



## **Buildout Reduction Program Citizens' Committee (BRPCC)**

REGULAR MEETING  
Monday, September 11, 2017 - 10:00 AM  
2850 Burton Drive Cambria CA 93428

### **AGENDA**

- A. CALL TO ORDER
  - B. ESTABLISH QUORUM
  - C. CHAIRMAN'S REPORT
- 1. PUBLIC COMMENT**

Members of the public may now address the Committee on any item of interest within the jurisdiction of the Committee but not on its agenda today. In compliance with the Brown Act, the Committee cannot discuss or act on items not on the agenda. Each speaker has up to three minutes. Speaker slips (available at the entry) should be submitted to the District Clerk.
  - 2. REGULAR BUSINESS**
    - A. Consideration to Approve the Minutes from the Regular Meeting held on August 28, 2017
    - B. Discussion and Update of the Buildout Reduction Report
  - 3. FUTURE AGENDA ITEMS**
  - 4. ADJOURN**



**Buildout Reduction Program Citizens' Committee**  
(BRPCC)

REGULAR MEETING  
Monday, August 28, 2017 - 10:00 AM  
2850 Burton Drive Cambria CA 93428

**MINUTES**

**A. CALL TO ORDER**

Chairman Siegler called the meeting to order at 10:00 a.m.

**B. ESTABLISH QUORUM**

A quorum was established.

Committee Members Present:

Ted Siegler, Crosby Swartz, Greg Hunter, Mark Rochefort, Mel McColloch, Jerry McKinnon, Laura Swartz, Cindy Steidel.

Committee Members Absent:

Bob Sfarzo, Allison Groves

CCSD Staff Present:

Haley Dodson, Confidential Administrative Assistant

**C. CHAIRMAN'S REPORT**

There was no chairman's report.

**1. PUBLIC COMMENT**

Tom Gray  
Roger Workertein  
Mike Gonzalez

**2. REGULAR BUSINESS**

**A. Consideration to Approve the Minutes from the Regular Meeting held on August 14, 2017**

Committee Member Laura Swartz stated under Public Comment she stated there were "parcels" in Special Project Area 1, not "a parcel in Special Project Area 1."

Committee Member Crosby Swartz stated in the same section under Public Comment "they" needs to be changed to "the."

Committee Member Crosby Swartz motioned to approve the minutes as amended.

Committee Member McColloch seconded the motion.

Motion was approved unanimously.

**B. Discussion and Update of the Buildout Reduction Report**

Chairman Siegler thanked Committee Member Rochefort for the edits to the report and thanked the committee for the reports that were provided to him.

Chairman Siegler asked the committee if there are any items in the report that are show stoppers.

Committee Member Laura Swartz stated the Mello-Roos District.

The committee had an extensive discussion regarding the Mello-Roos District option.

Chairman Siegler asked Committee Member Laura Swartz to please come back with a concrete proposal on how you would avoid the option of a Mello-Roos, if you're not going to vote for it. Please help us find a solution.

Committee Member Hunter suggests a section clearly defining Mello-Roos, how it works, and how the financial mechanics work. Chairman Siegler stated it's legally complex, but suggested adding a summary and table showing financial flows and cash impact of how it could work.

Committee Member Rochefort suggested attaching highlights of the Mello-Roos as an appendix to the report.

Committee Member McColloch would like to see commercial and multi-family residential included in the Mello-Roos.

The committee discussed pages 1-3 of the report.

**C. Discussion Regarding the Estimated Cost of Maintenance of Acquired Undeveloped Properties**

**3. FUTURE AGENDA ITEMS**

None.

**4. ADJOURN**

Committee Member Rochefort motioned to adjourn the meeting.

The committee unanimously agreed to adjourn the meeting at 12:10 p.m.

The next BRPCC meeting will be on Monday, September 11, 2017 at 10:00 a.m.

**Cambria  
Buildout Reduction Program  
Report Draft**

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**EXECUTIVE SUMMARY**

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**INTRODUCTION**

Cambria is an unincorporated community located on the North Coast of San Luis Obispo County, California with a population of approximately 6,000. The population grew rapidly from 2,100 in 1970 to over 5,900 in 1990. Since that time, the population reached a peak of 6,400 in 2000 and has declined slightly since then. The primary determinant over the last two decades of population stability is the town's limited resources – most notably potable water and wastewater treatment. The Cambria Community Services District (CCSD) provides Cambria with water, wastewater treatment and fire protection.

California's coastline is a uniquely valuable resource that, by the Coastal Act, is to be protected for and accessible by the citizens of the state. For this reason, coastal development is a particularly sensitive issue. Achieving a balance between growth and no growth is a community value that has dominated Cambria's local politics for decades. Furthermore, reasonable coastal population growth management is an indirect goal of the Coastal Act which seeks to balance protection of natural and scenic resources including habitats while recognizing private property rights, coastal employment and planned and orderly development.

In recognition of the community's limited resources, the CCSD implemented a cap of 4,650 residential water connections when it adopted its Water Master Plan (WMP) in 2008. While that cap limits population growth in this small community on California's coastline, it fails to address an important issue. The limit leaves approximately 1,377 undeveloped parcels that may never receive services within Cambria's urban boundaries. The CCSD's initial Buildout Reduction Program (BRP) report, developed in 2006, addressed the goal of limiting growth by proposing means to acquire undeveloped residential property beyond the 4,650 cap and retire it permanently from future development.

The BRP also provides opportunity to stakeholders in Cambria's present and future to preserve the community's small-town culture and preserve open space. Among other things, preserving these 1,377 undeveloped parcels will protect rare pine forest, provide open space between developed properties, and maintain important view-sheds. In addition, by providing an opportunity to property owners to sell undeveloped parcels the BRP substantially reduces the risk of litigation by such property owners to compel water connections and building permits in the future.

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The following report is the result of the efforts of a Citizens' Committee that the CCSD formed in April 2016. The committee's task was to review and revise the initial 2006 BRP. Pursuant to its task, the committee reviewed and updated the baseline data underlying the assumptions in the report, estimated the cost of the BRP, and investigated various means to fund the program. We believe the report outlines a practical and achievable means to accomplish the community's goals. However, the program is not free, and it will depend on the community accepting a reasonable financial burden to maintain the small-town, coastal character of Cambria. Assuming full implementation, the committee believes Cambria will remain the community of Pines by the Sea far into the future.

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## HISTORY OF THE BUILDOUT REDUCTION PROGRAM

- **Lot Retirement: A Cambria Tradition**

Before summarizing the key features of the 2006 BRP program, it is important to note that Cambrians have long embraced the concept of buildout reduction as one way to maintain the character and resources of our town.

Even before the advent of the BRP, local and regional agencies, organizations, businesses and residents used buildout reduction to control unreasonable population growth and protect the local character of the community. For example, the Land Conservancy of San Luis Obispo County (LCSLOC) was formed in 1984 to preserve open space and natural habitats by acquiring land and applying conservation easements. By collaborating with the CCSD under the original BRP<sup>1</sup> and as administrator of the Transfer Development Credit (TDC) program,<sup>2</sup> the LCSLOC has sponsored projects in Cambria such as the Fern Canyon Preserve and protection of creek sides, forest and meadowlands along Leffingwell Creek. Since 1984, the LCSLOC has retired numerous parcels in Fern Canyon and along Highway 1. Similarly, since 1988 Greenspace, the Cambria Land Trust has purchased land to preserve open space and create pocket parks throughout our town.

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The most significant single buildout reduction project to date, however, occurred in 2000 when a coalition including the American Land Conservancy, the State Coastal Conservancy, San Luis Obispo County Parks, the CCSD, Cal Trans and local and regional businesses and residents purchased the Fiscalini Ranch creating a 430 acre preserve in perpetuity to benefit local residents and the public at large.

- **The Original 2006 BRP**

<sup>1</sup> The LCSLOC acts as the holder of conservation easements on 162 parcels acquired by the CCSD pursuant to the BRP.

<sup>2</sup> In 1985 the LCSLOC was selected as the implementing nonprofit agency required to operate the TDC program which retires parcels in environmentally sensitive areas and sells development credits to builders in less sensitive areas to construct homes otherwise not permitted.

The BRP can trace its origin to 2001 when the CCSD declared a Water Code 350 stage 1 emergency. followed by a moratorium on all new water connections. Since that time, development and growth have been essentially on hold.

At the time of the moratorium, the CCSD planned to remedy the water shortage by building a desalination plant. Plans to build such a plant have been resurrected many times since. However, the community was unable to muster the political will, development permits and other resources necessary to accomplish the planned project. The Water Master Plan and associated Program-Level Environmental Impact Report (PEIR), adopted in 2008, assumed construction of a desalination facility. The original BRP was incorporated in the PEIR as mitigation for growth inducing impacts of an enhanced water supply.

The 2006 BRP laid out a program to retire or merge enough potential building sites so that the number of residential connections would never exceed the 4650 cap established by the CCSD's Water Master Plan. Relying on existing growth restriction ordinances and other assumptions, the BRP report forecasted that the foregoing match would be achieved within approximately twenty-two (22) years once the program was fully implemented.

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The BRP report provided two methods for retiring building sites in Cambria: voluntary merger of adjacent parcels and purchase of undeveloped parcels. The voluntary merger program was implemented by the CCSD and it provides a relatively modest budget (up to \$800 per transaction) to assist property owners to merge adjacent parcels which should reduce the number of building sites from two or more to one. The voluntary merger program has proven to be quite successful; between 2007 and June 2016 there were 298 merger transactions reported, resulting in 327 fewer parcels for development.

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The funding for purchase of undeveloped parcels for retirement under the original BRP was to come from four proposed revenue streams:

- (1) increased fees for new water meter connections;
- (2) water rate increases for existing CCSD commercial and residential customers;
- (3) fees for remodels; and,
- (4) the sale of sixty-five (65) unallocated water connections at "market prices" at the rate of three sales per year for the anticipated twenty-two-year term of the program.

Unfortunately, these proposed revenue streams proved to be either impractical or inconsistent with state public financing statutes and laws.

● **The BRP has been an Essential Part of Cambria's Water Planning**

The BRP has become an integral part of Cambria's long-term population growth and water planning process. It is an important element to achieve the CCSD's cap of 4650 residential water connections to mitigate potential for growth-inducing impacts proposed in the PEIR that

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supports CCSD's 2008 Water Master Plan (i.e. the increased water supply and availability contemplated by the WMP).

The 4650 cap on residential water connections and the BRP are also referenced in the August 24, 2008 Revised San Luis Obispo County North Coast Area Plan and, most recently, in the Draft November 28, 2016 Cambria Community Services District Urban Water Management Plan. As noted above, the Cambria Sustainable Water Facility Project Final Subsequent Environmental Impact Report includes the original BRP (as it may be revised by the CCSD pursuant to the Committee's recommendations) as the principal mitigation measure to address potential growth-inducing impacts of the Sustainable Water Facility.

- **The BRP Going Forward**

As of late 2013, no supplemental water plant had been built but due to extreme drought, the CCSD authorized construction of an Emergency Water Supply project (EWS) that converted low concentration brine (a combination of highly treated wastewater, under-stream flows of fresh water and salt water) to drinking water. Currently, as of 2017, the CCSD is seeking regular development and operating permits to re-characterize the EWS to a Sustainable Water Facility (SWF). By reducing dependence on the community's two natural aquifers<sup>3</sup> for water during dry periods, the SWF would allow the CCSD to issue intent-to-serve letters permitting new water connections, eventually allowing the community to grow to its maximum of 4,650 residential connections. This would result in a population of between 7,700 and 10,500 once the town's maximum buildout is complete.

One of the requirements of applying for a regular development permit for the SWF is production of a Supplemental Environmental Impact Report (SEIR). Because Cambria is in the Coastal Zone, any development that may promote growth is subject to intense scrutiny. Accordingly and concurrent with drafting and finalizing the SEIR, the CCSD convened a new Citizens' Committee to review and revise the BRP, as mitigation of any growth inducing impacts from the SWF. The objective is to assure that the BRP is legal and practical and that the steps for implementation are clearly identified. An effective plan and implementation will comport with the maze of regulations dealing with population growth in a coastal community.

Limited growth has the effect of denying development opportunities to some property owners. While the BRP Citizens' Committee is not qualified to speculate on legal issues associated with such loss of development opportunity the committee does recognize that some property owners may believe they have a cause of action. This becomes a risk to our community. One reason to develop a BRP is to provide property owners a market for their properties and upon acquisition the CCSD will be able to retire properties from future development. This may not be a perfect solution to a complex problem. However, for a government entity like the CCSD without land-use authority, it is a practical approach.

From the perspective of Cambria's residents, the BRP has the salutary effect of creating open space throughout the community. The program provides an opportunity to preserve forest, maintain view-shed and provide separation between developed properties. These benefits of open

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<sup>3</sup> San Simeon and Santa Rosa Creeks