

COASTAL CONSERVANCY

Staff Recommendation  
December 2, 2021

**CAYUCOS VETERAN'S HALL RENOVATION**

Project No. 21-065-01  
Project Manager: Timothy Duff

**RECOMMENDED ACTION:** Authorization to disburse up to \$300,000 to the County of San Luis Obispo to renovate the Veteran's Hall and construct adjacent access facilities in the town of Cayucos.

**LOCATION:** Foot of the Cayucos Pier above Cayucos State Beach, northern San Luis Obispo County.

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EXHIBITS

- Exhibit 1: [Project Location and Site Maps](#)
- Exhibit 2: [Renovation Plans](#)
- Exhibit 3: [Photos of Existing Conditions](#)
- Exhibit 4: [Project Letters](#)

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**RESOLUTION AND FINDINGS**

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes a grant of an amount not to exceed three hundred thousand dollars (\$300,000) to the County of San Luis Obispo ("the grantee") to renovate the Veteran's Hall and construct adjacent access facilities in the town of Cayucos.

Prior to commencement of the project, the grantee shall submit for the review and written approval of the Executive Officer of the Conservancy (Executive Officer) the following:

1. A detailed work program, schedule, and budget.
2. Names and qualifications of any contractors to be retained in carrying out the project.
3. A plan for acknowledgement of Conservancy funding.
4. Evidence that all permits and approvals required to implement the project have been obtained.

5. Evidence that the grantee has entered into agreements sufficient to enable the grantee to implement, operate, and maintain the project.
6. To the extent appropriate, the grantee shall incorporate the standards of the Conservancy's "Standards and Recommendations for Accessway Location and Development."

Findings:

Based on the accompanying staff recommendation and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Chapter 9 of Division 21 of the Public Resources Code, regarding public access.
2. The proposed project is consistent with the Conservancy Project Selection Criteria and Guidelines.

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## **STAFF RECOMMENDATION**

### **PROJECT SUMMARY:**

Staff recommends the Conservancy authorize a grant of up to \$300,000 to the County of San Luis Obispo to renovate the Veteran's Hall (Vets Hall) and construct adjacent access facilities in the town of Cayucos, a popular tourist destination with a classic California small beach town ambience. Constructed 145 years ago at the foot of Cayucos Pier above Cayucos State Beach, the Vets Hall has long been an important community facility, and central to the history and economy of the town.

Unfortunately, the Vets Hall was shuttered in 2016 due to its unsafe condition and remains closed today, dealing a blow to the town's economy. Previously hosting both public and private events throughout the year, including art festivals and holiday celebrations, the facility has been an essential asset to the visitor-serving economic life of Cayucos, bringing thousands of tourists to town annually from all over the region and beyond. The proposed renovation will support local businesses and enhance public access to the pier and beach.

The proposed project includes structurally stabilizing the building with new framing and a new foundation designed to accommodate projected sea level rise over the next 100 years by raising the finished floor level 2.5 feet to match the level of the recently restored pier. The proposed project includes improvements to the public plaza between Vets Hall and the foot of the pier, including a new pedestrian connection between the restored facility's new oceanfront deck and the pier. An accessible ramp connecting the building to the beach will be constructed, with accessible parking installed to serve visitors to the building and beach (Exhibit 2). In addition, interpretive panels will be installed to educate the public about the rich tribal history of the town and region. Conservancy staff recommends funding the proposed project given the new exterior public access improvements that will be constructed.

The project will restore the building to its essential role as a social hall and gathering place and return it to the community in an improved, safe, and resilient condition to be enjoyed by both residents and visitors for generations to come.

Because the building is owned by State Parks and leased to the County, both County and State Park staff and officials have engaged the local community in the project design and fundraising. The Cayucos Citizens Advisory Council has been updated monthly and an array of community groups have been involved through a variety of public outreach meetings during the extensive project design process. The Cayucos Lion's Club has been actively involved in coordinating events related to the project, including community outreach meetings and mailing project update information to members and the community. Club volunteers have promoted project awareness throughout the local community and are leading a fundraising campaign that has raised \$250,000 for the project to date. In addition, the Cayucos Chamber of Commerce has been actively supporting the project by distributing project information and updates to its members and the community, posting flyers for outreach meetings around town, and assisting in fundraising efforts. State Parks has consulted with tribes in the region regarding protection of cultural resources, and the County will be consulting with them on opportunities for educating the public about tribal history and culture including developing content for the planned interpretive panels.

**Site Description:** Located on the coast four miles north of Morro Bay near the north end of Estero Bay, the community of Cayucos is a popular tourist destination due to its pleasant summer weather and four miles of wide sandy beaches that extend south of the Vets Hall and pier to Morro Bay (Exhibit 1). Numerous beach and blufftop parking areas, stairways and a campground provide convenient access utilized by surfers, fishers and other visitors seeking to recreate on the coast, especially in the summer months when inland temperatures soar. North of the Vets Hall another four miles of accessible bluffs and shoreline is found at Estero Bluffs State Park. This eight-mile stretch of publicly owned coastline is anchored by the town of Cayucos, the Vets Hall and adjacent pier, a landmark and focal point for much of the commercial and recreational activity along this highly scenic stretch of the California coast. The project site (Vets Hall and surrounding area) is owned by State Parks and leased to the County giving the County the legal right to carry out the project.

**Grant Applicant Qualifications:** San Luis Obispo County will be responsible for operating and maintaining the Vets Hall, with the County Parks Department assuming direct management and operation of the facility when the renovation is complete and opened to the public. The County has a plan for the long-term management, maintenance, and monitoring of the project, to be funded by revenue generated by the building and from the County's general fund. Their Public Works Department has architectural, engineering and environmental resource professionals experienced in successfully advancing projects from concept through final design, environmental review, permitting, construction administration and completion. The County has successfully managed numerous grants from the Conservancy, including the \$3 million pier renovation project completed in 2016.

**CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated September 23, 2021, in the following respects:

## Selection Criteria

### **1. Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.**

See the "Consistency with Conservancy's Strategic Plan" section below.

### **2. Project is a good investment of state resources.**

The Conservancy's investment would be leveraged by matching funds totaling 95 percent of the \$5.45 million cost for this renovation. The project provides important benefits to Californians by enhancing coastal access to a popular beach destination. The grantee has developed design plans and secured all required permits and funding to construct the project. The detailed budget is based on cost estimates provided by the contractor selected to construct the project.

The project advances statewide goals and is consistent with regional and local plans, including the California Climate Adaptation Strategy/Safeguarding California: Reducing Climate Risk Plan, and Coastal Act and Local Coastal Program public access and recreation policies.

### **3. Project includes a serious effort to engage tribes. Examples of tribal engagement include good faith, documented efforts to work with tribes traditionally and culturally affiliated to the project area.**

As the owner of the property State Parks consulted with tribes early in project development and design to ensure their archaeological and cultural resources will be fully protected. The County will also be consulting with the tribes on opportunities for educating the public about tribal history and culture including developing content for the planned interpretive panels and other educational programs including at festivals and other public events.

### **4. Project benefits will be sustainable or resilient over the project lifespan.**

The project entails structurally stabilizing the building with new framing and a new foundation designed to accommodate projected sea level rise over the next 100 years by raising the finished floor level 2.5 feet.

### **5. Project delivers multiple benefits and significant positive impact.**

The project will restore an important community facility that has been central to the history and economy of the town for over a century. Public access improvements including a new pedestrian boardwalk and accessible ramp connecting the building to the beach will enhance coastal access and recreation. Conservancy staff recommends funding the proposed project given the new exterior public access improvements that will be constructed. Renovating the social hall and reopening it to the public will restore its historic role as a community gathering place for civic engagement, education, and volunteer opportunities.

### **6. Project planned with meaningful community engagement and broad community support.**

As described in the project summary, the grantee and local partners have implemented a robust community engagement program involving several community groups and the general public. The project is strongly supported by the community as reflected in the local campaign that to date has raised \$250,000 for the project.

**PROJECT FINANCING**

<b>Coastal Conservancy</b>	<b>\$300,000</b>
California Natural Resources Agency	\$1,937,000
San Luis Obispo County	\$2,963,000
Community donations	<u>\$250,000</u>
<b>Project Total</b>	<b>\$5,450,000</b>

Conservancy funds for this project are expected to derive from appropriations to the Conservancy from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Bond Act of 2006 (Proposition 84, Public Resources Code Sections 75001-75090). Proposition 84 (Public Resources Code Sec. 75060) authorizes the Conservancy's use of these funds to promote access to and enjoyment of the coastal resources of the state consistent with the Conservancy's enabling legislation, Division 21 of the Public Resources Code. The proposed project serves to assist in the development of public access on the coast and, as discussed in the section found immediately below, the project is consistent with Chapter 9 of Division 21.

The source of the San Luis Obispo County funds is an interim loan from the County General Fund via a facilities bond. To date San Luis Obispo County has contributed in kind staff and consultant services valued at \$521,600 to get the project to its current bid-ready stage. The local community has raised \$250,000 in private donations for the project.

**CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:**

The proposed project is undertaken pursuant to Chapter 9 of Division 21 of the Public Resources Code (Sections 31400 - 31410). Section 31400 states that it is the intent of the Legislature that the Conservancy have a principal role in the implementation of a system of public accessways to and along the state's coastline. The proposed new boardwalk and accessible ramp will serve visitors to four miles of sandy beach that is designated as a segment of the California Coastal Trail.

In order to carry out that mandate, the Conservancy is authorized by Section 31400.1 to provide grants to public entities or non-profits organizations to develop, operate and manage lands for access to and along the coast. Section 31400.1 restricts the Conservancy to providing grants to local agencies only for accessways that serve more than local public needs. The project goal is to improve public access to a community building and to the adjacent Cayucos Pier and State Beach, one of the most popular coastal access points on California's central coast. The project would thus serve the recreational needs of residents and visitors from throughout San Luis Obispo County, and from around the state and beyond.

Section 31400.2 authorizes the Conservancy to provide up to the total cost of the initial development of a public accessway by any public agency and requires that the amount of funding provided by the Conservancy be determined by the total amount of funding available for coastal public accessway projects, the fiscal resources of the applicant, the urgency of the

project relative to other eligible projects, and the application of factors prescribed by the Conservancy. Consistent with this section, a new boardwalk and accessible ramp connecting the building to the beach will be constructed, and the proposed amount of the Conservancy contribution was determined based on the total amount of funding available to the Conservancy for public access projects, the matching funds provided by the County (see Project Financing), and consideration of the factors specified in the Conservancy's Project Selection Criteria (See Consistency with Conservancy's Project Selection Criteria & Guidelines). The proposed project would leverage matching funds totaling 95 percent of the costs for this project.

**CONSISTENCY WITH CONSERVANCY'S [2018-2022 STRATEGIC PLAN](#) GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 2, Objective A**, the project will expand opportunities for access for people with disabilities to and along the coast.

Consistent with **Goal 2, Objective D**, the project entails the reconstruction of a dilapidated and unsafe facility to increase and enhance coastal recreational opportunities.

Consistent with **Goal 3, Objective B**, the project implements a waterfront revitalization project that will increase accessibility and support coastal businesses.

Consistent with **Goal 4, Objective A**, the project will support educational programs and interpretive events that improve public understanding and promote stewardship of coastal resources.

**CEQA COMPLIANCE:**

Staff has reviewed the project description and Notice of Exemption prepared for the project by the County of San Luis Obispo and determined that the project is categorically exempt from the California Environmental Quality Act pursuant to Title 14 of the California Code of Regulations, Section 15301 which exempts the repair of existing facilities when the project involves "negligible or no expansion of existing or former use." The proposed renovation of the existing community building involves no expansion of use. The project is also exempt under California Code of Regulations Section 15302 which provides a categorical exemption for "replacement or reconstruction of existing facilities where the new structures will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced". The subject building will be located on the same site as the structure to be renovated and will have substantially the same purpose and capacity as the structure replaced. Upon approval, staff will file a Notice of Exemption.