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

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Prepared March 28, 2022 for April 7, 2022 Hearing

To: Coastal Commissioners and Interested Persons

From: Dan Carl, Central Coast District Director

Subject: Central Coast District Director's Report for April 2022

The following coastal development permit (CDP) waivers, immaterial CDP amendments, immaterial CDP extensions, emergency CDPs, and local government LCP modification acceptances (i.e., required for LCP amendment certification) for the Central Coast District Office are being reported to the Commission on April 7th. Pursuant to the Commission's procedures, each item has been appropriately noticed as required, and each item is also available for review from the Commission's Central Coast District Office in Santa Cruz. Staff is asking for the Commission's concurrence on the items in the Central Coast District Director's Report and will report any objections received and any other relevant information on these items to the Commission when it considers the Report on April 7th during the virtual online hearing.

With respect to the April 7th hearing, interested persons may sign up to address the Commission on items contained in this Report prior to the Commission's consideration of the Report. The Commission can overturn staff's noticed determinations for some categories of items subject to certain criteria in each case (see individual notices for specific requirements).

Items being reported on April 7, 2022 (see attached)

CDP Waivers

- 3-22-0153-W, Natural Bridges State Beach ADA improvements (Santa Cruz)
- 3-22-0224-W, Moss Landing Marine Labs temporary weather sensors (Moss Landing)

Emergency CDPs

- G-3-22-0016, Wavefarer Partners LLC erodible concrete sea cave fill (Santa Cruz)

LCP Modification Acceptances

- LCP-3-SLO-21-0024-1-Part C, DeCicco property MFR designation (Cayucos)

CDP Amendments and CDP Extensions

- None

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NOTICE OF PROPOSED PERMIT WAIVER

Date: March 28, 2022

To: All Interested Parties

From: Kevin Kahn, Central Coast District Manager
Kiana Ford, Coastal Planner

Subject: Coastal Development Permit (CDP) Waiver 3-22-0153-W
Applicant: California State Parks

Proposed Development
Accessibility improvements to the visitor center, parking lot, picnic areas, Monarch Trail boardwalk, and restroom facility at California State Parks' Natural Bridges State Beach in the City of Santa Cruz, Santa Cruz County.

Executive Director's Waiver Determination
Pursuant to Title 14, Section 13238 of the California Code of Regulations, and based on project plans and information submitted by the Applicant regarding the proposed development, the Executive Director of the California Coastal Commission hereby waives the requirement for a CDP for the following reasons:

The proposed project will make a series of accessibility improvements to facilities within Natural Bridges, including to the parking lot, picnic areas, and restroom facility, as well as minor repairs to existing trails within the park. Currently, the park has only two handicap parking spaces and two wheelchair-accessible picnic areas, which limits the use of the area for those requiring accommodations. The project will convert six existing spaces to handicap spaces, and convert two existing and construct eight new accessible picnic tables, thereby expanding public use of these spaces for those with disabilities. Additionally, the only accessible restroom in the park is located at the visitor center. The project would retire an existing restroom at the opposite end of the parking lot from the visitor center and install new accessible restrooms adjacent to the retired facility. Finally, the project would make minor repairs and improvements to various walkways in the park, including the beach accessway, visitor center ramp, and Monarch Trail, to improve their overall function and utility. Construction is proposed to be staggered so as to avoid any disturbance during monarch butterfly overwintering season as well as during peak visitation times, and the project includes appropriate water quality best management practices (e.g., soil erosion and sedimentation provisions, and nesting bird survey and avoidance measures) to ensure protection of the sensitive coastal environment.

In summary, the project proposes relatively minor improvements all aimed at enhancing the visitor experience, particularly for those with disabilities, at the popular Natural

Bridges State Beach. As such, the project will improve public coastal access and is consistent with the Coastal Act.

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. The California State Parks, acting as lead CEQA agency, determined that the proposed project was categorically exempt from CEQA review pursuant to sections 15301, 15302, 15303, and 15304. Therefore, State Parks did not identify any significant adverse environmental effects from the proposed project.

The Commission's review, analysis, and decision-making process for CDPs and CDP amendments 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)). Accordingly, in fulfilling that review, this report has discussed the relevant coastal resource issues with the proposal and has concluded that approval of the proposed CDP waiver is not expected to result in any significant environmental effects, including as those terms are understood in CEQA.

Accordingly, it is unnecessary for the Commission to suggest modifications (including through alternatives and/or mitigation measures) as there are no significant adverse environmental effects that approval of the proposed CDP waiver would necessitate. Thus, the proposed CDP waiver 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).

Coastal Commission Review Procedure
This waiver is not valid until the waiver has been reported to the Coastal Commission. This waiver is proposed to be reported to the Commission on Thursday, April 7, 2022, during the virtual Coastal Commission meeting. If four or more Commissioners object to this waiver at that time, then the application shall be processed as a regular CDP application.

If you have any questions about the proposal or wish to register an objection, please contact Kiana Ford (kiana.ford@coastal.ca.gov) in the Central Coast District office.

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NOTICE OF PROPOSED PERMIT WAIVER

Date: March 28, 2022

To: All Interested Parties

From: Kevin Kahn, Central Coast District Manager
Katie Butler, Coastal Planner

Subject: Coastal Development Permit (CDP) Waiver 3-22-0224-W
Applicant: Moss Landing Marine Laboratories

Proposed Development
Installation of one 30-foot-tall temporary weather tower, one 20-foot-tall temporary weather tower, and related electrical and data cabling within an existing hardscape area for a period of five months at 7722 Sandholdt Road in the community of Moss Landing, Monterey County (APN 133-232-006).

Executive Director's Waiver Determination
Pursuant to Title 14, Section 13253 of the California Code of Regulations, and based on project plans and information submitted by the Applicant regarding the proposed development, the Executive Director of the California Coastal Commission hereby waives the requirement for a CDP for the following reasons:

The proposed weather towers would be installed from April 2022 through August 2022, at which point the towers would be completely removed and the site restored. The towers are part of a research project designed to improve meteorological forecasting in the nearshore environment. The towers would be installed on existing hardscape at the Moss Landing Marine Lab Aquaculture Facility and will not have any impacts to surrounding habitat. The towers are within the Monterey County Local Coastal Program's (which may act as guidance at this location) 35-foot height limit and will be located adjacent to existing buildings, and thus impacts to public views will be minimized. In addition, the project includes Best Management Practices for debris containment and daily housecleaning to ensure the ocean's water quality is protected during installation and removal of the weather towers. Accordingly, the project will not have any significant adverse impacts on coastal resources, including public access to the shoreline.

Coastal Commission Review Procedure
This waiver is not valid until the waiver has been reported to the Coastal Commission. This waiver is proposed to be reported to the Commission on April 7, 2022 during the virtual online hearing. If three or more Commissioners object to this waiver at that time, then the application shall be processed as a regular CDP application.

If you have any questions about the proposal or wish to register an objection, please contact Katie Butler (Katie.Butler@coastal.ca.gov) in the Central Coast District office.

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. Monterey County, acting as lead CEQA agency, determined that the proposed project was categorically exempt from CEQA review thus did not identify any significant adverse environmental effects from the proposed project.

The Commission's review, analysis, and decision-making process for CDPs and CDP amendments 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)). Accordingly, in fulfilling that review, this report has discussed the relevant coastal resource issues with the proposal, and has concluded that approval of the proposed CDP waiver is not expected to result in any significant environmental effects, including as those terms are understood in CEQA.

Accordingly, it is unnecessary for the Commission to suggest modifications (including through alternatives and/or mitigation measures) as there are no significant adverse environmental effects that approval of the proposed CDP waiver would necessitate. Thus, the proposed CDP waiver 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).

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EMERGENCY COASTAL DEVELOPMENT PERMIT

Emergency CDP G-3-22-0016 (Wavefarer Seacave Fill)

Issue Date: March 22, 2022

This emergency coastal development permit (ECDP) authorizes emergency development consisting of filling a cave at the base of the bluff (and below existing bluff-face armoring) fronting the residence at 3020 Pleasure Point Drive in the Pleasure Point area of Santa Cruz County (APN 032-242-17). Loose natural materials (rock and sand) will first be removed from the sea cave, which will then be filled with approximately 55 cubic yards of erodible concrete (designed to erode within 2 years) pumped to the sea cave from equipment stationed on the Permittee's property. A small rubber-tracked excavator may be lowered to the base of the bluff during daytime hours (via a crane staged on the Permittee's property) as needed to safely allow completion of work. All work will be timed to take place only during very low tides and contact between ocean waters and workers/equipment is not expected. Due to limited such available construction windows, overall construction duration is likely to be about eight days (starting on April 18, 2022), but only during short periods of time each day when work is possible at lower tides.

Based on review of the materials presented by the Permittee (Wavefarer Partners, LLC), including review by the Commission's Senior Engineer and Geologist, wave action associated with the 2020-2021 and 2021-2022 winter seasons led to what is now an 18-foot deep and 6-foot high sea cave at the base of the bluff. This cave could collapse at any time, which would likely lead to a loss of shoreline armoring and other structures in the bluff, and potentially the residence itself. A number of temporary measures were considered, but the only real feasible option to temporarily resolve the problem was deemed to be the use of erodible concrete, which should provide time for the Permittee to pursue a follow-up project through the regular CDP process.

Thus, the proposed emergency development is necessary to prevent or mitigate loss or damage to private property that would result if the sea cave were to collapse, and it is the minimum work necessary to temporarily abate the identified threat. Therefore, the Executive Director of the California Coastal Commission hereby finds that: (a) an emergency exists that requires action more quickly than permitted by the procedures for regular CDPs, (b) that the development can and will be completed within 30 days unless otherwise specified by the terms of this ECDP; and (c) public comment on the proposed emergency development has been reviewed.

Enclosure: ECDP Acceptance Form

cc: (via email): Jessica deGrassi (Santa Cruz County); Michael Hettenhausen (Santa Cruz County); Kenneth Foster (California State Lands Commission); Sophie De Beukelaer (Monterey Bay National Marine Sanctuary)

The emergency development is hereby approved, subject to the conditions listed on the attached pages.

DocuSigned by:
Kevin Kahn
DEF0E587F71C402...

Kevin Kahn, Central Coast District Manager, for John Ainsworth, Executive Director

Conditions of Approval

1. The enclosed ECDP acceptance form must be signed by the Permittee and returned to the California Coastal Commission's Central Coast District Office within 15 days of the date of this permit (i.e., by April 6, 2022). This ECDP is not valid unless and until the acceptance form has been received in the Central Coast District Office.

2. Only that emergency development specifically described in this ECDP is authorized. Any additional and/or different emergency and/or other development requires separate authorization from the Executive Director and/or the Coastal Commission.

3. The emergency development authorized by this ECDP must be completed within 90 days of the date of this permit (i.e., by June 20, 2022) unless extended for good cause by the Executive Director.

4. The emergency development authorized by this ECDP is only temporary and is designed to abate the identified emergency and shall be removed if it is not authorized by a regular CDP. Within 120 days of the date of this ECDP (i.e., by July 20, 2022), the Permittee shall submit a complete application for a regular CDP to authorize the emergency development or for a different project designed to address the emergency development. The CDP application may be found at: http://www.coastal.ca.gov/cdp/cdp-forms.html. The deadline in this condition may be extended for good cause by the Executive Director.

5. In exercising this ECDP, the Permittee agrees to hold the California Coastal Commission harmless from any liabilities for damage to public or private properties or personal injury that may result from the project.

6. This ECDP does not obviate the need to obtain necessary authorizations and/or permits from other agencies (e.g., Santa Cruz County, California State Lands Commission, Monterey Bay National Marine Sanctuary, etc.). The Permittee shall submit to the Executive Director copies of all such authorizations and/or permits upon their issuance.

7. All emergency development shall be limited in scale and scope to that specifically identified in the Emergency Permit Application Form dated received in the Coastal Commission's Central Coast District Office on March 21, 2022.

8. All emergency development is limited to the least amount necessary to abate the emergency.

9. A licensed civil engineer with experience in coastal structures and processes shall

oversee all construction activities and shall ensure that all emergency development is limited to the least amount necessary to abate the emergency consistent with the terms and conditions of this ECDP.

10. All emergency construction activities shall limit impacts to coastal resources (including public recreational access and the Pacific Ocean) to the maximum extent feasible including by, at a minimum, adhering to the following construction requirements:

    a. Construction activities on the beach and at the base of the bluff shall be limited to no more than a total of 14 days between April 18 and May 1 and shall take place on non-holiday weekdays to the maximum extent feasible.

    b. All construction activities shall take place during daylight hours (i.e., from one-hour before sunrise to one-hour after sunset), and lighting of the beach and/or intertidal area shall be prohibited.

    c. Construction work and equipment operations shall avoid areas seaward of the tidal extent as much as possible; shall be prohibited in ocean waters; and shall avoid recreational access users as much as possible. Any construction vehicles on the beach must be rubber-tracked.

    d. Any construction materials and equipment placed on the beach during daylight construction hours shall be stored beyond the reach of tidal waters. All construction materials and equipment shall be removed in their entirety from the beach area by one-hour after sunset each day that work occurs.

    e. All construction areas shall be minimized and demarked by temporary fencing designed to allow through public access and to protect public safety to the maximum extent feasible, where such areas shall be limited in their spatial extent as much as possible. Construction (including, but not limited to, construction activities, and materials and/or equipment storage) is prohibited outside of the defined construction, staging, and storage areas.

    f. The construction site shall maintain good construction site housekeeping controls and procedures (e.g., clean up all leaks, drips, and other spills immediately; ensure that the erodible concrete is contained within the cave only; keep equipment 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 beach; etc.).

    g. All construction activities that result in discharge of materials, polluted runoff, or wastes to the beach or the marine environment are prohibited. Equipment washing, refueling, and/or servicing shall not take place on the beach. Any erosion and sediment controls used shall be in place prior to the commencement of construction as well as at the end of each workday.

    h. All areas impacted by construction activities shall be restored to their pre-

construction condition or better within three days of completion of construction.

i. All contractors shall ensure that work crews are carefully briefed on the importance of observing the construction precautions given the sensitive work environment. Construction contracts shall contain appropriate penalty provisions sufficient to offset the cost of retrieval/cleanup of foreign materials not properly contained and/or remediation to ensure compliance with this ECDP otherwise.

j. The Permittee shall notify planning staff of the Coastal Commission's Central Coast District Office immediately upon commencement of construction, completion of construction, and completion of any required restoration activities as determined by the Executive Director. If planning staff should identify additional reasonable restoration measures, such measures shall be implemented immediately

11. Copies of this ECDP shall be maintained in a conspicuous location at the construction job site at all times, and such copies shall be available for public review on request. All persons involved with the construction shall be briefed on the content and meaning of this ECDP, and the public review requirements applicable to it, prior to commencement of construction.

12. A construction coordinator shall be designated to be contacted during construction should questions arise regarding the construction (in case of both regular inquiries and emergencies), and his/her contact information (i.e., address, email, phone numbers, etc.) including, at a minimum, a telephone number and email address that will be made available 24 hours a day for the duration of construction, shall be conspicuously posted at the job site where such contact information is readily visible from public viewing areas, 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 contact information (e.g., name, 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. The Permittee shall submit the record (of complaints/inquiries and actions taken in response) to the Executive Director on a weekly basis, and upon completion of construction activities.

13. Minor adjustments to the authorized emergency development and these conditions may be allowed by the Executive Director if such adjustments: (1) are deemed reasonable and necessary; and (2) do not adversely impact coastal resources.

14. This ECDP shall not constitute a waiver of any public rights which may exist on the property. The Permittee shall not use this ECDP as evidence of a waiver of any public rights which may exist on the property.

15. Failure to comply with the conditions of this approval may result in enforcement action under the provisions of Chapter 9 of the Coastal Act.

16. The issuance of this ECDP does not constitute admission as to the legality of any

development undertaken on the subject site without a CDP and shall be without prejudice to the California Coastal Commission's ability to pursue any remedy under Chapter 9 of the Coastal Act.

17. Prior to construction, contact Jessica deGrassi at the Santa Cruz County Planning Department at (831) 454-3162 and Rob Moore at the California Coastal Commission at robert.moore@coastal.ca.gov, to schedule inspections during construction activities.

As noted in Condition 4 above, the emergency development carried out under this ECDP is considered temporary work done in an emergency situation to abate an emergency and is undertaken at the Permittee's risk. For the development to be authorized under the Coastal Act and/or if the Permittee wishes to expand the scope of work, a regular CDP must be obtained. A regular CDP is subject to all of the provisions of the California Coastal Act and may be conditioned or denied accordingly.

If you have any questions about the provisions of this ECDP, please contact the Commission's Central Coast District Office at 725 Front Street, Suite 300, Santa Cruz, CA 95060, (831) 427-4863.

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EMERGENCY COASTAL DEVELOPMENT PERMIT ACCEPTANCE FORM

TO: CALIFORNIA COASTAL COMMISSION
CENTRAL COAST DISTRICT OFFICE
725 FRONT STREET, SUITE 300
SANTA CRUZ, CA 95060

RE: **Emergency Coastal Development Permit (ECDP) No. G-3-22-0016**

INSTRUCTIONS: After reading the attached ECDP, please sign this form and return it to the Central Coast District Office within 15 days from the permit's date.

I hereby understand all of the conditions of the ECDP being issued to Wavefarer Partners, LLC (property owner) and agree to abide by them.

I also understand that the emergency work is TEMPORARY and that a regular CDP is necessary. I agree to apply for a regular CDP within 120 days of the date of issuance of this ECDP (i.e., by **July 20, 2022**) unless this deadline is extended by the Executive Director.

A. Chuard

_____
Signature Wavefarer Partners, LLC (Property Owner)

Alain Chuard
_____
Name (Print)

345 Golden Oak Drive
_____
Address

Portola Valley, CA 94028
_____

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Prepared March 18, 2022 (for April 7, 2022 Hearing)

To: Coastal Commissioners and Interested Persons

From: John Ainsworth, Executive Director
Kevin Kahn, Central Coast District Manager
Esme Wahl, Coastal Planner

Subject: Certification Review for San Luis Obispo County LCP Amendment Number LCP-3-SLO-21-0024-1-Part C (DeCicco Property Re-designation)

On October 15, 2021 the Coastal Commission approved San Luis Obispo County LCP Major Amendment Number LCP-3-SLO-21-0024-1-Part C with modifications. This amendment changed the LCP Land Use Designation for a property near the intersection of Highway 1 and Old Creek Road (at 2958 Orville Avenue; APN 064-263-036) from Commercial Retail (CR) to Residential Multi-Family (RMF).

By action taken on February 15, 2022, the San Luis Obispo County Board of Supervisors adopted the amended LCP, including incorporating the Commission's suggested modifications (see Exhibit 1). The Executive Director has determined that the action taken by the County is legally adequate, that the amended LCP should be certified, and is reporting that determination to the Commission on April 7, 2022. The amended LCP will thus be certified as of April 7, 2022, and notification of such certification will be forwarded to the County.

Exhibit 1: San Luis Obispo County Acceptance of the Coastal Commission's Approval with Suggested Modifications

IN THE BOARD OF SUPERVISORS

County of San Luis Obispo, State of California

Tuesday, February 15, 2022

PRESENT: Supervisors John Peschong, Dawn Ortiz-Legg, Lynn Compton, Debbie Arnold and Chairperson Bruce S. Gibson

ABSENT: None

RESOLUTION NO. 2022-040

RESOLUTION ACKNOWLEDGING RECEIPT AND AGREEING TO CALIFORNIA COASTAL COMMISSION'S MODIFIED LANGUAGE PERTAINING TO LOCAL COASTAL PLAN AMENDMENT NUMBER LCP-3-SLO-21-0021-1-PART C (DECICCO LAND USE DESIGNATION)

The following resolution is hereby offered and read:

WHEREAS, the County of San Luis Obispo Board of Supervisors conducted a public hearing on December 15, 2020, and approved the amendment to the Official Maps – Part III of the Coastal Land Use Element by redesignating 1.4 acres from Commercial Retail to Residential Single-Family in the Cayucos Urban Reserve Line; and

WHEREAS, the County subsequently submitted the LCP Amendment Number LCP- 3-SLO-21-0021-1-Part C, to the California Coastal Commission for certification; and

WHEREAS, on October 15, 2021, the California Coastal Commission recommended modification to the approved land use designation in LCP Amendment Number LCP-3-SLO- 21-0021-1-Part C; and

WHEREAS, on October 15, 2021, the California Coastal Commission certified Local Coastal Plan Amendment Number LCP-3-SLO-21-0021-1-Part C provided certain modifications to the land use designation by the Coastal Commission was adopted by the County, said land use designation change is contained in the California Coastal Commission's resolution of certification attached hereto and incorporated by reference herein; and

WHEREAS, pursuant to the California Code of Regulations, title 14, section 13544, the San Luis Obispo County Board of Supervisors may now accept and agree to the terms and modifications suggested by the California Coastal Commission on LCP Amendment Number LCP-3-SLO-21-0021-1-Part C, and take formal action to satisfy the terms and modifications.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of San Luis Obispo, State of California, in a regular meeting assembled on the 15th day of February, 2022, that the Board of Supervisors of San Luis Obispo County, acknowledges receipt and hereby accepts and agrees to the modified language, as suggested by the California Coastal Commission, without further changes, pertaining to LCP Amendment Number LCP-3-SLO-21-0021-1- Part C as set forth in Exhibit A and Exhibit B attached hereto and incorporated herein as though fully set forth.

BE IT FURTHER RESOLVED AND ORDERED that pursuant to California Code of

Regulations, title 14, section 13544, the Board of Supervisors directs staff to submit this resolution to the Executive Director of the California Coastal Commission for determination, in writing, that the County's action is legally adequate to satisfy conditions of certification set forth in the California Coastal Commission's resolution of certification.

BE IT FURTHER RESOLVED AND ORDERED that LCP Amendment Number LCP-3-SLO-21-0021-1- Part C shall become final, effective and operative upon the Coastal Commission's concurrence with its Executive Director's determination pursuant to California Code of Regulations, title 14, section 13544, at which point the Official Maps – Part III, as set forth in Exhibit B will become effective immediately.

Upon motion of Supervisor Gibson, seconded by Supervisor Peschong, and on the following roll call vote, to wit:

AYES: Chairperson Gibson, Supervisors Peschong, Ortiz-Legg, Compton and Arnold

NOES: None

ABSENT: None

ABSTAINING: None

the foregoing resolution is hereby adopted on the 15th day of February, 2022.

Bruce S. Gibson
Chairperson of the Board of Supervisors

ATTEST:

WADE HORTON
Ex-Officio Clerk of the Board of Supervisors

By: Niki Martin
Deputy Clerk

[SEAL]

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: /s/ Brian J. Stack
Deputy County Counsel

Dated: January 24, 2022

STATE OF CALIFORNIA) ss.
COUNTY OF SAN LUIS OBISPO)

I, **WADE HORTON**, Ex-Officio Clerk of the Board of Supervisors thereof, do hereby certify the foregoing to be a full, true and correct copy of an order entered in the minutes of said Board of Supervisors, and now remaining of record in my office.

Witness, my hand and seal of said Board of Supervisors on March 8, 2022.

WADE HORTON,
Ex-Officio Clerk of the Board of Supervisors

By: Niki Martin
Deputy Clerk

STATE OF CALIFORNIA — NATURAL RESOURCES AGENCY
GAVIN NEWSOM, *GOVERNOR*

CALIFORNIA COASTAL COMMISSION
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ADOPTED

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Prepared September 24, 2021 for October 15, 2021 Hearing

To: Commissioners and Interested Persons

From: Susan Craig, Central Coast District Manager
Esme Wahl, Coastal Planner

Subject: **San Luis Obispo County LCP Amendment Number LCP-3-SLO-21-0024-1-Part C (DeCicco Property Re-designation)**

SUMMARY OF STAFF RECOMMENDATION

San Luis Obispo County, on behalf of a request by the underlying property owner Franco DeCicco, proposes to amend its Local Coastal Program (LCP) Land Use Plan (LUP) by changing the land use designation of a 0.4-acre parcel (APN 064-263-036) in the unincorporated community of Cayucos from Commercial Retail (CR) to Residential Single-Family (RSF). The property is located just inland of Highway 1 near the southern entrance to the community where the Highway intersects Old Creek Road, about a mile or so south of downtown Cayucos.[1]

Historically, a series of commercial businesses operated on the property, ranging from service stations to art galleries, but the site is currently vacant and covered with ruderal vegetation.[2] Most recently, Mr. DeCicco proposed a 19-unit hotel on the site, but, following the completion of litigation filed by Mr. DeCicco against the Commission's substantial issue determination (on which the Commission prevailed), the Commission denied the hotel on appeal in 2018, primarily due to concerns over its proposed size, scale, and massing in the public viewshed (CDP Application A-3-SLO-09-058 (Cayucos Del Mar Hotel)). If the proposed RSF property designation were to be approved by the Commission, Mr. DeCicco indicates that he intends to pursue a CDP to subdivide the property into four lots and to build a single-family home on each lot.

[1] The current property owner also owns the adjacent 0.24-acre property (APNs 064-263-025, -052 and -053) that is designated RMF (Residential Multi-Family) and currently occupied by two single-family residences. Thus, together, the Applicant owns 0.64 acres (or nearly 28,000 square feet) of property that are framed in by Ocean Boulevard (the Highway frontage road), Old Creek Road, and Orville Avenue.

[2] Historically prior businesses operated out of a small building on the site that had been vacant in recent years, but the building was recently demolished (without the benefit of a CDP). The property owner indicates that none of the businesses on the site have been successful in the time since he has owned the property (since 1999).

The Coastal Act establishes that visitor-serving commercial uses, such as hotels and other overnight accommodations that are envisioned under the property's existing CR LCP designation, are higher priority land uses in the coastal zone than residential uses envisioned under the proposed RSF designation. Proposed conversions from a higher to a lower priority use, as is proposed here, are thus strictly limited and are reviewed under a close lens because once such conversion to residential use has occurred, it is historically very unlikely that it will ever revert back to a visitor-serving use. That said, the Coastal Act does temper such provisions with other needs, including encouraging affordable housing and ensuring that new development is located in areas that can accommodate it, including in terms of public views and community character. Thus, the proposed amendment elicits the following questions: 1) is it appropriate to redesignate this property from a higher-priority visitor-serving use to a lower-priority residential one; and 2) if so, what type of residential use should be allowed on the site? The first question requires an analysis of both the property in question, including whether it is appropriate and suitable to provide for visitor-serving uses, as well as an analysis of the current supply of and demand for visitor-serving uses in the Cayucos area, including in relation to whether adequate property is designated in the LCP for such higher priority uses. If the second question is reached, it then requires an analysis of the suitability of the site to accommodate higher or lower density residential or other development.

With respect to the first question as it relates to the current supply of and demand for visitor-serving uses in Cayucos, Cayucos has a number of vacant and undeveloped CR properties currently available, as well as a relatively low annual overnight accommodations occupancy rate (albeit higher in prime summer months). In other words, it appears that the LCP has not circumscribed allowed uses in Cayucos in a way that it is necessary to retain all such properties, like this one, for CR uses and development, including with respect to overnight accommodations. Existing and potential visitor-serving stock appears to be appropriately accounted for overall in terms of designated sites and existing operations. At the same time, however, this site is unique as it is located in the southern part of town where there are no hotels or motels, and it is conveniently located just off of Highway 1 and about 150 yards from Morro Strand State Beach opposite the highway.[3] Thus, it presents a dilemma of sorts in that respect as it relates not to the number or amount of visitor-serving sites in Cayucos, but rather their relative distribution and location in terms of key visitor-serving travel paths and destinations. In this case, and although a close call when all the evidence is evaluated, staff believes that some sort of re-designation from a higher to a lower priority LCP designation could be supported here if it helps to achieve other important Coastal Act and LCP objectives.

Thus, to the next question, and namely the type of LCP designation that might be most appropriate in this case. Key to that analysis (if the property is to be designated for residential use) is what type and intensity of use might best accomplish such objectives. For example, although residential use is a lower priority in the coastal zone under the

[3] And while it is true that the Commission denied a CDP for Mr. DeCicco's prior proposed hotel project at this site, that denial was due to concerns about the particulars of that project, and not because the Commission determined that this site was not appropriate for a hotel use.

Coastal Act, the Act also explicitly requires that affordable housing opportunities be encouraged. This is particularly the case given the State's affordable housing crisis, particularly in the coastal zone and in areas where the very employees that form the foundation of local tourist economies, such as the economy in Cayucos, are often forced to live far from their jobs, leading to a series of problems, not the least of which is in terms of commutes and greenhouse gas contributions to global warming and sea level rise phenomena.

Seen through that lens, one option would be to designate the site for affordable housing under the LCP. As indicated, this is a 0.4-acre property that is well located and could likely accommodate a fairly sizeable affordable housing project (recall that the prior proposed hotel had 19-units of varying sizes from studios, to 2-bedroom units, to 2-bedroom suites). At the same time, the current property owner is not an affordable-housing developer, and this could present its own challenges in terms of realizing such an objective in the relatively short-term.

As a proxy for affordable housing the Commission has often looked to higher densities as leading to more affordable housing as a practical matter. In other words, whereas single-family residences have their own price points, typically quite high in the coastal zone (and the current median home price in Cayucos is $1.3 million), smaller and more units on a site compared to a single-family home can often lead to much more affordable housing in the same amount of space. Here, if the property were designated Residential Single-Family as proposed, it could accommodate one residence and one ADU, or up to 2 residences and 2 ADUs if it were subdivided.[4] However, if it were to be designated Residential Multi-Family, the property could accommodate up to 6 multi-family residential units without subdivision, and if the pending ADU ordinance were to be adopted, the site could provide up to 4 more units as an RMF site than as an RSF site. The RMF designation makes sense too as it simply extends the existing RMF designation that applies to most of the Highway-1-fronting properties in southern Cayucos onto this property, whereas an RSF designation would be the only so designated property in that area and would be isolated from adjacent RMF properties.[5]

Staff is therefore recommending that the Commission deny the LCP amendment as submitted and approve the amendment with a modification to change the land use designation for the property to Residential Multi-Family (RMF). The property owner and the County have stated that they are amenable to this modification. The required motions and resolutions are found on page 6 below.

Staff Note: LCP Amendment Action Deadline

This proposed LCP amendment was filed as complete on August 30, 2021. The

[4] Under the LCP, the minimum parcel size for subdivisions in RSF is 6,000 square feet, thus the subject property could be subdivided at most into two lots if it could otherwise be found consistent with other applicable LCP policies and obtain a CDP.

[5] And an RMF LCP designation also can allow single-family residential development under certain circumstances and, unless that allowance were to be eliminated for this site through this LCP amendment, the property owner could still pursue such single-family residential development here.

proposed amendment affects the LCP's LUP, and the 90-working-day action deadline is January 6, 2022. Thus, unless the Commission extends the action deadline (it may be extended by up to one year), the Commission has until January 6, 2022 to take a final action on this LCP amendment.

Therefore, if the Commission fails to take a final action in this case (e.g., if the Commission instead chooses to postpone/continue LCP amendment consideration), then staff recommends that, as part of such non-final action, the Commission extend the deadline for final Commission action on the proposed amendment by one year. To do so, staff recommends a YES vote on the motion below. Passage of the motion will result in a new deadline for final Commission action on the proposed LCP amendment. The motion passes only by an affirmative vote of a majority of the Commissioners present.

Motion: I move that the Commission extend the time limit to act on San Luis Obispo County Local Coastal Program Amendment Number LCP-3-SLO-21-0024-1-Part C to January 6, 2023, and I recommend a yes vote.

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EXHIBITS

1. MOTIONS AND RESOLUTIONS

Staff recommends that the Commission, after public hearing, approve the proposed LCP amendment with suggested modifications. The Commission needs to make two motions on the LUP amendment in order to act on this recommendation.

A. Deny the LUP Amendment as submitted

Staff recommends a **NO** vote on the motion below. Failure of this motion will result in denial of the Land Use Plan amendment as submitted and the adoption of the following resolution and findings in this report. The motion passes only by an affirmative vote of a majority of the appointed Commissioners.

Motion: *I move that the Commission certify Land Use Plan Amendment LCP-3-SLO-21-0024-1-Part C as submitted by San Luis Obispo County, and I recommend a no vote.*

Resolution to Deny: *The Commission hereby denies certification of LCP Amendment Number LCP-3-SLO-21-0024-1-Part C as submitted by San Luis Obispo County and adopts the findings set forth below on grounds that the Land Use Plan Amendment as submitted does not conform with the policies of Chapter 3 of the Coastal Act. Certification of the Amendment would not meet the requirements of the California Environmental Quality Act as there are feasible alternatives and mitigation measures that would substantially lessen the significant adverse impacts on the environment that will result from certification of the Amendment as submitted.*

B. Certify the LUP Amendment with Suggested Modifications

Staff recommends a **YES** vote on the motion below. Passage of this motion will result in certification of the Land Use Plan Amendment with suggested modifications and the adoption of the following resolution and the findings in this report. The motion to certify with suggested modifications passes only by an affirmative vote of a majority of the appointed Commissioners:

Motion: *I move that the Commission certify LCP Amendment Number LCP-3-SLO-20-0024-1-Part C if it is modified as suggested in this staff report, and I recommend a yes vote.*

Resolution to Certify: *The Commission hereby certifies LCP Amendment Number LCP-3-SLO-21-0024-1-Part C, if modified as suggested, and adopts the findings set forth below on grounds that the Land Use Plan Amendment with the suggested modifications conforms with the policies of Chapter 3 provisions of the Coastal Act. Certification of the Amendment if modified as suggested 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 plan on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment.*

2. SUGGESTED MODIFICATIONS

The Commission hereby suggests the following modification to the proposed Land Use Plan amendment. If San Luis Obispo County accepts the suggested modification within six months of Commission action (i.e., by April 15, 2022), by formal resolution of the Board of Supervisors, the modified amendment will become effective upon Commission concurrence with the Executive Director's finding that this acceptance has been properly accomplished.

1. **Modify the Land Use Plan as follows:**

   Modify the Land Use Designation for APN 064-263-036 from Commercial Retail (CR) to Residential Multi-Family (RMF).

3. FINDINGS AND DECLARATIONS

A. Proposed LCP amendment Description

The amendment proposes to change the LCP LUP's land use designation for a 0.4-acre parcel (APN 064-263-036) located at 2958 Orville Avenue within the unincorporated community of Cayucos from Commercial Retail (CR) to Residential Single-Family (RSF). The property is located just inland of Highway 1 near the southern entrance to the community where the Highway intersects Old Creek Road, about a mile or so south of downtown Cayucos (see **Exhibit 1**).[6] The parcel is located adjacent to Residential Multi-Family (RMF) designated properties upcoast, with Residential Single-Family (RSF) designated properties on two sides (across Orville Avenue and Old Creek Road), and Highway 1 and the highway frontage road on its fourth side (see **Exhibit 2**). The property is a graded, semi-level lot that is currently vacant and covered with ruderal vegetation (see photo in **Exhibit 4**).[7] The property is served by the Cayucos Sanitary District for wastewater services and County CSA10 for water services. If the proposed designation were to be changed, the property owner, Franco DeCicco, indicates that he intends to pursue a CDP to divide the 0.4-acre parcel into four lots and build four single-family homes.[8]

Historically, a series of commercial businesses operated on the property, and Mr. DeCicco indicates that the property was used as a gas station until 1978 (when the tanks were removed by Texaco); as an antique store from 1991 to 1996; as an auto detail shop, a window and floor retail store, a plumbing supply store, and an oil and filter

[6] The current property owner also owns the adjacent 0.24-acre property (APNs 064-263-025, -052 and -053) that is designated RMF (Residential Multi-Family) and currently occupied by 2 single-family residences. Thus, together, the Applicant owns 0.64 acres (or nearly 28,000 square feet) of property that are framed in by Ocean Boulevard (the Highway frontage road), Old Creek Road, and Orville Avenue.

[7] Historically, prior businesses operated out of a small 1,100-square-foot building on the site that had been vacant in recent years, but the building was recently demolished (without the benefit of a CDP, but via non-CDP County authorization (San Luis Obispo County Permit No. PMTC2020-00097)).

[8] Such subdivision and home development would require a separate CDP from the County, and Mr. DeCicco has submitted such CDP application, which is currently not filed for County consideration pending the outcome of this proposed re-designation.

store until 2010; and as a glass art gallery and a succulent plant shop until 2018. Mr. DeCicco further indicates that none of the businesses on the site have been successful in the time since he has owned the property (since 1999). In 2005, Mr. DeCicco proposed to develop the site with a 2,238-square-foot restaurant/coffee shop and a 1,560-square-foot retail convenience store, but abandoned the project after neighbors objected, claiming that they did not want the smells or traffic that a restaurant and convenience store would bring to the area.

Subsequently, Mr. DeCicco pursued a CDP to subdivide the subject property and his adjacent property and to construct residential and hotel development on these properties. The County approved that CDP, and on appeal the Commission found that the County's approval raised a substantial LCP conformance issue and took jurisdiction over the CDP application,[9] primarily citing concerns related to the overall mass and scale, but also issues associated with the fact that the underground hotel parking was to be partially located on the residentially-designated portion of the site, questions about the hotel's operating standards, and other project issues.[10] Mr. DeCicco then changed his project to maintain the subdivision for both properties but not to pursue residential development, and proposed a 19-room hotel with underground parking. The CDP application for that project was denied by the Commission in 2018, primarily due to concerns over its proposed size, scale, and massing in the public viewshed, as well as similar concerns as had been articulated at the substantial issue phase of the appeal (CDP Application A-3-SLO-09-058 (Cayucos Del Mar Hotel)).

Although the Commission did not indicate as much in denying his project, focusing instead on the issues with the project as proposed in that case and not the use in general, Mr. DeCicco apparently believes that the Commission will not approve a hotel on the subject site. Based on this belief, Mr. DeCicco has requested that the County change the LCP designation for the property to Residential Single-Family, and this proposed amendment would do just that. See **Exhibit 3** for the proposed LUP re-designation.

B. Evaluation of Proposed LCP Amendment

Standard of Review

The proposed amendment affects the LCP's LUP, and the standard of review for LUP amendments is that they must conform with Chapter 3 of the Coastal Act.

Applicable Coastal Act Policies

The Coastal Act contains objectives and policies designed to protect, maintain, and enhance the quality of the coastal zone and coastal resources. This includes balancing

[9] The Commission found substantial issue on Appeal Number A-3-SLO-09-058 on August 12, 2009, and Mr. DeCicco subsequently sued the Commission over that determination, in part claiming that the County's CDP decision was not appealable. Ultimately, the Commission prevailed in that litigation in the Second District Court of Appeal, where the Commission's action was upheld in a published case.

[10] Commissioners also had questions about long-term stays and the potential conversion of the hotel to timeshares, the potential for toxins on the site, the adequacy of fire protection measures, and the potential for circulation impacts.

utilization of the coastal zone by taking into account the social and economic needs of the state, maximizing public access and public recreational opportunities to and along the coastline, assuring priority for visitor-serving uses on and near the coast (especially low-cost visitor opportunities), and broadly requiring that coastal resources be protected through LCP planning and coastal permitting. Relevant policies include:

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 30213: *Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred. …*

Section 30222: *The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.*

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

Section 30250: *(a) New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. ...*

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.*

Section 30252: *The location and amount of new development should maintain and enhance public access to the coast by (1) facilitating the provision or extension of transit service, (2) providing commercial facilities within or adjoining residential development or in other areas that will minimize the use of coastal*

access roads, (3) providing nonautomobile circulation within the development, (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation ...

Section 30253: *New development shall do all of the following: ... (d) Minimize energy consumption and vehicle miles traveled. (e) Where appropriate, protect special communities and neighborhoods that, because of their unique characteristics, are popular visitor destination points for recreational uses.*

While not part of Coastal Act Chapter 3 and thus not technically part of the legal standard of review for this proposed LUP change, the Coastal Act also provides relevant direction otherwise regarding this proposed amendment, including encouraging the provision of affordable housing and ensuring environmental justice in the coastal zone.

Section 30007: *Nothing in this division shall exempt local governments from meeting the requirements of state and federal law with respect to providing low- and moderate-income housing, replacement housing, relocation benefits, or any other obligation related to housing imposed by existing law or any law hereafter enacted.*

Section 30604(f): *The commission shall encourage housing opportunities for persons of low and moderate income. In reviewing residential development applications for low- and moderate-income housing, as defined in paragraph (3) of subdivision (h) of Section 65589.5 of the Government Code, the issuing agency or the commission, on appeal, may not require measures that reduce residential densities below the density sought by an applicant if the density sought is within the permitted density or range of density established by local zoning plus the additional density permitted under Section 65915 of the Government Code, unless the issuing agency or the commission on appeal makes a finding, based on substantial evidence in the record, that the density sought by the applicant cannot feasibly be accommodated on the site in a manner that is in conformity with Chapter 3 (commencing with Section 30200) or the certified local coastal program.*

Section 30604(g): *The Legislature finds and declares that it is important for the commission to encourage the protection of existing and the provision of new affordable housing opportunities for persons of low and moderate income in the coastal zone.*

Section 30604(h): *When acting on a coastal development permit, the issuing agency, or the commission on appeal, may consider environmental justice, or the equitable distribution of environmental benefits throughout the state.*

Consistency Analysis

Taken together, these Coastal Act policies seek to protect, provide for, and enhance coastal access and recreational opportunities for the public by prioritizing visitor-serving

uses and maximizing public access and recreational opportunities along the coastline while also protecting coastal resources more broadly. The Coastal Act's access and recreation policies provide significant direction regarding not only protecting public recreational access, but also by requiring that access is provided and maximized. Specifically, Coastal Act Section 30210 requires that maximum public access and recreational opportunities be provided. This direction to maximize access and recreational opportunities represents a different threshold than to simply provide or protect such access and is fundamentally different from other like provisions in this respect. In other words, it is not enough to simply provide access to and along the coast, and not enough to simply protect such access; rather such access must also be maximized. This terminology distinguishes the Coastal Act in certain respects and provides fundamental direction with respect to projects and LCP amendments along the California coast that raise public access issues, such as this one. And one of the primary means to maximize public access is by providing for overnight accommodations, particularly lower-cost ones, and ensuring that there is enough land suitable for such uses. Doing so ensures that those not fortunate enough to live near the coast, including inland residents, can still access it. Thus, the Coastal Act establishes visitor-serving commercial uses, such as hotels and other accommodations, as higher priority land uses in the coastal zone, and a higher priority explicitly than residential uses (see Section 30222).

But the Coastal Act does temper such provisions with other needs, including ensuring that new development is located in areas that can accommodate it, including in terms of public views and community character. And while visitor-serving commercial recreational uses (which are accommodated by the existing LCP's Commercial-Retail (CR) designation that applies to the subject site) are explicitly a priority over residential uses at this location, the Coastal Act also encourages the provision of affordable housing and the consideration for ensuring equitable distribution of environmental benefits throughout the state (see Sections 30604(f), (g), and (h)). Thus, the proposed amendment elicits the following questions: 1) is it appropriate to redesignate this property from a higher-priority visitor-serving use to a lower-priority residential one; and 2) if so, what type of residential use (or other use) should be allowed on the site? The first question requires an analysis of both the property in question, including whether it is appropriate and suitable to provide for visitor-serving uses, as well as an analysis of the current supply of and demand for visitor-serving uses in the Cayucos area, including in relation to whether adequate property is designated in the LCP for such higher priority uses. If the second question is reached, it then requires an analysis of the suitability of the site to accommodate higher or lower density residential or other development.

With respect to the first question, the property is a relatively large property (that is nearly a half-acre in size), which tends to be a prerequisite for successful visitor-serving commercial overnight projects. Although located on the inland side of Highway 1, it is still walkable to multiple prime coastal access points. In fact, in addition to Morro Strand State Beach that is about 150 yards away across the highway, there are a dozen or more coastal access destinations within about a mile or so of the site (including at Cayucos State Beach, Sand Dollars Beach, Morro Bay Dog Beach, and the coastal bluff trails located between the Studio Drive neighborhood and Morro Bay Dog Beach),

including Studio Drive itself that provides a meandering walk along the coast and a number of individual beach access points just across the highway, and downtown Cayucos with its shops, restaurants, and the Cayucos Pier just upcoast. This site is also unique as it is located in the southern part of town where there are no hotels or motels, and it is located just off of Highway 1 in a convenient location for coastal visitors. In other words, the site appears uniquely situated to accommodate "visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation" as directed by Coastal Act Section 30222, such as an overnight accommodations' use as is provided for by the existing LCP designation for the property. And while it is true that the Commission denied a CDP for Mr. DeCicco's prior proposed hotel project at this site, that denial was due to concerns about the particulars of *that project*, and not because the Commission determined that this site was not appropriate for a hotel use.

As regards the current supply of and demand for visitor-serving uses in Cayucos, there are 15 vacant Commercial Retail and/or Commercial Service[11] designated properties near downtown Cayucos, and an additional 7 vacant CR lots south of there, or a total of some 22 vacant sites that could accommodate visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation in the community. In terms of existing overnight visitor accommodations, there are 10 motels, 3 bed and breakfasts, 45 campsites, and 299 licensed short-term vacation rentals in Cayucos. Occupancy rates for overnight accommodations in Cayucos are around 88 to 91 percent in the summer months, but only around 38 to 40 percent in the winter months, with an average occupancy rate throughout the year of about 67 percent.[12] Thus, even in the busiest months, occupancy rates in Cayucos do not typically reach 100 percent.

In short, Cayucos has a number of vacant and undeveloped CR/CS properties currently available, as well as a relatively low annual overnight accommodations occupancy rate (albeit higher in prime summer months). In other words, it appears that the LCP has not circumscribed allowed uses in Cayucos in a way that it is necessary to retain all such properties, like this one, for CR uses and development, including with respect to overnight accommodations. Existing and potential visitor-serving stock appears to be appropriately accounted for overall in terms of designated sites and existing operations. At the same time, however, this site is unique as it is located in the southern part of town where there are no hotels or motels, and it is conveniently located just off of Highway 1 and about 150 yards from Morro Strand State Beach opposite the highway. Thus, it presents a dilemma of sorts in that respect as it relates not to the number of visitor-serving sites in Cayucos, but rather their relative distribution and location in terms of key visitor-serving travel paths and destinations. In this case, and although a close call when all the evidence is evaluated, it appears that some sort of re-designation from

[11] Commercial Service (CS) is a similar LCP designation to CR under the LCP that also accommodates overnight accommodations, as well as retail services and light manufacturing.

[12] Data comes from nine hotels/motels in Cayucos.

a higher to a lower priority LCP designation could be supported here if it helps to achieve other important Coastal Act and LCP objectives.

Thus, to the next question, and namely the type of LCP designation that might be most appropriate in this case. Key to that analysis (if the property is to be designated for residential use) is what type and intensity of use might best accomplish such objectives. For example, although residential use is a lower priority in the coastal zone under the Coastal Act, the Act also explicitly requires that affordable housing opportunities be encouraged. This is particularly the case given the State's affordable housing crisis, particularly in the coastal zone and in areas where the very employees that form the foundation of local tourist economies, such as the economy in Cayucos, are often forced to live far from their jobs, leading to a series of problems, not the least of which is in terms of commutes and greenhouse gas contributions to global warming and sea level rise phenomena.

Seen through that lens, one option would be to designate the site for affordable housing under the LCP. As indicated, this is a 0.4-acre property that is well located and could likely accommodate a fairly sizeable affordable housing project (recall that the prior proposed hotel had 19-units of varying sizes from studios, to 2-bedroom units, to 2-bedroom suites). At the same time, the current property owner is not an affordable-housing developer, and this could present its own challenges in terms of realizing such objectives in the relatively short-term.

As a proxy for affordable housing, the Commission has often looked to higher densities as leading to more affordable housing as a practical matter. In other words, whereas single-family residences have their own price points, typically quite high in the coastal zone (and the current median home price in Cayucos is $1.3 million),[13] smaller and more units on a site compared to a single-family home can often lead to much more affordable housing in the same amount of space. Here, if the site were re-designated Residential Single-Family as is proposed, it could potentially accommodate one single-family residence and one accessory dwelling unit (ADU), and thus 2 total units.[14] Even if the site were to be subdivided, at the most there could be two residential lots, and thus 4 total units (one primary dwelling and one ADU per lot).[15] If the currently pending ADU ordinance for Cayucos were to be adopted, the site could at most, with subdivision, accommodate up to 2 primary units, 2 ADUs, and 2 JADUs, or a total of 6 units. However, if the site were instead re-designated to Residential Multi-Family (RMF), it could accommodate up to 6 multi-family units under the current LCP.[16] Although ADUs

[13] Per Realtor.com, September 24, 2021.

[14] IP Section 23.04.082 allows one single-family dwelling per lot, and IP Section 23.08.169 allows one ADU (currently referred to as a second unit under the LCP) per lot.

[15] The site is 0.4 acres or 17,424 square feet. The LCP's minimum parcel size for subdivision purposes in RSF is 6,000 square feet (per IP Section 23.04.028). Thus, at most two such lots could be created through subdivision, and two such units could be developed on each lot.

[16] IP Section 23.04.084 uses an intensity factor to determine the maximum number of multi-family units allowed per acre, where such intensity factors are based on the type of road access, sewer service, and distance from the Central Business District. In this case, the site is over one mile from the Central

are not currently allowed in RMF, the currently pending ADU ordinance would allow up to 2 ADUs per RMF lot. Thus, if adopted, the site might be able to accommodate an additional 2 units, or an additional 4 units if subdivided,[17] for a total of up to 10 multi-family units. (All such scenarios presuming that such development can satisfy LCP requirements otherwise and obtain required CDPs.) Thus, at the current time, the site could accommodate up to 2 more units if it were designated RMF rather than RSF (6 units to 4 units), and if the ADU ordinance is adopted (as is expected at this point), the site could accommodate up to 4 more units if it were designated RMF rather than RSF (10 units compared to 6 units).

In addition, although the RMF designation allows for single-family dwellings,[18] multi-family dwellings are not an allowable use in the RSF designation, so a designation of RSF would preclude a multi-family option. In addition, the RMF designation also allows for bed and breakfasts, and this type of visitor-serving use would also be possible on this property in the future if it were so designated. Overall, the RMF designation would allow for more flexibility, including more potential residential units on the property, which in turn acts a proxy for more affordable units here. The RMF designation makes sense too as it simply extends to this site the existing RMF designation that applies to all of the properties located seaward of Orville Avenue and nearly all of the properties that front Highway 1 on the inland side of town in southern Cayucos (see **Exhibit 2**).[19]

In conclusion, the Coastal Act explicitly establishes visitor-serving uses as a priority over residential uses at this location, and the site is currently designated in the LCP to accommodate such visitor-serving uses. Proposed conversions, such as this one, are thus strictly limited and reviewed under a close lens, including because once such conversion to residential use has occurred it is historically very unlikely that it will ever revert to a visitor-serving use. At the same time the Coastal Act somewhat tempers such provisions with other needs, including encouraging affordable housing. As the forgoing analysis shows, is appears appropriate to allow for a re-designation of the subject site; however, it needs to be redesignated in a manner that helps to achieve other important Coastal Act and LCP objectives. And while the Commission could designate the site for affordable housing or designate the site for multi-family residential of a certain density without the possibility that single-family residential uses could be pursued, these types of provisions are likely to present implementation challenges and stifle potential flexibility for future development here. Given the fact set as it applies to this case, the Commission instead extends the RMF designation to this site (see

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Business District, and thus qualifies for a "low intensity factor" that can accommodate a maximum of 15 multi-family units per acre. Because the site is 0.4 acres, a maximum of six multi-family units could be accommodated.

[17] The RMF minimum lot size is the same as for RSF, so there could possibly be two lots and thus 4 ADUs in such scenario.

[18] Unless that allowance were to be eliminated for this site through this LCP amendment, the property owner could still pursue such single-family residential development here.

[19] About a quarter of the properties there are designated CR, like the current designation for the subject site, but the remainder are designated RMF (and none are designated SFR).

Suggested Modification 1). As so modified, the Commission finds the re-designation consistent with the above-cited policies of the Coastal Act.

C. California Environmental Quality Act (CEQA)

Section 21080.9 of the California Public Resources Code (within the California Environmental Quality Act (CEQA)) exempts local governments from the requirement of preparing an environmental impact report (EIR) in connection with its activities and approvals necessary for the preparation and adoption of LCPs and LCP amendments. Instead, the CEQA responsibilities are assigned to the Coastal Commission; however, the Commission's LCP review and approval program has been found by the Resources Agency to be functionally equivalent to the EIR process. Thus, under CEQA Section 21080.5, the Commission is relieved of the responsibility to prepare an EIR for each LCP or LCP amendment action.

Nevertheless, the Commission is required, in approving an LCP or LCP amendment submittal, to find that the approval of the proposed LCP, as amended, does conform with CEQA provisions, including the requirement in CEQA Section 21080.5(d)(2)(A) that the amended LCP will not be approved or adopted as proposed if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment (see California Code of Regulations Title 14 Sections 13540(f) and 13555(b)).

The County's LCP amendment consists of an LUP amendment. As discussed above, the LUP amendment as originally submitted does not conform with, and is not adequate to carry out, the policies of the Coastal Act. The Commission has, therefore, suggested a modification to the proposed LUP amendment to include all feasible measures to ensure that potentially significant environmental impacts of new development are minimized to the maximum extent feasible consistent with the requirements of the Coastal Act. This modification represents the Commission's analysis and thoughtful consideration of all significant environmental issues raised in public comments received, including with regard to potential direct and cumulative impacts of the proposed LUP amendment, as well as potential alternatives to the proposed amendment. As discussed in the preceding sections, the Commission's suggested modification represents the most environmentally protective alternative to bring the proposed LUP amendment into conformity with the requirements of the Coastal Act.

Therefore, the Commission finds that there are no other feasible alternatives or mitigation measures under the meaning of CEQA that would further reduce the potential for significant adverse environmental impacts, and the proposed LUP amendment, as modified, conforms with CEQA.

STATE OF CALIFORNIA — NATURAL RESOURCES AGENCY

GAVIN NEWSOM, *GOVERNOR*

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT
725 FRONT STREET, SUITE 300
SANTA CRUZ, CA 95060
PHONE: (831) 427-4863
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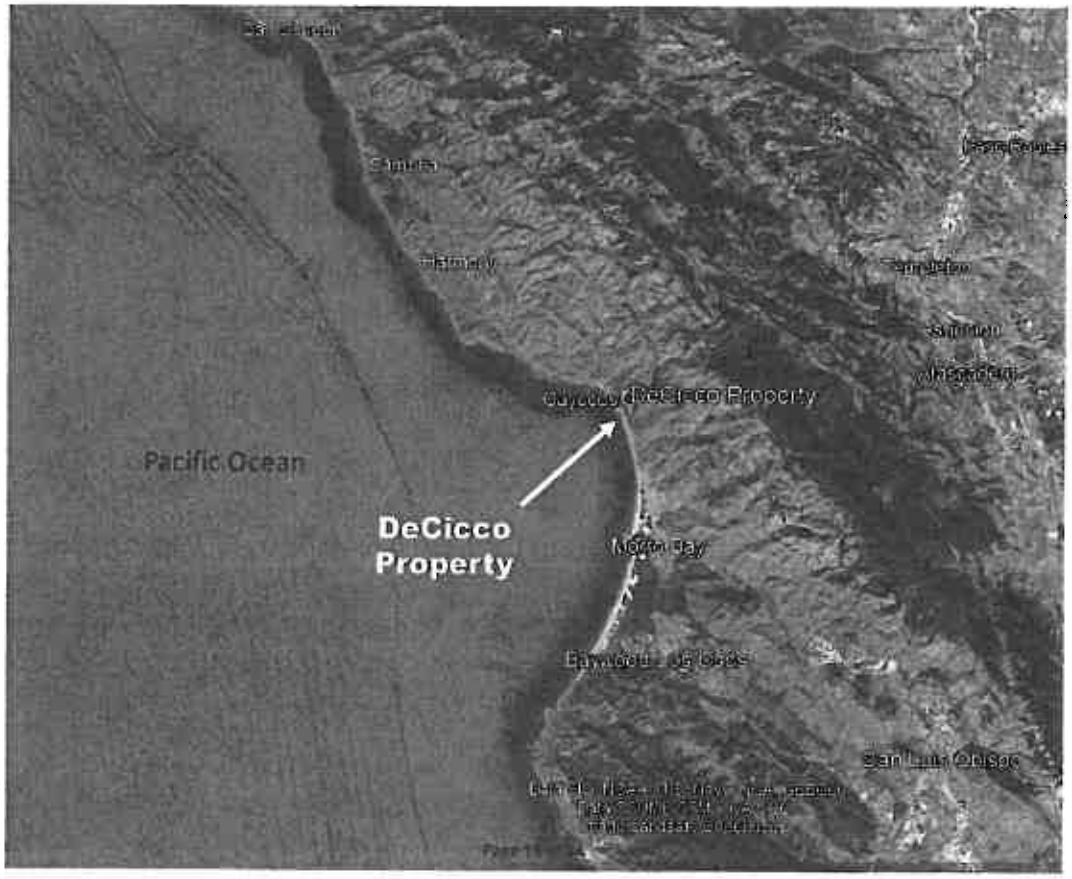
LCP-3-SLO-21-0024-1-PART C (DECICCO PROPERTY RE-DESIGNATION)

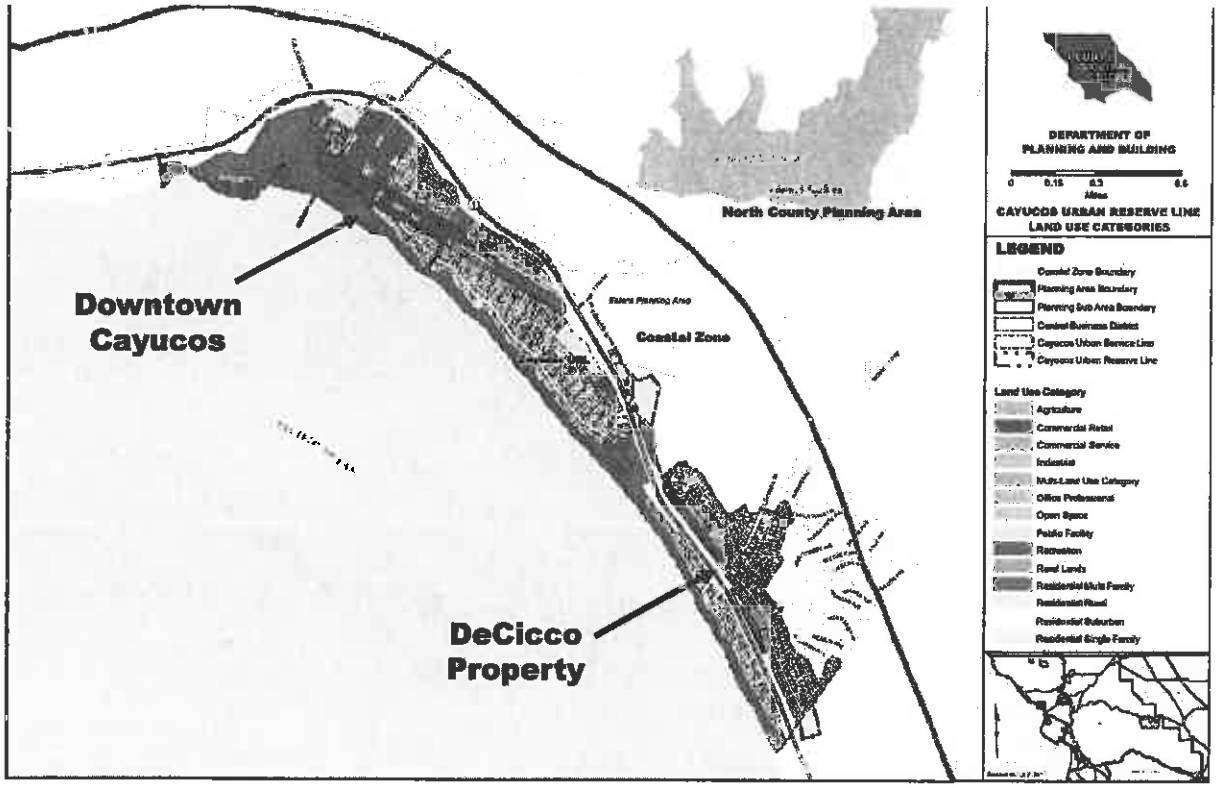
OCTOBER 15, 2021 HEARING

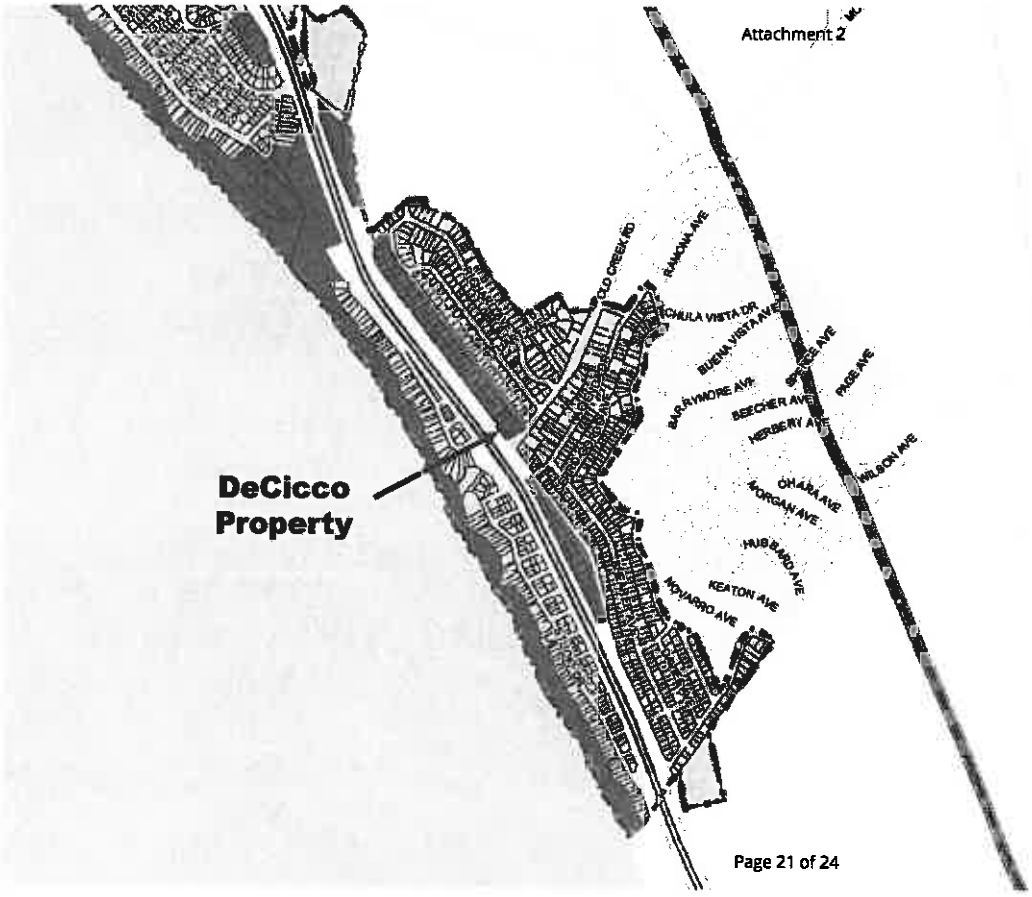
EXHIBITS

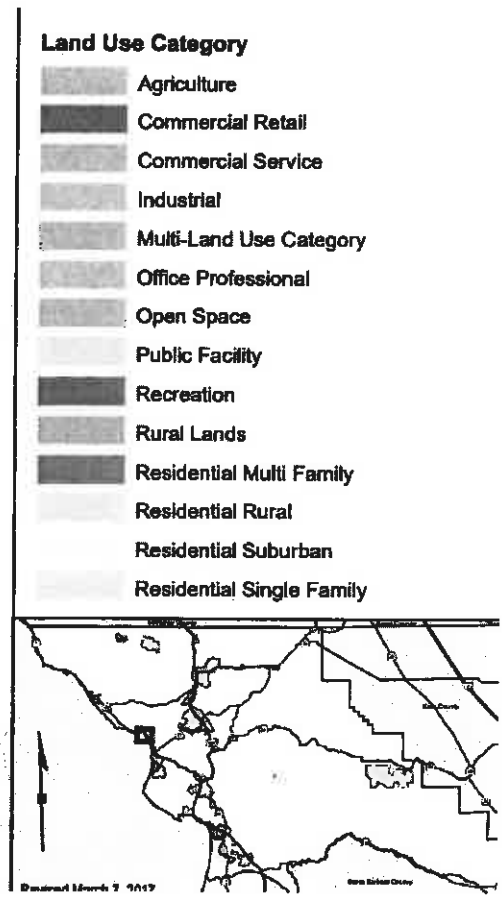
Table of Contents


Pacific Ocean
DeCicco
Property

Attachment 2




Attachment 2
DeCicco Property
OLD CREEK RD
RAMONA AVE
CHULA VISTA DR
BUENA VISTA AVE
SPEECE AVE
PAGE AVE
BARRYMORE AVE
BEECHER AVE
HERBERY AVE
WILSON AVE
CHIARA AVE
MORGAN AVE
HUSBMRD AVE
KEATON AVE
NAVARRO AVE


Land Use Category
Agriculture
Commercial Retail
Commercial Service
Industrial
Multi-Land Use Category
Office Professional
Open Space
Public Facility
Recreation
Rural Lands
Residential Multi Family
Residential Rural
Residential Suburban
Residential Single Family


County Proposal: Land Use Plan amendment to change APN 064-263-036 land use designation from Commercial Retail (CR) to Residential Single-Family (RSF)
Studio Drive
Ocean Boulevard
Highway 1
Orville Avenue
Old Creek Road
CR → RSF
DeCicco Property
Morro Strand State Beach

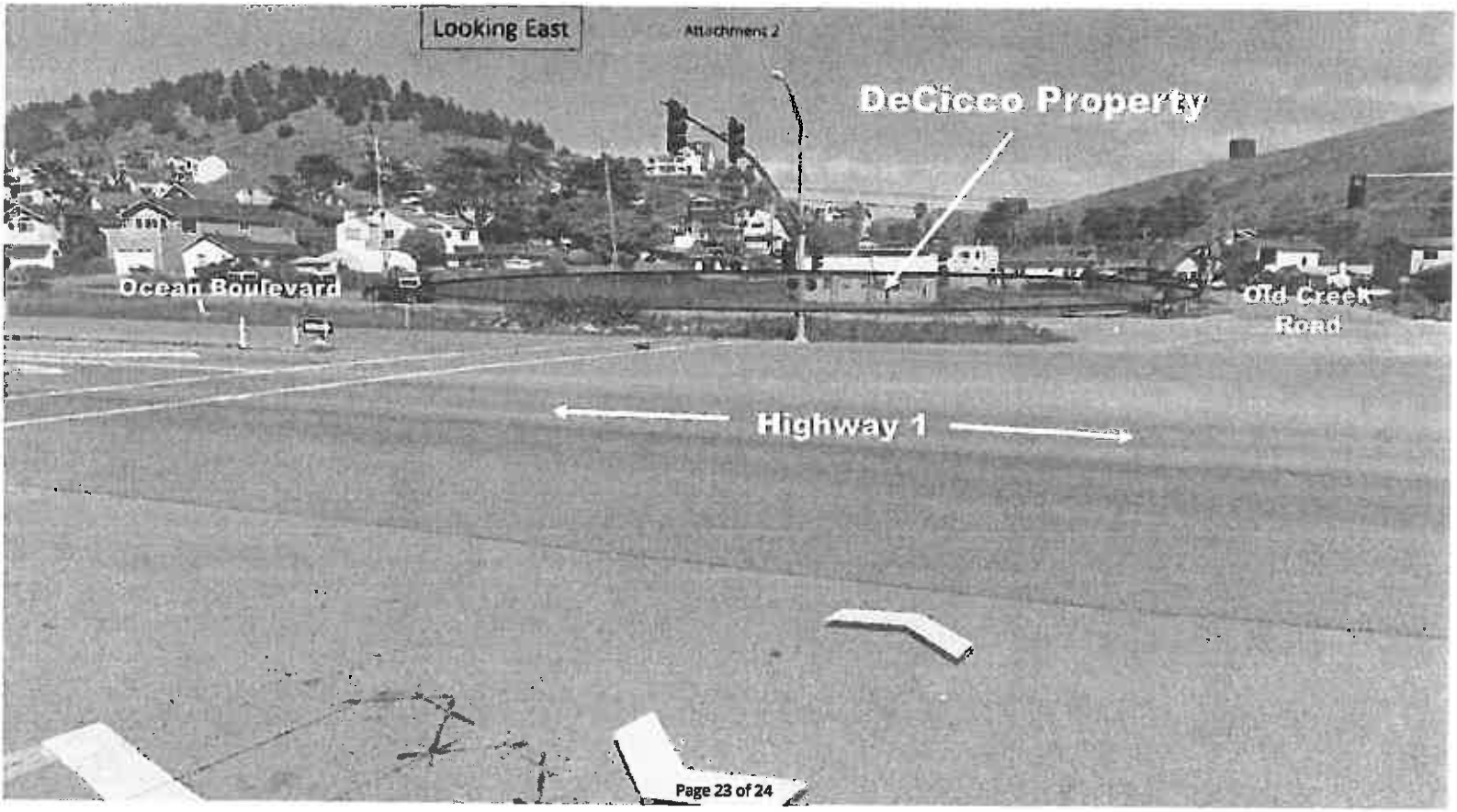

Looking East
Attachment 2
DeCicco Property
Ocean Boulevard
Old Creek Road
Highway 1

EXHIBIT B
LRP2019-00001 PROPOSED LAND USE CATEGORY MAP CHANGES
DECICCO GENERAL PLAN AMENDMENT LRP2019-00001

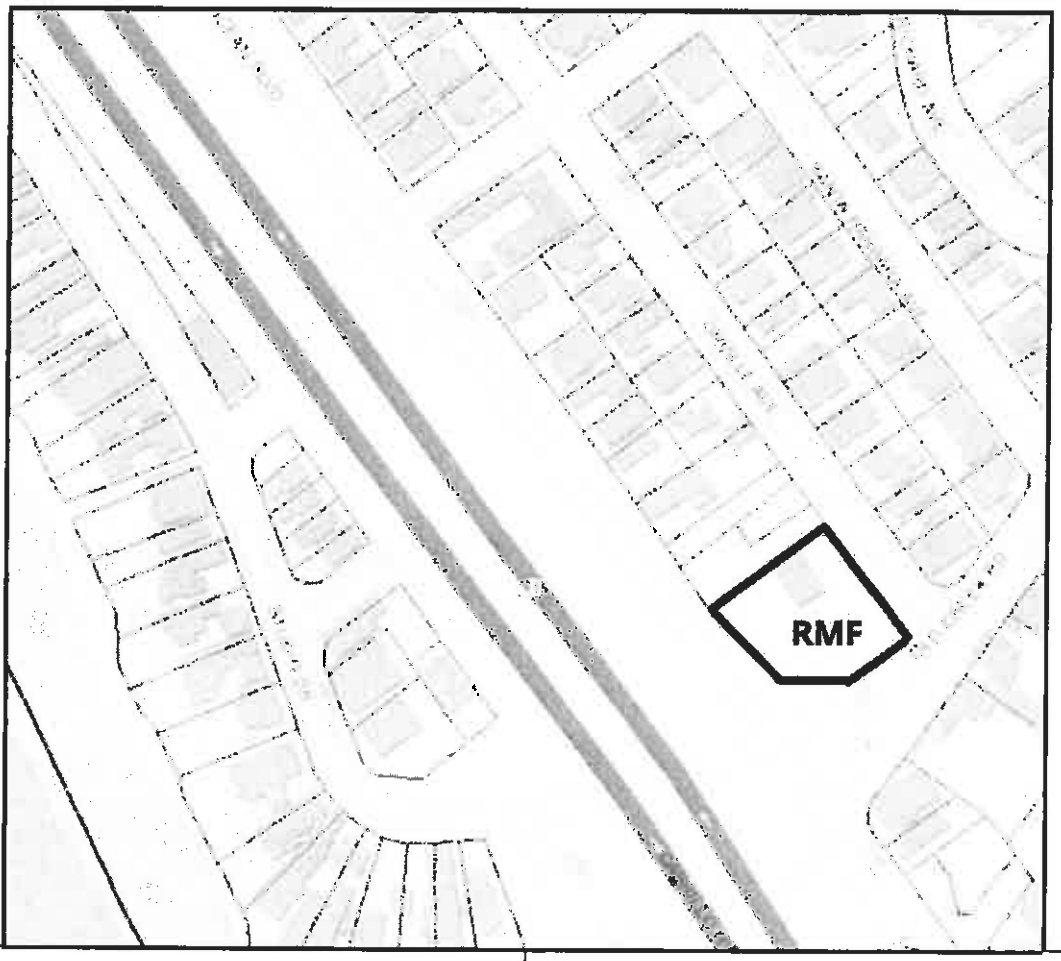


Exhibit: LRP2019-000001 **Site: APN 064-263-036** **INITIATING A LAND USE DESIGNATION AS SHOWN ON OFFICIAL LAND USE CATEGORY MAP ON FILE IN THE DEPARTMENT OF PLANNING AND BUILDING** **CHANGE APPROXIMATELY 0.4 ACRES FROM COMMERCIAL RETAIL (CR) TO RESIDENTIAL MULTI-FAMILY (RMF)**	**DECICCO GENERAL PLAN AMENDMENT**