

MINUTE ITEM

This Calendar Item No. 54
was approved as Minute Item
No. 54 by the State Lands
Commission by a vote of 3
to 0 at its 7/10/89
meeting.

STATE OF CALIFORNIA
DEPARTMENT OF BOAT AND MARJAC

CALENDAR ITEM
- 54

07/10/89
WP 7054
Martinez

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**AMENDMENT OF DREDGING PERMIT
FOR EXTENSION OF TIME.**

APPLICANT: Joelen Enterprises
5000 Coronado Bay Road
Coronado, CA 92118

AREA, TYPE LAND AND LOCATION:
Granted mineral reservation lands in San Diego
Bay at Crown Isle, San Diego County.

LAND USE: Dredge a maximum 3,900 cubic yards of minerals
other than oil, gas and geothermal to construct
a marina as part of a proposed hotel complex
construction project and to provide an area for
recolonization of eelgrass. The dredged
material will be disposed of at the adjacent
upland site which is owned by the San Diego
Unified Port District where it will be utilized
for landscaping and other public benefit
purposes.

TERMS OF THE ORIGINAL PERMIT:
Initial Period: Effective July 1, 1988
through June 30, 1989.

Royalty: No royalty for material used
to enhance San Diego Unified
Port District property for
public benefit.

TERMS OF THE PROPOSED PERMIT:
Initial Period: One year commencing July 1,
1989.

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MINUTE ITEM
The Calendar Item No. 54
has been approved as a
calendar item for the
month of December 1989.

CALENDAR ITEM NO. 54 (CONT'D)

STATUTORY AND OTHER REFERENCES:

- A. P.R.C. Div. 6, Parts 1 and 2; Div. 13.
- B. C.A.C.: Title 2, Div. 3; Title 14; Div. 6.

AB 864: 12/10/89.

OTHER PERTINENT INFORMATION:

1. On June 30, 1988, the State Lands Commission issued a Dredging Permit to Joelen Enterprises authorizing dredging from July 1, 1988 to June 30, 1989. Performance of the authorized dredging was delayed because of unforeseeable economic reasons. The permittee now feels confident that the authorized dredging can be started by the end of the year. Therefore, a one year extension of the existing permit is being requested.
2. The permit issued by the Corps of Engineers expires September 12, 1989. The permittee has applied for an extension of that permit. At this time Corps staff does not anticipate any problems with issuing the requested extension.
3. An EIR covering the project has been prepared and certified by the San Diego Unified Port District and such document was reviewed and appropriate CEQA findings were adopted by the State Lands Commission.
4. The extension has been authorized by the San Diego Unified Port District which is the only local permitting authority for this project.

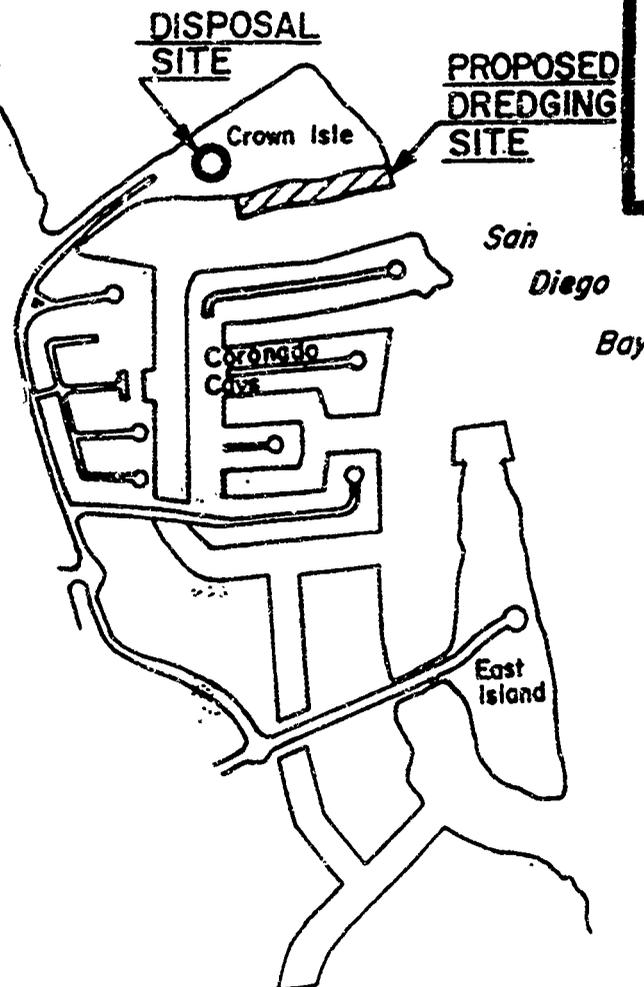
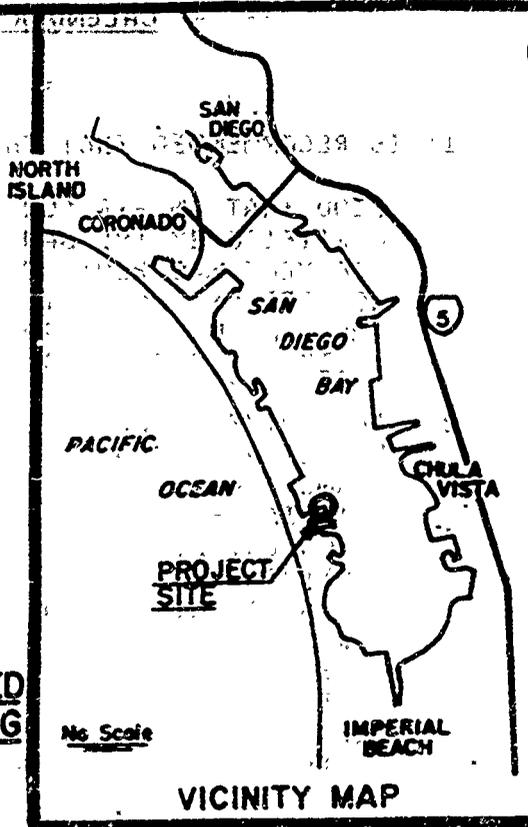
EXHIBITS:

- A. Vicinity and Site Map.
- B. EIR Summary.
- C. Commission CEQA Findings.
- D. Dredging Permit Amendment.

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IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT AN EIR FOR THIS PROJECT HAS BEEN PREPARED AND CERTIFIED BY THE SAN DIEGO UNIFIED PORT DISTRICT, SUCH DOCUMENT WAS REVIEWED AND APPROPRIATE CEQA FINDINGS WERE ADOPTED BY THE STATE LANDS COMMISSION, AND SAID DOCUMENT AND FINDINGS, INCORPORATED BY REFERENCE HEREIN, REMAIN VALID FOR THE PROPOSED ACTION.
2. AUTHORIZE STAFF TO ISSUE TO JOELEN ENTERPRISES THE DREDGING PERMIT AMENDMENT ATTACHED AS EXHIBIT "D". SAID AMENDED PERMIT SHALL ALLOW DREDGING A MAXIMUM 3,900 CUBIC YARDS OF MATERIAL FROM GRANTED MINERAL RESERVATION LANDS IN SAN DIEGO BAY AT CROWN ISLE, SAN DIEGO COUNTY, FOR ONE YEAR BEGINNING JULY 1, 1989. THE SPOILS WILL BE DISPOSED OF AT THE ADJACENT UPLAND SITE OWNED BY THE SAN DIEGO UNIFIED PORT DISTRICT WHERE IT WILL BE UTILIZED FOR LANDSCAPING AND OTHER PUBLIC BENEFIT PURPOSES. SUCH PERMITTED ACTIVITY IS CONTINGENT UPON APPLICANT'S COMPLIANCE WITH APPLICABLE PERMITS, RECOMMENDATIONS AND LIMITATIONS ISSUED BY FEDERAL, STATE AND LOCAL GOVERNMENT AGENCIES.



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EXHIBIT "A"
 APPLICATION FOR
 DREDGING PERMIT
 JOELEN ENTERPRISES
 WP 7054
 SAN DIEGO BAY
 SAN DIEGO COUNTY



EXHIBIT "B"

SUMMARY

A. SUMMARY OF FINDINGS

Project Description

The proposed project involves the construction of a resort hotel/marina on Crown Isle located adjacent to and northerly of the Coronado Cays residential complex in the City of Coronado, and includes both land (12.9 acres) and water (4.1 acres) development. Land use allocation consists of 32 percent buildings (Table 2-2), 9 percent tennis courts, 18 percent paving, 3 percent swimming pools, 28 percent landscaping and water features and 10 percent hardscape such as patios, paths and decks. The hotel complex contains 450 units in 2-3 story buildings and single executive suites extending over the water. Other amenities include subterranean and surface parking for 875 vehicles, a 97-slip marina, 2 swimming pools, a gym and several restaurants.

Land/Water Use

The proposed development is consistent with the San Diego Unified Port District Master Plan and all of the uses proposed for the project are specifically permitted by its Commercial Recreation land use designation. Development of the project site is expected to increase tourism in the area and become a significant part of the local recreation industry. Tourism, as stated in the SDUPD Master Plan (SDUPD, 1980:26), is "a significant economic base activity" generating additional employment opportunities both directly and indirectly as well as expanding the market potential for surrounding areas.

Water uses would be affected by the proposed project by providing the public with another access to San Diego Bay. A pedestrian walkway would be developed around the perimeter of the site which would be used by employees, visitors and the general public. Persons on the walkway would be next to the waters' edge and would have panoramic views of the bay. Views would also be available from hotel rooms and restaurants. Views from offsite will not be significantly affected as Crown Isle development was included in the Coronado

Cays Master Plan and the bulk and scale is consistent with the existing, adjacent developments. The proposed marina would facilitate the use of the bay by hotel guests and those leasing slips. This increased access is viewed as desirable by the San Diego Unified Port District and the proposed uses are consistent with the SDUPD Master Plan. Conceptual approval has been received from both the City of Coronado and the Port District.

Terrestrial Biology

The island was created in 1969 by fill from the adjoining Coronado Cays residential development. The existing vegetation is a mixture of invasive native and ruderal species, the latter introduced as a result of a hydroseeding program initiated in 1979 to control erosion on the site. The existing vegetative cover will be removed by development.

Least terns have nested on this fill site, created for future development. However, this site has not been used since 1979, and is not suitable as nesting habitat in its current condition. No evidence has been found to show that the unavailability of this site has jeopardized the species viability.

Placement of a surcharge on the site has been approved by the Port District and coordinated with the resources agencies.

Marine Resources

The most significant marine resource in the area of Crown Isle consists of extensive eelgrass beds. Three beds have been identified on or near the site. The largest of these beds, north of the property, will not be disturbed by the project. One bed will be disturbed to a small extent. This will, in turn, affect marine fish and invertebrates which use the eelgrass as habitat. As mitigation, a minor dredging operation will be executed to create suitable conditions to replace eelgrass habitat. A planting and monitoring program will be initiated. Excepting this temporary disturbance of their habitat, marine fish and invertebrates will not be significantly impacted by the proposed project.

Water/Sediment Quality

Water quality in the project area should not be significantly affected by the proposed project. The proposed marina will not have fueling facilities so there will be no potential for spills of fuels. Exhaust from boats does not appear to constitute a significant impact on water quality. Some dredging is proposed; however, no significant impacts are expected from that activity. There will be some short-term turbidity associated with driving piles but this will be a temporary phenomenon and will dissipate quickly. No sewage or toxic materials generated or used onsite will be discharged to the Bay. Surface water parking lot runoff will be discharged into the bay at several locations in accordance with San Diego Regional Water Quality Control Board (RWQCB) standards to reduce erosion and sedimentation.

Traffic

Traffic generated by the proposed project will not raise State Route 75 (SR 75), Coronado Cays Boulevard, or the Coronado Cays traffic circle volumes beyond levels of environmentally acceptable service, i.e., Level of Service "C". Proposed development could, however, raise traffic levels on Coronado Cays Boulevard north of the traffic circle to Level of Service "C", if all project-generated traffic is directed out the existing entrance. A separate entrance to the hotel is being considered, but is not a part of this project. When formally proposed, an environmental assessment would be prepared by the City of Coronado.

The potential for bicycle/automobile accidents at the Coronado Cays Boulevard/bicycle path intersection will increase with additional traffic volumes. Concerns for bicyclists safety may be mitigated by warning signs and recommended improvements to the visibility of the traffic signal lights.

Surcharge will be trucked to the site from the south end of Coronado Cays via Coronado Cays Boulevard. A negative declaration has been prepared by the City of Coronado for traffic generation resulting from the placement of the surcharge.

Parking

The project incorporates 875 parking spaces, located in subterranean and surface stalls, into the proposal. The District approved the proposed parking allocation on December 18, 1984, as part of the project concept approval. Several factors were found to influence the recommended number of onsite parking spaces. These include a significant level of hotel-provided transportation for guests and employees, consideration that meeting rooms would be used by hotel guests, priority parking for car pooling employees, and the fact that several proposed project uses (shops and some dining facilities) will be limited to guest-only use, limiting the attraction of offsite users.

Visual Quality

The proposed project is similar in height, bulk, and scale to the adjacent residential development. The only potential visual conflict associated with the project involves the night lighting of the tennis courts at the southern portion of the development. This potential irritant will be minimized by shielding and limitations upon hours of night use. Development of the site will not interfere with any designated scenic viewpoints. The present vacant appearance of the project site will be enhanced through implementation of sensitive design features associated with the proposed project.

Other Required CEQA Sections

- Growth Inducement: The proposed project is not expected to directly foster growth in the City of Coronado or the San Diego Unified Port District. The proposed project will increase tourism and recreational usage of San Diego Bay and facilitate public access to the Bay. These uses are consistent with the Port's and City of Coronado's Master Plans and the Coastal Act; and require no additional support facilities to accommodate. Due to the relative size of the project induced growth attributed to the proposed project will be minimal.

- **Cumulative Effects:** Cumulative effects of the project development proposal are expected to be insignificant since the existing circulation system has the capacity to serve future growth, terrestrial and marine resources should not be significantly threatened and the expected growth is consistent with both SDUPD and City of Coronado Master Plans. Increased energy consumption associated with project implementation represents a minor incremental cumulative impact on energy resources.

Alternatives

- **No Project:** If the No Project alternative is selected, several of the beneficial effects of the proposed project will not be realized. Tourism generated from the proposed project and economic growth associated with tourism will not be received by the City of Coronado and the region. In addition, the public will lose an opportunity to gain access to the Bay and its associated commercial and recreational uses.
- **Development of land portion of the site only:** This alternative would eliminate the adverse but mitigable impact of the proposed project on eelgrass. However, development of the land portion of the site without developing the water areas would reduce the amount of public access to the Bay from the site. The marina development would permit extensive water-related recreational uses in the Bay, consistent with the goals of the San Diego Unified Port District Master Plan. Land-only development would also greatly reduce the desirability of the resort hotel to potential customers. This would impose a significant financial risk and may make the project financially infeasible. The loss of eelgrass habitat will be replaced by the creation of new habitat onsite. In light of this fact, the benefits of developing the site to include water-oriented facilities would seem to outweigh the benefits of leaving the existing eelgrass undisturbed.

B. SUMMARY OF MITIGATION

1. Measures Incorporated into the Project or Required by the District

● **Parking:** The project will provide 875 parking spaces as agreed in negotiations with District staff, and conceptually approved by the Board of Port Commissioners.

● **Marine Resources:** Minor dredging (13,360 square feet) will occur onsite to create additional suitable eelgrass habitat. This will adequately compensate for potential eelgrass losses due to marina development.

● **Water/Sediment Quality:** Surface runoff from the project site will be discharged into the bay at several locations in accordance with RWQCB standards to reduce erosion and sedimentation.

2. **Measures Which Should be Made a Condition of Approval**

● **Traffic:**

(1) "Bike X-ing" warning signs should be installed at the intersection of the bicycle path and Coronado Cays Boulevard.

(2) A temporary separate entrance should be utilized during the construction phase of the hotel.

● **Visual Quality:**

(1) Tennis court luminaries should be placed so that no fixtures are facing a southerly direction. All security lights should be shielded so as to direct lighting away from the Coronado Cays area.

(2) Nighttime tennis court lighting should be restricted between 11 p.m. and 6 a.m.

NOT RECORDED

EXHIBIT A-11

- (3) Surrounding landscape should incorporate trees to help screen the tennis court and security lighting.

3. Measures that Could be Required at Discretion of Caltrans, the City of Coronado or the Applicant

a. Traffic:

- (1) "No Parking Any Time" signs should be posted on the west side of Coronado Cays Boulevard to reduce on street parked cars accident potential and enhance traffic flow.
- (2) Legends on the SR 75 northbound intersection approach should be repainted to indicate that turning lanes are not through lanes.
- (3) The 8-inch lenses on signal heads facing Coronado Cays Boulevard should be replaced with 12-inch lenses to improve signal visibility.

EXHIBIT "C"

CEQA FINDINGS

Herewith are presented the findings made by the State Lands Commission, pursuant to Section 15091, Title 14, California Administrative Code, on the proposed Crown Isle Hotel/Marina Project. Only significant impacts for that portion of the project to be considered by the State Lands Commission are discussed.

Impact: Marina Construction will require dredging a shallow water area containing eelgrass. The total area of eelgrass disturbed will be 5,500 square feet.

- Findings:**
- (1) Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect identified in the final EIR.
 - (2) Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency (Corps of Engineers).

Facts Supporting Findings:

Crown Isle is located on the west side of San Diego Bay in a relatively shallow marine setting. The general marine habitat surrounding this island is shallow subtidal with sand and silt/muds predominating as substrate. The San Diego Unified Port District Master Plan designates the south side of the island for commercial recreation which includes docks, marinas and wharfage facilities.

The most significant marine resources in the area of Crown Isle are the extensive eelgrass bed. The Port District Master Plan EIR shows an extensive eelgrass bed on the north side of the isle forming a rough triangle in the shallow cove, a small patch near the northeast corner of the isle and another large triangular patch off the eastern side of the boat channel.

The northern bed (Bed A) runs roughly parallel to the concrete wall at a distance of 40-60 feet offshore. It is a densely populated bed with 30-50 plants per square meter. Although the entire cove was not surveyed, it appeared that the bed extended northward and encompassed a majority of the cove area. Bed B is an area along the northeastern and eastern shoreline running roughly parallel to the existing boat (north-south) channel. It is comprised of dense patches of eelgrass. The patches are discontinuous but are close enough together to be considered a contiguous eelgrass zone. Density of plants range from 10-20 plants/m².

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The third eelgrass area (Bed C) is along the southern shoreline of the island, running parallel to the top of the bank approximately 45 feet offshore. It is a narrow area, limited on the south edge by the deep channel cut into the Cays. The bed consists of widely separated patches of plants. Individual clumps may consist of 7-10 individuals, but the clumps are widely separated and average density in the area is less than 1-2 plants/m². There is no contiguous bed formation along this sharp slope area, and does not constitute a significant eelgrass resource. Along the western end of this bed is a moderately dense area of eelgrass between the raised roadway bulkhead and the deep channel.

Of all the marine habitat types in San Diego Bay the most significant in terms of biological value are the eelgrass beds. As has already been shown, the project area has significant eelgrass resources in the adjacent area. Eelgrass constitutes a unique habitat association in that many species of marine invertebrates and fishes utilize this area for food, shelter, and as a nursery ground. It is supportive of juvenile fishes and crustaceans, particularly crabs and lobster, which find shelter between the grass blades and roots. Eelgrass also serves as a place of attachment for the eggs of many different marine invertebrates and migratory geese, particularly the black brant rely heavily on eelgrass as a food source. Although no rare and/or endangered species of marine invertebrates, fishes or marine plants are known to occur within or adjacent to the project area, eelgrass beds constitute a productive habitat for many important species of fish and marine invertebrates.

The marina will be constructed in an area of existing eelgrass. It was designed to minimize impacts on the eelgrass bed, given the design and number of berths necessary for the development. The majority of berths have been designed outside the limits of the existing bed and have an access walkway between the bed and boats to eliminate any prop wash impacts as boats maneuver in and out of berths. An attempt was made to design the marina totally outside the bed area; however, too few slips could then be accommodated. The only method to obtain the additional slips was to dredge an area of shallow water including eelgrass. The area selected was a shallow shoaling area near the east end of the island with narrow bands of eelgrass. The total area of eelgrass disturbed would be 5,500 square feet.

The large eelgrass bed north of the project area will not be disturbed either during construction or operation of the project and should continue to function as a significant local marine habitat.

To mitigate the loss of eelgrass, dredging will be carried out to provide an expanded area at a depth of 0 to -5 (MLLW) to provide an area for recolonization of eelgrass. Approximately 13,360 square feet of new surface would be created and protected by the walkway. The total dredge footprint would be 28,450 square feet with the removal of 3,900 cubic yards of material. All dredge material will be used on the island as surcharge. A planting and monitoring program will be instituted per agreement with the Corps of Engineers.

Mitigation: To mitigate the loss of eelgrass, additional dredging has been incorporated into the project to create an expanded area to provide space for recolonization of eelgrass. A planting and monitoring program will be instituted pursuant to permit requirements of the U. S. Army Corps of Engineers.

The proposed mitigation will create suitable eelgrass habitat to compensate for potential eelgrass losses due to marina development.

This mitigation will substantially lessen the impact of the project on the eelgrass beds.

EXHIBIT "D"

May 31, 1989

File Ref.: PRC 7054

AMENDMENT TO DREDGING PERMIT

WHEREAS, Dredging Permit 7054 was issued to Joelen Enterprises, effective July 1, 1988 through June 30, 1989, granting permission to perform dredging on granted mineral reservation lands in San Diego Bay at Crown Isle, San Diego County; and

WHEREAS, Joelen Enterprises has requested permission from the State Lands Commission to extend the expiration date one year;

NOW THEREFORE, the parties hereto agree that paragraph two of Dredging Permit 7054 which reads as follows:

No royalty shall be paid for material placed at the approved disposal site and used for enhancement for public benefit. A royalty of \$0.25 per cubic yard shall be paid for any material used for any private or commercial benefit. Said permission is given on the condition that all dredging and spoils deposition shall be done in accordance with all applicable Federal, State, and local government laws, rules, and regulations. Said permission shall be effective from July 1, 1988 through June 30, 1989.

Shall be amended to read:

No royalty shall be paid for material placed at the approved disposal site and used for enhancement for public benefit. A royalty of \$0.25 per cubic yard shall be paid for any material used for any private or commercial benefit. Said permission is given on the condition that all dredging and spoils deposition shall be done in accordance with all applicable Federal, State, and local government laws, rules, and regulations. Said permission shall be effective from July 1, 1989 through June 30, 1990.

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Amendment

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May 31, 1989

Except as herein modified, all other terms and conditions of the permit shall remain in effect.

STATE OF CALIFORNIA
STATE LANDS COMMISSION

W. M. THOMPSON, Chief
Extractive Development Program

Date: _____

ACCEPTED: JOELEN ENTERPRISES

By: _____

Title: _____

Date: _____

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