

**City of Solana Beach**  
**Seawall Mitigation Fee Study Update**  
**September 23, 2014**  
**5:30-7:00 PM**



# Meeting Agenda

2

- Welcome and Introductions
  - David Ott, City Manager
  - Wende Protzman, Community Development Director
  - Leslea Meyerhoff, HMCG
  - Donna Snider, PMC
  - David Cannon & Seamus Innes, Everest
- Presentation by Project Team
- Public Comment
- Adjourn

# Seawall Mitigation Fee Study: History

3

- In 2008, the City initiated work on a mitigation fee study for seawall impacts:
  - Sand Mitigation Fee
  - Public Recreation/Land Lease Fee
- In 2010, the City agreed to use CCC Sand Mitigation Fee methodology
  - Contained in Solana Beach LUP - Appendix A
- Draft fee study report issued in April 2010
- Corrected fee study report issued in July 2010

# Seawall Mitigation Fee Study: History

4

- 2010 draft fee study recommended land lease/public recreation impact mitigation fee
  - \$3,100 per linear foot
  - 1/3 due up front
  - Up to a 75 year payment schedule (2081) for balance
  - Draft 2010 fee study is online @ City website
  - Fee report not finalized – study on hold between 2010-2014
  - Priority shifted to complete LUP certification process
- City assess projects the Sand Mitigation Fee and an interim \$1,000 per linear foot deposit for the land lease/public recreation fee

# Seawall Mitigation Fee Study: Update

5

- City adopts its LUP in February 2013
- January 2014 - City awarded a grant of \$120,000 to update the 2010 draft mitigation fee Study
  - Scope of work was initiated in June 2014
  - All work to be completed by April 2016

# Seawall Mitigation Fee Study: Analysis

6

- Fee study update encompasses the following:
  - Review of all public comments received by City in 2010
  - Review for adopted LUP policy compliance
    - (e.g., 20 year mitigation payment)
  - Review to ensure no redundancy with Sand Mitigation Fee
  - Inclusion of updated bluff failure data
  - Review for inclusion of surfers
  - Beach attendance data validation
    - (e.g., inclusion of junior lifeguards)

# Seawall Mitigation Fee Study: Analysis

7

- Incorporation of the following additional variables into fee calculation:
  - Future sea level rise projections per LUP Policy 4.57
  - 10-year review of erosion rate per LUP Policy 4.51
  - Review of CCC/NOAA study “Beach Evaluation Study”
    - Assessment for potential biological resource effects
  - Changed conditions analysis
    - Large scale beach nourishment projects
    - El Nino event
    - Others, as may be defined

# Technical Consultant Team

8

## ■ **Pacific Municipal Consultants, Inc.**

- Established in 1995
- Planning, environmental, public finance and public outreach services throughout California
- Authored 2010 Draft fee study with CIC Research
- CIC Research
  - Local Economics Firm
- Scope of work: Manage fee study update process
- Responsible for ensuring policy consistency with LUP and overall update of all economic and other variables/values
- Integrate input from team members into updated fee/report

# Technical Consultant Team

9

- **Everest International Consultants, Inc.**
  - Established in 1995
  - Coastal Science and Engineering
  - Surfing Assessments
  - Sea Level Rise Analysis
  - Beach & Bluff Erosion Evaluation
  - Local Experience – USACE Shoreline Protection Project
  - Scope of Work for this project
    - Surfing count values
    - Bluff erosion rate – projections/analysis
    - Potential sea level rise considerations

# Technical Consultant Team

10

## ■ **Merkel & Associates, Inc.**

- Consulting firm based in San Diego
- Recent local project experience including:
  - Regional Beach Sand Project 1 and 2
  - Solana Beach & Encinitas Shoreline Protection Project
- Scope of work:
  - Evaluating ecological values of the beach
  - Review of CCC/NOAA/SFSU study related to quantifying potential effects on biological resources
  - Inclusion of value in mitigation fee as appropriate/relevant

# Project Background

11

- Key Study Issue
  - Private use of public land with construction of seawalls
  - Mitigation of impacts with payment of fees
    - Sand Mitigation Fee
    - Public Recreation/Land Lease Fee
  - How to value the public beach?
    - 4 Economic Models (Contingent Valuation, RUM, Benefit Transfer, and **Travel Cost Method**)

# Travel Cost Method

12

- Conducted 2 surveys over a 52-week period
  - Visitor Survey (563 surveys)
  - Count Survey (88 days)
  - North/south – 36 segments
- Preliminary Results
  - 124,700 annual visitors
  - \$21.14 cost per visitor trip
  - Annual value of \$2.1 million
  - Allocated over 8 acre beach area = \$262,200 per acre per year

# 2010 Draft Fee Study Comments

13

- Authority to collect fee
- Travel Cost Method specifics
- Sampling
- Other impacts
- Fee calculation, including sea level rise
- Offset analysis for public safety benefits

# Travel Cost Methodology

14

- 33% to 100% of wage to be used
- Multiple destinations
- Demand curve to estimate consumer surplus
- Seasonality
- Special Uses
- Children/Junior lifeguards
- Resident preference
- RUM and substitution

# Sampling

15

- Sample sizes and variables
- Error analysis
- Counts
  - 2 peaks (surfers and non-surfers)
  - Seasonal expansion
  - Outside information
    - Additional references/reports
  - Levine approach

# Other Potential Effects

- Aesthetics – addressed in LCP through design standards for new coastal structures
  - LUP Appendix B preferred designs
- Habitat Effects
  - Current NOAA-funded study (in progress)
    - No data available for review yet
  - Managed by CCC, SFSU preparing analysis
  - Review when available
  - Incorporate data as appropriate and relevant

# Fee Calculation

17

- North-South segmentation
- East-West segmentation
- Land Lease Area is now  $\sim 10'$  by length of armoring in first 20 years
- Possible sea level rise
- Discount rate
- Triggers for review

# Next Steps:

## Anticipated Fee Study Milestones

18

- Sept. 2014: 1<sup>st</sup> Public workshop/meeting
- March 2015: Draft fee study update complete and public review begins
- April 2015: 2<sup>nd</sup> Public meeting on fee study
- Sept. 2015: City Council considers adoption of updated study & 3<sup>rd</sup> public meeting
- December 2015: Fee study submitted to CCC
- April 2016: CCC reviews/approves fee study

# Public Comments & Questions

19

For more  
information,  
call Wende  
Protzman

858-720-2440

Or email:  
[FeeStudy@Cosb.org](mailto:FeeStudy@Cosb.org)

Thank you!