided by the City. Upon receiving Commission staff comments, City staff intends on releasing a draft LCP update for public review this spring.

City of Pismo Beach

The City of Pismo Beach stretches along the shoreline for approximately seven miles, and most of the City lies within the coastal zone. The northwestern half of the City is generally confined by steep hillsides that rise to 1,000 feet in some areas and form a magnificent open-space backdrop to the City's northern neighborhoods and the beaches below. A series of recreational beaches stretch to the south, ultimately connecting to and including the beach and dune areas associated with the Oceano Dunes State Vehicular Recreational Area. Mobile home parks, RV parks, and camping areas extend along many of these beaches. North of the downtown, the shore is lined with steep cliffs up to 100 feet above ocean level. Much of this area nearest downtown is developed with larger hotels and restaurants. The remainder of the City is generally made up of the downtown area and residential neighborhoods with smaller beach oriented cottages and apartments in southern Shell Beach and the downtown area, and larger and newer homes and condos east of Highways 1 and 101 and in the northern Shell Beach and Palisades areas. Significant public access is available along much of the City's bluffs, with trail connections extending to the Avila Beach area to the north and to the City of Grover Beach to the south. Pismo Beach's LCP was first certified in 1984, and it was last significantly updated in 1993. The City received a Round 4 LCP Grant in August 2017 to complete technical studies and to draft LCP provisions related to sea level rise, short-term rentals, and low-cost visitor-serving accommodations. This project is intended to be the first phase of a broader effort to update the City's LCP.

City of Grover Beach

The City of Grover Beach is located in southern San Luis Obispo County, just south of the City of Pismo Beach and north of the unincorporated community of Oceano. The City’s coastal zone is roughly one-half square mile in size. The coastal zone is generally bisected by Highway 1, with the beach, dunes, and visitor-serving facilities of Pismo State Beach on the west side of the highway, and urbanized residential, commercial, and industrial neighborhoods on the east side of the highway. The City’s LCP was originally certified in 1982. The LCP was updated in January 2000, and was recently comprehensively updated in August of 2014. The 2014 update included new protections for environmentally sensitive habitat, including wetlands and other sensitive habitats; new provisions to address sea level rise and flood hazards; and the re-zoning of parcels located within the urbanized portion of the coastal zone to accommodate additional visitor-serving development. After extensive collaboration between City and Commission staff, the comprehensive update was approved by the Commission as submitted by the City.



Sea Level Guidance Implementation Outreach (SP 3.1)

Residential Adaptation Policy Guidance Update

Commission staff plans to release a Revised Public Review Draft of the *Residential Adaptation Policy Guidance* document in mid-February for a 30-day public review period. The Revised Public Review Draft includes changes made to the first Draft Residential Adaptation Policy Guidance that was released in July 2017 based on the public comments received and additional internal evaluation of the model policy language. Following the second public review period, staff hopes to bring a proposed final Residential Adaptation Policy Guidance document to the Commission for consideration and adoption at the May or June Commission meeting.

City of Pacifica Technical working Group

Commission sea level rise staff and North Central district staff participated in Pacifica's Sea Level Rise Technical Working Group (TWG) on January, 23rd. The City provided an overview of the City of Pacifica's Local Coastal Plan Update purpose and process, including work completed to date, took initial TWG member input on the Draft Vulnerability Assessment, and conducted a mapping exercise to identify key or missing asset data for the Vulnerability Assessment.

Meetings and Events

Government Alliance on Race and Equity Training

On January 24, more than 20 staff from across our agency, including the Chief Deputy Director and Executive Director, went to Sacramento to attend the Government Alliance on Race and Equity training. The day-long training introduced core racial equity concepts, such as defining racial equity terms, describing government's role in racial equity and analyzing policies from a racial equity perspective. This was the first of a year-long series of trainings and a companion speaker series focused on helping state agencies advance racial equity at their agencies. While the Commission was one of the smaller agencies participating, we had by far the largest showing filling up three tables. This curriculum has been used to bring change to governments across the country and we expect it will do the same for our agency. By the end of the year, our team will have done hours of homework and will have, among other things, developed an action plan to improve racial equity at the Coastal Commission.



MOU with Ca. State Parks to Accept Low Cost Overnight Accommodation In-Lieu Fees (SP 4.1 & 4.2)

Commission staff has worked with State Parks to develop a Memorandum of Understanding (MOU) between the agencies to streamline use of in-lieu fee funds to develop lower cost overnight accommodations on State Parks property. State Parks is a critical partner in developing and maintaining lower cost overnight accommodations because they own approximately one-third of the land along the California coast, and they share many of the same goals the Commission has regarding providing public access and recreational opportunities for all people.

The MOU provides a framework for this partnership. It envisions five phases of development for each potential project: Project Site Selection; Business Plan Development; Design Development and Permitting; Project Construction; Operations and Maintenance Plan. State Parks and the Commission will coordinate at each project phase to ensure the funds are being used in a manner that meets the goals and objectives of the program. The MOU also includes language that ensures the new facilities will be reserved for outreach programs to underserved communities for a certain amount of time each year.

Form 700 – Statement of Economic Interest

The Annual Form 700 – Statement of Economic Interest filings are due for Commissioners and Alternates postmarked by **March 1, 2018**. Failure to submit the Form 700 on time can result in a significant fine. Notifications were sent out via email from the Fair Political Practices Commission (FPPC) in early January to those who have email addresses on file. Commissioners and Alternates may submit their filings electronically directly to the FPPC by logging in at http://www.fppc.ca.gov/Form700/Link_To_Efiling_Portal.html. The option of filing hardcopies is still available; please send these to the Commission's Human Resources office. Paper notifications were sent out on January 29 to those who have not yet filed.

Coastal Commission 2017 Year in Review

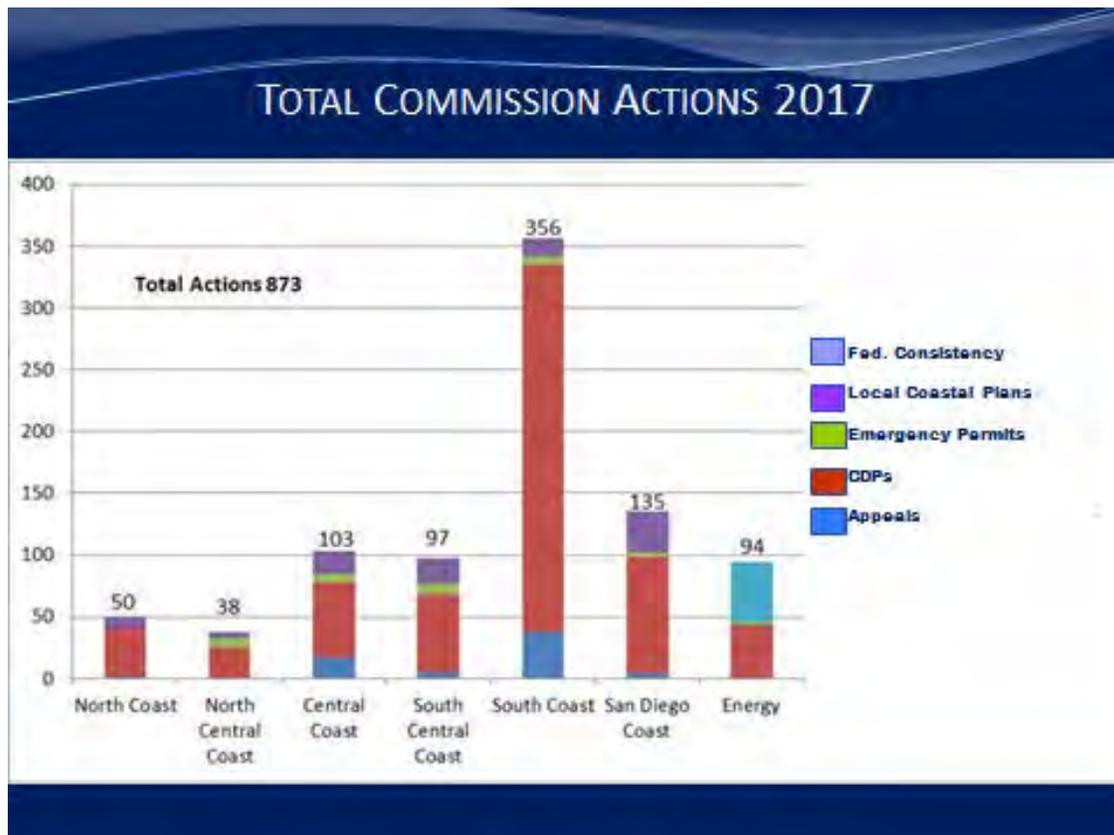
2017 was a year of exciting transition with the addition of six new members; Commissioners Aminzadeh, Brownsey, Gibson, Padilla, Peskin and Sundberg; and a new Executive Director. The Commission had a productive year with many significant accomplishments including an agreement to close down the last coastal sand mining operation in the United States; opening up new stretches of coastline for public access; steady progress on LCP grant work, certification of several LCP updates and a new LCP (The City of Newport Beach); implementing sea level rise adaptation through LCP updates and policy guidance documents, and expanding environmental justice principles throughout the agency. The **2017 Year in Review Report** is attached (**Attachment A**) and includes many more Commission accomplishments for 2017. The report also includes a brief look ahead to opportunities and challenges in 2018. The 2017 year-end review report is also available on the Commission's homepage: www.coastal.ca.gov.

2017 Planning and Regulatory Workload Data (SP 6.1.6)

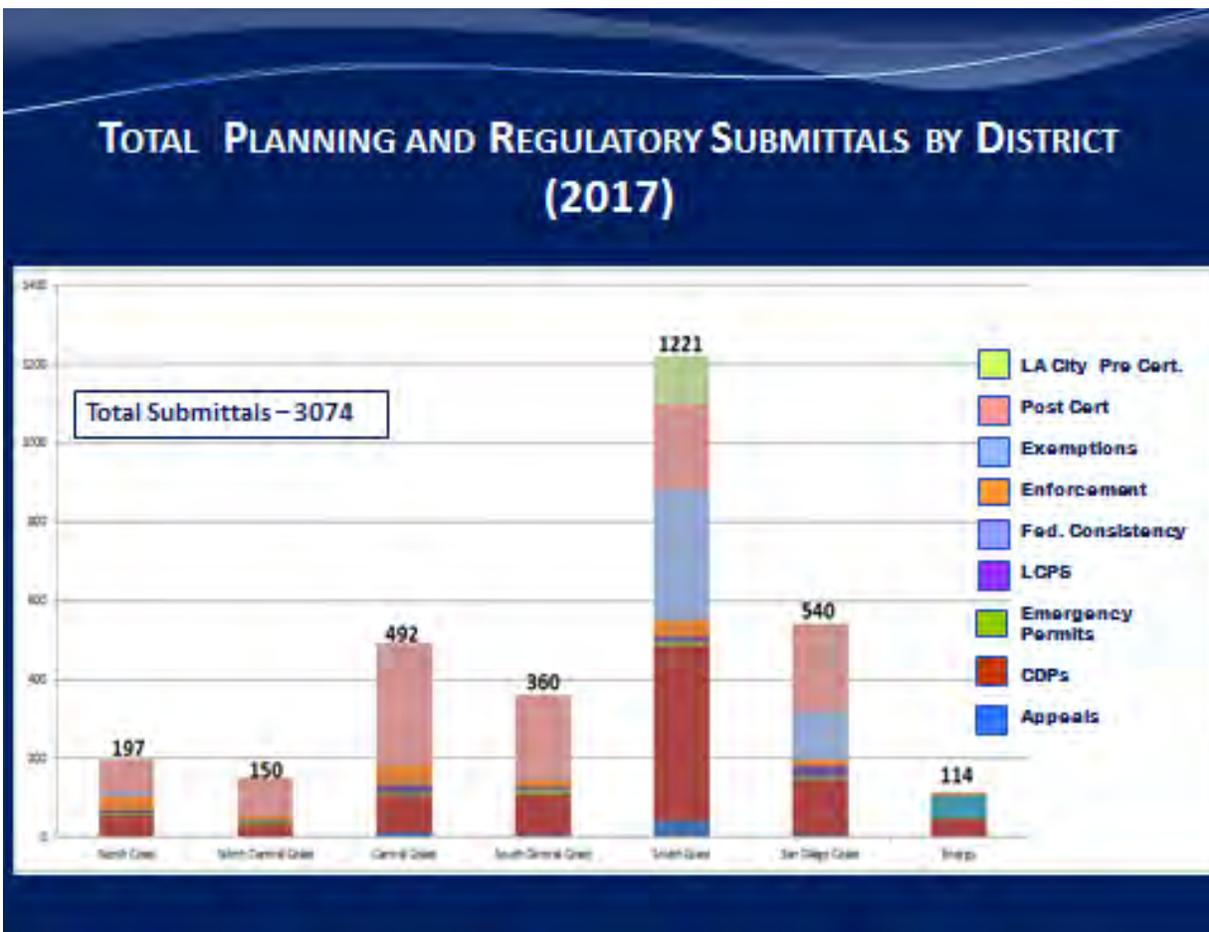
The Commission and local government planning and permit activity for the year is reported below, as provided by the Commission's Coastal Data Management System (CDMS). In 2017 the Commission processed a total 873 total actions. The Commission acted on 65 appeals; 622 coastal development permits (CDPs); 36 emergency permits; 101 LCP amendments; and 49 federal consistency items. Of the 622 CDPs the Commission acted on in 2017, 609 were approved, six (1%) were denied and 7 were withdrawn.

2017 Commission Actions						
District	Appeals	Coastal Dev. Permits	Emergency Permits	Local Coastal Plans	Fed. Consistency	Total
North Coast	1	39	0	10	0	50
North Central Coast	0	25	8	5	0	38
Central Coast	17	61	6	19	0	103
South Central Coast	5	63	9	20	0	97
South Coast	38	297	7	14	0	356
San Diego	4	94	4	33	0	135
Energy, Res & Fed	0	43	2	0	49	94
Total	65	622	36	101	49	873

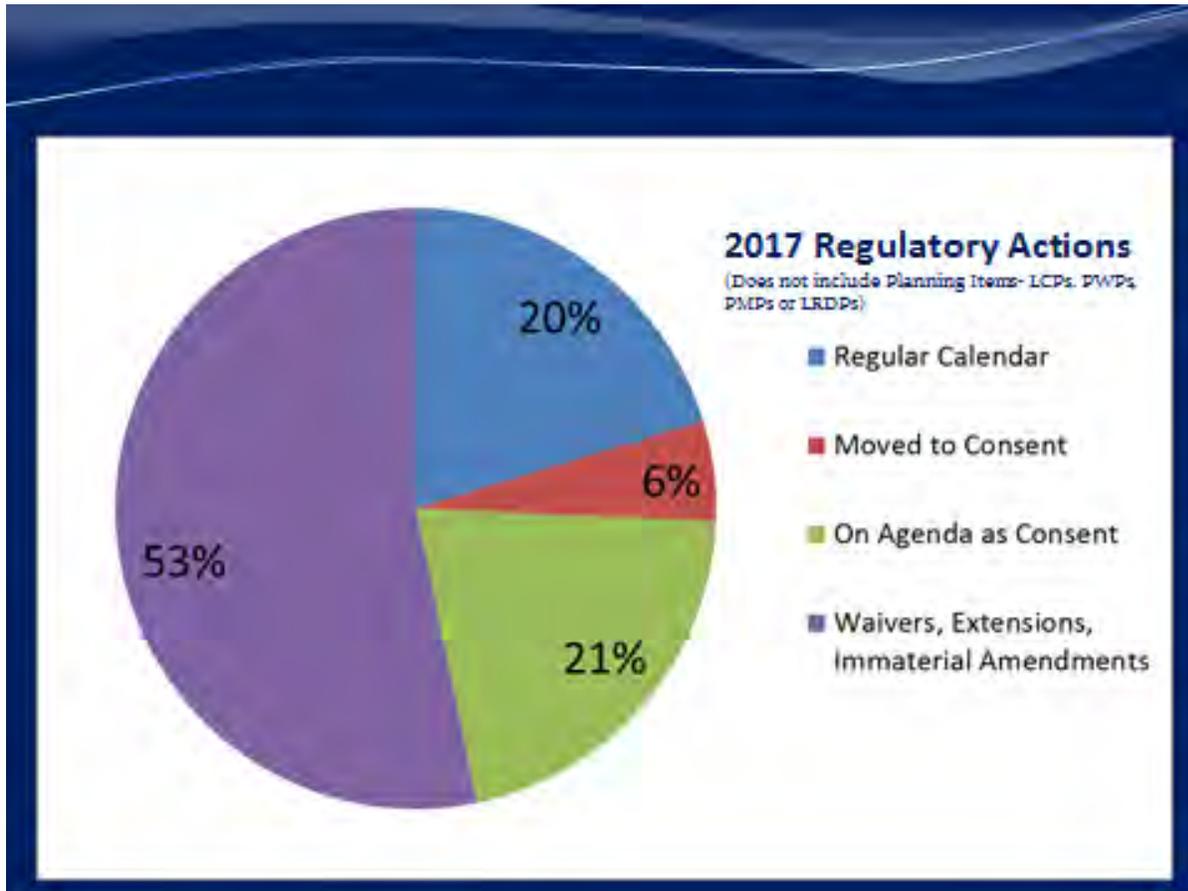
The chart below illustrates the total 2017 Commission actions by district office. The large number of actions out of the South Coast office is due to the large number of uncertified jurisdictions in the South Coast District. The Commission retains permit authority in these jurisdictions which is why there is such a large number CDPs actions out of the South Coast District.



The following chart illustrates the total number of planning and regulatory submittals in each district office. Last year the Commission received a total of 3,074 total planning and regulatory submittals. These submittals include items such as CDP actions reported by local governments (Post Cert. work), exemptions, emergency permits, enforcement reports, City of Los Angeles CDP actions (LA City Pre Cert.), LCPs and Commission CDP submittals. Some of these items do not require an action by the Commission, such as exemption determinations. In 2016 the Commission received a total of 2,089 submittals. So last year there was a significant increase in overall submittals to the Commission. Again, the South Coast Office received significantly more submittals than the other district offices because of the large number of uncertified jurisdictions in that district. In order to deal with the heavy regulatory and planning workload in the South Coast District office commission management moved three analyst positions from other districts to cover this heavy workload and some work was transferred to the statewide planning unit.



The chart below shows the percentage breakdown of regulatory actions under the various agenda calendar categories for 2017. In order to focus our efforts on LCP and LCP grant work staff has made it a priority to process as many regulatory items as possible as waivers, administrative or consent items. In 2015 we processed 65% of our regulatory items as waivers or administrative or consent items. In 2016 we processed 78% of our regulatory items as administrative or consent items. This year we are close to last year's statistic processing 74% of our regulatory items as either waivers, administrative or consent items.



The following chart shows the monthly local government and Commission CDP actions for 2017. Local Governments processed a total 1,230 CDPs and the Commission processed 622 CDPs for a total of 1,852 CDP actions. Of the 622 permits the Commission acted on in 2017, 609 were approved and six (1%) were denied.



The following chart illustrates the number of appealable and non-appeal CDPs from certified local governments for 2017. Of a total of 683 appealable local actions the Commission considered 65 appeals for an appeal rate of 9.81%. The Commission found that 30 of these appeals raised a substantial issue under the Coastal Act and 35 were found to raise no substantial issue. Of these, three projects on appeal were denied, and the rest were approved as submitted or approved with conditions.

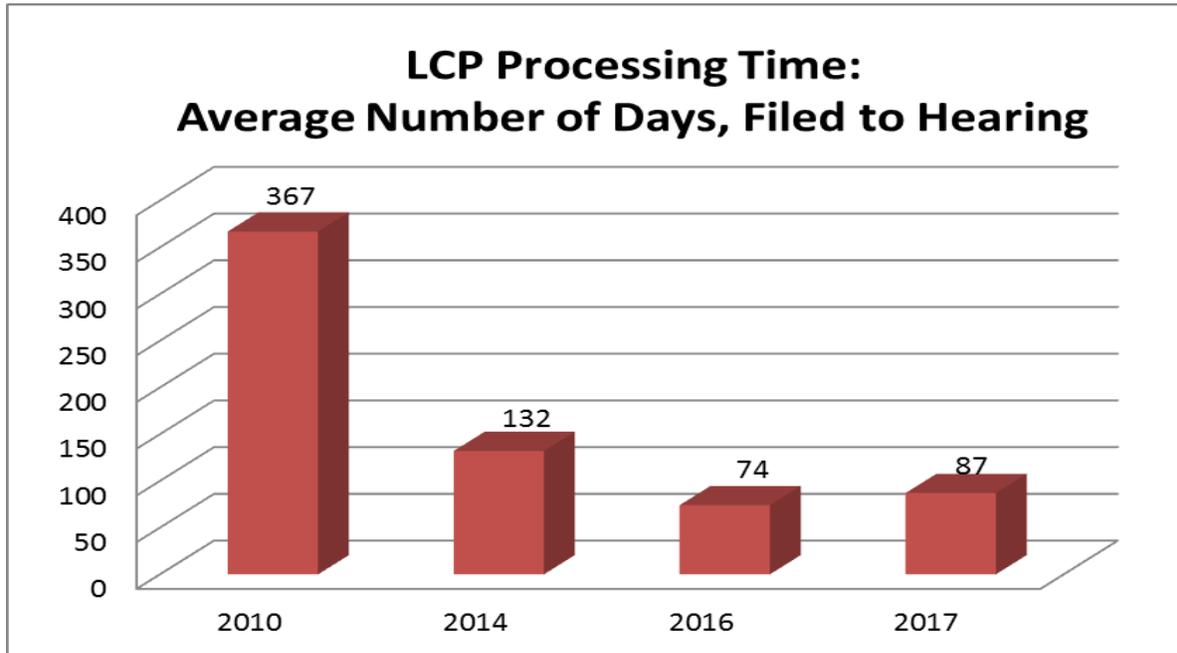
FINAL ACTION NOTICES AND APPEALS 2017

Month	Appealable	Not Appealable	Total	Appeals	Appeal Rate
Jan	48	45	93	6	12.50%
Feb	49	29	78	3	6.12%
Mar	53	75	128	4	7.55%
Apr	56	47	103	0	0.00%
May	60	34	94	6	10.00%
June	49	42	91	7	14.29%
Jul	47	37	84	10	21.28%
Aug	77	39	116	5	6.49%
Sep	61	92	153	4	6.56%
Oct	59	35	94	9	15.25%
Nov	57	30	87	5	8.77%
Dec	67	42	109	6	8.96%
YTD	683	547	1230	65	9.81%

The chart below illustrates the total number of Commission planning actions in 2017 by month. The Commission acted on a total of 101 planning actions in 2017 which includes actions on LCPs, Public Works Plans, University Long Range Development Plans, and Port Master Plans.



Finally, the chart below shows the average number of days to bring a filed planning submittal to a hearing since 2010. In 2017 the Commission received 85 planning-related submittals (amendments, certifications and other submittals related to LCPs, Port Master Plans, Long Range Development Plans and Public Works Plans), 70% of which were filed as complete. The average time from submittal to hearing was 87 days. This trend illustrates that overall the Commission continues to process planning submittals efficiently.



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February 6, 2018



The California Coastal Commission 2017 Year in Review

2017 was a dynamic year for the California Coastal Commission. The agency welcomed 6 new members; Commissioners Aminzadeh, Brownsey, Gibson, Padilla, Peskin and Sundberg, and congratulated Commissioners Groom, Turnbull-Sanders and Uranga on their re-appointments. In February, the Commission appointed Jack Ainsworth as Executive Director, after he had served a year as acting director. This synergy of new perspectives combined with institutional continuity resulted in a series of landmark actions, as well as significant progress on many of the Commission's long-term goals. From highlights such as the agreement to close down the last beach sand mine in the



Coastal Commissioners - Chula Vista Council Chambers (10/17)

United States and opening up new stretches of coastline for public access, to making steady progress with LCP certifications and updates, implementing sea level rise policies, and expanding environmental justice principles throughout the agency, the Commission continues to find bold and innovative ways to implement the Coastal Act.

The Commission also rose to its share of challenges in 2017. After an initial denial in June, the Commission approved an application by [Coast Seafoods](#) in September to continue and expand the productivity of its existing oyster operations in Arcata Bay, by increasing density and reconfiguring its underwater footprint. Following the controversial June hearing, the applicant worked with staff on a revised proposal that further reduced the production area in response to concerns raised by members of the public and commissioners. The final approved project will allow 21 acres to revert to natural habitat, and better addresses conflicts between Coastal Act policies protecting sensitive habitat and water quality, and policies encouraging aquaculture as a priority use.

Uncertainty over how recent and pending federal policy changes might affect the program continues to grow. In July, Attorney General Becerra [filed litigation](#) on behalf of the Commission, challenging the Trump administration's Executive Order to build a border wall in San Diego and Imperial Counties. A portion of the complaint relied on the Commission's authority under the Coastal Zone Management Act which gives the state a unique role in federal



Dayna Bochco, Chair
 Effie Turnbull-Sanders, Vice Chair
 Sarah Aminzadeh
 Donne Brownsey

Carole Groom
 Erik Howell
 Mary Luévano
 Steve Padilla

Aaron Peskin
 Ryan Sundberg
 Roberto Uranga
 Mark Vargas

Non-voting
 John Laird, Secretary of Natural Resources
 Gavin Newsom, Chair, State Lands Commission
 Brian P. Kelly, Secretary, Transp. Agency

activities and projects. The Commission also sent letters to various federal agencies articulating concerns over NOAA's review of [National Marine Sanctuaries and National Marine Monuments](#), proposed changes to the OCS [Drilling Plan](#), the need for a long-term nuclear waste [storage facility](#), and proposed changes to weaken the [Marine Mammal Protection Act](#).

The agency also made significant progress implementing comprehensive, mandatory changes to the state's new financial tracking system, the Financial Information System for California (FISCAL). The switch over to the new system began July 1, 2017, and has been stressful and at times difficult. But administrative staff have been doing all they can to integrate the new system with a minimum amount of disruption.

But the Commission faces no greater challenge than the existential crisis of sea level rise, and how the state is going to plan for adaptation measures over the coming decades. Understanding the extent of the threat is essential. To provide a comprehensive baseline, the Commission completed a [Statewide Vulnerability Synthesis Report](#) at the beginning of the year that presents important findings about California's coastal resources at risk from sea level rise, and how the Commission can address these risks. County-level snapshots and four Local Coastal Program (LCP) case studies provide more location-specific detail and examples of recent sea level rise planning efforts.

The Commission also released the Draft Residential Adaptation Policy Guidance for public review at the Commission's August hearing. The need for this policy guidance was identified in the Commission's 2015 Sea Level Rise Policy Guidance, which set forth broad principles related to adaptation planning. The draft policy guidance provides a more in-depth discussion of adaptation policies specifically related to residential development, and it provides sample policies that cities and counties can modify for different community and geologic contexts. The draft guidance is still undergoing revision, and will be posted in late February 2018 for public review. Staff will bring a revised proposal to the Commission later in the year.

Enhancing Public Access to the Coast

2017 was another banner year for expanding public access along California's coast. Over four new miles of California Coastal Trail (CCT) were opened to the public as a direct result of Coastal Commission actions. The City of Arcata completed another CCT segment extending south of the city along Humboldt Bay. This 3-mile long CCT segment, approved by the Commission in 2016, extends the length of the Arcata Trail to 4.3 miles. Both Humboldt County and the City of Eureka are working on completing additional segments, which will eventually connect Arcata and Eureka via a continuous 13-mile long multi-use trail along the Eastern shore of Humboldt Bay.

In May, the nonprofit Mendocino Land Trust opened another access point along the scenic north coast, in the form of a viewing platform and public parking to facilitate access to the 1.25-mile long [Newport Coastal Trail](#). The trail, scenic lookout and parking improvements were required by the Commission in 2000 as a permit condition for an Inn on the property. The Mendocino Land Trust is one of the Commission's valued partners, as they have accepted, opened and actively manage 15 easements, trails and overlooks required by the Commission.

A new vertical access trail was opened in the City of Morro Bay, to mitigate impacts associated with new residential development. The well-signed and engineered trail replaces an informal trail

on the site that had been utilized by local residents, and is expected to support increased public usage by community members and visitors alike.

The Coastal Commission also continued to protect public access and recreation through various monthly planning and regulatory decisions. In May, the Commission approved SANDAG's proposal to enhance 1.3 miles of the [Encinitas Coastal Rail Trail](#) along Highway 101 in Encinitas. The additions include a south-bound bike lane, expansion of existing bike lanes and new pedestrian trail improvements.

And on June 22, the [Peter M. Douglas Coastal Accessway](#) was dedicated in the La Conchita area of Ventura County. The multi-use underpass, formerly a drainage culvert, now allows for safe passage to the coast and the CCT underneath Highway 101 and the rail road tracks. It was named by the California Assembly in honor of former Executive Director Peter Douglas in recognition of his lifelong commitment to public access, and his determined advocacy for this specific project and the accompanying 4-mile segment of Coastal Trail.

Enforcement Highlights

CEMEX Sand Mine

At its July 2017 Hearing, the Commission approved a Consent Agreement directing CEMEX to stop extracting sand from the last beach sand mine in the United States. The 400-acre site in the city of Marina, which has one of the highest erosion rates in the state, has been in use since the early 1900s, despite growing concerns about beach loss and the need to protect communities from sea level rise.



Dredge pulls sand from the CEMEX Sand Mine in Marina

The historic agreement sets a December 31, 2020 end date, with interim operating conditions to protect coastal resources while extraction activities are phased out. After more than a year of working closely with the State Lands Commission and CEMEX, the agreement takes any future litigation off the table.

The Consent Agreement establishes a maximum amount of sand that may be removed during the three year cessation period, followed by another three years without any additional sand extraction, in order to wind down all operations

and allow for employee transitions. It also provides for a transfer of the site at a reduced price to a non-profit or governmental agency approved by the Commission, and a deed restriction to protect it in perpetuity and guarantee public access.

Bixby Ranch

At its November 2017 Hearing, the Commission approved Consent Cease and Desist and Restoration Orders directing the owners of the Cojo Jalama Ranches, formerly known as the Bixby Ranch, to restore areas impacted by a number of Coastal Act violations on one of the largest remaining, intact coastal ranches in California. These violations presented the Commission with an opportunity to resolve these issues amicably and creatively while providing some extraordinary public benefits.

The ranch has 24,000 acres of unique habitat, including 11 miles of coastline in Santa Barbara County along the Gaviota coast. It is home to 10 plant and animal species which are either listed or considered for listing as rare or endangered. The Chumash consider Point Conception one of their most sacred sites, and human activity on the ranch dates back over 9,000 years.



View from Bixby Ranch, Santa Barbara, California.

The unpermitted development included 37 water wells, numerous roads, grading, vegetative clearing and illegal dumping. The

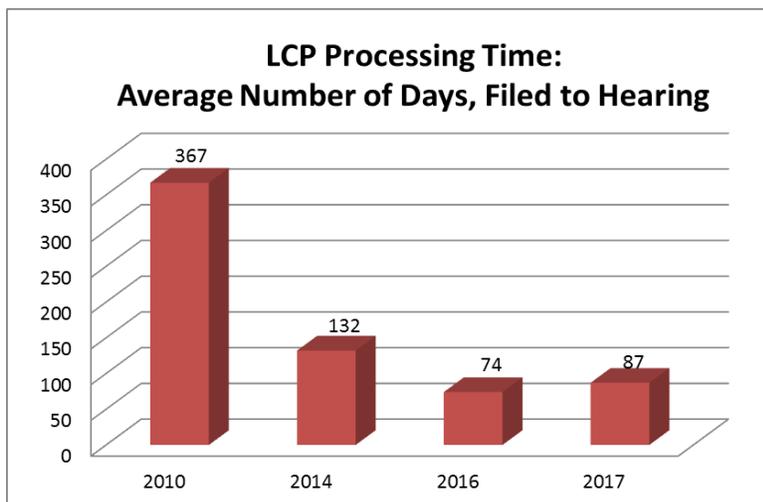
Orders require the owner to refrain from any further unpermitted development, and to prepare and implement a Restoration Plan. The plan will also ensure the appropriate Native American monitors and descendants will be involved and onsite during any necessary restoration work.

The Orders also require the owner to restore 500 acres of habitat, transfer approximately 36 acres to Santa Barbara County Parks, and pay \$500,000 dollars. This is the largest amount of habitat enhancement ever obtained through a Commission enforcement action, and the land transfer will more than double the size of Jalama Beach Park. The result will be almost a mile of coastline opened for public use, and additional low-cost recreation opportunities in an area that has been in private ownership with no public access rights for over a century. Shortly after the Commission's action, the entire property was purchased by The Nature Conservancy.

Coastal Protection by the Numbers

The Commission's Coastal Data Management System (CDMS), launched in 2015, has enhanced the Commission's ability to track workload data across the year, compare with past years and identify trends and anomalies.

Of the 622 permits the Commission acted on in 2017, 609 were approved, six (1%) were denied, and the remaining seven were withdrawn. The Commission also considered 65 appeals of local government decisions, and found that 30 of them raised a substantial issue under the Coastal Act (35 were found to raise no substantial issue). Of these, three projects on appeal were denied, and the rest were approved as submitted or approved with conditions.



The Commission received 85 planning-related submittals (amendments, certifications and other submittals related to LCPs, Port Master Plans, Long Range Development Plans and Public Works Plans), 70% of which were filed as complete. The average time from submittal to hearing was 87 days. The Commission acted on 49 Federal Consistency matters, and issued 36 emergency permits and 469 exemptions.

New Funding for Local Coastal Planning

Local Coastal Programs (LCPs) are the core implementation mechanisms for Coastal Act policies, and provide a vital link between the state and local governments. The Coastal Commission works closely with 76 coastal local governments to manage the coast across 126 planning segments. Sixty-two (62) counties and cities are now the lead coastal development permitting agency under a Commission-approved LCP.

However, 14 communities have yet to finish an LCP and assume coastal permitting authority.¹ Unfinished and out-of-date LCPs lead to conflict and delays in development approvals, and ultimately, less effective resource protection and less resilient communities. In addition, many LCPs are significantly out-of-date, and lack critical policies to address sea level rise.

One of the Commission’s highest priorities over the past three years has been to update and certify these plans. The agency has awarded 44 local planning grants to 34 jurisdictions, totaling \$5 million dollars. Grant guidelines include a requirement for jurisdictions to assess sea level rise vulnerability and develop climate change adaptation policies and ordinances. The program has been well received by our local government partners, as evidenced by the high demand for grant funds totaling over \$12 million. But the associated workload for Commission staff has been a significant challenge.

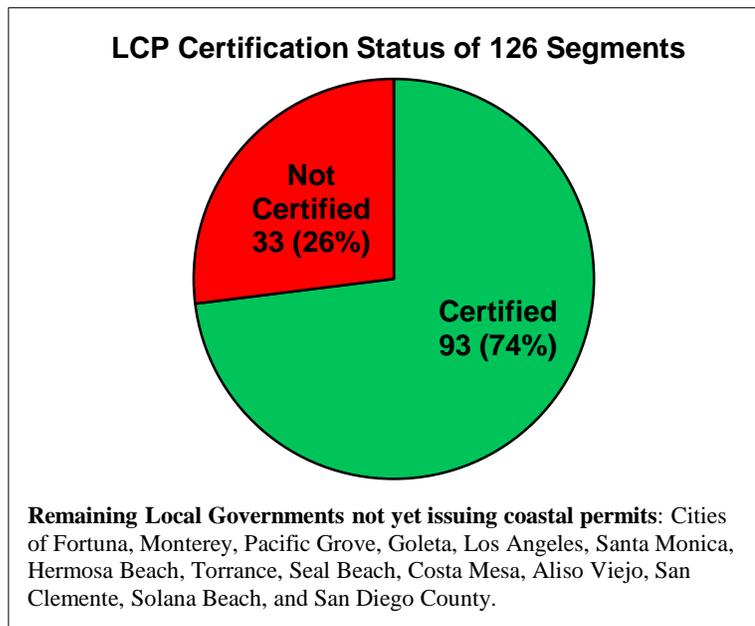
In August of 2017, the Commission awarded the last grant round of \$546,685 to seven local governments² for the purpose of updating their LCPs to incorporate sea level rise planning, adaptation and other policies. This was the last in a series of grant rounds that began in 2014, and would have been the final award, but for a last-minute action by the Legislature in the final days of the 2017 session.

In September, the Commission’s budget received an unexpected but welcome one-time augmentation thanks to the passage of [AB 109](#). For the first time, the Legislature appropriated funds from the Greenhouse Gas Reduction Fund (GGRF) for the purpose of sea level rise

¹ **Remaining Local Governments not yet issuing coastal permits:** Cities of Fortuna, Monterey, Pacific Grove, Goleta, Los Angeles, Santa Monica, Hermosa Beach, Torrance, Seal Beach, Costa Mesa, Aliso Viejo, San Clemente, Solana Beach, and San Diego.

² **Grantees:** Humboldt County, \$50,000; City of Trinidad, \$51,000; City of Fort Bragg, \$100,000; City of Marina, \$85,685; City of Pismo Beach, \$85,000; City of Avalon, \$75,000; City of San Diego, \$546,685

planning and adaptation. The budget adjustment allocated \$1.5 million for the Commission, \$500,000 for BCDC, and \$4 million for the State Coastal Conservancy. This is significant because although sea level rise planning and adaptation is a crucial and costly component of climate change resiliency, it had not been previously eligible for GGRF funding. The Commission will use its funds to extend the agency's LCP grant program, as well as providing associated support and technical assistance related to climate change issues.



The state's previous investments in the Commission's LCP program paid great dividends in 2017. In January, the Commission certified the [City of Newport Beach's Implementation Plan](#), completing the process for accepting the city's first-ever LCP, and reducing the total number of uncertified LCP segments to 33. Newport Beach was the recipient of \$67,000 in local assistance grants in 2014, and is the first jurisdiction to complete a new plan under the current grant cycle.

In May, the Commission approved the [County of San Diego's Land Use Plan](#) (LUP), with minor suggested modifications. San Diego is the last uncertified county in California, and the LUP is the first component of a fully certified LCP. The county's work was undertaken with the support of a \$52,000 grant awarded by the Commission in FY 14/15. Other major planning actions approved by the Commission include a comprehensive update to the [San Ysidro Community Plan](#) of the Tijuana River Valley segment, the [Mendocino Town Plan Update](#) and the [Humboldt County LCPA for Interim Uses on Coastal Dependent Industrial Lands](#).



Public Education: So Many Ways to Love the Coast

The Whale Tail® License Plate turned 20 in 2017. A portion of the Whale Tail license fees funds the Commission's Public Education Program, including the Whale Tail Grant Program, Coastal Cleanup Day, Adopt-a-Beach, and other activities. Drivers purchased 5,899 Whale Tail Plates in 2017, and total revenue for the year (sales and renewal fees) was over \$5 million. Of this total, \$1,271,470 went to the California Beach and Coastal Enhancement Account, which funds the Public Education Program, and the rest to the Environmental License Plate Fund, which funds a

range of environmental conservation projects. Since 1997, revenue from the Whale Tail Plate has contributed \$96.6 million to these environmental efforts.

The Commission awarded \$873,883 in Whale Tail Grants to schools and non-profit organizations for educational activities like beach field trips, habitat restoration projects, watershed clean ups, kayak trips, and marine science experiences.

The Protect Our Coast and Ocean's fund ([Check the Coast](#)) state tax check-off received \$204,558 in donations in 2017 from 14,803 individuals. These donations support marine education and stewardship through the Whale Tail Grants Program. Please Check the Coast on your taxes if you would like to support the Commission's public education work!

The 33rd annual [Coastal Cleanup Day](#) in September enjoyed the support of 63,707 volunteers who removed 797,117 pounds of trash from coastal and inland waterways. The event took place at more than 1,000 individual cleanup locations across 55 counties - the largest Coastal Cleanup Day ever in terms of area covered. More detail of all these programs are included in the Commission's annual [Public Education Report](#). And the Commission also published a new 2017 curriculum for middle and high school students that focuses on coastal science, policy, and management in the context of issues facing the California coast. [California Coastal Voices](#), was officially launched with a series of teacher workshops. The book can be downloaded from the Commission's [website](#).

Advancing Environmental Justice



Commissioner Effie Turnbull-Sanders

[AB 2616](#) (Burke) took effect on January 1, 2017. This bill, strongly supported by the Commission, gave the agency new authority to consider environmental justice when making permit decisions, and specified the appointment of a Commissioner who lives in and works with underserved communities. Governor Brown designated Commissioner Turnbull-Sanders as his environmental justice appointee.

To inform the implementation of this new policy, Commissioner Turnbull-Sanders has been working closely with staff to develop an internal action plan as well as a public outreach effort. An Environmental Justice team made up of staff members from every district office and department has been convened to move the plan forward. The entire team, along with the Executive Director and Chief Deputy, participated in a comprehensive EJ training session in Sacramento in August, with experts from Cal EPA and the Office of Environmental Health Hazard Assessment. In 2018, the Commission is extending this training opportunity to all the district offices.

In October, the team sponsored an environmental justice [webinar](#) attended by approximately 50 individuals and groups. The webinar introduced the agency's history, jurisdictional scope, and its relevance for environmental justice communities. It also provided excellent feedback for staff's future efforts, as well as information for those who are interested in participating in policy formation process. Currently, team members are conducting personal outreach efforts to local and regional stakeholders, developing relationships and beginning conversations about developing a draft EJ policy for the Commission, which will be circulated in the coming year.

The Commission is also participating in a specialized, year-long training for state agencies, provided by the Government Alliance on Race and Equity (GARE). Approximately 20 staff members from all levels of management will participate in this monthly training focused on advancing equity in state agencies. The training involves 50 hours of class time, plus a speakers' series in Sacramento throughout 2018. Topics range from "Introducing Core Racial Equity Concepts" to "Advancing Racial Equity in Political Environments." Other agencies participating include the State Lands Commission, Department of Transportation, Department of Public Health, and several others.



The Commission made great process in developing a formal Tribal Consultation Policy in 2017. In August, the Commission circulated a draft policy with a cover letter to more than 200 tribal representative contacts provided by the Native American Heritage Commission. Staff is currently tabulating the feedback, and preparing responses and modifications to the initial draft policy. Once responses are complete, the Commission will hold at least two public hearings on draft/revised policy in 2018.

New Lower-Cost Visitor-Serving Opportunities



Phase III cottages at Crystal Cove State Park

In March the Commission approved the much anticipated renovation of 17 historic cottages at [Crystal Cove State Park](#), along with a beach boardwalk and parking improvements. The renovation is the final phase of this decades-long project, which provides a unique and moderately affordable beach experience for overnight guests and day-use visitors. The Commission worked extensively with the Department of Parks and the non-profit Crystal Cove Alliance to avoid impacts to sensitive habitat, and mitigate for future sea level rise impacts.

In July, the Commission approved the first new State Parks beach campground in 30 years. [Fort Ord Dunes State Campground](#) in Monterey County will have 40 tent sites, 45 RV hook ups, and 10 hike/bike in sites at the former military installation. The facility will also include day use amenities, and open up public access along 4 miles of shoreline. Once completed, this will be the only campground between Sunset Beach in Santa Cruz (26 miles to the north) and Andrew Molera State Park (36 miles south).

The Commission and State Parks share the common goal of providing more such opportunities, and acknowledge the need to for efficient planning and permitting. To that end, the agencies have finalized a MOU at the end of the year to streamline the use of in-lieu fee funds for developing lower-cost overnight accommodations on State Parks property. The first project is likely to be new cabins at Pfeiffer Big Sur campground.

Progress Through Interagency Partnerships

The California coastal program relies on important associations with State, regional and local governments for successful implementation. In addition to the work with State Parks, the Commission has built a particularly strong relationship over the years with the California Department of Transportation (Caltrans), aimed at to promoting important public access and transportation projects consistent with Coastal Act and LCP polices.

Caltrans’ and the Commission’ Integrated Planning Team have been working Sacramento State’s Center for Collaborative Policy since 2015 to design ways to improve communication and coordination during the earliest phases of the agencies’ respective planning processes. The goal is for subsequent transportation/access projects to reflect Coastal Act policies in ways that streamline review and advance the shared goals of both agencies’ Strategic Plans. The resulting [Plan for Improved Agency Partnering](#) was finalized in early 2017 and presented at the Coastal Commission’s July hearing ([Item W6b](#)).

One of the most significant projects to result from this partnership is the realignment of Highway 1 in Northern San Luis Obispo County. This collaborative planning process, 20 years in the making, relocates a three-mile stretch of roadway approximately 500 feet inland where it is projected to be safe from hazards into the next century. The project includes bridges, culverts and wetland restoration at Arroyo de la Cruz. As part of this development package, State Parks is also taking over the management of all the land west of the new alignment for public access and recreation in a 73-acre expansion to the Hearst San Simeon State Park. The newly realigned segment opened for public use in 2017, clearing the way for a new 3-mile segment of California Coastal Trail along the bluff, including repurposing parts of the old highway and dozens of acres of restored coastal prairie and wetlands. Users of the new trail and elevated realignment will have enhanced views of this gorgeous and wild coast, at the southern gateway to Big Sur.



Highway One at Piedras Blancas realignment and revetment removal – before and after.

Overall, this complex project is a flagship example of the challenges confronting the State in terms of sea level rise. It also highlights the opportunities for resilient adaptation in ways that protect valuable coastal resources for future generations. Commission staff regards this project as an extremely important accomplishment and applauds Caltrans' leadership.

Legislative Actions Promote Lower-Cost Facilities, Provide Flexibility and Potential Funding

During the 2017 legislative session, the Coastal Act was amended by [AB 250 \(Gonzalez-Fletcher\)](#) to advance opportunities for lower-cost visitor-serving facilities. The Commission will be working with the State Coastal Conservancy and the Department of Parks and Recreation to compile a comprehensive list of potential sites where lower cost facilities could feasibly be provided or expanded. In addition, the new law gives the Commission additional authority to reclaim and/or combine older, unspent "in lieu" fees and reassign them to projects that will better meet the objectives of the intended mitigation. This is an important tool that will allow the Commission critical flexibility to find appropriate recipients for unspent fees that can't feasibly be utilized under existing constraints.

Lower-cost visitor-serving facilities could get another substantial boost if the voters approve a Parks Bond in June, authorized by the passage of SB 5 (De Leon). If successful, the "[California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018](#)" will provide \$30 million for lower-cost recreational facilities, as well as \$226 million for the Coastal Conservancy for the protection of coastal lands, rivers and watersheds. The total amount of the bond is \$4 billion.

The Commission's successful voluntary tax contribution program, promoted by the "Check the Coast" advertising campaign, was renewed in 2017 for another seven years, thanks to [SB 503](#) (Newman). The extension will allow Californians to contribute their tax-deductible contributions to the Whale Tail program on their tax forms through January 1, 2025.

All of the Commission's actions and related reports may be viewed at the Commission's [website](#). A video archive of each entire meeting is also available at the [Cal-Span](#) website.

Looking Ahead to 2018 and Beyond

Federal Review of California's Coastal Program



Many exciting opportunities and challenges await the Commission in 2018. This year the National Oceanic and Atmospheric Agency (NOAA) Office for Coastal Management will be reviewing California's Coastal Management Program as required under the Coastal Zone Management Act. The evaluation will examine the operation and management of the Coastal Commission, the State Coastal Conservancy (SCC) and the Bay Conservation and

Development Commission (BCDC), assesses their accomplishments and needs, and include recommendations for program improvements. The last program evaluation was conducted in 2008, and included a number of recommendations, including the update of the Commission's Strategic Plan, which was completed in 2013. The 2018 federal evaluation will require a

significant investment of Commission staff time, but has the potential to help strengthen the program and build broader support for important initiatives.

Strategic Plan Update

The Commission will be updating its five year Strategic Plan in 2018, outlining the goals and actions necessary to realize a clear vision and direction for the agency through 2023. The update will require a significant investment in time and effort, and Commission staff will be developing a work plan over the next two months with the goal of completing the Strategic Plan by the end of the year.

Planning for Sea Level Rise and Climate Change



Rising sea levels as a result of climate change threaten to undermine the state's 44 billion dollar coastal economy. Within 50 – 100 years much of the state's sandy beaches will disappear, transforming California's very identity. Critical infrastructure such as highways, railroads, waste water treatment plants, and other utilities are already at risk.

To get a better sense of the scope of the threat, the Commission is preparing to launch a federally-funded project addressing sea level rise vulnerability and adaptation strategies for critical infrastructure. The Commission is also working on a NOAA-

funded project with the State Lands Commission that focuses on how public trust lands will be impacted and affected by sea level rise, shoreline development and armoring. This project will also explore how to protect our public trust lands in the age of climate change, including potential mitigation strategies. Through these efforts we will be developing guidelines and tools to assist the Commission and local governments in developing sea level rise adaptation policies and ordinances.

But even with beneficial adaptation planning tools, policy guidance and grant funding, the local politics of sea level rise make this an extremely challenging issue. With billions of dollars at stake, it's understandable that there will be disagreements on how best to design resilient communities. The challenge for the Commission and local governments is reaching agreement on policies and ordinances to advance adaptation strategies that are both consistent with the Coastal Act and acceptable to local constituencies. Commission staff have dedicated countless hours to negotiating and refining policy and ordinance language with local government staff in order to reach that common ground. But progress is slow, and consensus is not always possible.

Public Access Program

Providing and protecting public access to the beach and recreational areas in the coastal zone for all people, particularly lower income communities of color, continues to be a core mission for the Commission. Recent surveys by the Coastal Conservancy and a joint study conducted by UCLA and San Francisco State shows that Californians of all ethnic and economic backgrounds love their coast, and affordable access is important to them. Over the next year the Commission will continue to work on a number of opportunities to expand and protect public access including:



Completing gaps in the Coastal Trail will be a top priority in the years to come. (photo from Linda Locklin)

- Working with Caltrans, Coastal Conservancy, California State Parks, NGOs and local park agencies to extend and fill in the gaps on the Coastal Trail. This year we will complete a digital mapping project that will identify the gaps and allow us to better target available funding and managing entities.
- Opening new public access easements secured through Commission permit actions. There are 176 beach public access and trail easements that still remain unopened across the state. The Commission will be working with partner organizations to secure funding and management partnerships to get these easements opened.
- Pursuant to AB 250, the Commission can now focus on finding appropriate projects that can benefit from approximately \$13 million in unspent in-lieu funds for lower-cost visitor-serving opportunities, such as Puerco Canyon youth camp and Big Sur cabins.

Enforcement Program

The enforcement program continues to face staffing challenges, with over 2,400 open, unresolved violation cases, and more coming in each month. The administrative penalty provision for access violations has been a great help in resolving access cases, but our emphasis on these cases comes at a cost. With the current level of staff resources, prioritizing access means we have been able to address fewer of the other cases such as those involving wetlands and other types of environmentally sensitive habitat. We also face a longstanding and critical gap in our effectiveness: the lack of a permit condition compliance program. Unlike almost every other regulatory agency, the Commission does not have dedicated staff charged with monitoring and following up on permits issued by the Commission. This was identified by NOAA long ago as a short coming in our program, but we have never had the resources to hire staff to fulfill this function. As a result, we still largely rely on anecdotal information and observations by the public to identify permit violations. Obtaining funding for this function, and expanded administrative penalty authority are high priorities for the Commission to strengthen the enforcement program.

Coastal Data Management System Public Portal

Providing efficient access to the Commission's LCP and permit records to the public is a high priority but elusive goal for the agency. Staff continues to work on number of logistical and technical issues that have delayed the Commission's Coastal Data Management System public portal launch. In addition to infrastructure and software configuration challenges, analysis of the Commission's historic electronic data has identified discrepancies related to incomplete, conflicting or missing data for the Commission's older electronic records. To ensure the usefulness and accuracy of this information for public use, staff has focused on validating, correcting and updating these historic records prior to their release via the public portal. These efforts have cleaned up data entry for permit records back to 1982, the validated and updated parcel and locational information for several thousand historic records, and scanned more than 40,000 staff reports and related documents into the data base. Obviously, this is a time-consuming process that requires a significant commitment of staff resources. Two full-time, paid interns have been hired to assist in this effort.

Staff Retirements and Staff Retention

Of the Commission's approximately 155 staff members, 60 are currently eligible for retirement. From July 1, 2013, through the end of December, 2017, the Commission has seen 22 experienced staff members retire. We expect another 30-40 over the next 1-5 years. In addition to losing this valuable institutional memory, we are also losing talented staff to local governments, other public agencies and private companies because of the state's low wages. The rate of turnover has had serious impacts on the staff's ability to meet workload demands and maintain morale. Commission management is exploring every avenue to increase salaries, retain staff and mentor new hires for management positions.

In conclusion, prioritizing and staffing the core planning and regulatory functions of the Commission in combination with the many other initiatives and projects we are currently working on will continue to be a significant challenge for the foreseeable future, given the agency's limited staff resources. The unfortunate reality is that some important work and initiatives will be delayed because the Commission simply does not have the staff capacity to handle the substantial and growing workload. However, the commission staff is a group of incredible, dedicated, mission-driven public servants who will continue to provide excellent high level work products in our tireless pursuit to protect our state's precious coastal resources.