

CALIFORNIA COASTAL COMMISSION

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February 8, 2010

Dustin Fuller
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22nd District Agricultural Association
2260 Jimmy Durante Blvd.
Del Mar, CA 92014

Re: Del Mar Fairgrounds 2008 Master Plan; Draft Environmental Impact Report/SCH
#2003031069

Dear Mr. Fuller,

Thank you for the opportunity to review and comment upon the Draft Environmental Impact Report (“DEIR”) for the 22nd District Agricultural Association’s (hereinafter “District”) proposed 2008 Master Plan. Coastal Commission staff has always acknowledged the existence of the Del Mar Fairgrounds in our planning efforts and its many contributions to the region as a source of cultural, commercial and recreational interests. As stated in the document, the overall mission of the District is “to manage and promote a world-class, multi-use, public assembly facility with an emphasis on agriculture, education, entertainment and recreation in a fiscally sound and environmentally conscientious manner for the benefit of all.” Commission staff appreciates and understands the District’s needs and responsibilities to maintain economic viability, enhance the visitor’s experience at the Fairgrounds, modernize the site’s facilities and provide new amenities at the site. However, there’s a delicate balance required to meet those objectives given the fairground’s location within a sensitive coastal lagoon environment and river valley, which is undergoing significant restoration, and three urban beach communities that are seriously impacted by traffic and the absence of public transit alternatives.

All of the future projects identified within the DEIR will require coastal development permits, either from the Coastal Commission directly or from the Cities of Del Mar and San Diego. The bulk of the near-term projects, expected to be implemented within two to four years of EIR certification, and the long-term projects, planned for five to ten years beyond EIR certification, will most likely be subject to direct Coastal Commission review. The identified long-term proposals are only being analyzed at a programmatic-level CEQA analysis and, as such, they will require further environmental analysis upon final design. Given that the bulk of the proposed Master Plan improvements will be subject to Coastal Commission review, these comments will focus on the project’s consistency with Chapter 3 policies of the 1976 Coastal Act, as amended, and the environmental assessment presented. As a whole, the DEIR fails to appropriately assess the scope of identified impacts and further fails to consider multiple resource impacts in its analysis.

For formatting purposes, these comments will first introduce the applicable Chapter 3 policies that will be utilized to assess the identified near-term and long-term projects in the Master Plan and then submit staff's comments. The comments will follow the Chapter 3 policy groups from beginning to the end, and thus the comments will not necessarily be presented in order of importance.

Public Access/Lower Cost Visitor Use Priority

Section 30210 Access; recreational opportunities; posting

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30211 Development not to interfere with access

Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Section 30213 Lower cost visitor and recreational facilities; encouragement and provision; overnight room rentals

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred. [...]

The cited Coastal Act policies provide that maximum access and recreational opportunities be provided for the public and new development cannot interfere with historic access rights. The Fairgrounds lies within areas subject to the public trust, directly upon a lagoon/river mouth and it sits within a river valley and coastal lagoon that is undergoing significant restoration. The Coast to Crest Trail now exists through the river valley and will extend along the San Dieguito River corridor along the south side of the Fairgrounds. The DEIR fails to provide any support facilities or amenities for these public resources. Again, a balance is needed so that the Fairgrounds can continue its mission but without significantly impairing other recreational pursuits. The District should incorporate trailheads and support facilities for both the lagoon restoration project and Coast to Crest Trail. In addition, the massing and siting of the proposed hotel/exhibit hall complex significantly encroaches upon the river corridor and must be reconsidered. Along this rivercourse, there should be a significant greenbelt and widened corridor to enhance the recreational user and visitor experience through the area, as well as encourage and draw the recreational user towards the ocean and river mouth.

Section 30213 of the Coastal Act states, in part, "lower cost visitor and recreational facilities shall be protected, encouraged and where feasible, provided." Commission staff acknowledges that the Fairgrounds is a publicly owned facility and the County Fair along with other community events, function as lower cost visitor attractions. However, the

proposed 330 room hotel condominium raises two serious questions relative to the public access and the provision of lower cost visitor uses, neither of which are evaluated in the DEIR. First, based on the operation and financial structure of a hotel condominium, the proposal represents a quasi-residential use. Both the Coastal Commission and the State Lands Commission have formally objected to the selling of public trust lands for private residential use. Commission staff would not endorse such residential use at the site. Second, although a reasonably priced conventional hotel, a hostel or camping facilities would be encouraged as a visitor-serving amenity, the proposed condominium hotel/exhibit hall complex appears to be a high-end, luxury-style hotel planned to attract convention business. The commission has been increasingly concerned about the absence of new, lower cost or even more affordable overnight accommodations along the coast. Based upon several precedents, the Commission has required the provision of lower cost overnight accommodations, through partnerships with hostelling organizations, or in-lieu fees to support such facilities. The district should reconsider its proposal and consider the inclusion of an affordable, traditional hotel, a hostel or overnight campgrounds on these public lands; or, at a minimum, it must evaluate and present an assessment of the hotel inventory in the immediate vicinity, along with the proposed rate structure for the currently proposed hotel condominium. In addition, the DERI should more clearly describe the amenities, operations and rate structure for the recreational vehicle spaces on the Fairgrounds property.

Recreation

Section 30221 Oceanfront land; protection for recreational use and development

Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.

Section 30222 Private lands; priority of development purposes

The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

Sections 30221 and 30222 of the Coastal Act reinforce preserving the river corridor to provide public trails and maximize recreational uses, rather than encroaching upon it for intensified development. Section 3022 reinforces the priority for visitor uses over private residential development and especially so on a publicly owned parcel. In this policy group, the direction again would be to enhance and support the other recreational assets in the river valley and ocean directly west by providing support facilities to the recreational user. In addition, preserving and setting aside a broader area along the river channel to encourage recreational enthusiasts to utilize the segment and enhance the scenic qualities of the channel is warranted.

Marine Environment

Section 30231 Biological productivity; water quality

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

Section 30233 Diking, filling or dredging; continued movement of sediment and nutrients

(a) The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:

- (1) New or expanded port, energy, and coastal-dependent industrial facilities, including commercial fishing facilities.
- (2) Maintaining existing, or restoring previously dredged, depths in existing navigational channels, turning basins, vessel berthing and mooring areas, and boat launching ramps.
- (3) In open coastal waters, other than wetlands, including streams, estuaries, and lakes, new or expanded boating facilities and the placement of structural pilings for public recreational piers that provide public access and recreational opportunities.
- (4) Incidental public service purposes, including but not limited to, burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines.
- (5) Mineral extraction, including sand for restoring beaches, except in environmentally sensitive areas.
- (6) Restoration purposes.
- (7) Nature study, aquaculture, or similar resource dependent activities.

(b) Dredging and spoils disposal shall be planned and carried out to avoid significant disruption to marine and wildlife habitats and water circulation. Dredge spoils suitable for beach replenishment should be transported for these purposes to appropriate beaches or into suitable longshore current systems.

The Fairgrounds was developed on what were historic wetlands. As already noted herein, the Fairground also occupies a unique and sensitive location within the San Dieguito River Valley extending from its ocean mouth and along its river corridor to a vast expanse of open space. This open space is undergoing an extensive restoration effort to create over 150 acres of coastal wetlands and five nesting areas for sensitive species. The San Dieguito River, its coastal lagoon and the lands undergoing restoration all represent sensitive coastal resources under the Coastal Act. The principal conflict posed by some of the identified projects would be their permissibility under Section 30233 of

the Coastal Act. In light of the historic loss of wetlands in this state, this Coastal Act section limits filling of wetlands to only seven uses and the proposed improvements to the Eastern Overflow Lot and continued reliance on the Southern Overflow Lot would not be permitted uses. The DEIR identifies some limited wetland impacts and then proceeds to suggest they can be supported and compensatory mitigation would be provided. Compensatory mitigation would only be considered if the related impact could be authorized in the first place. Creation of an improved, all year round parking facility or construction of a parking structure would not be permitted uses pursuant to Section 30233.

In addition, the DEIR fails to properly identify, and thus analyze, the full extent of probable wetlands at the Fairgrounds. The environmental analysis must include current wetland delineations of both the Eastern and Southern Overflow Lots, performed in accordance with Coastal Act protocols and verified by the resource agencies and the commission's staff ecologist. All direct or indirect, temporary or permanent impacts to wetlands resources must then be identified and evaluated for Coastal Act consistency. Commission staff does not concur with the jurisdictional delineations prepared by GLA and cited in the DEIR.

Historically, the Eastern and Southern Overflow Lots, as well as the golf driving range area, have been used by the District as public parking lots during the County Fair and thoroughbred racing season. Given that these parking reservoirs were historically utilized for these two events prior to the enactment of the Coastal Act, the Commission has accepted them even though staff believes these areas are wetlands. However, reliance and use of those areas beyond those two annual events has not been authorized by the Coastal Commission.

In addition to preserving wetlands, the identified projects must be appropriately setback from any wetlands or sensitive habitats and provide legitimate buffers. Historically, 100 ft. buffers have been required around sensitive habitats but greater distances may be warranted. Based on the information provided, it appears that the hotel/exhibit hall complex provides only a 100 ft. setback from the river corridor and much of that setback is contained within a "landscaped berm" that is being created. Buffers should be established within the natural landscape, not by further modification of the existing conditions or landform.

Relative to maintaining the biological productivity and quality of coastal waters, the District will be required to develop and submit a Water Quality Management Plan to address drainage and runoff controls for all phases. The DEIR includes repeated statements in multiple sections that the Master Plan has been designed so that the overall drainage patterns remain similar to current conditions. Commission staff believes this conclusion may be overstated as both the intensity of on-site uses is being increased and the duration of those uses is likely being extended throughout the year. While the actual alignment of drainage flows may not significantly change, the composition and velocity of the runoff would appear to be significantly changing and must be addressed.

Section 30233 (b) also mandates that excavated materials that are suitable for beach replenishment be used for such purposes. Given that the identified projects include some semi-subterranean parking areas, should those projects ultimately be authorized, the District should commit suitable materials for beach deposition.

Relative to Section 30231 and protecting water quality, this topic is partially addressed under the Hydrology and Water Quality section of the DEIR. The DEIR again concludes that there will be no substantial alteration of existing drainage patterns or stream alteration; it states that large drainage areas would remain essentially the same. While Commission staff appreciates that much of the proposed development will occur within the developed limits of the Fairground property, the increase in impervious surfacing associated with the proposed Eastern Overflow Lot on what we believe may be wetlands and in the immediate proximity of sensitive coastal resources, undergoing major restoration, warrants further review. There is a significant potential for adverse impacts that could degrade the beneficial uses of the receiving waters in this area. In addition, the proposed siting of a substantially larger hotel/exhibit hall complex in the area adjoining the river channel also raises concern about both the constituency and rate of future polluted runoff.

As noted in the DEIR, enhanced measures and new permitting requirements from the Regional Water Quality Control Board will be utilized to mitigate such issues and protect water quality. Commission staff notes however that many of these water quality measures and Best Management Practices (“BMPs”) are mechanical systems that are dependent on maintenance and monitoring efforts to be effective. The DEIR also makes a finding that “there are no major facilities downstream that would be subject to risk” in its hydrological assessment. Commission staff strongly disagrees with this conclusion and would suggest that the adjacent restoration project, Del Mar’s beachfront, Highway 101/Camino del Mar and the rail corridor are all important public resources that must be protected.

Land Resources/Environmentally Sensitive Habitat Areas

Section 30240 Environmentally sensitive habitat areas; adjacent developments

(a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.

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

In addition to Section 30233 of the Coastal Act, Section 30240 establishes strong resource protection measures and authorizes only uses dependent on the identified resources. Similar to staff comments on the need for current wetland delineations in compliance with Coastal Commission protocols, there is also a need for a current assessment to be conducted on the Fairgrounds to identify any environmentally sensitive

habitat areas. The identification of ESHA on-site would limit any new development to uses dependent on the resource. Given the Fairgrounds location, and the public recreational access already noted, the provisions of Section 30240 (b), at a minimum, would be applicable. The proposed Eastern Overflow Lot parking improvements and the hotel/exhibit hall complex both present issues with this provision in that they intensify development abutting the natural resource area and thus can substantially diminish its recreational value and natural amenities.

New Development

This policy group addresses several Coastal Act mandates, including the appropriate siting of new development; visual resource protection and community character; support for public transit opportunities and traffic management efforts and minimization of hazards. These comments will address each of these issues separately.

- **Siting of New Development/Intensification of Land Uses**

Section 30250 Location; existing developed area

(a) New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. [...]

Section 30250 of the Coastal Act promotes concentration development in order to reduce urban sprawl and protect coastal resources. While all of the identified projects will occur on the Fairgrounds, Commission staff continues to find that the description of the site is misleading and grossly understates the Fairgrounds location within a vast natural open space system. The Fairgrounds and any increased intensity of use should be designed and sited to be subordinate to and protective of the adjacent coastal resources. Another on-going issue with the Fairgrounds and its operations is getting an accurate description of its event schedule, such that it is possible to reasonably evaluate its intensity of use.

As described in the DEIR, activities at the Fairgrounds generally occur in one of three seasons – the Fair Season; the Horseracing Season or the Interim Season which is described as the time outside of the other two periods. It is clear that the District intends to increase the number of interim events and activities occurring at the site. The proposed hotel/exhibit hall complex and health club and sporting facility have a strong potential to increase both parking demands and traffic burdens. The proposed improvements to the Eastern Overflow Lot to establish a year-round parking facility will also potentially serve as a year-round staging area for other attractions. At present, there is a Fall pumpkin patch and holiday tree lot that are staged there and the District has conducted Cirque du Soleil and other attractions on its other improved parking lot on the west side of Jimmy Durante Blvd. The DEIR states that identified projects would not significantly increase the daily maximum number of on-site visitors or personnel. These statements are misleading because there will clearly be cumulative impacts to the present

parking and traffic issues resulting from additional events and an extended year-round schedule.

- **Visual Resources/Character of Development**

Section 30251 Scenic and visual qualities

The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. [...]

Section 30253, in part

New development shall: [...]

(e) Where appropriate, protect special communities and neighborhoods that, because of their unique characteristics, are popular visitor destination points for recreational uses.

Section 30251 of the Coastal Act requires that the scenic and visual qualities of the coastal zone must be protected as a resource of public importance. Views to and along the ocean or other scenic coastal areas must be protected. Development must be sited to be subordinate to the natural environs and compatible with the character of the surrounding areas. Again, as previously noted, the DEIR fails to recognize the significant natural resources of the river valley, lagoon restoration work, rivercourse or the river mouth that surround the Fairgrounds on three sides but rather attempts to depict the site as an urbanized property. While direct ocean vistas may be limited, one still clearly knows that you're situated within a broad river valley and lagoon environment and any new development at the Fairgrounds must respect those natural features.

As proposed, the 66 ft. to 70 ft. high, hotel/exhibit hall complex is extremely tall, bulky and sited too close to the river channel. The proposed 48 ft. high electronic reader board would also be completely out of character at the entrance to the river valley. These two elements are much taller than would be otherwise permitted within the adjacent communities. Commission staff acknowledges that there are several taller structures present on the Fairgrounds but they are located centrally, well away from the river channel and public access/recreational amenities. Lastly, the outdoor lighting elements of several proposed projects would also conflict with the natural setting and present other resource conflicts with wildlife. These elements all need to be reconsidered in terms of Coastal Act policies and the identified environmental impacts.

- **Public Access/Parking Demand/Traffic Impacts/Alternate Transit Options**

Section 30252 Maintenance and enhancement of public access

The location and amount of new development should maintain and enhance public access to the coast by (1) facilitating the provision or extension of transit service, (2) providing commercial facilities within or adjoining residential development or in other areas that will minimize the use of coastal access roads, (3) providing nonautomobile circulation

within the development, (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation, (5) assuring the potential for public transit for high intensity uses such as high-rise office buildings [...]

Section 30252 and the earlier cited Chapter 3 provisions for public access all address the need to assure and maintain public access to the shoreline as a priority. The Fairgrounds is certainly a visitor destination point of regional significance and it provides a broad range of events that attract many different interests. However, with that success and attraction for many interest groups, events at the Fairgrounds are also known to present many challenges both in terms of parking demand and adverse traffic impacts. As mentioned above in the discussion of land use intensification, it is evident that the District is trying to expand the event schedule and add new attractions at the Fairgrounds to meet its own economic concerns but this intensified land use will have serious parking and traffic issues. Relative to parking constraints, the DEIR concludes that there is “no impact” due to inadequate parking capacity. While it reaches this conclusion on the basis of providing additional on-site parking spaces, it fails to acknowledge that such parking supplies are provided in three areas (river corridor with hotel complex; EOL and SOL) that are constrained for such use and the proposed parking may not ultimately be allowed there.

With regard to traffic impacts, the DEIR notes that significant impacts will remain, in part, at the Lomas Santa Fe/Highway 101 intersection; the Via de la Valle/Camino del Mar intersection for long-term projects only; both the northbound and southbound Interstate 5/Via de la Valle ramps and the Del Mar Heights/Camino del Mar intersection as a result of the Master Plan’s implementation. All of these road segments and intersections are critical coastal access corridors and added impacts to them would raise serious questions. Intensifying uses at the Fairgrounds must be achieved in a manner that respects broader public interests to access the beach and the other recreational assets in the river valley. Although the District, to their credit, has utilized off-site parking reservoirs for many years as a means to diminish traffic congestion in the immediate vicinity, there is more to be accomplished. Commission staff notes and supports the proposed reduction in parking rates or preferential parking for electric or hybrid vehicles and the provision of bicycle racks and shower facilities as part of the District’s plans. In addition, one of the long-term projects proposed is the seasonal train platform to access the rail lines for Fairgrounds patrons but there is much more needed in terms of promoting alternative public transit. In fact, rather than delaying the proposed seasonal train platform as a long-term proposal, it would seem more appropriate to advance it, along with other forms of improved public or District-sponsored transit service, as a plan element before any further intensification of land uses at the Fairgrounds.

This issue also relates to the discussion of greenhouse gases (“GHG”) in the DEIR; the DEIR states that “the proposed near-term projects will result in the replacement of older, less efficient structures with more energy-efficient buildings. However, the net increase in building area and increase in vehicular trips will result in a net increase in GHG emissions compared to existing conditions.” This impact would also be partially addressed through a more extensive public access and alternate transit program.

- **Hazards/Flood Protection/River Channelization**

Section 30236 Water supply and flood control

Channelizations, dams, or other substantial alterations of rivers and streams shall incorporate the best mitigation measures feasible, and be limited to (1) necessary water supply projects, (2) flood control projects where no other method for protecting existing structures in the flood plain is feasible and where such protection is necessary for public safety or to protect existing development, or (3) developments where the primary function is the improvement of fish and wildlife habitat.

Section 30253 Minimization of adverse impacts

New development shall do all of the following:

- (a) Minimize risks to life and property in areas of high geologic, flood, and fire hazard.
- (b) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs.
- (c) Be consistent with requirements imposed by an air pollution control district or the State Air Resources Board as to each particular development.
- (d) Minimize energy consumption and vehicle miles traveled. [...]

The Del Mar Fairgrounds is located within the 100-year floodplain of the San Dieguito River and is subject to flooding during the rainy season and storm events. The DEIR finds that the proposed projects would result in a slight alteration of the existing on-site drainage patterns due to changes in impervious surfacing but concludes that the small increase in floodplain coverage will not be significant because the new structures are designed to be “flow-through” and there will be no significant changes to current flood flows across the site. Commission staff remains concerned however because of the substantial changes being proposed with this Master Plan, including the paving of the Eastern Overflow Lot and the new structures (hotel complex/sports facility). The DEIR suggests that these proposed improvements are not adding new structures to the floodplain but are only “replacing and expanding existing facilities with larger structures to the floodplain.” While these “replacement structures” may represent a small increase in floodplain coverage, it is unclear whether or not the completed floodplain analysis was comprehensive and considered both the existing watershed and current restoration work. The cumulative result of small increases in floodplain coverage can ultimately be significant.

In addition, it is unclear whether or not the proposed “landscaped berm” along the river channel, separating it from the newly proposed hotel/exhibit hall complex represents further filling of the floodplain and serves to channelize the river. Please provide more information on this proposed element and its function. Any filling or grading of the site to create a berm that would serve to deter flooding would represent channelization of the river and would not be allowed to accommodate new development. Relative to site geology and possible hazard issues, there should be more information provided regarding

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the potential for liquefaction on-site and what mitigation measures will be provided to address it.

In summary, Commission staff again wants to express our support for the District and its mission to modernize and enhance the visitor experience at the Fairgrounds, but such improvements cannot come at the expense of broader public access needs, any detriment to other recreational assets in the river valley or adverse impacts to wetlands and other environmentally sensitive habitats. Although the DEIR concludes that the Reduced Project Alternative (Alternative 3) would not meet all of the District's objectives and would still result in unavoidable traffic impacts and it thus rejects it as a viable option, the District should work with all the stakeholders to develop such an alternative. Thank you for the opportunity to provide comments and please feel free to contact me at the above office should you have any questions.

Sincerely,



Deborah N. Lee
District Manager

Cc: Senator Christine Kehoe
Supervisor Pam Slater-Price
Sherilyn Sarb
Adam Birnbaum
Leslea Meyerhoff
Dick Bobertz

(G/San Diego/Deborah/Del Mar Fairgrounds Master Plan comments.doc)