**CALIFORNIA COASTAL COMMISSION**

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Subject: *Proposed development project, The View, at properties on the northwest corner of John Daly Boulevard and Skyline Boulevard in Daly City*

Dear Mr. Cohen and Mr. Duchon:

Thank you for the opportunity to participate in the ongoing discussions regarding your proposed development project, The View. The development proposal is for several parcels located on the northwest corner of John Daly Boulevard and Skyline Boulevard, overlooking Thornton State Beach in Daly City. As described in the project materials, the proposed project is a commercial mall that would include individual shops, restaurants and other food offerings, gathering areas and performance spaces (both inside and outside the mall), and general landscaping and design. The proposed mall structure would be developed on three existing parcels, totaling about 8.5 acres and up to about one and a half levels above grade, ranging from 36 to 56 feet in height. The proposed development would include two levels of parking below grade and would cover roughly 54% of the site area, totaling about 300,000 square feet of development above grade.

As requested, Coastal Commission staff has reviewed the Daly City Local Coastal Program ("LCP"), including with respect to the original certification process, and the goals, policies, and zoning ordinances therein, as well as the Coastal Act, in relation to the proposed project and have identified a number of concerns. Chief among these issues are the proposed project's conflicts with the need to reserve and provide for coastal access and recreational uses within Daly City's coastal zone, concerns with the zoning designation of the parcels and policies related to new development, impacts to coastal views, and safety concerns related to bluff hazards. These concerns are further detailed below.

Recreation and Visitor-Serving Facilities

As stated in the Daly City LCP, the real purpose in aiming to maximize public access to the beach is to enhance public recreation opportunities in the coastal zone. While the entire coastline in Daly City offers significant beach frontage, the public's ability to recreate and access the coast is limited. For this reason, there are many policies throughout the Daly City LCP designed to promote recreational use of the Daly City coastal zone. For example, there are a number of policies specifically related to the proposed project parcels that promote and encourage visitor-serving, commercial recreational uses broadly, and the protection of the existing horse stables both on and adjacent to the proposed project site in particular.

Specifically, the new development policies state that development on the proposed project site "...shall be reserved for recreation and visitor-serving uses," (p. 42, Daly City Coastal Element) and the recreation policies state that the site "...shall be designated for commercial recreation uses. Horse stables shall be included in the list of acceptable uses," (p. 37). More generally, the LCP notes that policies are needed to protect the stables as a recreational resource from the pressure of commercial development (p. 19). Finally, research into certification materials for the Daly City LCP suggest that LCP policies protecting the existing horse stables were enacted to protect what was considered the City's "only existing commercial recreation facility" at the time of LCP certification and a valuable "historical resource" of import to the City (please see attached August 1, 1979 letter from City Coastal Planner Harold Charns which was included as an exhibit to the January 10, 1980 Coastal Commission staff report certifying the LCP).

The proposed project would completely eliminate one of the horse stables that are on and adjacent to this site, which would conflict with the policies within the Daly City LCP. While your project materials seem to raise questions about the viability of the stable proposed for elimination, the use of this area for recreational purposes such as horseback riding should nonetheless be encouraged, in order to comply with the specific LCP policies that aim to protect horseback riding. Moreover, it is likely that the stable directly to the north of the proposed project would be negatively impacted by the project, both during the construction phase and as a result of potentially increased vehicular and pedestrian traffic. It should also be noted that the LCP contains several policies related to development plans for Thornton State Beach that promote recreational use and protection of the horse stables adjacent to the beach (e.g., Recreation Goal 1, p. 21; Recreation Policy 1, p. 37). Although these policies do not directly address the parcels proposed for the construction of your project, they further demonstrate the intention of the City and the Commission when it certified the City's LCP to protect the horse stables as a priority coastal visitor-serving recreational use in this area, from adverse impacts due to increased development.

Beyond protection of the existing horse stables, the LCP shows a clear preference for coastal-oriented, commercial recreational uses in this area. As defined in the LCP, such coastal-oriented commercial recreation uses include "*uses serving coastal recreational needs operated for private profit (e.g., riding stable, bait shop, sports equipment rentals).*" Although the proposed project would provide some visitor serving uses in the form of restaurants and the like, it would not support any commercial recreation opportunities to augment the coastal resources in the area, beyond passive enjoyment of blufftop walkways or seating areas.

Importantly, the City's need to promote and create additional public access and recreational opportunities is even more pronounced now than it was at the time the Commission certified the Daly City LCP in 1984. At the time of LCP certification, the City anticipated further public recreational enhancement at Thornton State Beach including camping, hiking, and nature study. Unfortunately, Thornton State Beach was closed as a state beach in 1989, further limiting the City's ability to serve its residents' and the general public's needs for coastal recreation. The closure of Thornton State Beach as a public recreational area only makes the need to reserve remaining vacant parcels within the City's coastal zone that are available to serve such recreational needs that much more significant. Reserving these parcels for recreational uses would also be in line with the Coastal Act. In particular, Coastal Act sections 30210, 30211, and 30212, which are all incorporated by reference into the Daly City LCP, require that maximum access and recreational opportunities shall be provided and that new development shall not interfere with the public's right to access the sea. The Coastal Act also directs that public access shall be provided from the nearest roadway in new development projects subject to a few limited exceptions.

The site currently serves the public who hike, ride horses, walk dogs, and generally view the coast through use of the volunteer trails that have been created in the area. Adjacent to the site is formalized public parking and a view area. The continued use of this site for current recreational needs and uses should be highlighted and enhanced in any proposal for new development. The City's LCP as previously stated, provides specific policy language protecting the existing coastal recreational uses on or adjacent to the project site. It also calls for maximizing opportunities for use of Thornton State Beach by protecting existing recreational uses and facilities. Because the proposed project would displace one of the existing horse stables and would potentially adversely impact the other, both of which the LCP aims to protect, and because this project would change the nature of the public's use to and along the coast in the project vicinity (currently used for horseback riding, coastal viewing and dog walking), Commission staff cannot support the project as currently proposed. This project proposes significant commercial retail use that would conflict with the existing low-scale public recreational use. The proposed project would also limit the City's ability to properly plan for and allow for public access and recreational opportunity in the vicinity in the future. The proposed project is inconsistent with the need to preserve coastal access and to enhance public recreational opportunity. Therefore, Commission staff cannot find that this project, as proposed, is consistent with the Daly City LCP or the specific Coastal Act policies incorporated into the LCP.

Zoning Designation:

The site in question is zoned C-1, light commercial. According to the Daly City LCP, the permitted uses in the C-1 zone include "...retail, offices and services of the type and scale normally found in a neighborhood shopping center. Uses allowable with a Use Permit include restaurants, theaters, gas stations, animal kennels and nurseries." While the proposed project includes types of uses consistent with this category of zoning (e.g. restaurants, retail), as stated above, the site should prioritize public coastal access and recreational commercial use. In addition, the size and scope of the proposed mall is not of the appropriate character and scale intended by this "light commercial" designation. Further, the area is designated as a "Resource Protection" (R-P) combining district which assures that any allowable development adjacent to open space designations have development regulations that ensure a compatibility with the area

and that development does not contribute to adversely impact such areas that have sensitive habitat resources or geologic hazard constraints.

Research into the LCP certification process further expanded on potential uses that would be appropriate to the area. In the aforementioned August 1, 1979 letter from Harold Charns regarding questions from concerned citizens about what sort of commercial use would be appropriate in what the City deemed a “delicate area,” Mr. Charns stated that such allowable commercial uses in the area would not be “conventional commercial” uses but would be limited to such that would “allow protection of the open space value of the area such as bait shops” or “bike rentals.” Further Mr. Charns went on to point out that the R-P combining district which overlay the area would further limit allowable development due to the stricter development standards applied in the R-P districts. Importantly, it is the large scale of the proposed project that results in many of the concerns described below. A project that is more modest in size, is of a character that would support the scale of a “neighborhood shopping center”, and that emphasizes commercial recreational use would better maximize visual and recreational opportunities, would be more in character with the area and would better fit the zoning designation of these particular parcels. Absent an LCP amendment that would rezone the parcels proposed for development in the at-issue project, the proposed use would be inconsistent with the Zoning Designations and LCP-designated coastal zone land use designations.

New Development Policies:

The New Development policies in the Daly City LCP (pp. 42-42a) are broken down into 8 policies, including the following:

1. *City review and approval of all new development shall insure that the rights and privacy allowed by law of existing residents are protected, and that existing and proposed recreational uses are protected, and, where feasible, enhanced. (Goal 1 and Sections 30240(b), 30250(a), and 30253)*
2. *Development of the vacant privately-owned and state-owned properties on the blufftop overlooking Thornton State Beach shall be reserved for recreation and visitor-serving uses. (Goal 1 and Section 30222)*
3. *A transfer of property rights or a public dedication on the part of the owner of the beach property south of Thornton State Beach shall be requested in order to acquire control of this public recreation site, if the State does not require it for its Park expansion. In the event the development is permitted, a dedication of lateral access along the beach shall be required. (Goal 2 and Sections 30221 & 30250(a))*
4. *Development of remaining vacant parcels along the blufftops shall be prohibited, unless geologic and seismic constraints and public safety requirements can be mitigated. (Goal 3 and Section 30253)*
5. *The re-use of vacant parcels which were once occupied by dwellings that have since been removed because of land failure shall be prohibited unless sufficient engineering, soils and geology data is presented to support the proposed redevelopment. Such properties shall be rezoned Open Space and Resource Protection. (Goal 3 and Section 30253)*

6. *New development of properties referred to in policies 3, 4, and 5, above, if permissible, shall include the following:*
 - a) *Improved vehicular access and extension of public services to the site shall be allowed only as necessary to serve permitted development;*
 - b) *Location of development within the site shall be in the least hazardous and least visually obtrusive configuration feasible.*
 - c) *Land coverage shall be compatible with the open space character and shall be less than 10% of the site area.*
 - d) *Structural mass shall be compatible with the open space character and shall be less than 20 feet in height or one-story above grade, whichever is less.*

The submitted project materials contend that in the context of Policies 1-3, this property is not a “remaining vacant parcel” as identified in Policy 4, and therefore Policy 6 would not be applicable to the proposed project. That line of reasoning is unclear to Commission staff as it is not apparent why the constructs in Policy 6 would dictate bluff top development for all vacant parcels along the bluffs above Thornton State Beach, but the LCP would specifically exempt the parcels you wish to develop from those more protective policies. This interpretation creates a contradiction in the terms of the LCP, in that the majority of the bluff top properties would be restricted in development by the requirements in Policy 6, with the exception of the 8.5 acres you propose to develop. The LCP provides no apparent reasoning as to why this would be the case. These parcels are no different from the surrounding vacant parcels in the coastal resources present or in the restraints present to development, such as geological hazards.

We believe that this section of the LCP, which dictates a series of more stringent development requirements, would be generally applicable to all vacant bluff top areas. Because of this, there is a significant conflict between the proposed development and Policy 6: the project would be visually obtrusive (as described in the following section); land coverage would be significantly greater than 10% (closer to 54% of site coverage according to project design plans); and the height of the structure would be 36 to 56 feet rather than 20 feet or one story above grade.

In addition, your proposed project presents conflicts with Policy 2 which states:

“Development of the vacant privately-owned and state-owned properties on the blufftop overlooking Thornton State Beach shall be reserved for recreation and visitor-serving uses. (Goal 1 and Section 30222)”

According to this policy, any project in this area must be reserved for recreational use of the area by coastal visitors and to serve their needs. As stated above, your proposed project does not prioritize coastal recreational use and does not allow for existing recreational uses to continue in existence both on and adjacent to the project site as called for in the City’s LCP and the Coastal Act. Therefore, the proposed project is not consistent with the policies and requirements in the LCP as they apply to new development along the bluff top.

Coastal Views:

The Daly City LCP strongly encourages the protection and expansion of visual access to and along the coast, stating that “*While existing development limits this [visual] access, there are locations along the bluff where viewpoints can be established,*” and specifically identifying the parcels in question in this project as such a location (p. 15, Daly City Coastal Element). The LCP further promotes the public access goal to “*Designate and develop as many visual access points as possible*” (p. 17) and includes the public access policy that “*Any development or redevelopment of blufftop properties shall be designed to enhance visual access of the coastline from the street*” (p. 36). Additionally, new development Policy 6b, outlined above, states that new development shall be in the “*least visually obtrusive configuration possible*”.

The submitted project materials state that the proposed project would be in line with these goals and policies because it a) would include a vista corridor with a width of at least 15% of the width of the total lot, in line with Zoning Ordinance 17.27.050; b) would not detract from any coastline views from the roadway as there is no direct view of the beach from the road; and c) would expand viewing access from the designated viewpoint at the Thornton Beach overlook to include areas along the entire frontage of the proposed mall. However, we believe that the large size of the proposed project would ultimately negatively impact ocean and coastal views in the area. In particular, scenic blufftop and coastline views looking northward from the existing designated viewpoint at the Thornton State Beach overlook would be blocked, as would views of the open blufftop and ocean from the highway, in direct contradiction with the goals and policies of the Daly City LCP. This is not consistent with the LCP.

Given that this development is proposed along one of the only stretches of highway in Daly City from which the ocean is viewable and that it is directly adjacent to one of only three designated accessways, priority should be placed on maximizing rather than minimizing public views of the scenic bluffs and coastline to the greatest extent feasible. Further, LCP Policies such as the aforementioned Policy 6b require that any new development along the bluffs shall be designed in the “*least visually obtrusive configuration possible.*” This may be accomplished with a reduced-in-size and -scale project. However, in its current iteration, however, the proposed development is too large to preserve and enhance coastal views in a way that staff would consider to be consistent with the requirements of the LCP.

Hazards:

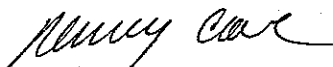
The LCP notes that there are a number of major physical hazards present along the bluffs that affect public safety as the result of erosion, landslides, and cliff retreat, and includes new development policies designed to limit development in potentially dangerous sites. Thornton State Beach and the general area of the proposed development has been susceptible to slides in the past and such slides have eroded access to the beach and closed the state beach indefinitely. Additionally, Zoning Ordinance 17.27.040 states that a geotechnical report will be required that addresses the stability of the site and certifies that the project will have no adverse impacts, will not endanger life or property, and will not require protective structures. Ordinance 17.27.050 states that construction along the bluff in the R-P zone (such as this) shall be no closer than 50 feet from the bluff edge and that no grading or filling operations shall be permitted except for required drainage or erosion control. Further, it is the intention of the R-P zone to control coastal development while acting to protect existing surrounding uses.

This proposed project is clearly located in a hazardous location – indeed, you pointed out several locations on and adjacent to the project site that show evidence of slope failure – and as such is in conflict with the goal of preventing new development in potentially dangerous sites. Additionally, you have stated that the underground parking structure may actually act to stabilize the cliff. However, relying on such a structure for the safety of the project may present a conflict with 17.27.050, which requires that property will not require protective structures. Finally, this project will require extensive excavation, grading, and drainage control which is in conflict the zoning codes governing construction in R-P zones. Because the project is in a geologically hazardous area and will require extensive excavation, grading and what amounts to shoreline protective devices, the project appears to be inconsistent with the LCP policies that aim to mitigate and or eliminate geological hazards to new development on bluff top parcels, and staff cannot support the project as currently designed.

For all of the above-cited reasons, Commission staff concludes that we are unable to support the current project as proposed because it does not conform to the certified LCP for Daly City and the Coastal Act.

Thank you again for allowing us to provide feedback and share our concerns about this project. Feel free to contact me at nancy.cave@coastal.ca.gov or at 415-904-5260 if you have any questions related to the comments above.

Sincerely,



Nancy Cave
North Central Coast District Manager

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