RESOURCES AGENCY

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COASTAL COMMISSION

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September 15, 2010

Bruce Buckingham, Community Development Director
City of Grover Beach
154 South Eighth Street
Grover Beach, CA 93433

Subject: ***Proposed Grover Beach Lodge***

Dear Mr. Buckingham:

We are writing in response to your request for written comments on the size, scale, and scope of the currently proposed Grover Beach Lodge. As you know, we have been discussing this project with the City, State Parks, and the proposed concessionaire for some time, including with respect to the viewshed and character issues, and we expect that our previous comments have been informative in that regard. Please consider our previous comments as the City moves forward, some of which are reiterated here. Also, although we are aware that the comment period for the Notice of Preparation (NOP) for the Draft Environmental Impact Report (DEIR) has ended, we have also included several comments on other issues that we believe need to be addressed by the DEIR. These comments are based on the schematic design drawings that you provided to us dated June 7, 2010, and the site plan dated July 29, 2010.

As you know based upon past discussions, we are very supportive of a project that can utilize the subject property for its highest and best use under the Coastal Act and the City's Local Coastal Program (LCP), and we believe that many of the project's goals and objectives are clearly based on this premise. We also understand the importance of the site to the City, and believe that a significant visitor serving project that respects the site and the surrounding environment is possible here. It is clear that the City, State Parks, and the proposed concessionaire have developed a project concept that is headed in the right direction in this respect, but we are concerned, as we have indicated in the past, that the proposed project size, scale, and scope may overwhelm and oversubscribe the site in a way that cannot be found consistent with the Coastal Act and LCP. Thus, while we continue to be supportive and continue to be committed to working with the City as the project and any supporting LCP amendments are developed, we also want to reiterate a note of caution, and a recommendation to consider reduced scale alternatives that better address and respond to site constraints consistent with the Coastal Act. Please consider the following:

Visual Impacts and Community Character. The proposed project is located in a visually sensitive area along the immediate dune shoreline; one that is visible from Highway 1 and other major public view corridors, including from the beach itself, Grand Avenue, and the dune

boardwalk. After reviewing the submitted plans, we are concerned that the height, scale, bulk, and overall massing of the project will have a significant detrimental impact on public views to and along the shoreline, and that the project will substantially alter the defining visual character of the surrounding area. Section 5.7.F of the certified LCP contains general design requirements for visitor-serving development at this location, including height and site coverage limitations. Although we understand that the proposed project is likely to be preceded by a proposal for an LCP amendment that could change these general design requirements, the size and scope of the proposed project far exceeds what is envisioned and allowed by the certified LCP. In addition, it is unclear if an LCP amendment designed to facilitate the size and scope of the proposed project could be found consistent with the Coastal Act, including because of the sensitive nature of the viewshed associated with the site. Accordingly, we believe that it would be appropriate for the DEIR to include an evaluation of multiple reduced project alternatives, including at least one alternative that is of size and scope to meet existing LCP requirements in this respect. Other alternatives should include a reduced number and reduced size/scale of proposed buildings, a reorientation of buildings to cluster them away from primary viewsheds and the beach, and a dispersed option that may include a series of smaller buildings. We understand and support the primary design premise of bringing the dunes and the natural environment into the site and the development, and we believe that this aesthetic can work well at this location, but we are concerned that the scale proposed will overwhelm the ability of the site to adequately function in this way; we are concerned that the proposed scale will diminish the ability of the natural elements to soften visual impacts and to create an appropriate blend of the built and natural environments.

All alternatives should be evaluated to a similar level of detail across the same range of factors, and should at a minimum include evaluation of the manner and degree to which each alternative blends the built and natural environments. Such evaluation should also take into account the way in which the proposed project affects the character of the C-P-C zone and Beach Neighborhood. In addition, to ensure that scale issues can be appropriately understood, we would suggest that the DEIR include an evaluation that uses story poles and photo simulations to estimate the level of incursion into primary public views for at least the proposed project and the LCP consistent project, as well as the least environmentally damaging feasible alternative project, to the extent it is different from those. This evaluation should include all views to and along the shoreline from Highway 1, Grand Avenue, the beach, and other important public view corridors.

Biological Resources. The proposed horse trailer parking and staging area would be located south of Grand Avenue in vegetated dune habitat. Section 2.1.5.A of the LCP contains Sand Dune Policy 1, which prohibits development in vegetated dune areas. As we have indicated in the past, we cannot support the proposed development in this dune area. The Draft EIR must analyze alternatives to account for the horse facility outside of this dune area (e.g., as previously discussed, off-site, in Grand Avenue right-of-way with realignment of street, etc.) or its elimination, if there are no feasible alternatives.

Water Quality. The proposed development would introduce a large area of impermeable surface to a sensitive area that is adjacent to vegetated dune habitat, the shoreline and Meadow Creek. LCP Section 2.1.5 requires that development protect the water quality of

Meadow Creek, and water quality throughout the City. Meadow Creek Policy 2 requires development to include on-site ponding basins or other means of regulating runoff water, and Meadow Creek Policy 4 requires the existing sediment filtering capabilities of Meadow Creek to be maintained and enhanced through the use of devices to filter out oil and sediment. In addition, General Policy 3 requires all new development to include best management practices for control of polluted runoff. The DEIR should evaluate the proposed project's consistency with these policies, and analyze measures to both avoid water quality impacts (including through low impact development (LID) measures such as green roofs, porous pavement, and vegetated swales), and to enhance the water quality of Meadow Creek and other receiving water bodies.

Visitor and Recreational Opportunities. The proposed project is located seaward of the first through public road and thus it must be consistent with the certified LCP as well as the Public Access and Recreation provisions of the Coastal Act. The Coastal Act requires that lower cost visitor and recreational facilities be protected, encouraged, and where feasible, provided. Developments providing public recreational opportunities are preferred. The Act also requires that visitor-serving commercial recreational facilities have priority over other land uses on suitable sites. Thus, as we discussed, it will be critical that the DEIR fully evaluate the ways in which this project provides or could provide for low cost visitor serving opportunities, including low cost overnight accommodations, and the way in which it relates to the provision of such facilities in the area, so that a full range of such visitor serving opportunities area-wide, including lodging opportunities, can be provided. This evaluation should at a minimum document the range of low cost opportunities in the area and the way in which this project fits into that range. As discussed, to the extent necessary to meet Coastal Act and LCP tests, it may be necessary to incorporate low cost features (including low cost overnight accommodations) into the project, and/or to provide an in lieu fee to offset inconsistencies between the project and existing requirements to provide low cost accommodations. In addition, the DEIR should evaluate how such facilities and/or fees would affect the project. Please contact us for recent examples of projects where these issues were relevant and/or where in-lieu fees were required by the Commission or local governments.

Energy Use and Vehicle Miles Traveled. Finally, the LCP includes a Coastal Air Quality and Vehicular Energy Consumption Component that identifies automobile travel as having a significant impact on coastal resources. This LCP component includes recommendations to reduce vehicle miles traveled including a recommendation to expand the existing bus system to provide service on weekends with beach stops. The DEIR should evaluate the project's impacts on vehicle miles traveled and the project proposal should include measures to facilitate transit service, including by providing public bus and shuttle stops, and by providing pedestrian access between the project and transit stops such as the Amtrak train station.

Thank you for the opportunity to comment on this important project. As indicated above, we remain supportive of a project at this location, and look forward to continuing to work with the City, State Parks, and the concessionaire as you work to refine the project through the DEIR, LCP amendment, and coastal permit process in light of these and previous comments. Again, we support a visitor serving project at this important location, and believe that through scale reduction and related measures, a significant that is consistent with the Coastal Act and LCP

can be achieved. If you have any questions or would like to discuss the project or these comments, please contact me at the address and phone number above.

Sincerely,

Madeline Cavalieri
Coastal Planner, Central Coast District Office

cc: Andy Zilke, State Parks
Allison Rolfe, Pacifica Companies

d. *In cooperation with the California Department of Parks and Recreation, the parking lot and picnic area shall be landscaped with species that are drought tolerant and if feasible, with native species, and a water-conserving irrigation system installed. Landscaping shall be maintained in a healthy, growing condition, shall receive regular pruning, fertilizing, mowing, and trimming, and shall be kept free of weeds and debris. Any damaged, dead, or decaying plant material shall be replaced within thirty days from the date of damage.*

E. PUBLIC VISITOR-SERVING AND RECREATION FACILITIES

Ensure the protection of lower cost visitor and recreational facilities.

1. Policies

a. Any fees charged in the future in connection with Pismo State Beach facilities within Grover Beach boundaries should be minimal and shall be related directly to the cost of providing specific services to beach users. Fees should not at any time be applied for access to or use of any part of the beach by either pedestrian visitors or vehicles.

b. Existing public recreational facilities should be preserved. The City in cooperation with the California Department of Parks and Recreation should pursue every opportunity to provide additional lower-cost recreational facilities.

2. *Actions*

a. *The area presently occupied by the LeSage Riviera Golf Course shall remain designated for open-space, low intensity public visitor-serving and recreation facilities only.*

b. *With the cooperation of the California Department of Parks and Recreation, fire rings should be provided at intervals along the beach north of Grand Avenue near the foot of the dunes.*

F. PRIVATE VISITOR-SERVING AND RECREATIONAL FACILITIES

Ensure that private commercial visitor-serving and recreational uses are given priority over private residential, general industrial and general commercial development on lands suitable for visitor-serving, beach-related commercial uses.

1. Policies

a. The City should ensure that visitors to the Pismo State Beach are provided with easily accessible, private commercial services, particularly those relating to provision of food and lodging in any new development in the Coastal Planned Commercial area west of Highway 1 and in the Coastal Visitor Services area along Grand Avenue east of the railroad tracks. A resort motel/conference center on the combined 7-1/2 acre state-owned and the 15 acres of privately-owned land fronting on Highway 1 is strongly suggested by the City. Room per acre density south of Le Sage Drive shall be at a maximum of 20 rooms/acre while the room per acre density

north of Le Sage Drive shall be at a maximum of 10 rooms/acre. The area south of Le Sage Drive shall be Phase I while the area north of Le Sage Drive shall be Phase II. Development nodes are encouraged to be located at the north and south ends of the site, with parking and auxiliary buildings between.

The proposed facility shall have the following general design requirements:

(1) A room/acre density of 15 rooms/acre.
(2) 20% of the project will be at a maximum height of 40 feet, 40% of the project at a maximum height of 30 feet, while the remaining 40% of the project shall be at a maximum height of 20 feet; however, through staggering and siting the project shall be designed to protect the existing view corridors along Grand Avenue and Le Sage Drive and further will create one to three additional view corridors to the golf course and shoreline from Highway 1.
(3) Access to the proposal shall be from Highway 1 and Le Sage Drive and not from Grand Avenue.
(4) The entire facility shall be sited and designed to prevent impacts to the environmentally sensitive areas of the intertidal, dunes and Meadow Creek.
(5) The project shall maintain and where feasible shall enhance the filtration function of Meadow Creek and shall restore habitat values of the creek.
(6) Conference meeting rooms shall be provided for groups from 20 to 200 persons.
(7) The project shall have a maximum site coverage of 60%, the remaining 40% shall be in landscaped open areas.
(8) The project shall have within it both normal restaurant facilities as well as lower-cost eating establishments such as coffee shops and snack bars.
(9) The project's colors, materials, landscape treatment, and general architectural design shall be compatible and complimentary to the existing natural vegetation and landforms.
(10) Public parking for day use of the pedestrian beach shall be provided on the project if identified as a significant impact in the Environmental Impact Report prepared for the project.
(11) All facilities shall be open to the general public; no individual ownership or long term uses of units shall be allowed. Rooms may not be rented to any individual, family, or group for more than 29 days per year nor for more than 14 days between Memorial Day and Labor Day.

b. The City should ensure that the appearance of private commercial structures within the Coastal Zone contribute to an attractive, beach-oriented, visual theme which enhances the quality of the recreational experience within the Coastal Zone.

c. As Public Resource Code Section 30213 does require the protection of lower cost visitor serving uses the City designates the undeveloped portion of the Sand and Surf Recreational Vehicle Park located on Highway 1 as the area within the Coastal Zone to provide a replacement facility for the existing Le Sage recreational vehicles park that would be redeveloped as part of the resort motel/conference center.

2. *Actions*

a. *The City shall establish a new land use designation which specifically provides for those uses which are visitor-serving and recreation-related. Uses which shall be permitted under this designation include the following:*

(1) *Hotels, motels, restaurants, and cocktail lounges or dancing facilities in connection with restaurants.*
(2) *Refreshment stands.*
(3) *Souvenir shops.*
(4) *Convenience services.*

b. *Land designated for coastal commercial uses shall be subject to special landscaping and design requirements which will provide and protect an attractive visual theme. Height limitations shall be more restrictive than in general commercial areas in order to avoid obstruction of or conflict with ocean views. Landscaping in coastal commercial areas shall occupy a larger portion of building sites than is required in other commercial districts. The use of building materials and architectural designs which are appropriate to highly visible tourist areas shall also be required here. Acceptable modes and materials for developments in coastal commercial areas shall be specified in the City's coastal zoning ordinance.*

c. *The City should designate the following areas for coastal commercial uses:*

(1) *The land which lies between the west side of Highway 1 and the Meadow Creek drainage channel, and between Grand Avenue and Le Sage Drive.*
(2) *The strip of land south of Grand Avenue between the railroad easement and Highway 1.*
(3) *That land presently occupied by the Le Sage Riviera Mobile Home and Recreational Vehicle Park.*
(4) *That land west of Highway 1 and north of Grand Avenue.*

G. RECREATIONAL DEMAND FOR PUBLIC SERVICES

Ensure that adequate public services are available for recreational and visitor serving, beach-related uses, now and in the future.

Policy: The City shall reserve a percentage of its water, sewer and street capacities for use by beach-related recreation and visitor-oriented developments and land uses.

H. GENERAL

1. Policy: All proposed land use plans or proposals and any subsequent development within the Coastal Zone of Grover Beach must receive approval by the City prior to the implementation. Said land use plans or proposals and any subsequent development shall be consistent with Grover Beach's Local Coastal Program.

2. *Action: The City shall adopt the specific plan (Figure 3) provided herein for the area designated as Coastal Planned Commercial.*
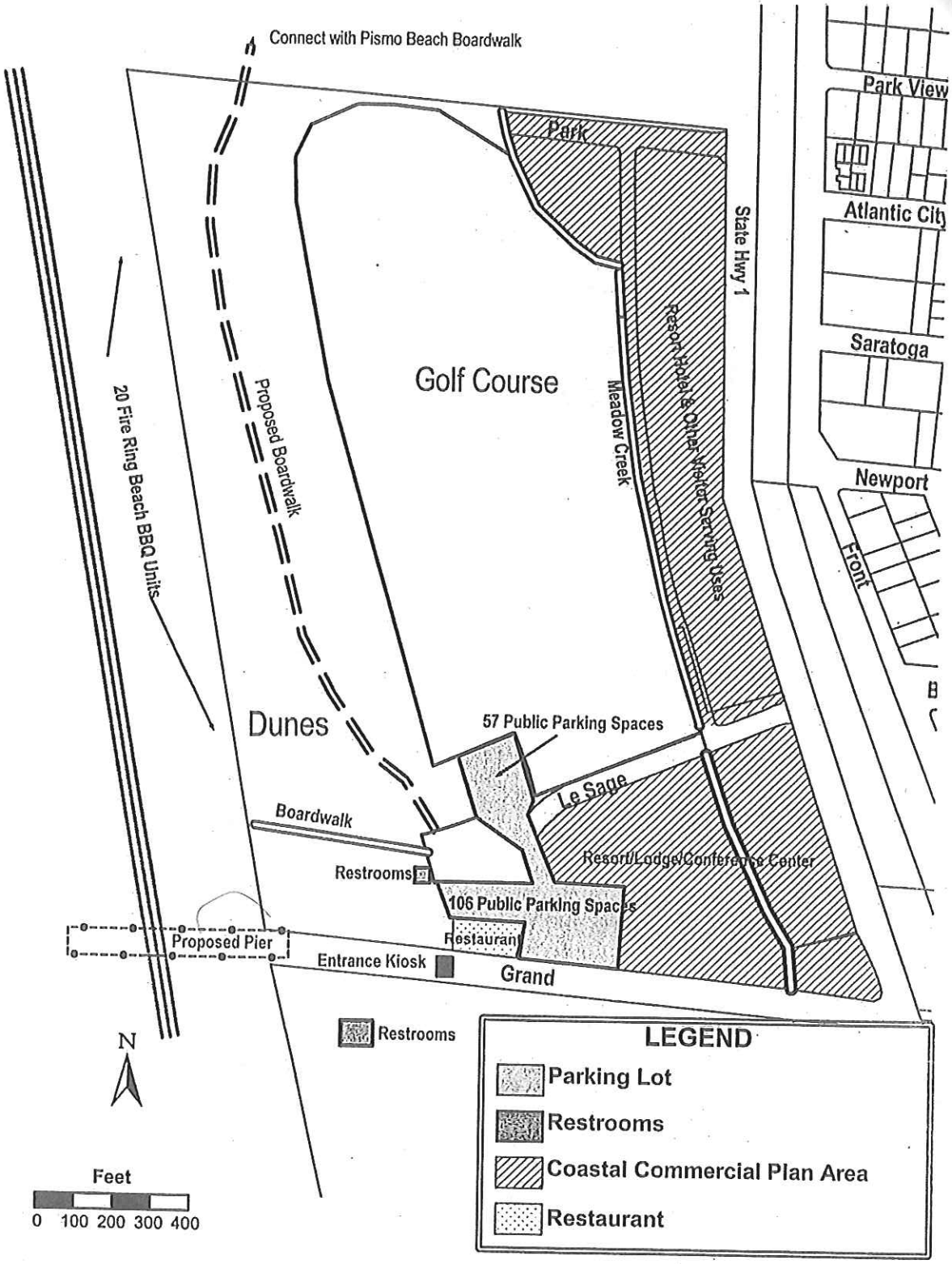
FIGURE 3
CONCEPTUAL COASTAL COMMERCIAL PLAN