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STAFF REPORT CDP APPLICATION

Application Number: 3-22-0463

Applicant: San Luis Obispo County Department of Airports

Project Location: Oceano County Airport, located at 561 Air Park Drive just north of the South San Luis Obispo County Sanitation District's wastewater treatment facility and the Lakeside Drive residential subdivision and just south of San Luis Obispo County's Oceano campground, and between Meadow Creek/Oceano Lagoon and Arroyo Grande Creek about 1,000 feet inland of the beach and shoreline in the unincorporated community of Oceano in southern San Luis Obispo County.

Project Description: Repairs, replacements, and improvements to Airport facilities, including resurfacing/ADA parking lot improvements along Air Park Drive; new modular pilots' lounge and restroom/shower facility; replacement airplane hangar; improvements to the existing pilots' campground area; and related development.

Staff Recommendation: Approval with Conditions

SUMMARY OF STAFF RECOMMENDATION

San Luis Obispo County owns and operates the Oceano County Airport. Originally built in the 1950s, the Airport is one of three airports serving the County, with the primary and larger airport in the City of San Luis Obispo serving commercial flights mostly to and from several cities on the West Coast, and the Oceano Airport generally serving non-scheduled general aviation and cargo flights (via piston-engine aircraft with wingspans less than 49 feet). The Airport's core infrastructure is comprised of a single

asphalt runway that is 50 feet wide and almost a half-mile long, with several asphalt taxiways and aprons to accommodate aircraft circulation and a series of hangars and other support buildings/facilities (e.g., Airport office, vehicle parking area, fuel tank, aircraft tie-down areas, and a 'fly-in' campground area for overnight use by pilots and their passengers). Overall, the Airport occupies some 60 acres of land within Oceano, and is more broadly surrounded by residential and park development, the area's primary wastewater treatment plant, and the wetlands and riparian corridors associated with the Meadow Creek/Arroyo Grande Creek/Oceano Lagoon complex, where these two creeks meet and then venture to the ocean roughly 1,000 feet to the south.

The proposed project would repair, replace, or upgrade/improve several Airport components, including renovating and upgrading the existing pilots' campground area, repaving/stripping and adding ADA improvements to the parking lot, adding two modular buildings to the maintenance yard (i.e., a pilots' lounge and a pilots' shower/restroom building), replacing the primary Airport hangar, and upgrading various utility infrastructure to serve Airport facilities. The proposed project does not include any work on the runway, taxiways, or apron.

The proposed project raises issues regarding the compatibility of the Airport with the surrounding area and surrounding area resources, including the community of Oceano. In fact, some in the Oceano community have questioned the appropriateness of the Airport operating in a location surrounded by a residential community and in and adjacent to sensitive aquatic habitats, as well as in a low-lying flood prone area whose flood risks may only worsen in the future given climate change. The Oceano community is also predominantly a lower-income community of color, and it is currently directly affected by several forms of impactful development (e.g., industrial development, wastewater treatment plant development, air quality and beach access impacts attributable to recreational vehicular use on the beach and dunes, etc.) as well as the direct and indirect effect of Airport operations themselves (e.g., noise, emissions, etc.). In fact, some have opined that the Airport should be relocated (or combined with the County's primary commercial airport in San Luis Obispo) and its 60 acres in the center of Oceano be put to different uses (including affordable housing, a town center, a public park, and/or additional wetlands to buffer against area flood risks) that are better for the community. The Applicant, of course, doesn't see it that way, and considers the Airport to be an important part of the community, including for emergency services in cases of accidents/disasters. In any case, any significant development proposed at the Airport leads to questions regarding its location, and whether the Airport is an appropriate use, particularly given the site's vulnerability to coastal hazards, proximity to sensitive habitats, and environmental justice issues.

In evaluating the proposed development and the Airport more broadly, staff has attempted to evaluate whether the Airport and its underlying infrastructure has been modified by 50% or more, thus being "redeveloped" and becoming a "replacement structure" under the Coastal Act and the Commission's regulations. If the Airport is effectively being replaced, the Commission must evaluate the entirety of the Airport for Coastal Act consistency, including vulnerability to coastal hazards and the manner in which it affects coastal habitats, and not just the individual proposed project elements in this application. However, while the Commission has often addressed the threshold for

redevelopment in its evaluation of houses, and even other types of public infrastructure (like wastewater treatment plants), staff isn't aware of applying a redevelopment methodology to an airport of this size and scale, including with multiple buildings and infrastructure components.

One methodology for assessing the question of "redevelopment of the Airport would be to evaluate the Airport's primary physical facilities, like the runway, taxiway, and apron, as a proxy to a residential structure's 'major structural components', as these are primary physical components that make an airport operational, just like a home's foundation and structural walls similarly make it habitable as a home. When looked at through this lens, including past development projects,¹ over 50% of the airport's primary runway/taxiway/apron system has been replaced/modified, including a complete replacement and rebuilding of the apron in 2004. This fact, along with other past projects that fully replaced other key Airport infrastructure (e.g., fuel tanks, hangers, beacon tower, etc.) when combined with the additional development proposed in this application, all support a conclusion that the Airport has been cumulatively replaced over the years, where the currently proposed project only further drives the point home. Put another way, and as the Commission has found in other past public infrastructure projects, while an Airport has existed at this site since the 1950s, this particular Airport in its current configuration has not. As such, staff concludes that the Airport should be understood as a replacement structure under the Coastal Act, thus requiring it to be evaluated as a whole against applicable Coastal Act requirements.

Within such redevelopment/replacement context, the primary Coastal Act issue is that the site is a low lying area at the confluence of two waterways (and with the expected and associated habitat constraints as a result as well) that is subject to significant coastal hazard and habitat concerns, where such concerns are only expected to increase over time, including due to climate change and sea level rise factors. Such siting calls into question whether significant public infrastructure such as this is appropriately sited consistent with Coastal Act requirements to minimize risks, including without shoreline armoring, and to protect coastal habitats, such as wetlands on and offsite. Staff believes that the near term risks and habitat concerns, while still significant, are not of the nature that would direct removal of the Airport. Rather, staff recommends a series of conditions that can begin to address the longer-term risks and habitat concerns at this location, including future abatement of such risks in a manner that avoids future shoreline armoring and other coastal resource impacts, and in a manner that appropriately protects habitats as directed by the Act. These conditions are modelled after similar conditions imposed on similar public infrastructure projects, and they allow for the proposed project to be carried out and built today while simultaneously requiring planning for the future of the Airport, including studying the types of flooding and other hazards and habitat risks present, the measures to address such risks, and the points at which certain actions must be taken to appropriately

¹ Many of these past projects were undertaken without the required CDP authorization, constituting Coastal Act violations, and staff has opened an enforcement investigation into this matter. This application does not include resolution of any such violations and, thus, even if this application is approved and the CDP is exercised, violations will remain on the subject property that will not be addressed by the Commission's action on this application. The matter has been referred to the Commission's enforcement division to consider options for future action to address such violations.

respond to them, up to and including studying the efficacy of Airport relocation of some sort.

In terms of such issues as seen through the environmental justice lens, such conditions also help to start an important conversation about the way in which the Airport may or may not bring undue burdens to the Oceano community, particularly when considered cumulatively in terms of other sorts of burdens that this community faces. In fact, staff has worked with the Applicant and members of the public, including Oceano community members, throughout this CDP application process, including meeting in person in Oceano to understand and attempt to address community issues and concerns raised by this project and the Airport more broadly. Importantly, the project's conditions related to longer-term hazard and habitat resiliency planning are also intended to simultaneously result in a renewed community engagement and visioning process that necessarily starts with the Airport engaging with other County representatives and the community. In that process, the direct and indirect effects of the Airport on the community need to also be front and center, and decisions need to be made looking through the environmental justice lens as well.

Therefore, staff recommends approval with conditions that will require the Airport to take necessary steps towards a visioning and planning exercise that evaluates the Airport's compatibility with its location from coastal hazards, coastal habitat, and environmental justice perspectives. The motion and resolution to effectuate this recommendation are found on page 6 below.

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EXHIBITS

- Exhibit 1 – Regional Vicinity Maps
- Exhibit 2 – Site Photos
- Exhibit 3 – Proposed Project Plans
- Exhibit 4 – Proposed Community Event Plan
- Exhibit 5 – Correspondence Received Prior to Staff Report Release

1. MOTION AND RESOLUTION

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

Motion: *I move that the Commission approve Coastal Development Permit Number 3-22-0463 pursuant to the staff recommendation, and I recommend a yes vote.*

Resolution to Approve CDP: *The Commission hereby approves Coastal Development Permit Number 3-22-0463 and adopts the findings set forth below on grounds that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.*

2. STANDARD CONDITIONS

This permit is granted subject to the following standard conditions:

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

3. SPECIAL CONDITIONS

This CDP is granted subject to the following special conditions:

- 1. Revised Plans.** PRIOR TO ISSUANCE OF THE CDP, the Permittee shall submit two full size sets of Revised Plans to the Executive Director for review and written approval. The Revised Plans shall be: prepared by a licensed professional or professionals (i.e., geotechnical engineer, surveyor, etc.); based on current professionally surveyed and certified topographic elevations for the project area; and include a graphic scale. The Revised Plans shall be substantially in conformance with the proposed plans (titled “Oceano County Airport Campground Renovation, Parking Lot Rehabilitation, and Utility Relocation”, dated March 2022, and dated received in the Coastal Commission’s Central Coast District Office on June 13, 2022; see Exhibit 3), except that they shall be modified to provide for and be consistent with the following:
 - a. Pilots’ Campground.** The pilots’ campground area shall be modified as follows:
 - 1. Setback/Buffer.** All development shall be set back so as to ensure at least a 10-foot buffer along the northern fence line and at least a 25-foot buffer along the eastern fence line adjacent to the wetland/riparian area. This buffer area may be vegetated (see Special Condition 1.a.4.). A fence/barrier (which may include a vegetated component) capable of keeping light, noise, and perceived movement out of the riparian area as much as possible shall be installed at the campground/buffer area boundary.
 - 2. Turf.** Synthetic turf shall be eliminated, and shall be replaced by a more environmentally friendly alternative (e.g., organic bark, decomposed granite, native (to the project area) drought-tolerant non-invasive grass, etc.). If grass or other landscaping is selected, the use of synthetic fertilizers on such area shall be prohibited.
 - 3. Lighting.** All exterior lighting shall be wildlife-friendly, shall use bulbs/lamps that minimize the blue end of the spectrum, and shall be limited to the minimum lighting necessary for safety purposes (e.g., not to exceed 60 lumen watts, turned off as much as possible at night, etc.). All lighting shall be shielded, and sited and designed so that it limits the amount of light or glare visible from outside of the campground.
 - 4. Vegetation.** The buffer and camping areas shall be vegetated with native (to the project area) plants, where the buffer area plants shall be locally sourced from and genetically consistent with coastal San Luis Obispo County. All such vegetated areas shall be maintained in a litter-free, weed-free, and healthy growing condition, and no plant species listed as problematic and/or invasive by the California Native Plant Society, the California Invasive Plant Council, or as may be so identified from time to time by the State of California, and no plant species listed as a “noxious weed” by the State of California or the U.S. Federal Government, shall be planted or allowed to naturalize or persist on the site.

- b. Parking Lot/EV Charging.** The parking lot area shall include at least 13 spaces with electrical infrastructure to support future EV charging stations (i.e., “EV Capable Spaces”). Three of these spaces shall have EV charging stations (i.e., “Electric Vehicle Supply Equipment”) within 5 years of CDP issuance.
- c. Stormwater and Drainage.** The plans shall clearly identify all stormwater and drainage infrastructure and related water quality measures, with preference given to natural BMPs (e.g., bioswales, vegetated filter strips, etc.). Such measures shall: (1) provide that all project area stormwater and drainage is filtered and treated to remove expected pollutants prior to discharge as much as possible; (2) retain runoff from the project onsite to the maximum extent feasible, including through the use of pervious areas, storage for onsite irrigation, percolation pits and engineered BMPs; (3) be sized and designed to accommodate runoff from the site produced from each and every storm event up to and including the 85th percentile 24-hour runoff event (and in extreme storm situations (i.e., greater than the 85th percentile 24-hour runoff event storm) where such runoff cannot be adequately accommodated onsite through the project’s stormwater and drainage infrastructure, any excess runoff shall be conveyed offsite in a non-erosive manner); and (4) for the parking lot area, include at least one bioswale (and/or other equivalent low-impact development measure) per each two rows of parking stalls, and one immediately along the eastern side of the lot near the riparian vegetation. All drainage system elements shall be permanently operated and maintained, and the plans shall identify all maintenance parameters for all such measures, including based on manufacturers’ recommendations, which shall be provided. It is the Permittee's responsibility to maintain the stormwater, drainage, and water quality protection infrastructure in a structurally sound manner and its approved state.
- d. Utilities.** All utilities shall be installed underground.
- e. Required Construction Measures.** All requirements of the approved Construction Plans (see Special Condition 2) shall be identified as “Required Construction Measures” on the Revised Plans.

All requirements above and all requirements of the approved Revised Plans shall be enforceable components of this CDP. The Permittee shall undertake development in accordance with this condition and the approved Revised Plans.

- 2. Construction Plans.** PRIOR TO ISSUANCE OF THE CDP, the Permittee shall submit two copies of Construction Plans to the Executive Director for review and written approval. The Construction Plans shall, at a minimum, include the following:
 - a. Construction Areas.** The specific location of all construction areas, all staging areas, and all construction access corridors shall be clearly identified in site plan view. All such areas within which construction activities and/or staging are to take place shall minimize impacts on coastal resources, including by using existing airport space for construction staging and materials storage. All such construction shall be located outside of the habitat buffer areas identified in Special Condition 1. Construction, including but not limited to construction

activities, materials, and equipment storage, is prohibited outside of the defined construction, staging, and storage areas.

- b. Construction Methods.** All construction methods to be used shall be clearly identified, and shall be required to protect coastal resources as much as possible.
- c. Construction Timing.** No work shall occur during weekends unless, due to extenuating circumstances, the Executive Director authorizes such work. In addition, all work shall take place during daylight hours (i.e., from one-hour before sunrise to one-hour after sunset). Nighttime work and lighting of the work area is prohibited.
- d. Construction BMPs.** All erosion control/water quality best management practices (BMPs) to be implemented during construction to protect coastal water quality and other coastal resources shall be clearly identified, including at a minimum all of the following:

 - 1. Runoff Protection.** Silt fences, straw wattles, and equivalent apparatus shall be installed near the wetland/riparian area and any storm drains to prevent construction-related runoff and/or sediment from discharging from the construction area, and/or entering into storm drains or otherwise offsite and/or towards the wetland and ocean. Special attention shall be given to appropriate filtering and treating of all runoff, and all drainage points, including storm drains, shall be equipped with appropriate construction-related containment and treatment equipment.
 - 2. Equipment.** Equipment washing, refueling, and/or servicing shall take place at appropriate on-site, level, impervious surfaced area as far away from wetland and riparian resources as possible where collection of materials is facilitated. All construction equipment shall also be inspected and maintained at a similarly sited location to prevent leaks and spills of hazardous materials in construction and other areas.
 - 3. Good Housekeeping.** The construction site shall maintain good construction housekeeping controls and procedures (e.g., clean up all leaks, drips, and other spills immediately; keep materials covered and out of the rain (including covering exposed piles of soil and wastes); dispose of all wastes properly, place trash receptacles on site for that purpose, and cover open trash receptacles during wet weather; remove all construction debris from the project site; etc.).
 - 4. Erosion and Sediment Controls.** All erosion and sediment controls shall be in place prior to the commencement of construction as well as at the end of each workday.
- e. Restoration.** All areas impacted by construction activities shall be restored to their pre-construction condition or better within three days of completion of

construction. Any native materials impacted shall be filtered as necessary to remove all construction debris.

- f. Construction Site Documents.** Copies of the signed CDP and the approved Construction Plans shall be maintained in a conspicuous location at the construction job site at all times where such copies are available for public review on request. All persons involved with the construction shall be briefed on the content and meaning of the CDP and the approved Construction Plans, and the public review requirements applicable to them, prior to commencement of construction.
- g. Construction Coordinator.** 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 the coordinator's contact information (i.e., address, phone numbers, email address, etc.) including, at a minimum, a telephone number (with message capabilities) and an email shall be made available 24 hours a day for the duration of construction, and shall be conspicuously posted at the job site where such contact information is readily visible from public viewing areas while still protecting public views as much as possible, 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), where such information is provided in both Spanish and English. The construction coordinator shall record the contact information (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. All complaints and all actions taken in response shall be summarized and provided to the Executive Director on at least a weekly basis.
- h. Construction Specifications.** All construction specifications, materials, and contracts shall include appropriate penalty provisions that require remediation for any work done inconsistent with the terms and conditions of this CDP.
- i. Notification.** The Permittees shall notify planning staff of the Coastal Commission's Central Coast District Office at least three working days in advance of commencement of construction, and immediately upon completion of construction.

All requirements above and all requirements of the approved Construction Plans shall be enforceable components of this CDP, and shall be identified as "Required Construction Measures" on the Revised Plans (see Special Condition 1). The Permittee shall undertake development in conformance with this condition and the approved Construction Plans.

- 3. Revised Community Event Plan.** PRIOR TO ISSUANCE OF THE CDP, the Permittee shall submit two copies of a Revised Community Event Plan to the Executive Director for review and written approval. The Revised Community Event Plan (Plan) shall be designed to improve engagement between the Oceano community and the Airport and its facilities; shall outline all events and outreach

strategies designed to achieve that goal; shall include new programming and outreach that takes advantage of the unique characteristics of the Airport to support the community; and shall be substantially in conformance with the proposed Community Event Plan (titled “Community Event Plan”, and dated received in the Coastal Commission’s Central Coast District Office on August 2, 2023; see Exhibit 4), except that it shall be modified to provide for and be consistent with the following:

- a. Goal.** The goal of the Plan shall be to improve engagement between the Oceano community and the Airport and its facilities, and all implementation measures, including the parameters of each individual event, shall be structured to further that goal.
- b. Events.** At least 6 community-oriented events, including those geared toward aviation education, shall be identified and provided per year (e.g., youth education, open house tours, workshops, free meeting space, farmer’s markets, etc.), where each event shall be capable of engaging the community at large, and at the least be capable of accommodating 50 persons or more. Although non-holiday weekday programming is allowed, at least 75% of events shall be scheduled for weeknights and weekends/holidays. All six events must be free of charge to the general public. Within 5 years of the issuance of this CDP, the number of events shall increase to 12 per year, all free of charge to the general public. The Plan shall also provide for at least one virtual event, whether a virtual Airport tour or something more interactive.
- c. Outreach.** All measures and avenues to be used to advertise and increase community awareness and involvement of the Airport and the Plan’s events shall be clearly identified. Promotional methods shall include, but are expected to not be limited to: Oceano County Airport websites, press releases, and calendar listings; local media (e.g., San Luis Obispo Tribune, New Times San Luis Obispo, etc.) and ads on radio (e.g., local radio stations and others); print ads; social media (including Facebook, Twitter/X, and Instagram); and contacts with local environmental and community advocacy groups who may be able to help facilitate engagement opportunities. The Plan shall identify sample language to be used in describing and framing the events (where said language shall be required to be consistent with the terms and conditions of this CDP), and shall provide a schedule for each type of outreach, with the goal being to reach as many potential event participants (including potential online participants) as possible, including audiences beyond Oceano that might not normally be reached through traditional and local means (e.g., more inland communities such as Santa Maria and Guadalupe).
- d. Non-English Languages Provided.** All events and outreach described in this condition shall include a language-access element inclusive of non-English languages spoken in the community, including but not limited to Spanish, tailored to be culturally relevant, and written in plain language.
- e. Monitoring.** The Plan shall describe how the Permittee will monitor and track the Plan’s execution so that the Permittee and the Coastal Commission can note the

effectiveness of the Plan and make changes as needed.

- f. **Reporting.** The Permittee shall provide an annual report (with the first report due by December 31, 2024, and subsequent reports due by on December 31st of subsequent years) to the Executive Director that clearly describes all measures undertaken pursuant to the approved Revised Community Event Plan (including describing each event and all outreach efforts, with sample of outreach materials and photos of the events; implementation challenges and successes; community feedback and public comments received; recommendations for additional and/or modified events; etc.), where minor modifications may be allowed and/or required by the Executive Director in response to the annual reports.

All requirements above and all requirements of the approved Revised Community Event Plan shall be enforceable components of this CDP. The Permittee shall undertake development in accordance with this condition and the approved Revised Community Event Plan.

4. **Coastal Hazards.** By acceptance of this CDP, the Permittee acknowledges and agrees, on behalf of itself and all successors and assigns, that:
 - a. **Coastal Hazards.** The Airport site is and may be subject to future coastal hazards including but not limited to episodic and long-term shoreline retreat and coastal erosion, high seas, ocean waves, storms, tsunamis, tidal scour, coastal flooding, landslides, bluff and geologic instability, bluff retreat, liquefaction and the interaction of same, many of which are likely to worsen with future sea level rise.
 - b. **Assume Risks.** The Permittee: assumes the risks to the Permittee and the property that is the subject of this CDP of injury and damage from coastal hazards in connection with the approved development; unconditionally waives any claim of damage or liability against the Commission, its officers, agents, and employees for injury or damage from such hazards; indemnifies and holds harmless the Commission, its officers, agents, and employees with respect to the Commission's approval of the CDP against any and all liability, claims, demands, damages, costs (including costs and fees incurred in defense of such claims), expenses, and amounts paid in settlement arising from any injury or damage due to such hazards; and accepts full responsibility for any adverse effects to people and/or property caused by the approved development.
 - c. **CDP Intent.** The intent of this CDP is to allow for the Airport and its facilities to be constructed and operated/used consistent with the terms and conditions of this CDP for only as long as such development remains safe for such operation/use without additional measures (such as shoreline armoring, see Special Condition 5) beyond ordinary repair or maintenance to protect such development from coastal hazards.
 - d. **Armoring Prohibited.** Armoring (including but not limited to seawalls, revetments, retaining walls, gabion baskets, tie backs, piers, groins, caissons/grade beam systems, etc.) shall be prohibited to protect any portion of

the Airport site. Any rights to construct shoreline armoring that may exist under Coastal Act Section 30235, the San Luis Obispo County LCP, or any other applicable laws are waived, and no portion of the Airport site qualifies as an “existing structure” for purposes of Section 30235 and the LCP.

- 5. Coastal Hazards/Habitats Monitoring Plan.** WITHIN ONE YEAR OF THE DATE OF THE APPROVAL OF THIS CDP (i.e., no later than December 15, 2024), the Permittee shall submit two copies of a Coastal Hazards/Habitats Monitoring Plan to the Executive Director for review and approval. The Monitoring Plan shall establish the framework and parameters for: (1) regularly monitoring flood and other coastal hazards and coastal habitats (including wetlands) at the site and management responses to those hazards and resources both on- and off-site; (2) identifying how those hazards and habitats are affecting the operations of the Airport; (3) identifying changes necessary to allow continued appropriate and required functioning of the Airport in light of coastal hazard and coastal habitat (including wetland) concerns/requirements; and (4) identifying flood/hazard ‘triggers’ to establish when actions (such as retrofits, upgrades, and including potential Airport relocation, but not including any form of shoreline armoring) need to be pursued in response to specific flood/hazard events, flood management activities, or coastal habitat concerns/requirements. At a minimum, the Monitoring Plan shall include metrics for assessing site conditions and potential responses related to flooding of the site from Arroyo Grande Creek as it may be influenced by coastal flooding and sea level rise during both typical and extreme storm events, including in relation to emergency response measures (e.g., lagoon management, levee expansion, etc.), flood-required repairs, incidents where prior flood-proofing failed, coastal habitat health, and other appropriate evaluation metrics. Upon Executive Director approval of the Monitoring Plan, the Permittee shall implement the monitoring and other measures identified in the Plan, and shall submit monitoring reports as established in the Plan at least annually for Executive Director review and approval, with the first monitoring report due by no later than December 15, 2025. Each such report shall include and describe changes since the prior year’s report, as well as cumulatively describing changes over time. Extension to the one year deadline for submittal of the Coastal Hazards/Habitats Monitoring Plan may be granted by the Executive Director for good cause.
- 6. Life Expectancy Analysis.** WITHIN TWO YEARS OF THE DATE OF THE APPROVAL OF THIS CDP (i.e., no later than December 15, 2025), the Permittee shall submit two copies of a Life Expectancy Analysis to the Executive Director for review and approval. The Analysis shall include an evaluation of the annual and long-term costs of maintaining the Airport at its current location (including repairing/maintaining and replacing existing components, upgrading existing components to meet regulatory (FAA or other) requirements/specifications, and responding to coastal habitat needs/requirements and coastal hazards risk (including flood-proofing existing and new components over time, including in relation to offsite flood-proofing mechanisms such as lagoon management and expansion of the Arroyo Grande Creek Levee), etc.). The primary purpose of such Analysis is to help determine when the Airport cannot function without substantial investment in new infrastructure and protective measures to adequately protect

coastal habitats and adequately respond to coastal hazards, all serving to help define the point at a future date when it might be appropriate to relocate the Airport.

The Analysis shall, at a minimum, include information on each component at the Airport (e.g., runway, taxiway, apron, hangers, pilots' lounge, campground, etc.), the installation date of each component, upgraded component dates and the current condition of that component, major upgrade events, the expected lifespan and repair/maintenance and replacement costs of each component based on industry accepted sources, manufacturers' information, comparisons with other small-scale general aviation airports with similarly sized facilities, and remaining years for each component and the overall Airport. The Analysis shall include costs of anticipated habitat mitigation requirements for impacts from potential flood control projects, and conclusions must be included regarding the expected point in time when investments in infrastructure (included continued flood protection measures) at the Airport location outweigh investing in a relocated Airport (or consolidation with the San Luis Obispo County Regional Airport in San Luis Obispo) at a location that is safe from flooding and other coastal hazards, and protective of coastal habitats consistent with the Coastal Act. The Analysis shall include a community outreach element to ensure that the Oceano community can provide input on future planning for the Airport. All conclusions shall be supported by clear supporting documentation and evidence. Extension of the two-year deadline for submittal of the Life Expectancy Analysis may be granted by the Executive Director for good cause.

- 7. Coastal Hazards Response Plan.** WITHIN FIVE YEARS OF THE DATE OF THE APPROVAL OF THIS CDP (i.e., no later than December 15, 2028), the Permittee shall submit two copies of a Coastal Hazards Response Plan to the Executive Director for review and approval. The Response Plan shall build upon the provisions of the approved Coastal Hazards Monitoring Plan (Special Condition 5) and the Life Expectancy Analysis (Special Condition 6), to provide a clear long-term plan for addressing flooding and other coastal hazards as well as coastal habitat needs/requirements at the Airport over the long-term. The Response Plan shall, at a minimum, include a detailed cost-benefit analysis comparing the costs and benefits of maintaining the Airport at the present location (via Special Condition 6 above) versus relocating the Airport to an area safe from flooding and other coastal hazards, and more consistent with coastal habitat protection, at defined times (e.g., 2027, 2037, 2047, etc.) or in response to defined triggers (e.g., as identified in the approved Coastal Hazards Monitoring Plan (Special Condition 5)). Expected costs of purchasing land for a relocated airport must be included, as must expected costs to decommission the Airport and to restore the site to its natural state, or a combined airport. The Response Plan shall include a timeline of potential major relocation events, including expected timeframes for land acquisition, planning, permitting, design, construction and eventual operation, of a relocated or combined airport. The Plan shall include a community outreach element to ensure that the Oceano community can provide input on future planning for the Airport. Extension to the five-year deadline for submittal of the Coastal Hazards Response Plan may be granted by the Executive Director for good cause.

- 8. Other Agency Approvals.** PRIOR TO ISSUANCE OF THE CDP, the Permittee shall submit to the Executive Director written evidence that all necessary permits, permissions, approvals, or authorizations for the approved project have been granted by any other applicable agencies that may have such oversight over the approved development (including by the U.S. Federal Aviation Administration and San Luis Obispo County, etc.), or written evidence that no such permits, permissions, approvals, or authorizations are required by these agencies. Any changes to the approved project required by these agencies shall be reported to the Executive Director. No changes to the approved project shall occur without a Commission amendment to this CDP unless the Executive Director determines that no amendment is legally necessary.
- 9. Future Permitting.** None of the CDP exemptions that might be provided by Coastal Act Section 30610 shall apply to the approved development, and any and all future proposed development related to this project, this project area, and/or this CDP shall require a new CDP or a CDP amendment that is processed through the Coastal Commission, unless the Executive Director determines a CDP or CDP amendment is not legally required.
- 10. Minor Adjustments.** The Permittee shall undertake development in accordance with the approved CDP's terms and conditions, including any Executive Director-required and approved plans. Minor adjustments to the required plans, may be allowed by the Executive Director if the Executive Director determines that such adjustments: (1) are deemed reasonable and necessary; (2) do not adversely impact coastal resources; and (3) do not legally require a CDP amendment or new CDP.
- 11. Liability for Costs and Attorneys' Fees.** The Permittee shall reimburse the Coastal Commission in full for all Coastal Commission costs and attorneys' fees (including but not limited to such costs/fees that are: (1) charged by the Office of the Attorney General; and/or (2) required by a court that the Coastal Commission incurs in connection with the defense of any action brought by a party other than the Permittee against the Coastal Commission, its officers, employees, agents, successors and/or assigns challenging the approval or issuance of this CDP, the interpretation and/or enforcement of CDP terms and conditions, or any other matter related to this CDP). The Permittee shall reimburse the Coastal Commission within 60 days of being informed by the Executive Director of the amount of such costs/fees. The Coastal Commission retains complete authority to conduct and direct the defense of any such action against the Coastal Commission, its officers, employees, agents, successors and/or assigns.

4. FINDINGS AND DECLARATIONS

A. Project Location, Background, and Description

1. Project Location

The Oceano County Airport is located in the unincorporated community of Oceano, seaward of Highway 1 and just south of Air Park Drive, where it occupies some 60

acres. The Airport is more broadly surrounded by residential (including the runway-side Lakeside Drive residential subdivision), the area's primary wastewater treatment plant (South San Luis Obispo County Sanitation District's wastewater treatment facility), as well as wetlands and riparian vegetation of the Meadow Creek/Arroyo Grande Creek/Oceano Lagoon complex, where these two creeks meet and then venture to the Pacific Ocean about a 1,000 feet to the south. Various recreational amenities are also present in the Airport vicinity, including the San Luis Obispo County Parks-owned Oceano Park and Campground (located immediately adjacent to the Airport's parking lot along Air Park Drive, which provides camping and RV space for overnight transient accommodations use), the County's Oceano Park (a neighborhood park with grass playing fields, playground, and outdoor basketball court located just across the street from the Airport along Mendel Drive), and the camping, beach, and vehicular access at nearby Pismo State Beach and Oceano Dunes State Vehicular Recreation Area. See vicinity maps in Exhibit 1, and site area photos in Exhibit 2.

2. Project Background

The Airport is owned and operated by San Luis Obispo County. Originally built in the 1950s, the Airport is one of three airports serving the County, with the primary and larger airport in the City of San Luis Obispo located approximately 10 miles from the Oceano Airport, and serving commercial flights mostly to several cities in the western United States (with intrastate service to San Francisco, Los Angeles, and San Diego, and interstate service to Portland, Seattle, Phoenix, Denver, and Dallas), and the Oceano Airport generally serving general aviation and cargo flights (via piston-engine aircraft with wingspans less than 49 feet).² The Airport doesn't have scheduled service like commercial service airports, but it can be used for chartered flights or cargo service on aircraft that meet the wingspan requirement. It is typically used by private recreational pilots in fairly small aircraft. It can also be used in cases of emergency, allowing for quick deployment of aircraft of many sizes, and serving as an important backup to the San Luis Obispo Airport during natural disasters, including providing space for emergency operations directly in Oceano.

The Airport's core infrastructure is comprised of a single asphalt runway that is 50 feet wide and 2,325 feet long, with several taxiways to accommodate aircraft circulation and a series of hangars and other support buildings/facilities (e.g., Airport office, vehicle parking area, fuel tank, aircraft tie-down areas, and a 'fly-in' campground area for overnight use by pilots and their passengers³). Again, see vicinity maps in Exhibit 1, and site area photos in Exhibit 2.

² The City of Paso Robles also operates a small airport just outside of the City of Paso Robles located approximately 50 miles from the Oceano Airport. In addition, the Santa Maria Airport in the City of Santa Maria in Santa Barbara County, located approximately 25 miles from the Oceano Airport, provides facilities for one airline and serves as home base for over 200 general aviation aircraft.

³ The campground allows dispersed (i.e., no set spaces) camping in a half-acre setting near the parking lot, and it includes five fire rings but no other amenities. The campground is only available for use by pilots and their passengers who fly-in and spend the night, subject to a \$15 nightly fee.

3. Project Description

The proposed project would repair, replace, or upgrade/improve several Airport components, including renovating and upgrading the existing pilots' campground area, repaving/stripping and adding ADA improvements to the parking lot, adding two modular buildings to the maintenance yard (i.e., a pilots' lounge and a pilots' shower/restroom building), replacing the primary airport hangar, and upgrading utility infrastructure to serve Airport facilities. The proposed project does not include any work on the runway, taxiways, or apron.

More specifically, the approximately 33,300 square-foot parking lot would be repaved and restriped to provide 65 total parking spaces, including three that are ADA accessible (where some of the grades around these spaces would also be modified to meet accessibility requirements). The Applicant would construct two new structures on an existing asphalt area within the Airport's maintenance yard to accommodate a pilots' lounge in one building and pilots' restroom/shower facilities in the second building. The pilots' lounge would measure 12 feet by 28 feet, and the restroom/shower building (to be used by pilots and those using the pilots' campground) would be 10 feet by 28 feet, with associated grading to accommodate utility infrastructure to serve the new buildings. For the replacement main hangar, it would be rebuilt in roughly the same place as the previous hangar, which was previously demolished due to extensive damage from strong storms in early 2023. The new replacement hangar would be about 25 feet tall and slightly larger than the prior hangar (with the new hangar measuring 128 feet by 35 feet, or about 4,500 square feet) and moved approximately 20 feet west from the existing footprint to accommodate the opening of the hangar doors. The concrete slab beneath the hangar would also be replaced to provide a sound footing for the new structure and planes within.

With respect to the pilots' campground, the existing facility is a mostly rudimentary space without significant infrastructure. It is open only to pilots and their passengers and not open to the general public. Those that want to 'fly-in' and then set up a basic tent may do so anywhere in the designated camping area, which is a triangular, mostly flat area of about 15,500 square feet adjacent to the parking lot and bordered by wetlands/riparian vegetation. The project proposes to upgrade the campground to include eight defined campsites, each with a fire pit and picnic table; one group barbeque area with a picnic table on a 550 square-foot concrete slab; one 500 square-foot concrete slab stage with festival string lighting; one outdoor counter with sink; approximately 5,150 square feet of permeable synthetic turf to serve as open space and an area for activities (e.g., lawn games); a children's play structure; a lighted footpath with landscaping; and associated water, sewer, and electrical connections. Overnight camping costs would remain at \$15, as would its status as a fly-in-only private pilots' campground that is not open to the general walk-in or drive-in public.

Proposed project components would be sited entirely within already disturbed and/or paved areas of Airport property, with no physical expansion, and construction is estimated to take approximately three to four months in three phases: Phase 1, pilots' campground improvements and main hangar replacement; Phase 2, parking lot improvements; and Phase 3, everything else. Again, see vicinity maps in Exhibit 1 and site area photos in Exhibit 2, and see proposed project plans in Exhibit 3.

In addition, the Applicant proposes to implement a Community Event Plan that it indicates was designed to help weave the Airport more fully into the broader community fabric as a type of community gathering space (e.g., by, among other things, hosting community events like farmer's markets, youth aviation education, etc.) (see Exhibit 4).

B. Standard of Review

The proposed project site is located within historic tidelands and public trust lands that have since been filled in and around the Meadow Creek/Arroyo Grande Creek/Oceano Lagoon complex, where all such lands are located within the Coastal Commission's retained CDP jurisdiction. Thus, the standard of review for the proposed development is the Coastal Act, with the certified San Luis Obispo County LCP providing non-binding guidance.

C. Coastal Hazards

Applicable Coastal Act Provisions

With respect to coastal hazards and flood risk, Coastal Act Section 30253 requires that new development minimize risk to life and property in areas of high flood hazard areas, and ensure long-term structural integrity without shoreline altering armoring. Section 30253 states:

Section 30253. *New development shall do all of the following: (a) minimize risks to life and property in areas of high geologic, flood, and fire hazard. (b) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs. ...*

In addition, Coastal Act Section 30235 provides a counterpoint to Section 30253 inasmuch as while Section 30253 prohibits armoring and other hard protective devices to abate coastal hazards threats for new development, Section 30235 provides an 'override' of sorts that allows such protection for 'existing' structures, coastal-dependent uses, and public beaches in danger from erosion. Section 30235 states:

Section 30235. *Revetments, breakwaters, groins, harbor channels, seawalls, cliff retaining walls, and other such construction that alters natural shoreline processes shall be permitted when required to serve coastal-dependent uses or to protect existing structures or public beaches in danger from erosion, and when designed to eliminate or mitigate adverse impacts on local shoreline sand supply.*

While the term 'existing structure' is not defined in the Coastal Act, the Commission has found that "existing structures," as the phrase is used in Section 30235, refers to structures that were legally in existence as of January 1, 1977, the effective date of the Coastal Act.⁴ In addition, such pre-Coastal Act structures are no longer 'existing'

⁴ As described in the Commission's 2015 Sea Level Rise Policy Guidance, the Commission interprets the term "existing structures" in Section 30235 as meaning structures that were in existence on January 1, 1977, the effective date of the Coastal Act, and that have not been redeveloped since in a way that would

under Section 30235 if they are modified in such a way that they are no longer the same structure, but rather a replacement structure (often referred to by the Commission as a 'redeveloped' structure).⁵ Coastal Act Sections 30235 and 30253 require new development to be safe from/minimize risk from coastal hazards in a manner that does not require shoreline armoring to do so.

In addition, the San Luis Obispo County LCP, which acts as guidance for the proposed project, also includes a number of policies and standards designed to minimize risk of new development located in high flood hazard areas. First, the LCP includes the Flood Hazard (FH) combining, or overlay, designation that maps specific areas of the coastal zone where terrain characteristics present new development and associated uses with potential hazards to life and property from potential inundation by a 100-year frequency flood or from other coastal hazards. The entirety of the airport facility is located within such mapped flood hazard area. As such, development within such area must comply with several hazards minimization and avoidance requirements, including Hazards Policy 1, which requires that all new development proposed within areas subject to natural hazards from geologic or flood conditions be located and designed to minimize risks to life and property.

Analysis

As discussed earlier, the Airport is located in a low-lying area that was once an estuarine environment formed by the confluence of Meadow Creek and Arroyo Grande Creek, but that was filled in the 1950s to accommodate the Airport. Given the area's

require them to be reevaluated against the Coastal Act/LCPs as if new. In other words, Section 30235's directive to permit shoreline armoring for structures in certain circumstances applies to development that lawfully existed as of January 1, 1977, and that has not subsequently been redeveloped (i.e., where changes to it since 1977 have been extensive enough that it is considered a replacement structure required to conform to applicable Coastal Act and LCP provisions). This interpretation is the most reasonable way to construe and harmonize Sections 30235 and 30253, which together evince a broad legislative intent to allow armoring for development that existed when the Coastal Act was passed, when such development is in danger from erosion, but to avoid such armoring for development constructed consistent with the Act, which does not allow shoreline altering development to support same. This interpretation, which narrowly allows protection for development that predates the Coastal Act, is also supported by the Commission's duty to protect public trust resources and interpret the Coastal Act in a liberal manner to accomplish its purposes.

⁵ Coastal Act Section 30610(d) and Title 14 of California Code of Regulations (CCR) Section 13252(b) help define when structures meet or don't meet the redevelopment threshold. CCR Section 13252(b) specifically states that replacement of 50% or more of a structure, including single-family residences, is not repair and maintenance under Coastal Act Section 30610(d) but instead constitutes a replacement structure that must be evaluated for Coastal Act compliance purposes. In applying Section 13252(b)'s 50% criteria, the Commission has, in the past, found that a structure will be considered a replacement structure (also referred to as redevelopment) if at least one of the following takes place: 1) 50% or more of the major structural components (i.e., including exterior walls, floor, roof structure, or foundation, where alterations are not additive between individual structural components) are altered; 2) there is a 50% or more increase in gross floor area; 3) alteration of less than 50% of a major structural component results in cumulative alterations exceeding 50% or more of that major structural component (taking into account previous replacement work undertaken since January 1, 1977); and 4) a less than a 50% increase in floor area where the alteration would result in a cumulative addition of 50% or more of the floor area, taking into account previous additions to the structure since January 1, 1977 (see, for example, LCP amendments LCP-2-MAR-13-0224-1 Part A and LCP-3-MRB-21-0047-1).

topography, the Airport is subject to flood risks, including as mapped in the LCP as described above. As part of its 2017 CDP approval for significant wastewater treatment infrastructure upgrades at the immediately adjacent (and essentially equivalent location-wise/topographically) South San Luis Obispo County Sanitation District's wastewater treatment plant (WWTP) (CDP 3-16-0233), the Commission found that:

...the WWTP (and other development in this area [e.g., the Airport]) is subject to flooding in three main ways: 1) existing and future coastal flooding and erosion impacts associated with wave overtopping of the Arroyo Grande Creek levee and into the Meadow Creek Lagoon complex; 2) fluvial flooding on Arroyo Grande Creek, associated with extreme rainfall-runoff events, which overtops the levee; and 3) estuarine flooding caused by elevated water levels in Meadow Creek Lagoon, and associated with moderate fluvial flows in combination with a closed and elevated Arroyo Grande Creek Lagoon. According to the SLR analysis, the primary flood mechanism that will increase due to climate change will be the estuarine flood. (emphasis added)

The coastal hazards reports prepared in conjunction with that application found that the wastewater treatment plant and surrounding area currently suffered from periodic, albeit then currently fairly rare, flooding events, including one such event in 2010 that damaged critical wastewater treatment infrastructure and actually resulted in a raw sewage spill. The hazards modeling suggested that such events would be more common in the future. The Commission further found that:

By 2100 (83 years from now), however, under the "high" SLR scenario (66 inches of SLR), adjacent residential areas and the WWTP's two access points would again be routinely flooded, and the WWTP itself would see "nuisance" flooding from even moderate-size storms, such as those with an annual (or even more common) return period.

In short, the Commission found the wastewater treatment plant was located in an area where such critical infrastructure is expected to be at risk from significant flooding events. As such, the Commission imposed several special conditions that, among other things, limited the duration of CDP approval to 30 years. In that time, special conditions required the District to prepare coastal hazards reports and relocation plans, including a 'long-term solution' that includes "evaluation of the eventual relocation of the plant to an area that is safe from these and other coastal hazards, and to an area that does not require protective devices or substantial alterations of rivers and streams, including lagoon breaching and other lagoon management."

While the Airport did not prepare an airport-specific evaluation of the coastal hazards risks affecting the site as part of this project's CDP application, given the adjacency to the WWTP, it can be reasonably construed that the same types of flood risks that applied (and apply) to the WWTP apply in similar ways to the Airport. In fact, in the time since the Commission's 2017 WWTP CDP, sea level rise projections and estimates regarding potential future impacts have only become more dire.⁶ As a result, it is clear

⁶ Sea level rise (SLR) will have dramatic impacts on California's coast in the coming decades and is already impacting the coast today. In the past century, the average global temperature has increased by

that the Airport is in a high flood hazard area. As such, the Coastal Act requires the proposed development to “minimize risks to life and property” (Section 30253). And in order to evaluate that issue, the Commission must first decide if the development proposed is substantial enough that the Commission needs to consider the entire Airport as a replacement Airport (i.e., conceptually, a new airport) under the Coastal Act, or whether the improvements proposed are not so substantial as to trigger such complete review, and rather just the improvements themselves are required to minimize risks. In that initial evaluation, the Commission has typically applied a 50% threshold for when something becomes a replacement structure/facility.⁷

However, the question of when an airport is modified by 50% or more, and thus becomes a ‘replacement airport’ under the Coastal Act and the Commission’s regulations, is not something that the Commission has considered in the past. In other words, while the Commission has evaluated the threshold for redevelopment of houses, and even other types of public infrastructure (like wastewater treatment plants, such as occurred with the above described 2017 CDP), the Commission isn’t aware of a precedent for applying its redevelopment methodology to multi-structure developments of similar size and scale to the Airport (e.g., whether the 50% applies to alterations to overall square footage, to numbers of buildings, to overall structural components, to its capacity, intensity of use, etc.). Nevertheless, the Commission can apply a similar methodology of evaluating the Airport’s primary physical facilities, like the runway, taxiway, and apron, as a proxy for a residential structure’s ‘major structural components’. In other words, when the Commission evaluates whether a home is redeveloped, it looks to the elements that give the home physical structure and usability as a residence. That is, things like the foundation and structural walls and roofing that keep a residence upright and habitable, rather than windows, doors, and other more cosmetic elements. Applying this framework to an airport would suggest the Commission look at the structures that make an airport operational, like the runway, taxiway, apron system, as this is the primary component that keeps an airport functioning as a facility to handle airplane takeoffs and landings. Another way to assess an airport’s redevelopment is to look at the cumulative repairs and improvements over

about 0.8°C (1.4°F), and global sea levels have increased by 7 to 8 inches (17 to 21 cm). In addition, SLR has been accelerating in recent decades, with the global rate of SLR tripling since 1971 (IPCC, 2021). There is strong scientific consensus that SLR will continue over the coming millennia regardless of future human actions, but the exact rate and amount will depend on the amount of future greenhouse gas emissions as well as the exact contribution from sources such as the Antarctic and Greenland ice sheets, which are areas of continuing research. Currently, the best available science on SLR projections in California is provided in the State of California Sea-Level Rise Guidance (OPC 2018) and is reflected in the Coastal Commission Sea Level Rise Policy Guidance (CCC 2018). These documents also describe how, with SLR, shoreline development will experience increasingly hazardous conditions, including worsening storm flooding, inundation, rising groundwater, and shoreline and bluff erosion. On a relatively flat shoreline, even small amounts of SLR can cause large losses of beach width if the beach is squeezed between the landward migrating ocean and a fixed backshore. For example, for a shoreline with a slope of 40:1, a simple geometric model indicates that every foot of SLR will result in a 40 foot landward movement of the ocean/beach interface, resulting in significant loss of beach habitat and recreational space. This change could also expose previously protected backshore development to increased tidal/wave action and flooding, and those areas that are already exposed to such conditions will be exposed more frequently and with greater severity.

⁷ Again, emanating from Coastal Act Section 30610 and California Code of Regulations Section 13252.

the years to structures that aid in an airport's operability, like air traffic control buildings and fuel tanks, and/or the replacement of and/or new individual structures. And yet another way could be looking at changes in an airport's capacity and/or intensity of use. And in all cases, how all such different potential methodologies interrelate with one another, as well as the currently proposed project in addition to past developments.

The proposed development before the Commission in this CDP application does not appear to significantly modify any of the Airport's primary runway, taxiway, or apron facilities, but instead is a relatively modest ensemble of repairs, replacements, and improvements to other sorts of facilities (e.g., only three of the roughly 15 structures/buildings on site are being altered/replaced). Based on this metric alone, the proposed project would not meet the 50% threshold. However, as described previously, when establishing the 'existing' vs. 'replaced' threshold, the Commission also looks at past cumulative development since the enactment of the Coastal Act in 1977. The Commission makes its replacement finding by looking at all such projects cumulatively, and not just what is currently proposed, including because certain Coastal Act requirements allow development that would otherwise be prohibited by the Coastal Act (like armoring) when a structure has not been modified since that date to such an extent as to be a 'replacement' structure.

In this case, such an evaluation requires a review of past Airport projects to understand the degree and scope of previously performed development. While the Airport has performed a series of repairs and improvements over the years,⁸ many of which appear relatively minor in scope (e.g., spot asphalt repairs, etc.), the Airport has substantially modified its runway, taxiway, and apron network over the years. In fact, in 1984 the runway and taxiways were repaved with an entirely new layer of asphalt, and in 1999, the runway's lighting system was fully replaced. In 2004, the Commission approved CDP 3-04-031-W, which replaced the entirety of the Airport apron (i.e., the asphalted area that connects the hangers and other buildings with the runway/taxiway). This project was not simply a cosmetic repair, like a fog seal or cold patch. It went a step further and replaced the entire runway surface, which included ripping up the existing asphalt surface, trucking out the old asphalt/base/soil, re-grading the soil upon which the base rests, trucking in new aggregate to serve as a foundation, and repaving with an entirely new layer of asphalt. This project alone fully replaced about 45 percent of the runway, taxiway, and apron system, and when understood in conjunction with the other past runway, taxiway, and apron projects, clearly modified more than 50 percent of this key Airport component.⁹

In addition, and as discussed in the Violation findings below, the Airport has undergone a number of other repair, maintenance, and improvement projects over the years without the benefit of a CDP. These include some relatively minor projects, such as fog sealing on some of the various Airport components, to more major new structure and replacement projects, such as a new Airport beacon tower in 1999 and the removal of

⁸ Some without requisite CDPs, as described in the Violation section of this report.

⁹ The Airport's main runway, taxiway, and apron network surface area totals 380,259 square feet. The apron is approximately 171,900 square feet or 45% of this total, while the runway and taxiways together are 208,359 square feet and are 55% of this total area.

an underground 12,000-gallon fuel tank and replacement with a new 8,000 gallon above ground fuel tank and dispensing equipment in 2004. Thus cumulatively, the Commission finds that the Airport as it exists today has been redeveloped for the purposes of understanding whether it should be considered a 'replacement structure' in this CDP application, and thus requiring that the full facility conforms to Coastal Act requirements.¹⁰ And such a conclusion is only bolstered by the currently proposed project that simply adds additional changes that also count towards the redevelopment threshold.

When applying such understandings to both this proposed project and the Airport as a whole, new development in a low-lying flood prone area, particularly for public infrastructure, raises questions about whether doing so minimizes risk to life and property, as required by the first part of Coastal Act Section 30253. In fact, adding any new development, especially development that adds significant investment to the site (including in terms of size, scope, and cost, etc.) can be understood to actually increase risk to life and property at an already inherently risky location. It's also true, however, that the Airport is currently operational and will continue to be into the future, and the proposed development will help provide needed upgrades and repairs to the use and enjoyment of this public asset. In addition, the frequency of flooding is not expected to be significant for several decades, and the Airport would appear to have the adaptive capacity to weather most strong storms since it is normally exposed to the outside elements. Thus, the Commission finds that the proposed project is consistent with the Coastal Act hazards policies, but only if the project is conditioned to ensure robust coastal hazards monitoring and adaptation planning for the longer-term, thereby ensuring that the proposed development and redeveloped Airport minimize risks to life and property.

The Commission therefore imposes a series of special conditions requiring the Applicant to acknowledge, plan for, and abate coastal hazards risks both now and in the future. First, **Special Condition 4** identifies that the entire Airport, including the approved improvements, are subject to coastal hazard risks, requires the Applicant to assume all such risks and indemnify the Commission against any liabilities for the approved project, and prohibits any future armoring to protect such development.¹¹ Moreover, **Special Conditions 5, 6, and 7** require a longer-term adaptation planning assessment of the Airport and how it will respond to coastal hazards risk into the future in a manner without armoring and other coastal resource impacts. Such set of conditions mirrors that which the Commission required of the adjacent WWTP, and is key in evaluating how the Airport will respond to such hazards in the long term. Specifically, **Special Condition 5** establishes the framework for understanding what hazards are present and how they may impact Airport facilities. To ascertain such information, the conditions require the preparation of a monitoring plan to establish the

¹⁰ Put another way, and as the Commission has described 'redeveloped' wastewater treatment plants and other public facilities in the past, while an Airport has existed here in Oceano since the 1950s, this particular Airport in its current configuration has not since the original Airport has been cumulatively replaced.

¹¹ Such a condition is similar to that the Commission imposed for the San Diego International Airport in its Terminal 1 replacement project (CDP 6-20-0611).

framework and parameters for: (1) regularly monitoring flood and other coastal hazards at the site and management responses to those hazards both on and off-site (e.g., lagoon management, levee expansion, etc.); (2) identifying how those hazards are impacting and affecting the operations of the Airport; (3) identifying changes necessary to allow continued appropriate and required functioning of the Airport; and (4) identifying flood/hazard ‘triggers’ to establish when changes (including up to and including Airport relocation) need to be pursued in response to specific flood/hazard events or flood management activities.

Further, to ensure that the Applicant and the Commission fully understand the annual and long-term costs of maintaining the existing Airport at its current location, **Special Condition 6** requires a life expectancy analysis to be submitted within two years of approval. The primary purpose of such an analysis is to determine when the Airport can no longer function without substantial investment in new infrastructure and protective measures, at which point it might be appropriate to relocate the Airport, combine it with the San Luis Obispo Regional Airport, or some other permutation. The life expectancy analysis is intended to include information on each component at the Airport (e.g., runway, taxiway, apron, hangers, pilots lounge, etc.), the installation date of each component, upgraded component dates and the current condition of that component, major upgrade events, the expected lifespan and repair/maintenance and replacement costs of each component based on industry accepted sources, and the reports of other airports with similarly sized facilities, and the expected remaining years of use for each component and for the overall Airport. Conclusions must be included regarding the expected point in time when investments in infrastructure (including continued flood protection measures) at the current Airport location outweigh investing in a relocated or combined Airport at a location that is safe from flooding and other coastal hazards.

Finally, **Special Condition 7** requires a coastal hazards response plan. Such plan is intended to synthesize the findings and analyses from both Special Condition 5’s monitoring plan and Special Condition 6’s life expectancy analysis to provide a clear long-term plan for addressing flooding and other coastal hazards as well as coastal resource impacts (see also Habitat finding below) at the Airport over the long-term. The coastal hazards response plan would build upon the costs of maintaining the Airport at the present location by requiring an assessment of costs and benefits of relocating the Airport to an area safe from flooding and other coastal hazards over time. The analysis would include expected costs of purchasing land for a relocated Airport, as well as expected costs to: decommission the existing Airport and to restore the site to its natural state; include a timeline of potential major relocation events, including expected timeframes for land acquisition, planning, permitting, design, construction and eventual operation, of a relocated or combined Airport.

And finally, in terms of recognizing and assuming the hazard risks, the Commission’s experience in evaluating proposed developments in areas subject to hazards has been that applicants continue to pursue development despite periodic episodes of heavy storm damage and other such occurrences. Development in such dynamic environments is susceptible to damage due to such long-term and episodic processes. Past occurrences statewide have resulted in public costs (through low interest loans, grants, subsidies, direct assistance, etc.) in the millions of dollars. As a means of

allowing continued development in areas subject to these hazards while avoiding placing the economic burden for damages onto the people of the State of California, applicants are regularly required to acknowledge site hazards and agree to waive any claims of liability on the part of the Commission for allowing the development to proceed. Accordingly, this approval is conditioned for the Applicant to assume all risks for developing at this location (**see Special Condition 4b**).

In conclusion, the site is in an area of high flood hazard that will be flooded more frequently over time due to sea level rise. Special conditions are included to ensure that the project is allowed in the near-term, and that a long-term solution to the Airport is initiated in a manner that will not require shoreline armoring. Therefore, with respect to coastal hazards, the project, as conditioned, can be found consistent with Coastal Act Sections 30253.

D. Habitat Resources

Applicable Coastal Act Provisions

In terms of the surrounding aquatic habitats, Coastal Act Sections 30230 and 30231 protect such resources,¹² including through requirements to protect water quality and to site development in such a way as to maintain and enhance biological productivity. Coastal Act Sections 30230 and 30231 provide:

Section 30230. *Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.*

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

And to the extent any such resources qualify as environmentally sensitive habitat areas (ESHAs), Section 30240 also applies, and it states:

Section 30240. *(a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on*

¹² Coastal Act Section 30233 also protects against development located in open coastal waters, wetlands, estuaries, and lakes, and Section 30236 regulates substantial alterations of rivers and streams, but neither are proposed in this application, and these provisions are thus not cited here.

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

Analysis

As described earlier, the areas in and surrounding the Airport that have not been filled still contain and support a mix of creek, riparian, and lagoon environments, all of which constitute ESHA under the Coastal Act and the LCP. As a general rule, all proposed improvements are located well more than 100 feet from such resources, with the exception of a portion of the existing parking lot, the proposed hangar building, and the proposed pilots' campground upgrade, which are located immediately adjacent (but not within) a wetland/riparian area that appears to be a remaining remnant of the habitats that previously occupied the Airport site overall. That wetland/riparian area also constitutes ESHA under both the Coastal Act and the County's LCP. And while the Coastal Act does not impose specific setback distances to meet the requirements of Sections 30230, 30231, and 30240, the LCP requires a setback of at least 50 feet, which setback can be adjusted down to as little as 10 feet if certain criteria are met, including if all adverse environmental effects are mitigated.¹³

The Commission's staff ecologists have evaluated the relevant project materials, and believe that the appropriate setback for this particular wetland/riparian feature is 10 feet¹⁴ along the north side of the campground and 25 feet¹⁵ along the east side of the campground, provided the setback area itself is appropriately protected against Airport noise, light, and activities as much as possible; provided the proposed artificial turf is eliminated; provided project runoff – especially related to the parking lot, where more sensitive water quality measures are critical – is appropriately filtered, treated, and managed; and provided appropriate water quality and other construction BMPs are applied. Thus, Special Condition 1 requires that the project be modified in these ways, and Special Condition 2 imposes such construction requirements.

More broadly, and similar to the above-described coastal hazards issues and the need for further evaluation moving forward (e.g., Special Conditions 5, 6, and 7), the Airport is in and surrounded by important coastal habitat features inasmuch as it was installed directly on top of them in the 1950s. Put another way, while much of the very coastal hazards issues discussed above are a result of such siting, the effect of such siting is also to raise concerns about whether the Airport is appropriately sited in way that protects such coastal habitats as directed by the Coastal Act. And just as coastal flooding and inundation of the site is expected to increase in the future, such outcomes would also be expected to only 'recharge' many of the on and off-site habitats, and increase potential habitat inconsistencies at the Airport. This, too, is an issue that must

¹³ See LCP Section 23.07.174.

¹⁴ The edge of the eastern side of the existing parking lot is also similarly 10 feet away from the edge of the riparian habitat.

¹⁵ Similarly, the new hangar building will be located over 25 feet from the riparian vegetation on existing paved areas.

be addressed and studied moving forward, for many of the same reasons that coastal hazards concerns dictate such an analysis. Thus, coastal habitat concerns also are a reason for Special Conditions 5, 6 and 7, and these conditions must also reflect the need to study coastal habitat implications. Accordingly, coastal habitat considerations are also required to be embedded in the resiliency and longer term evaluation framework for this reason independently (see **Special Conditions 5, 6 and 7**).

Therefore, with respect to habitat resources, the project, as conditioned, can be found consistent with the cited Coastal Act provisions.

E. ENVIRONMENTAL JUSTICE

Applicable Coastal Act Provisions

In terms of environmental justice, the Coastal Act explicitly identifies the need to ensure equality and environmental justice, and allows the Commission to consider coastal resource issues and impacts through that lens. The Coastal Act states:

Section 30107.3: (a) *“Environmental justice” means the fair treatment and meaningful involvement of people of all races, cultures, and incomes, and national origins, with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies.* (b) *“Environmental justice” includes, but is not limited to, all of the following: (1) The availability of a healthy environment for all people. (2) The deterrence, reduction, and elimination of pollution burdens for populations and communities experiencing the adverse effects of that pollution, so that the effects of the pollution are not disproportionately borne by those populations and communities. (3) Governmental entities engaging and providing technical assistance to populations and communities most impacted by pollution to promote their meaningful participation in all phases of the environmental and land use decision making process. (4) At a minimum, the meaningful consideration of recommendations from populations and communities most impacted by pollution into environmental and land use decisions.*

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.*

To implement its Coastal Act environmental justice authority, the Commission adopted an Environmental Justice Policy (“EJ Policy”) to guide and inform its decisions and procedures in a manner that is consistent with the provisions in, and furthers the goals of, the Coastal Act and certified LCPs. The EJ Policy further articulates environmental justice concepts, including stating:

The term “environmental justice” is currently understood to include both substantive and procedural rights, meaning that in addition to the equitable distribution of environmental benefits, underserved communities also deserve equitable access to the process where significant environmental and land use decisions are made.

Thus, the Commission's EJ policy underscores the importance of both substance (i.e., evaluating whether projects do or do not disproportionately distribute environmental benefits and burdens) and process (i.e., ensuring that those potentially affected by proposed development have an equitable opportunity to participate in a transparent public process).

Analysis

The Commission's EJ Policy was created to provide a framework to consider fair outcomes, and requires the Commission to reach out to and include the voices of environmental justice community members who have been historically marginalized in the governmental review process, and/or whose households have been disproportionately burdened by environmental hazards, often stemming from forms of development with significant burdens (e.g., industrial development). The goal is to make sure these voices are thoughtfully considered by the Commission during the decision-making process.

In past actions, the Commission has generally considered the Oceano community to be a lower-income community of color. Oceano is an unincorporated community with a population of roughly 7,500. About 45% of its residents identify as Hispanic or Latino, and about a third (32%) of its population has an income less than two-times the federal poverty rate.¹⁶ About a third of Oceano's population speaks a language other than English at home, of which 15% are considered linguistically isolated or speak English "less than very well" according to the U.S. Census Bureau.¹⁷ The community was designated as an "Opportunity Zone" by Governor Jerry Brown in 2018 in an effort to increase private sector investment in it.¹⁸ And finally, 20% of the people living in Oceano are considered to be housing burdened, low-income households, meaning that low-income households spend over 50% of their income on housing costs,¹⁹ and 45% of Oceano's housing units are occupied by renters.²⁰

Oceano is bordered to the south and the east by agricultural fields, and its central business district is located about a mile inland from the coast along Highway 1 and adjacent to the Union Pacific Railroad tracks. On the seaward side of the highway and railroad tracks is the Airport as well as the area's wastewater treatment plant, which occupies some 11 acres, and a nearby 1-acre park owned by the County. The oceanfront section of town is defined by Pier Avenue, the western terminus of which is one of two main access routes to Pismo State Beach and the Oceano Dunes State Vehicular Recreation Area (Oceano Dunes). With respect to the latter, the Commission is well aware of the impacts that off-highway vehicles (OHV) and other forms of

¹⁶ Because the federal poverty level applies nationwide, areas with a higher cost of living, such as California (and particularly coastal California), often use the number of households or individuals with incomes below twice the federal poverty level as an indicator of poverty.

¹⁷ See U.S. Census Bureau, 2015-2019 American Community Survey Data, 5-year estimate, Table DP02.

¹⁸ The "Opportunity Zone" designation is pursuant to the Tax Cuts and Jobs Act of 2017.

¹⁹ According to CalEnviroScreen 3.0 data.

²⁰ See U.S. Census Bureau, 2015-2019 American Community Survey Data, 5-year estimate, Table B25003.

vehicular recreation at Oceano Dunes have on the local community. On high visitation days, traffic on Pier Avenue can create gridlock on the street for hours, with large RVs, trucks, and trailers idling their engines as they move toward the Oceano Dunes entrance. In addition, many believe that vehicles preclude 'normal' beach use and passive public access by turning the beach into a highway for cars, making Oceano a beach town without a usable beach. And finally, the San Luis Obispo County Air Pollution Control District has been working for years with State Parks on measures to reduce wind-blown dust that affects Oceano and that it has determined emanates from Oceano Dunes and its vehicular activities.

In other words, the community is home to several impactful land uses, including a regional wastewater treatment plant, high vehicle emissions/traffic from the Pier Avenue vehicular entrance to Oceano Dunes, and air quality impacts from vehicular use in Oceano Dunes. This is not new to the Commission, which has also heard over the years residents' grievances about the community being a beach town that is unable to use its beach given such traffic and Oceano Dunes vehicle issues. And the Airport presents similar concerns to many, including with respect to the direct and indirect effect of Airport operations on the community (e.g., noise, emissions, etc.). In many respects the Oceano community is a classic case of a lower income community of color disproportionately suffering from land use incompatibilities.

Recognizing the environmental justice issues in this community, Commission staff sought to understand from members of the community their concerns with the proposed project as well as the Airport's operations in the community more broadly. Commission staff attended a public workshop in Oceano organized by the Airport in November 2022 where various community members expressed concerns regarding the proposed project and the Airport's location and continued operation in this community. The main issue raised by these concerned community members is that the Airport is a public facility funded by public dollars that does not provide benefits to the Oceano community, and that it is taking up valuable public land that could be used for other community purposes (including affordable housing, a town center, a public park, additional wetlands to buffer against area flood risks, etc.). At the Oceano workshop, several community members suggested that the Airport is a burden to the community, and that it should be relocated and replaced with other uses that better serve the community.²¹ Further, Commission staff met with other community groups²² that raised similar concerns as were noted at the workshop, and who also stressed that the Airport is an exclusive playground of

²¹ These concerns are echoed in correspondence received on this CDP application from the Oceano Advisory Council, the Oceano Economic Development Council, and Oceano Beach Community Association (see Exhibit 5). It should be noted that since receipt of the Oceano Advisory Council's letter in July 2022, the County's Board of Supervisors dissolved that Council as an official advisory arm of the County in terms of advocating for Oceano's interests and needs. The Oceano Economic Development Council and the Oceano Beach Community Association are independent non-profit community groups unaffiliated with the County.

²² Commission staff, including Commission EJ staff, has also had Zoom meetings with representatives of three local community groups: the Oceano Beach Community Association, the Oceano Economic Development Council, and Latino Outreach Council.

wealthy hobbyists that are removed from the community, providing no significant benefits to Oceano.²³

The Applicant disagrees that the Airport does not serve an important community function,²⁴ and notes that there is some disagreement in the community about the appropriateness of the Airport.²⁵ In addition, and primarily in response to community feedback, both in the 2022 workshop and otherwise, the Applicant has prepared a proposed Community Event Plan (CEP). The purpose of the CEP is to better weave the Airport into the community fabric by using the Airport as space for community events. As proposed, the CEP includes several events that are intended to draw the community to the site to learn more about aviation, including an Airport 'open house'. The Applicant has also proposed using the Airport parking lot to host community-focused events (e.g., such as a 'Farm to Tarmac Farmers Market'). The CEP also commits the Applicant to hosting community open forums to discuss ongoing and future Airport projects, address concerns, and gather feedback from the community. **Special Condition 3** incorporates the parameters of the CEP into this CDP, with required enhancements, including ensuring a minimum of 6 such events, ramping up to 12 after 5 years, with a monitoring and reporting requirement that allows CEP changes and adjustments in response to community feedback and lessons learned.²⁶

²³ While it hasn't been directly raised by members of the local community, the Commission also notes that airports tend to have large environmental footprints, including in terms of noise, air pollution, and even leaded gasoline in smaller airplanes, all of which may adversely impact the health and welfare of the surrounding local population: <https://www.epa.gov/newsreleases/epa-determines-lead-emissions-aircraft-engines-cause-or-contribute-air-pollution>.

²⁴ The Airport notes that, as a general aviation airport, it can be used as an important hub during emergency situations due to its close proximity to the community, for quick deployment of aircraft of many sizes, and as an important backup to the San Luis Obispo County Regional Airport during natural disasters. The Airport further notes that it has been and continues to be used by agencies such as California Highway Patrol Sheriff Aero Squadron, Civil Air Patrol, U.S. Coast Guard, Life-flight, and Angel Flights.

²⁵ The Airport notes that, in November of 2022, the Oceano Economic Development Council and the Cal Poly San Luis Obispo City and Regional Planning Department completed a survey that showed that, when asked about what uses/issues the Oceano community needs, survey respondents indicated a strong preference for more jobs, more housing, increased sidewalk access, and a new town center. The survey results showed that many respondents were either opposed or were neutral to repurposing the 60 acres that the Airport currently occupies to other uses.

²⁶ The CEP can also be understood as a form of low-cost overnight accommodation mitigation for the pilots' fly-in campground. In other words, while the campground's fly-in nature is existing and not proposed to be changed in this regard, it does raise questions about whether such form of overnight accommodation is appropriate, particularly since it should be understood as a higher-cost accommodation type given the high cost of entry (i.e., one must have a plane to access it). The fly-in construct also reinforces community perceptions about the private/exclusive nature of the Airport and it not serving the greater Oceano community. The CEP aims to address these privatization issues by opening the Airport up to more community events and community functions. Given the unique factors at play here (i.e., the campground is existing and being refurbished; the limited scope of it since it's only providing eight high-cost camping spaces (where applying 25% for low-cost mitigation purposes would require 2 low-cost camping spaces, which would be located in an area, Oceano, where there are many existing campsites, including about 70 immediately next door in Pismo State Beach's Oceano Campground and 24 campsites in the adjacent County-owned Oceano Campground); and the proposed

While the Commission recognizes that the CEP doesn't address the overarching and fundamental issues of having an operating Airport in the middle of town, the CEP should serve as a step forward that helps to respond to concerns raised, including environmental justice concerns, while broader discussions between the County, the Airport, and the community regarding the Airport's future can take place, including with County Board of Supervisors leadership and guidance. In other words, when the above described Coastal Act issues are seen through the environmental justice lens, the above-described conditions also help to start an important conversation about the way in which the Airport may or may not bring undue burdens to the Oceano community, particularly when considered cumulatively in terms of other sorts of burdens that this community faces. In fact, the project's conditions related to longer-term resiliency planning are also intended to simultaneously result in a renewed engagement and visioning process that necessarily starts with the Airport engaging with other County representatives and the community. In that process, the direct and indirect effects of the Airport on the community need to also be front and center, and decisions need to be made looking through the environmental justice lens as well. In other words, while Special Conditions 5, 6, and 7 are applicable to coastal hazards and coastal habitat issues, the intent and purpose is also to provide the Applicant with the opportunity to rethink how and whether the Airport could/should coexist with its community, including whether certain changes could/should be made to the Airport and/or Airport operations to address identified community concerns, whether the Airport should be relocated or combined with the primary airport in San Luis Obispo to eliminate any community incompatibilities, or other permutations. These are all valid broader questions for the Airport, the County and the community to grapple with, particularly the benefits and burdens of the Airport as it relates to community desires and LCP priorities for such prime public land.²⁷

F. Other

Parking and VMTs

The proposed project includes a resurfacing of the Airport's 65-space parking lot, with the same amount of parking spaces at 65, with three of those being ADA accessible.²⁸ The 65 parking spaces are likely well in excess of what might be required to serve the

and conditioned CEP opening the Airport up to more community events and public utility), the CEP can serve to appropriately mitigate for the lack of low-cost overnight accommodations in this unique case.

²⁷ It is also noted that there are obviously other ways to address coastal hazards, coastal habitats, and their intersection with EJ issues in this approval, including requirements specifically limiting any intensification of use (e.g., limiting the number of passengers and/or planes, etc.), limiting any physical expansion (e.g., limiting any increases in runway width or length, etc.), only allowing the subject improvements on a temporary basis, and/or requiring that longer term decisions about the Airport be made by a shorter term date certain. These types of requirements could also address the issues identified herein, as well establishing explicit limits of sort on the future use of public dollars and public land for the continuation use of the Airport. However, the Commission does not believe that such requirements are warranted at this time, including because such requirements could be so prescriptive as to unduly impact and prejudice the necessary community, Airport, and County conversation that is necessary. In addition, the Airport is a dynamic place where past history shows that development is being pursued fairly regularly, and the Commission will have every opportunity to continue to discuss and consider such options as it evaluates the merits of future proposed development (see also **Special Condition 9**).

²⁸ The three spaces out of a total of 65 meets the LCP's ADA parking requirements.

Airport,²⁹ but that is not so much a Coastal Act problem as it is an opportunity for the Airport and the community to consider, including as the aforementioned discussions about the Airport's future continue. In other words, there may be a higher and better use to put such scarce public land than to than accommodating excess parking. That said, the proposed project does not include any electric vehicle charging stations, and it does not appear that it includes any measures to "minimize energy consumption and vehicle miles traveled" as is required by Section 30253(d).³⁰ Thus, **Special Condition 1** requires that EV parking be provided at the ratios required of the California Green Building Code, which is 13 EV-capable spaces today, with three of those turning into EV-charging spaces within 5 years.³¹

Other Agency Approvals

The proposed project may require authorization from several other entities, including the U.S. Federal Aviation Administration and San Luis Obispo County. To ensure that the proposed project is authorized by all applicable agencies, **Special Condition 8** requires the Applicant to submit written evidence of these other agencies authorizations of the project (as conditioned and approved by this CDP) or evidence that such authorizations are not required.

Future Development

Although the current project is relatively modest, it does raise the above-described issues with coastal hazards and habitats, including as seen through an environmental justice lens. Moreover, any future project raises questions regarding coastal hazards and habitats more broadly, as well as consistency with the required coastal hazards and habitat planning required by Special Conditions 5, 6, and 7. On top of that, it is possible that discussions by and between the County, the Airport, and the community, including as part of that planning effort, may lead to other proposals and outcomes that could impact those considerations, and Coastal Act consistency. Thus, it is critical that any future development associated with the approved development and the site be evaluated for Coastal Act consistency so that all of that context can inform decisions. Thus, none of the CDP exemptions that might be provided by Coastal Act Section 30610 (and/or related implementing regulations) will apply to the approved development, and any and all future proposed development related to this project, this project area, and/or this CDP will require new CDPs or CDP amendments that are processed through the Coastal Commission, unless the Executive Director determines that such CDPs or CDP amendments are not legally required (see **Special Condition 9**).

Minor Adjustments

Oftentimes minor unforeseen issues present themselves in projects of this nature, particularly as construction gets underway, and it is important that the CDP is nimble

²⁹ The LCP does not have a specific numeric parking standard for airports, but rather is determined on a case-by-case basis by the Planning Commission (see LCP Section 23.04.166(c)(10)).

³⁰ Section 30253(d) states "New development shall... minimize energy consumption and vehicle miles traveled."

³¹ See California Green Building Code Standards Table 5.106.5.3.1.

enough to account for potential minor changes. Thus, minor adjustments to the proposed project that do not require CDP amendments or new CDPs (as determined by the Executive Director) may be allowed by the Executive Director if the Executive Director determines that such adjustments: (1) are deemed reasonable and necessary; (2) do not adversely impact coastal resources; and (3) do not legally require a CDP amendment or new CDP (see **Special Condition 10**).

Indemnification

Coastal Act Section 30620(c)(1) authorizes the Commission to require applicants to reimburse the Commission for expenses incurred in processing CDP applications. Thus, the Commission is authorized to require reimbursement for expenses incurred in defending its actions on the pending CDP applications in the event that the Commission's action is challenged by a party other than the Applicant. Therefore, consistent with Section 30620(c), the Commission imposes **Special Condition 11** requiring reimbursement for any costs and attorneys' fees that the Commission incurs in connection with the defense of any action brought by a party other than the Applicant challenging the approval or issuance of this CDP, or challenging any other aspect of its implementation, including with respect to condition compliance efforts.

G. VIOLATION

Violations of the Coastal Act exist on the subject property, including, but not necessarily limited to: construction of a new hangar (Hanger 1) in 1978; application of fog seal to the entire asphalt surface in 1979; placement of an additional layer of asphalt over the runway and taxiway in 1984; installation of an underground storage tank in 1990; application of fog seal over the entire Airport asphalt and parking surface in 1990; slurry seal of the Airport apron in 1993; replacement of the entire Airport perimeter fencing in 1998; removal and replacement of the lighting system in 1999; erection of a new beacon tower and foundation and demolition of the old tower in 1999; removal and reconstruction of the lighted wind cone and segmented circle in 1999; replacement of the 12,000 gallon underground fuel storage tank and dispensing apparatus with an 8,000 gallon above-ground tank and dispensing equipment in 2004; and installation of an automated weather observation system and a new rotating beacon and removal of the old beacon and tower in 2017.

Commission staff only recently learned of such unpermitted development, which the Applicant appears to have undertaken based on the mistaken assumption that they were exempt from CDP requirements. In fact, all of the above-described projects constitute development under the Coastal Act, and due to the Airport's location in and adjacent to sensitive habitat types, including ESHA and wetlands, these projects have the potential to cause significant impacts to coastal resources and thus are not eligible for exemption.³² Importantly, this application is not seeking after-the-fact approval for this development, and thus, even if this application is approved, and the CDP is exercised, violations will remain on the subject property that will not be addressed by the Commission's action on this application. The matter has been referred to the

³² See Sections 13250-13253 of the Commission's regulations.

Commission's enforcement division for investigation and for future action to address the violations.

Although development has taken place prior to submission of this CDP application, consideration of this application by the Commission has been based solely upon the Chapter 3 policies of the Coastal Act. Importantly, Commission review and action on this CDP does not constitute a waiver of any legal action with regard to the alleged violations (or any other violations), nor does it constitute an implied statement of the Commission's position regarding the legality of the development undertaken on the subject site without a CDP, or of any other development, except as otherwise expressed herein.

H. 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 County of San Luis Obispo, acting as the CEQA lead agency, determined the proposed development to be categorically exempt from CEQA review under Sections 15302(c) and 15303(c)(d) in June 2022.

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 analyzed the relevant coastal resource issues with the proposal and has identified appropriate and necessary modifications to address adverse impacts to such coastal resources. All significant comments received have been addressed, and all above findings are incorporated herein in their entirety by reference.

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

5. APPENDICES

A. Substantive File Documents³³

- CDP 3-22-0463 File
- CDP 3-16-0233 File

³³ These documents are available for review in the Commission's Central Coast District office.

- CDPs 4-82-300 and 3-12-050 Files, as amended
- Shape Oceano's Future – Door-to-Door Survey Results

B. Staff Contact with Agencies and Groups

- San Luis Obispo County Department of Airports
- San Luis Obispo County Department of Planning and Building
- Oceano Advisory Council
- Oceano Beach Community Association
- Oceano Economic Development Council
- Latino Outreach Council