

**CALIFORNIA COASTAL COMMISSION**

NORTH CENTRAL COAST DISTRICT  
455 MARKET STREET, SUITE 300  
SAN FRANCISCO, CA 94105  
PHONE: (415) 904-5260  
FAX: (415) 904-5400  
WEB: WWW.COASTAL.CA.GOV



# F5a

Filed: 10/17/2022  
Action Deadline: 4/15//2023  
Staff: SR - SF  
Staff Report: 12/2/2022  
Hearing Date: 12/16/2022

## STAFF REPORT: CONSENT CALENDAR CDP AMENDMENT

**Application Number:** A-1-HMB-99-022-A2  
**Applicant:** Ailanto Properties, Inc.  
**Project Location:** Adjacent to the eastern ends of Grandview Boulevard and Terrace Avenue, north of Highway 92 and east of Highway 1, in the City of Half Moon Bay, San Mateo County (APNs  
**Project Description:** Amend the permit to extend the construction completion deadline an additional five years for the Pacific Ridge development project  
**Staff Recommendation:** Approval with Conditions

---

### SUMMARY OF STAFF RECOMMENDATION

Staff recommends approval of an amendment to CDP A-1-HMB-99-022 to authorize a five-year extension of the deadline for completion of construction of the Pacific Ridge development in Half Moon Bay. Staff recommends that one special condition be added, requiring the Applicant to provide evidence of an executed settlement agreement modification prior to issuance of the amended CDP. The motion is found on page 3 below.

TABLE OF CONTENTS

- 1. MOTION AND RESOLUTION..... 3
- 2. CONDITIONS.....3
- 3. FINDINGS AND DECLARATIONS..... 3
  - A. Standard of Review ..... 3
  - B. Project Background ..... 4
  - C. Amendment Description ..... 4
  - D. Analysis ..... 4
  - E. Sensitive Biological Resources ..... 5
  - F. Public Services..... 5
  - G. Wetlands and Riparian Corridors ..... 6
  - H. Public Views..... 6
  - I. Water Quality..... 6
  - J. Agriculture..... 7
  - K. CEQA..... 7

**EXHIBITS**

- Exhibit 1 – CDP A-1-HMB-99-022 Conditions as Amended
- Exhibit 2 – Project Location

## 1. MOTION AND RESOLUTION

Staff recommends that the Commission, after public hearing, **approve** a CDP amendment 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 amendment 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** the consent calendar, including the proposed amendment to Coastal Development Permit Number A-1-HMB-99-022, or A-1-HMB-99-022-A2, pursuant to the staff recommendation, and I recommend a **yes** vote.*

**Resolution to Approve CDP Amendment:** *The Commission hereby approves Coastal Development Permit Amendment Number A-1-HMB-99-022-A2 and adopts the findings set forth below on grounds that the amended development, as conditioned herein, will be in conformity with the City of Half Moon Bay certified Local Coastal Program. Approval of the amended CDP 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 amended 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 amended development on the environment.*

## 2. CONDITIONS

All existing standard and special conditions of CDP A-1-HMB-99-022, as amended through and including CDP Amendment A-1-HMB-99-022-A1, remain unchanged (see **Exhibit 1**). CDP Amendment A-1-HMB-99-022-A2 adds the following special condition.

**18. Settlement Agreement.** PRIOR TO ISSUANCE OF CDP Amendment No. A-1-HMB-99-022-A2, the Permittee shall provide written evidence to the Executive Director demonstrating that the Permittee, the City of Half Moon Bay, and the Coastal Commission have executed a modification to the 2004 Settlement Agreement in *Ailanto, Inc. v. CCC, et al.* (Case No. 416540) extending the deadline for completion of construction of the approved development by five years (to May 15, 2030).

## 3. FINDINGS AND DECLARATIONS

### A. Standard of Review

The entire City of Half Moon Bay is within the California coastal zone. The City has a certified Local Coastal Program (LCP). Therefore, under Coastal Act Section 30604(b), the standard of review for this CDP amendment is the City's certified LCP.

## **B. Project Background**

The project is located within the Dykstra Ranch Planned Unit Development (PUD) area, located on a coastal terrace east of Highway 1 and north of State Route 92 at the eastern edge of the City of Half Moon Bay, San Mateo County, approximately one mile inland from the Pacific Ocean. See **Exhibit 2** for project location.

CDP A-1-HMB-99-022 was originally approved by the Coastal Commission on February 16, 2001. In 2001, Ailanto Properties, Inc., filed a lawsuit challenging the Commission's CDP, which the parties resolved in 2004 by way of a settlement agreement pursuant to which the Commission approved (in 2008) an application to modify the CDP for the development by reducing the number of homes that could be constructed as part of the development with revised mitigation requirements (CDP Amendment No. A-1-HMB-99-022-A1). As amended, CDP A-1-HMB-99-022 authorizes construction of the Pacific Ridge development in Half Moon Bay, consisting of the subdivision of two parcels totaling 114 acres into 63 residential lots and construction of 63 single-family homes, a neighborhood park, streets, and infrastructure, all located adjacent to the eastern ends of Grandview Boulevard and Terrace Avenue, north of Highway 92 and east of Highway 1, in the City of Half Moon Bay, San Mateo County.

The CDP was issued on October 3, 2011, and construction of the proposed development began at that time. As of now, all infrastructure improvements and 19 homes have been constructed (and are currently occupied) while the remaining 44 lots are in "finished lot" condition (i.e., graded, and ready for home construction). Per the terms of the original settlement agreement (between the City of Half Moon Bay, the Coastal Commission, and the Applicant) and the CDP, all development was required to be complete within eight years of construction commencement. Construction commenced in May 2017, and thus the current deadline for completion of construction is May 2025.

## **C. Amendment Description**

The Applicant now requests to modify both the settlement agreement terms and CDP A-1-HMB-99-022 to extend the construction completion deadline for the remaining lots by an additional five years (to May 15, 2030). No changes would be made to the design or density of the approved permitted development. The Applicant's request is due to various delays in construction including supply chain issues, difficulties in selling the remaining lots to prospective buyers, and shortage of union labor required to construct the remaining homes that make completion by the previous deadline unlikely. The extension of this deadline would allow the Applicant additional time to complete construction of the approved development. All prior conditions of approval would remain in effect including those conditions designed to protect coastal resources such as required conformance with Commission-approved Habitat Management, Riparian Corridor Protections, Erosion Control, Stormwater Pollution Prevention, and Grading Plans, as well as compliance with all construction-related responsibilities.

## **D. Analysis**

The Commission's prior approval of a modified CDP for the proposed development in 2008 addresses the development's consistency with policies of the certified LCP, including policies relating to traffic impacts, biological resources, adequate services,

visual resources, water quality and agricultural lands. The Commission incorporates those findings as if set forth fully herein. The proposed CDP amendment does not alter the approved residential development or required mitigation and would only change the deadline for completion of construction that was originally proposed by the Applicant. Though a part of the modified project proposal approved by the Commission in 2008, the Commission does not typically impose construction deadlines as a condition of approval as long as applicants are diligently pursuing authorized development, nor did it impose a construction deadline as a condition of its approval of the CDP or the first CDP amendment. The Applicant has proceeded with due diligence to date, and no coastal resource concerns are raised by allowing the Applicant some additional time for the project to be completed. All CDP terms and conditions and required mitigations remain in effect and are unchanged by the deadline extension.

All existing standard and special conditions of CDP A-1-HMB-99-022, as amended through and including CDP Amendment A-1-HMB-99-022-A1, remain unchanged (see **Exhibit 1**). Through CDP Amendment A-1-HMB-99-022-A2 the Commission imposes one additional special condition on the CDP that requires the Applicant, prior to issuance of the CDP amendment, to provide evidence to the Commission's Executive Director that the Applicant, the City, and the Commission have executed a modification to the 2004 settlement agreement in *Ailanto Properties, Inc. v. CCC, et al.* (Case No. 416540) allowing for the construction deadline extension to May 15, 2030.

As conditioned, the Commission finds that the CDP amendment is consistent with the certified policies of the LCP relating to sensitive biological resources, public services, wetlands and riparian corridors, public views, water quality, and agriculture, each of which is discussed briefly below.

#### **E. Sensitive Biological Resources**

The LCP contains policies that protect environmentally sensitive habitat areas (ESHA) and threatened and endangered species habitat, including specific policies for both the California red-legged frog and the San Francisco garter snake (see, for example, LCP Implementation Plan (IP) Sections 18.38.085 and 18.38.090). The proposed CDP amendment does not alter the scope or footprint of the approved development and will not result in unaddressed impacts to sensitive habitat areas or threatened or endangered species habitat. The Commission finds that the proposed CDP amendment is consistent with the certified LCP's policies protecting sensitive biological resources.

#### **F. Public Services**

The LCP contains policies that require that new development be served by adequate public services, including water, sewer, schools, road facilities, and circulation. In addition, the LUP requires that the City reserve public works capacity for priority land uses, including public access and recreation, from consumption by other non-priority uses such as residential. These LCP policies carry out the requirements of Coastal Act Sections 30250(a) and 30252, which the City has adopted as guiding policies to the LCP. Section 30250(a) requires that new development be located in areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. Section 30252 states that the amount

and location of new development should maintain and enhance public access to the coast.

The CDP for the modified project was conditioned to require the Applicant to submit an approved water supply plan prior to issuance of the modified CDP. That permit condition was satisfied, the permit issued, and the CDP amendment will not alter the service requirements for the approved development. With respect to traffic impacts, the modified CDP required mitigation for cumulative impacts of the approved subdivision on traffic in the surrounding area. The CDP amendment does not alter the scope of the approved development or required mitigation. The Commission finds that the proposed CDP amendment is consistent with the certified LCP's policies requiring that development demonstrate it can be served by adequate public services, including adequate circulation, roads, and water supply.

### **G. Wetlands and Riparian Corridors**

City of Half Moon Bay LUP Policies define riparian corridors, permitted uses in riparian corridors and buffers, standards for development affecting riparian areas and buffers, and the minimum width of riparian buffer zones. These requirements are codified in IP Section 18.38.075. IP Section 18.38.075.D.1 specifies that the riparian buffer along intermittent streams shall be measured 30 feet from the limit of riparian vegetation.

The LCP also contains policies that define wetlands and sensitive habitats, specifying uses permitted in and adjacent to such areas, and setting development standards for the protection of these areas. These policies include IP Sections 18.02.040, 18.38.020.E, and 18.38.080.

The CDP amendment does not alter the scope or footprint of the approved development and will not result in new impacts to riparian corridors or wetlands. The Commission finds that the proposed CDP amendment is consistent with the certified LCP's policies protecting riparian corridors and wetlands.

### **H. Public Views**

The LCP incorporates Coastal Act Section 30251, which, among other things, requires development to minimize the alteration of landforms and be visually compatible with the character of the surrounding areas. The LUP requires that new development on upland slopes visible from Highway 1 not involve grading or building siting which results in a significant modification of hillsides. Other LUP policies provide additional protections for hillsides and views of upper hillsides above Highway 1. IP Section 18.37.020.B designates the hillside areas above the 160-foot contour east of the project site as a scenic area. The CDP amendment does not alter the scope or footprint of the approved development and will not result in new impacts to visual resources. The Commission finds that the proposed CDP amendment is consistent with the certified LCP's policies protecting public views.

### **I. Water Quality**

The LCP contains policies that protect water quality from runoff, erosion and flooding and incorporates Coastal Act Sections 30253, which requires new development to neither create nor contribute significantly to erosion or destruction of the site or

surrounding area, and 30231, which requires protection of the biological productivity and quality of coastal waters. The CDP amendment does not alter the scope or footprint of the approved development and will not result in any additional impacts to water quality. The Commission finds that the proposed CDP amendment is consistent with the certified LCP's policies protecting water quality.

#### **J. Agriculture**

The LCP incorporates Sections 30241 and 30242 of the Coastal Act, which require that the maximum amount of prime agricultural land be maintained in agricultural production and that conversion to nonagricultural uses of other non-prime lands be limited. The CDP amendment does not alter the scope or footprint of the approved development and will not result in any additional conversion of agricultural lands. The Commission finds that the proposed CDP amendment is consistent with the certified LCP's policies relating to protection of prime agricultural lands.

#### **K. CEQA**

The City of Half Moon Bay, acting as lead CEQA agency, certified an EIR for construction of the project at Pacific Ridge on October 13, 1988. The City has subsequently assessed the current proposed permit amendment and determined that an extension of the construction completion deadline will have no adverse environmental effects.

The Commission's review, analysis, and decision-making process for CDPs has been certified by the Secretary of the Natural Resources Agency as being the functional equivalent of the environmental review required by CEQA (CCR Section 15251(f)). Section 13096 of the Commission's administrative regulations requires Commission approval of CDP applications to be supported by a finding showing the application, as modified by any conditions of approval, is consistent with any applicable requirements of the California Environmental Quality Act (CEQA). CEQA Section 21080.5(d)(2)(a) prohibits a proposed development from being approved if there are feasible alternatives and/or feasible mitigation measures available that would substantially lessen any significant adverse effect that the development may have on the environment.

Accordingly, in reviewing the proposed CDP amendment, this report has discussed the relevant coastal resource issues with the proposal, imposed all necessary conditions of approval, and has concluded that approval of the proposed CDP amendment, as conditioned, is not expected to result in any significant environmental effects, including as those terms are understood in CEQA. As conditioned, there are no feasible alternatives or additional feasible mitigation measures available that would substantially lessen any significant adverse effect that the activity may have on the environment. Accordingly, the CDP amendment will not result in any significant adverse environmental effects for which feasible mitigation measures have not been employed, consistent with CEQA Section 21080.5(d)(2)(A).

## **4. APPENDICES**

### **A. Substantive File Documents**

A-1-HMB-99-022-A2 (Pacific Ridge Subdivision Deadline Extension)

- CDP and amendment files for CDP A-1-HMB-99-022, as amended through and including A-1-HMB-99-022-A2

**B. Staff Contacts with Agencies and Groups**

- City of Half Moon Bay Planning Department