



May 29, 2014

To: Hearing Officer, June 6, 2014 Planning Department Hearing

From: Rob Fitzroy, Planner III

Via: Ellen Carroll, Environmental Coordinator

Subject: Response to Request for Review for Negative Declaration for the Centrally Grown, Inc. Minor Use Permit; ED13-161 (DRC2012-00119)

On May 15, 2014 the Department of Planning and Building received a "Request for Review" of the proposed Mitigated Negative Declaration (not yet adopted) for the Centrally Grown, Inc. Minor Use Permit (DRC2012-00119), from Khosro Khaloghli. A Request for Review is a process which affords the public the opportunity to focus additional scrutiny on proposed Negative Declarations. This process supplements the opportunities of the public to comment on proposed Negative Declarations that is afforded by the State California Environmental Quality Act (CEQA) Guidelines. Any person may file a Request for Review of a proposed Negative Declaration. A Request for Review of a proposed Negative Declaration is to be heard and considered at the time of the public hearing on the question of approval or denial of the project. The following includes the Environmental Coordinator's response to the issues raised in the Request for Review.

Responses to Comments of the Request for Review:

1. Mr. Khaloghli states: "First of all, I think it is important to clarify the project description with respect to what is considered "existing development" and what is considered "new development". The original Development Plan that was approved in 1980 included specific Conditions of Approval that were disregarded, changed or ignored over the past thirty years without the benefit of public review or proper permit processing. Essentially the conditions required all the commercial uses, i.e. restaurant, bar, gift retail, etc, to be located all within the main building. Additional buildings were comprised of a single family residence and several greenhouse buildings. The exotic plant greenhouses were included as part of a natural transition to the surrounding agricultural use (grazing land).

Over time the greenhouses were converted to retail spaces by replacing the existing fiberglass panels with corrugated tin roofs and siding and adding pavers to the dirt floors. In addition, new structures were built and remodeled and illegal signs were added. All were constructed without permits or adherence to SLO County ordinances and were in direct conflict with the original Conditions of Approval. These are now being reviewed as "existing structures and uses". It is no wonder the greenhouses require structural

modifications. It appears that these “existing structures” will have to be entirely rebuilt from the foundation to the roof to be ready for a transition from plants to people.

Consequently these new buildings and uses will have a much greater impact on the environment than what is apparent on the surface. A closer examination of what was approved with the original Development Plan and what is “existing” should be prepared and reviewed in the context of this Environmental Review and Minor Use Permit.”

Response: The existing structures were originally established in 1961. These structures included the following; commercial gift shop, detached guest house, nursery, and accessory structures. The site also had a demonstration garden operation known as Exotic Gardens. All existing structures and uses were authorized through the granting of a Variance in 1961. In 1980, the County authorized the establishment of a restaurant, cocktail lounge and gift shop in the existing structures. Since that time, the County has issued business licenses to various commercial enterprises in the existing structures that were determined to be consistent with the allowed uses per Standard 29 and 30 of the North Coast Planning Area Standards. The County has also issued building permits for remodeling of existing structures that were determined to be in substantial conformance with the original approvals. Per section 15063(d)(1) of the CEQA Guidelines, Initial Studies are required to include an environmental setting for which impacts are to be measured against. CEQA Guidelines Section 15125(a) defines the environmental setting as the physical environmental setting at the time environmental review is commenced. The existing physical condition of the project site as of November 23, 2013 is considered to be the baseline for analysis, per the requirements of CEQA. Thus, any existing structures at that time are considered baseline/existing conditions.

It is important to note that the primary use, the main restaurant building, is not considered in this Minor Use Permit request. Upgrades that are currently underway on the restaurant were approved in 2012. The current request for a Minor Use Permit and the associated Initial Study is specific to the remaining on-site existing structures, where various remodel/improvements are proposed, as well as a change in use for one structure from residential to commercial. The project also includes a request to allow the other existing single family residence to be used as a vacation rental.

2. Mr. Khaloghli states: “State Highway 1, as noted in the Setting description, is a State Scenic Highway and National Scenic Byway and is the primary public viewing corridor in the area. The proposed new uses and increase in intensity of use will significantly impact the scenic qualities of the corridor.”

Response: As noted by Mr. Khaloghli, State Highway 1 adjacent to the project site is designated as a scenic highway. The proposed project would not introduce new uses or structures that are substantially different from existing conditions, as the project would modify existing structures. Any demolished structures would be replaced in-kind. The size and scale of existing structures would be similar to existing size and scale. In addition, the primary existing structure is screened from Highway 1 by existing trees, vegetation and topography. Other on-site structures are generally not visible from Highway 1 because the line of sight is blocked by the primary restaurant structure, topography, and existing vegetation. The project would not introduce new structures that would hinder or impact the viewing corridor from Highway 1.

3. Mr. Khaloghli states: "The project is within the viewshed of State Highway 1 and directly impacts this highly scenic view corridor. All development surrounding the project is limited to 15 foot height limit. This project was approved in 1980 at 21 feet height for the main building, but all new development must adhere to the 15 foot limit. It also appears that the rear portions of the main structure now exceed the 21 foot approved height limit. It seems appropriate that a visual study be prepared to address any additional visual impacts."

Response: The height limit for the site is 35 feet per Section 23.04.124 of the Coastal Zone Land Use Ordinance. The project would not exceed established height requirements, as the tallest architectural feature is 23 feet 10 inches. The project would largely be screened from Highway 1 by existing trees and vegetation, as well as topography.

4. Mr. Khaloghli states: "The Regulatory Setting description for this environmental element mentions the 100 foot setback required from the scenic corridor right-of-way. Has the setback been measured? New uses are proposed within this setback area."

Response: The existing structures are set back from Highway 1 by a minimum of 200 feet.

5. Mr. Khaloghli states: "The off-site billboard sign located within the Highway 1 and county right of way is illegal and should be removed. The restrictions on signage size, lighting and position in the scenic corridor are crucial to maintain the natural beauty of the area that draws visitors from around the world."

Response: Per conditions of approval from 1980, the project was permitted to have one free-standing sign at the intersection of Exotic Gardens Drive and Highway 1. The existing sign is allowed.

6. Mr. Khaloghli states: "Will the project introduce a use within a scenic view open to public view? Yes, the impact could be potentially significant. The priority for visitor serving areas in the coastal zone is for coastal recreation, not for general commercial development. The additional uses in this scenic viewshed are detrimental to the enjoyment of the natural scenic qualities of the corridor. Previous uses were limited by Standards 29 and 30 and the restrictions of use insured that commercial traffic remained light, signage was strictly limited, and any expansion of development on site would require a Minor Use Permit so that all potential effects could be thoroughly studied. This initial study has been inadequate to seriously contemplate the extent of environmental impact such a large scale commercial operation could potentially have in this scenic area."

Response: The project would primarily include a continuation of allowed uses on the project site with modifications to existing structures. The project would continue general commercial retail, including food and beverage sales, and general merchandise sales. The proposed change in use would be from residential to general commercial. The existing and proposed uses are consistent with and allowed by Planning Area Standards 29 and 30 of the North Coast Planning Area Standards. As required by Standard 30, a Minor Use Permit is required for any structural modifications or changes in use. The applicant has complied with this requirement and is currently requesting a Minor Use Permit. The request has been evaluated by the County accordingly.

7. Mr. Khaloghli states: “Will the project change the visual character of an area? Yes, the impact could be potentially significant. The permitting of this expansion of uses and new uses on this highly visible site will change the character of the area, and furthermore will set a precedent that commercial development along the Cambria scenic corridor of State Highway 1 is acceptable.”

Response: The project would not result in the expansion of structures or uses such that the visual character of the site or area would be adversely altered. The project would modify existing structures to meet Building Code requirements. Several of the on-site structures are dilapidated and in poor aesthetic condition. In-kind exterior improvements would enhance the visual character of the site. The project would include a change in use from residential to general commercial. This change in use would not alter the character of the site, as the general commercial use is intended to be ancillary to the existing restaurant and is consistent with the allowed uses per Planning Area Standard 29. The overall character of the site and the area would be similar to existing conditions. As discussed above, existing primary structures are screened from Highway 1 by existing trees, vegetation and topography. Other on-site structures are generally not visible from Highway 1 because the line of sight is blocked by the primary restaurant structure, topography, and existing vegetation and trees.

8. Mr. Khaloghli states: “Will the project create glare or night lighting and night glare, which may affect surrounding areas? Yes, project impact could be potentially significant. The project proposes new uses on site that will necessitate both permanent and temporary night lighting. Expanding the number of restaurant and retail spaces, adding new parking areas, and adding vacation rental uses to existing structures will bring an immediate need for permanent exterior night lighting for guest safety to assist in navigation between all the new retail, restaurant, event, wine tasting, outdoor stage and vacation rental areas on the site. Due to the elevated nature of the site from the highway, even downward-aimed light that is to code will create glare, cause distractions for drivers and will reduce the dark sky viewing qualities of the surrounding area. In addition, the proposed project envisions an ‘entertainment area’ in the garden, i.e., a stage, where temporary night events, concerts, festivals and weddings will be held that will require bright lighting both on the stage and in the surrounding gardens and new decks. These new lighted areas will be highly visible from the many parks, trails and rural residences surrounding the project site. The addition of new lighting for the parking area, and the addition of a new parking area on the north side of the parcel also will increase total ambient light and direct light glare, as the elevation of the site increases visibility of all light from fixtures on site. Lights in the additional new parking area are very likely to be highly visible from the campgrounds, trails and public park areas surrounding the site.”

Response: The project would include new sources of light, as described in the Initial Study. As described therein, the project would be subject to Section 23.04.320, which establishes self-mitigating requirements for outdoor lighting. Section 23.04.320 includes the following requirements.

- **Illumination only.** *Outdoor lighting is to be used for the purpose of illumination only, and is not to be designed for or used as an advertising display, except as provided by Sections 23.04.300 et. seq.*
- **Light directed onto lot.** *Light sources are to be designed and adjusted to direct light away from any road or street, and away from any dwelling outside*

the ownership of the applicant.

- **Minimization of light intensity.** *No light or glare shall be transmitted or reflected in such concentration or intensity as to be detrimental or harmful to persons, or to interfere with the use of surrounding properties or streets.*
- **Ground illuminated lights.** *Any light source used for ground area illumination except incandescent lamps of 150 watts or less and light produced directly by the combustion of natural gas or other fuels, shall be shielded from above in such a manner that the edge of the shield is level with or below the lowest edge of the light source. Where any light source intended for ground illumination is located at a height greater than eight feet, the required shielding is to extend below the lowest edge of the light source a distance sufficient to block the light source from the view of any residential use within 1,000 feet of the light fixture.*
- **Elevated feature illumination.** *Where lights are used for the purpose of illuminating or accenting building walls, signs, flags, architectural features, or landscaping, the light source is to be shielded so as not to be directly visible from off-site.*
- **Height of light fixtures.** *Free-standing outdoor lighting fixtures are not to exceed the height of the tallest building on the site.*
- **Street lighting.** *Street lighting shall be designed to minimize light pollution by preventing the light from going beyond the horizontal pDrive at which the fixture is directed.*

The requirements of the Section 23.04.320 mitigates potential impacts relative to light and glare. In addition to these requirements, the applicant has agreed to minimize all parking lot lighting to a maximum of 48 inches in height to further reduce light spillage. In addition, the project is conditioned to provide lighting details for review at the time of application for construction permits. The details are to include the height, location, and intensity of all exterior lighting. All lighting fixtures are to be shielded so that neither the lamp nor the related reflector interior surface is visible from adjacent properties. Light hoods shall be dark colored.

9. Mr. Khaloghli states: "The adjacent property is used for viticulture and livestock grazing. I believe there should be additional setbacks of 100 feet from agricultural uses but that was not addressed. The conversion of greenhouses to retail and restaurant use changes the "transitional" character of the neighborhood. By eliminating the only ag use on the site, there will now be an island of commercial activity within an area of rural lands. The impacts warrant a review by the Agriculture Commissioner."

Response: The project meets applicable setback requirements. The project does not propose the conversion of greenhouses to commercial uses. Commercial uses, as described in Planning Area Standard 29, are allowed on the project site. The Agriculture Commissioner reviewed the project on May 19, 2014 and has determined that impacts to agricultural resources would not occur and that no additional setbacks are warranted.

10. Mr. Khaloghli states: "Additional traffic and airborne dust from gravel parking may affect air quality."

Response: The overflow parking area has proposed the use of decomposed granite. Decomposed granite is, in part, intended to minimize dust. In addition, vehicles in the

parking lot would not be traveling at high speeds such that dust would be generated. The primary entrance to the site and primary parking areas are paved, thus no dust would be generated. As discussed in the Initial Study, from an operational standpoint, based on Table 1-1 of the CEQA Air Quality Handbook (2012), the project will not exceed operational thresholds triggering mitigation.

11. Mr. Khaloghli states: "The mitigation language in Exhibit B, the Mitigation Summary table, effectively renders useless the mitigation requirements for protecting bird species under the Migratory Bird Treaty Act and California Fish and Game Code. To add the phrase 'if possible' to the recommended mitigation for removal of trees and shrubs only outside the seasonal nesting period provides no protection whatsoever, and should be removed from the mitigation language for this category. Additionally, some shrubs and trees have already been removed from the east side of the property and this activity occurred during the nesting period for protected species.

Also, the Monterey cypress trees along the western boundary of the development provide some measure of visual screening of the project from Highway 1, and these cypress should be protected, enhanced and replaced should any be damaged, now or in the future."

Response: Mitigation Measures BIO-2 and BIO-3 state that if it is not possible for construction activities to occur outside of the nesting bird season, nesting bird surveys *would then* be required. The use of the term "possible" does not reduce effectiveness of the mitigation measures in this instance. If construction must occur during the nesting season, the required surveys would identify any nesting birds and require buffers to ensure birds are not impacted. Construction activities may commence in areas containing nesting birds once a biologist has confirmed the young have fledged from the nest, thereby ensuring nesting birds are not impacted.

The project would not impact any healthy, mature Monterey cypress trees. The two trees to be removed are diseased and unhealthy, and do not provide visual screening.

12. Mr. Khaloghli states: "I did not see a geological hazards report prepared for this project. Given the relative proximity to the San Simeon earthquake epicenter, it seems appropriate to ensure that there are no other active faults nearby. A careful review of the soil disturbances related to construction, such as grading, demolition, foundation work, landscaping, and other surface disruptions should be undertaken as well. Construction of the unpaved parking lot, plus grading in the former garden area, appears to be larger than one acre in size, which should trigger the requirements for the SWPPP report to be prepared and reviewed."

Response: The project site is not located within a Geologic Study Area and therefore does not require a geologic report. The project site has a low landslide, shrink-swell, and liquefaction risk potential. The project site is not in close proximity to an active fault. The site does not contain ultramafic rock. The intention of the project is to bring the existing on-site structures up to current Building Code standards. Current Building Code standards are established, in part, to maximize seismic safety. The project does not include any grading nor would it disturb an area greater than one acre. Thus, the project does not trigger the requirements for a Storm Water Pollution Prevention Plan.

13. Mr. Khaloghli states: “The site is located in a “very high” fire hazard severity zone. Typical setbacks in this area for properties that exceed one acre are 25 feet in the front, and 30 feet side and rear. It appears that the greenhouses which are to be converted to public retail use do not meet these required setbacks. These setbacks are mandatory to protect both the structures and adjacent properties from increased fire danger.”

Response: As disclosed in the Initial Study, the project is within an area designated “high” severity risk for fire. The remodeling of the structures would improve fire protection, as the remodeled structures would be subject to current Fire Code regulations and a fire plan will be required by Cambria Community Services District to mitigate fire impacts. The project meets applicable setback requirements. There are no specific setback requirements for high fire hazard areas, unless otherwise requested by the applicable fire response department. The Cambria Community Services District Fire Department did not have any concerns with the project.

14. Mr. Khaloghli states: “Items b) and c) in the table of potential impacts for environmental noise should be categorized as potentially significant, in my opinion. I believe the project as proposed will generate permanent increases in the ambient noise levels in the project vicinity, and will cause a temporary or periodic increase in ambient noise in the project vicinity. In addition to the daily ambient noise caused by increased traffic flow to and from the site, any outdoor events would likely be amplified, with both voice and music noise carried by the prevailing winds to the neighboring residences, state beaches, hotels and the scenic corridor. Such periodic noise would greatly impact the surrounding rural residences and impair the enjoyment of their property. Previous music events on site were held inside the main building. Amplified music events should not occur outside where noise levels will have a serious impact.”

Response: The project would include a continuation of allowed uses. The allowed uses would not generate significant, permanent sources of noise. Temporary outdoor events ancillary to the restaurant may generate intermittent noise. All on-site uses would be subject to the County noise ordinance requirements, which would ensure that impacts do not occur. Section 23.06.044 requires that daytime noise levels to not exceed 70 decibels and nighttime noise levels do not exceed 65 decibels. Assuming that a maximum of 70 decibels is generated at the property boundary of the project site, the nearest sensitive receptor (residence) is approximately 1,200 feet from the property boundary. Based on the inverse square law of noise attenuation, sound dissipates at a rate of 6 decibels per doubling of distance. Noise levels at the nearest sensitive receptor would be approximately 34 decibels if noise was to achieve 70 decibels on the project site at any given time. Based on the County’s Noise Element, 34 decibels is an acceptable noise level for residential land uses. If noise exceeds County standards, code enforcement action would be required.

15. Mr. Khaloghli states: “The change in use from residential to retail in the second dwelling on site could prevent an on-site caretaker from living on the property and having close supervision of risks for fire, flooding from irrigation system leaks, etc.”

Response: This comment does not directly relate to the referenced Population/Housing CEQA checklist questions. Please note fire protection for the project site is the responsibility of the Cambria Community Services District. Leaks/indoor flooding from water fixture failure would be the responsibility of the property owner to address.

16. Mr. Khaloghli states: “The reduced setbacks have created an unsafe fire danger. In addition, the project is located on a dead end road. In the event of an emergency, access may be impeded due to public evacuation down the only access road that emergency vehicles are using. Further blocking of emergency vehicles may occur if vehicles are allowed to park on either side of the public right-of-way. This element of the parking plan has been removed at the request of the North Coast Advisory Council, but adequate signage and control measures to ensure public and employee continued compliance will no doubt be required.”

Response: The project meets required setbacks. The project site is currently accessible from Highway 1 via Exotic Garden Drive. Emergency vehicles would have adequate access to the project site. The project would include the installation of “No Parking” signs along Exotic Garden Drive to ensure that parked vehicles do not minimize access during an emergency situation.

17. Mr. Khaloghli states: “An additional fire safety factor will be caused by visitors attending outdoor events, concerts and weddings, and gathering on wooden decks in a densely wooded garden area that is tinder dry much of the year. Outside smokers are potential fire hazards if they do not comply with posted smoking restrictions. There is no mention of restrictions on outdoor smoking on the project site, and it poses a severe hazard to surrounding property owners, including the State of California and the many hotels of Moonstone Beach.”

Response: The project proposes to prohibit smoking at all locations on the project site.

18. Mr. Khaloghli states: “I am surprised to see that a traffic study was not required for this project. The intersection of Highway 1, Moonstone Beach Drive and Exotic Gardens Drive is already a dangerous one, with one relatively recent death of a pedestrian. There are no acceleration lanes, no turn lanes, no signals, and limited sight lines. The expanded and new uses include some that are categorized as ‘high traffic flow’ and will cause greatly increased vehicle trips to and from the project. With multiple retail stores, wine tasting, two to three restaurant spaces, food market with deli, vacation rental, plus the temporary events that will be occurring on site, such as weddings, festivals, outdoor concerts and other gatherings, as well as a greatly expanded number of employees (40-60 by applicant’s estimate), it is obvious that traffic and circulation will be greatly impacted.”

Response: The net increase in vehicle trips is associated with the change in use from residential to commercial in Building 2 and 3. Vehicle trips with other existing uses would remain the same. The proposed change in use would result in the addition of 1,439 square feet of general commercial retail space associated with the restaurant use. According to the Institute for Transportation Engineers trip generation rates, this component of the project would conservatively generate approximately 3.89 peak hour trips or 38.9 trips disbursed throughout the day (based 2.71 peak hour trips per 1,000 square feet). Caltrans reviewed the project upon receipt of the referral package on June 20, 2013 and had no concerns. Based on comments from the public, Caltrans reviewed the project again on January 14, 2014 and on May 20, 2014. Caltrans does not have any concerns with the project. Caltrans specifically noted that acceleration/deceleration distances meet current standards and visibility from Exotic Garden Drive to Highway 1 (northbound and southbound) meets current visibility standards. Caltrans stated that a project of this size and nature would impact traffic and would not warrant any roadway

improvements. As such, no traffic impact analysis was required. In addition, due to the proposed change in use, the project is subject to the North Coast Area A Circulation Fee, as established the County. This fee would represent the project's "fair share" contribution to help fund regional road improvements to improve area-wide circulation.

19. Mr. Khaloghli states: "I disagree with the contention of Public Works that the proposed uses would generate similar traffic levels to the historic uses. The historic use has for decades been one restaurant with limited hours, and minor retail businesses also with limited hours and very light visitor numbers."

Response: The project would result in a continuation of allowed uses that are very similar to existing conditions. Additional trips associated with the proposed change in use are discussed above in Response 19. Public Works reviewed the project and did not have any concerns with the project.

20. Mr. Khaloghli states: "The proposed project is very likely to generate significant vehicle and pedestrian traffic at what is an uncontrolled intersection directly across from the boardwalks and hotels of Moonstone Beach. The potential for pedestrian traffic crossing Highway One has not been addressed at all, but I feel it is a significant public safety issue. The vehicular intensity likely to be generated by this project is not in keeping with the character of the scenic coastal corridor and the agricultural and rural residential zoned parcels that surround it."

Response: The project does not include any components that would encourage pedestrians to cross Highway 1, such as cross walks or signage. The project includes adequate on-site parking, which in part ensures that pedestrians do not have to park off-site and cross Highway 1. Should pedestrian choose to walk to the project site they would do so at their own discretion.

21. Mr. Khaloghli states: "There is no mention of Cal Trans reviewing the project."

Response: Caltrans has reviewed the project. See response 19 above.

22. Mr. Khaloghli states: "The applicant's site plan shows parking within the public right of way. Several of the parking areas in front of the retail buildings at the project's west edge encroach into the public roadway, and they also back out into the road, which is a violation of 23.04.164 Title 23 Coastal Zone Land Use Ordinance. A variance would be required to accommodate such a plan. The new unpaved parking area has several issues that could negatively impact the environmental factors under discussion. It does not meet applicable codes in size or layout. Erosion of surface gravel and soils below the gravel in rainy season will likely be significant, and materials will flow onto neighboring properties. Usability of unpaved lot in winter will be likewise unreliable, therefore rendering the project without the required number of spaces for many months of the year."

Response: The existing parking spaces in front of Building 6 partially encroach into the right of way for Exotic Gardens Drive. Public Works has reviewed this component of the project has no concerns with the existing encroachment. The project does not provide through-traffic to other destinations, but rather direct access only to the project site. As such, vehicles that may back out onto Exotic Garden Drive would not be subject to potential conflicts with through-traffic. The proposed overflow parking area meets

applicable requirements. The overflow parking area would be covered with decomposed granite, which would minimize storm water runoff. In addition, the project will be required to submit a drainage, sedimentation and erosion control plan prepared and signed by a Registered Civil Engineer. The Public Works Department will review the plan and ensure that the project meets the latest storm water runoff requirements established by the State.

23. Mr. Khaloghli states: "Parking is a significant issue on the project site, which the applicant acknowledges, but it is my opinion that his mitigations will not adequately address the issues. Nor does this environmental determination address the effects that the large gatherings referred to in the applicant's statement will have on the area."

Response: Parking is not an issue evaluated in CEQA. The project meets parking requirements established by Section 23.04.160 of the Coastal Zone Land Use Ordinance. The project does not propose special events, only activities ancillary to the primary use, as allowed by the Coastal Zone Land Use Ordinance.

24. Mr. Khaloghli states: "The proposed mitigations to reduce the requirements for employee parking are strictly voluntary and not mandatory for the employees. There is no mention of the hours of operation of the optional electric shuttle nor of the location of the 'off-site' parking lot. Should all employees who drive single-occupant vehicles to the site decide not to avail themselves of the electric shuttle or other incentives, many parking spaces will be consumed by employees. Similarly, the vast majority of customers will also likely choose to drive their own vehicles to the project rather than take the shuttle, so 'mitigations' that are of a voluntary nature cannot be relied on to adequately address any parking congestion concerns."

Response: Parking is not an issue evaluated in CEQA. As noted above, the project meets parking requirements established by Section 23.04.160 of the Coastal Zone Land Use Ordinance. The parking calculations prepared pursuant to Section 23.04.160 include employee parking. The project does not propose an off-site parking area. The project includes the use of an electric shuttle to provide transportation from visitor lodging to the project site. The shuttle would pick-up visitors wherever they may be lodging within Cambria. The shuttle is a potentially beneficial project element that may reduce parking demand on-site. It is not relied upon or considered in the parking demand calculations.

25. Mr. Khaloghli states: "The very high number of employees predicted by applicant to work on the property (40-60) will be a significant addition to traffic numbers at the busy intersection of Highway 1 and Moonstone Beach Drive."

Response: Vehicle trips estimated above in Response 19 account for employee trips. As discussed therein, no significant traffic impacts would occur.

26. Mr. Khaloghli states: "Where it is not feasible to provide sufficient on-site parking, an adjustment (Section 23.01.044) may be granted to allow the required parking to be located off-site provided that:

- a. The most distant parking space is not more than 400 feet from the use; and
- b. The parking lot site is in the same ownership as the principal use, or is under a recorded lease with the use in a form approved by County Counsel. In the event

that off-site parking is leased, the approved use is to be terminated within 60 days of termination of the lease providing parking, unless the parking is replaced with other spaces that satisfy the requirements of this Title; and

c. The parking lot site is not located in a Residential land use category unless the principal use requiring the parking is allowable in a residential land use category. Where any such principal use is subject to Development Plan approval, the off-site parking shall also be subject to Development Plan approval.

Has the County, Public Works or Cal Trans requested further information on this off-site parking lot to determine if it will meet these requirements and not negatively impact the surrounding businesses or residences where it is located?"

Response: As noted above in Response 24, the project does not propose an off-site parking area.

27. Mr. Khaloghli states: "One final note on roads and circulation. It has come to my attention that the applicant also plans to request an abandonment of the public road Exotic Gardens Drive, which I granted the easement for, so that it could be assimilated to his property as a driveway. I granted the easement solely for the benefit of the public, at the request of Public Works. If it is abandoned as a roadway, I require ownership to revert to me and I will rescind the easement by whatever means necessary. Abandonment of the public right of way would cause a hardship of access for me to my property access gates, and also limit public access to trails. The majority of Exotic Gardens Drive abuts my property line and therefore should revert to my parcel if it is abandoned as a public right of way."

Response: The project does not propose or request abandonment of Exotic Gardens Drive.

28. Mr. Khaloghli states: "The applicant replaced the original septic system with a new wastewater system as part of the substantial conformance permit. As a replacement system, the design would not have been increased in size to accommodate the new development associated with this permit. If it was increased in size to handle the additional development proposed in this project, it would have been growth-inducing, and as such should have required a coastal development permit rather than a substantial conformance determination. If that is the case, then the new wastewater system should be included within the scope of this project and addressed along with this environmental review. Please verify it if was designed to accommodate future development and provide more detailed information as to its maximum capacity and potential for additional growth."

Response: The septic system was approved ministerially under a permit issued in 2012 and is not consider a component of this project; therefore, it is not analyzed in the Initial Study. The system has been installed and is considered an existing structure for purposes of this evaluation. Any future development that is proposed and would utilize the septic system would need to undergo subsequent environmental review, and any potential impacts would be addressed accordingly at that time. Please note the septic system is intended to serve the development on the project site only and cannot serve development off-site. Per Section 15126.2(D) of the CEQA guidelines states that growth inducing impacts would occur when a project "could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the

surrounding environment.” It is not possible for a single septic system intended to strictly serve on-site development to result in growth inducing impacts.

29. Mr. Khaloghli states: “The expansion of water usage for drought-stricken Cambria is a serious environmental concern. Bringing in large numbers of employees and customers, and adding multiple food service areas, with many additional toilets and sinks, will no doubt increase water usage, despite applicant’s assertion that water usage will actually decline. A detailed analysis of the original fixtures, replacement and additional fixtures, is warranted. I see a letter from the CCSD that mentions a supplemental letter which doesn’t seem to be available for review mentioned in the documents. Can the applicant provide that supplemental letter so that we may comment? I also would like to see detailed information about water storage on site, specifics of graywater system and provisions for landscape watering during months without rainfall.”

Response: The Cambria Community Services District has issued a ‘can and will’ serve letter for this project. The project site has a historic water allocation of 18.46 EDUs and is that allocation is considered in the baseline for this evaluation. The proposed project would require 15.53 EDUs. Thus, adequate water allocations are available for the project as determined by the Cambria Community Services District. This allocation was reconfirmed on May 20, 2014. For further information on water allocations please contact Cambria Community Services District. Please note the project includes the following water conservation measures:

- Water treatment system on site for complete water reuse through drip irrigation of property plants;
- Rain water roof catchment system for supporting building plants and current fountain;
- Decomposed Granite parking lot to prevent water runoff and improve infiltration;
- Hardscape runoff and permeable landscape to promote plant growth;
- Ultra low-flow/no flow toilets and urinals in the commercial and vacation rental spaces;
- Energy Star/New water conservation kitchen equipment;
- Showerhead shutoffs in vacation rental; and,
- Faucet aerators

30. Mr. Khaloghli states: “The Permit Requirements section details the permitted uses for the site under Standards 29 and 30 of the North Coast Area Plan. As previously discussed, the Board of Supervisors created these restrictions for the site in 1980 and strictly limited commercial development on the site because they were well aware of their duty to protect the environmental resources, scenic viewsheds and rural character of this area. In restricting restaurant and retail uses to the main building, they made a clear statement that they believed expanded commercial development on this highly visible site was inappropriate, a position shared by the North Coast Advisory Council when they recently reviewed this current Minor Use Permit proposal. It is unfortunate that most of their recommendations were not respected, as they have very good familiarity with the history of the site and the parameters of the approved and non-conforming uses that have obtained there over the years.”

Response: Standard 29 states that principally permitted uses shall be limited to: eating and drinking places (restaurant and cocktail lounge accommodated only within existing two-story structure) and general merchandise stores (gift shops). Non-principal permitted

uses shall include: single family residences; caretakers' quarters; water wells and impoundments; and accessory uses only. The remaining structures on the site are to be maintained in their present uses or used for storage only. (This is a visitor-serving priority area.) The proposed project would be consistent with Standard 29. The proposed project would maintain the existing uses as allowed by Standard 29, including the restaurant use, which would continue to serve as the principally permitted eating and drinking place, as well as the existing two-story residential structure, general commercial stores and other uses ancillary to the primary use and gardens area. The proposed project would change the use of the existing caretaker's quarters and commercial storage area to a general commercial retail use, which is an allowed use per Standard 29. The proposed project does not propose any other changes to on-site uses. Standard 30 states that a Minor Use Permit approval is required for any structural modifications, changes of use within existing structures, or new accessory structures. The proposed project has requested a Minor Use Permit consistent with the requirements of Standard 30. In addition, the bathroom to be installed adjacent to the existing restaurant use would be considered a new structure (ancillary to the principal use) and has been evaluated accordingly and determined to also be consistent with Standard 29 and 30.

31. *Mr. Khaloghli states:* "This island of commercial activity" proposed by the applicant is not consistent with the adjacent land use, which is predominantly rural, agricultural and open space. The project presents general commercial uses in an area in which priority is given to coastal recreation uses in visitor serving areas. The conversion of the greenhouses into retail use further isolates the project from its neighbors. The impact to the rural lifestyle is dramatic, given the increase in traffic, noise, lighting, hours of operation and aesthetic degradation of one of Cambria's most treasured scenic areas."

Response: The project would continue to be used as a visitor serving land use. The project would not change the principal or secondary uses such that any visitor serving opportunities would be lost. The project would include additional general commercial uses and a vacation rental to serve visitors of the area. The project would result in an overall enhancement to the site and improve visitor serving opportunities to the public. The project is consistent with applicable coastal policies and allowable land uses as discussed above under Response 30. The project would not convert greenhouses to commercial uses.

DETERMINATION

The Environmental Coordinator has determined that the Request for Review submitted by Khosro Khaloghli for file number DRC2012-00119 did not raise important environmental issues that were not appropriately addressed in the proposed Negative Declaration. In addition, per Section 15073.5(d) of the CEQA Guidelines, the Environmental Coordinator has determined that there is not substantial evidence before the lead agency indicating the project may have a significant effect on the environment which cannot be mitigated or avoided that otherwise may require preparation of an Environmental Impact Report.

After review of the Request for Review submitted by Khosro Khaloghli for file number DRC2012-00119 and associated Negative Declaration, the Environmental Coordinator: does not find it necessary to:

- (a) Identify feasible mitigation measures or project changes that would mitigate any new significant environmental impacts identified in the Request for Review;

Request for Review
DRC2012-00119

- (b) Revise the proposed Negative Declaration to respond to the issues of the Request for Review;
- (c) Withdraw the proposed Negative Declaration;
- (d) Recommend the preparation of an EIR.