

Exhibit 3 - Reasons for GMAC Support of Alt 4-A and Opposition to Alt 4-C

With regards the Gualala Downtown Streetscape Project, the Gualala MAC on Feb. 3, 2022, unanimously recommended that Caltrans and MCOG to withdraw Alternative 4-C and adopt Alternative 4-A. Some of the reasons for that decision are discussed briefly in the attached letter. This exhibit is intended to discuss those reasons in more detail.

While this contains most of the reasons discussed by the council on Feb. 3, this document should not be considered as containing all the reasons that may be applicable; the council reserves the right to add or delete others due to the dynamic nature of project planning.

Abbreviations used herein include:

California Coastal Commission (CCC)

Gualala Municipal Advisory Council (GMAC)

Gualala Town Plan (GTP)

Local Coastal Plan (LCP)

Mendocino Council of Governments (MCOG)

Mendocino County Planning and Building Services (PBS)

PART 1: Based on community comments and additional research, GMAC recommends Caltrans/MCOG withdraw Alt 4C.

1. Alt 4-C would violate several parts of the LCP/Town Plan, requiring a complex Town Plan/LCP amendment

The GTP/LCP set a number of very specific requirements for improvements along Highway 1 in downtown Gualala that would take place as part of the Gualala Downtown Streetscape project. Here are a few excerpts. We recommend reviewing the entirety of Section 3.6 of the Gualala Town Plan for additional detail.

Exceptions to these requirements are permitted only when the ROW is insufficient to allow them due to three specific physical limitations, but that exemption doesn't permit addition of non-conforming features. In Alt 4-C, Caltrans proposes to widen the ROW in the downtown area, but uses additional width to install features that are specifically prohibited by the GTP/LCP and to delete elements (landscaping and safety requirements) that are required.

Caltrans and PBS agree these changes would require an amendment to the GTP and LCP.

Caltrans is confident this would not delay the project, “assuming a preferred alternative is supported by a majority of the community.” In 2021, a majority showed it was “very supportive” of Alt 4-A. Caltrans began working on Alt 4-C only after announcing that result.

PBS said amendment could theoretically be accomplished within two years if there is no “amendment creep,” but cautioned it could take an indefinite period if there are legal challenges or other changes that the CCC staff or others wish to explore. This may also result if certain parties attempt (or succeed) in pursuing additional changes to the GTP/LCP as part of this review. GMAC also views this as very likely considering past actions.

Because this would be a complex amendment, GMAC believes it is reasonable to expect a highly contentious review at the CCC, with a strong likelihood of lawsuits (from all sides) that may delay a final CCC decision for years. It has been widely reported the complex amendment of the Mendocino Town Plan required a decade to complete.

Time is of the essence in this project. Given the need for safety improvements in Downtown Gualala was first noted in the mid-1990s, and has only grown more urgent, GMAC feels it best to scuttle Alt 4-C, adopt Alt 4-A, and adhere to the GTP without amendment, if possible.

Here are several relevant sections of the GTP that Alt 4-C would violate (emphasis added). Again, we encourage readers to refer to the GTP for deeper context:

GOAL G2.1.1: [The GTP intends] “To preserve and enhance the rural, coastal character of the town of Gualala, to better integrate future development with the natural surroundings, to protect and restore coastal views, and to improve public access to the coast.”

G3.6-1: Hwy 1 improvements “shall be required to help make Hwy 1 a scenic element” of the Gualala townscape.

G3.6-2: “to help mark the southern entrance... a planted median shall be provided.”

G3.6-3: “Parking areas ... shall be located outside of the corridor preservation setback.”

G3.4-26: Landscaping along Highway 1 and local roadways shall provide an aesthetic complement to the pedestrian walkways and partial screening of parking areas and/or buildings.

G3.4-27: Rather than developing a linear tree planting program, cluster landscapes, which form dense “landscape pockets” with tall, canopy trees, smaller understory trees and ground level shrubs and herbaceous plants, are recommended.

Cluster landscapes have the following benefits: · they can be integrated with existing landscaping and native vegetation; they can help maintain a more “natural” appearance in the town; they can be located in areas where public coastal views will not be blocked; the variety of species in cluster landscapes can help create a microclimate conducive to each plants’ survival.

G3.4-30: Highway 1 medians and embankments should be landscaped with ground level shrubs and herbaceous plants. *Plant materials with seasonal foliage and flower changes are encouraged. Plant materials shall be selected, in part, based on low maintenance and irrigation requirements. Landscaping within the Highway 1 right-of-way requires an encroachment permit from Caltrans.*

2. Caltrans proposed “interim parking at the Surf Market,” but Alt 4C concepts show parking at Hotel Breakers.

Caltrans officials initially told MCOG directors in April 2021 that it was looking into the possibility of adding interim parking “in front of the Surf Market” as part of a draft for Alternative 4-C. In December, it presented the Draft 4-C, repeating the parking was for the Surf Market.

A closer examination of the slide, however, shows the parking is in front of the neighboring Hotel Breakers, which strongly opposes this idea in specific and on-highway parking in general, on both aesthetic reasons and safety concerns – both of which speak to the strict requirements of the GTP.

In Alt 4-C, the highway in front of the Surf Market has no parking but instead has landscaping in accordance with the Gualala Town Plan (GTP). This parking would serve neither the market nor the hotel effectively due to its distance from the entrance to either. And, even if it did, shifting the parking from the market that wants on-highway parking to the hotel that doesn’t smack of an injustice that may cause permanent harm to the hotel property owner.

3. The community is strongly against Alt 4-C. Comments showed a ratio of 22:1 in favor of Alt 4A over Alt 4C.

After meeting with Caltrans to discuss how Alt 4-C would differ from the Alt 4-A that was approved in 2021 by Gualala-area residents, GMAC asked the community which they preferred. We reached out to the greater Gualala community through local Facebook groups, a request in a YouTube video, and through a letter in the local paper, the Independent Coast Observer.

Between approximately Jan. 14 and the close of the GMAC meeting on Feb. 3, GMAC received 51 comments through emails, letters and verbal comments at the meeting. Of those, 44 favored 4-A and 2 favored 4-C. Several of the comments and letters for 4-A asked Caltrans to withdraw Alt 4-C. The council received one longer email for Alt 2, and several non-specific suggestions about the project in general.

All data was shared shortly after the meeting with Caltrans, MCOG, and the public and is reported again in attached Exhibits 1 and 2.

4.. Alt 4-C would add congestion and safety risks while eliminating existing and planned landscaping during interim.

The GTP [G3.6-1] states: *“Public and private improvements to the Highway 1 corridor shall be required to help make Highway 1 a scenic element of the Gualala townscape, to decrease traffic congestion and reduce potential safety hazards, and to encourage more pedestrian activity in the town of Gualala.”*

Alt 4-C would add to congestion by adding parallel parking in contradiction with the GTP/LCP in what Caltrans previously identified as an area too congested to allow parallel parking.

It would remove an existing mature hedge that currently shields a large, off-highway parking area from the highway as recommended in GTP [G3.4-26].

It would, at best, delay the installation of planned landscaping on both sides of the highway, notably in front of the historic Gualala Hotel and the Hotel Breakers, which relies heavily on curb appeal for its trade. Given there is no specific end to the interim, this change must be viewed as permanent in this context. And there is no stated plan to ever restore landscaping in front of the Gualala Hotel.

Alt 4-C would also increase a known and dangerous sightline hazard for motorists pulling onto the highway from the Hotel Breakers by adding parked cars on the highway. GMAC has a photo to illustrate this effect.

Shopping carts from the neighboring market area would likely be left near the parking, given the distance of the spaces from the market entrance. This is an existing, documented hazard that would be perpetuated by Alt 4-C. GMAC has shared a photo of this with Caltrans.

5. Caltrans says it cannot specify length of the interim, effectively relinquishing project timing to private parties.

In Alt 4-C, Caltrans proposes “interim parking,” but refuses to specify how long that interim would be. GMAC proposed an interim of four years from the time MCOG adopts a highway plan, but Caltrans rejected that idea specifically.

Instead, Caltrans said the interim would last until the Surf Center owner completes a redevelopment project and GMAC then reports the town is ready to end the interim. The landowner in question first proposed the redevelopment project about 15 years ago and has yet to turn a shovel of dirt. The owner is now reportedly redrafting his plans, but has not shared them publicly or shared a timeframe. The same owner has lobbied vigorously to retain on-highway parking, even after the project is complete. Thus, he may find an incentive to never

complete the redevelopment project and, instead, use the ongoing interim as leverage in negotiations with the county, state, and third parties in this and other matters.

The Surf Market owner has repeatedly stated publicly he isn't sure his landlord will ever complete the work. Without a fixed interim, GMAC believes the so-called "interim parking" could easily become permanent in violation of the GTP/LCP. It could also lead to blight if the redevelopment project never occurs.

6. Alt 4-C would create the very safety and aesthetic problems the LCP/Town Plan seeks to eliminate. It would require a complex LCP Amendment

To amplify the issues raised in No. 1 above, Alt 4-C would increase congestion and block sightlines in ways that would create new safety issues. When we asked a Caltrans engineer if cars would have to stop in traffic lanes while other vehicles parked, he suggested the motorists could swerve into the center turn lane and go around them. We believe that runs contrary to the California Vehicle Code.

By removing existing landscaping and planned landscaping while adequate right-of-way is available to include it, Alt 4-C creates new aesthetic problems for a town that already suffers from a severe lack of landscaping.

The GTP/LCP emphasize the need to have the project enhance the environment by making the highway a scenic element. Parallel parking works against that goal.

(We addressed the complex LCP amendment issues in No. 1 above.)

7. There's no need for a new bus stop needed for MTA or Schools. This would further add to congestion.

Caltrans says that, after the "interim" ends, the parking may be replaced by a bus stop. However, the prospect of buses slowing down to pull into an on-highway pullout, and then re-entering the traffic lane, would only contribute to congestion and raise other safety issues.

The Superintendent of Schools, in a letter included in Exhibit 3, specifically states the district has no interest in a new bus stop and, if it wanted one, it would seek to have one off the highway for safety reasons.

The Mendocino Transit Authority already has a bus stop at the Sundstrom Mall that handles both northbound and southbound shuttles. It is in a more populated (hence, safer) area, provides shelter in inclement weather, has lots of parking around it, and has access to stores and rest rooms.

An on-highway stop would be more isolated (unsafe), provide no shelter, have no rest room access, and would be farther from stores.

8. Four interim spaces would provide negligible benefits in town with 600+ off-highway spaces. The spaces are also too far from the market to be functional.

Alt 4-C would accommodate up to four on-highway spaces, according to Caltrans. Gualala already boasts more than 600 off-highway spaces, and there is space for at least 100 more.

GMAC members have attested to the fact the off-highway lots are never full. Large trucks and motorhomes are often parked in off-highway lots, with full approval of retailers who welcome their business.

Motorists prefer to park near the store they intend to visit. They would not want to walk to the highway when spaces are readily available by stores.

Caltrans already has a large off-highway lot about 200 feet south of the spaces proposed. (It is unlined, but can accommodate at least 25-35 cars.) Visitors often park there to enjoy the view.

Caltrans says the added on-highway parking would be intended to serve shoppers at the Surf Market, but the nearest space is a long walk from the market. It is likely many shoppers using those spaces would leave empty carts along the highway rather than returning them to the store. (This already occurs, as a GMAC photo illustrates.)

The Surf Center, where the market is located, could end the market's parking issue with the demolition of two empty buildings and paving that area, which is much closer to the market's entrance. The center held demolition permits on those buildings, but let them expire. The Center is planning a massive redevelopment effort that would also provide more off-highway parking.

9. The Hotel Breakers owner is "strongly" opposed on aesthetic and safety issues.

David Shariari, who has invested his life saving into the Hotel Breakers and Vue Restaurant, strongly objects to Alt 4-C in a letter included in Exhibit 3. We defer to his statements.

10. The Surf Center, other properties have better options in hand to add more parking.

As noted in no. 8 above, the Surf Center has other options to provide more parking.

First, for about 15 years, it has held plans to redevelop the property, open the ocean view, realign the buildings, and provide the required parking for all its tenants. The center's owners stated recently they are updating those plans now with the help of a new architect.

Second, in the shorter term, the center could demolish two empty derelict buildings and solve the parking shortage very quickly. It obtained demolition permits, but let them expire.

Third, there is a large and underused parking area behind the Surf Center buildings. The access to it is currently marked "no trespassing." It could be opened to the public immediately, and shoppers could use a back entrance to the market.

GMAC also notes the Upper Crust Pizza restaurant on the east side of the highway currently relies on perpendicular parking in front of its store, requiring customers to back into the oncoming highway traffic lane when departing. The owner has sought to retain public on-highway parking. He also has other options, and GMAC intends to meet with him.

His known options include, but are not limited to, entering into a shared parking arrangement with the Gualala Hotel, which owns a lot adjacent to the pizza shop, or with the Sundstrom Mall, which owns other adjacent parking areas. The shop also has an area currently filled with a picnic table and storage that could be reconfigured.

The pizza shop owner has long known about the changes proposed in the Town Plan regarding on-highway parking, and bought the building approximately six months ago while fully aware of this.

11. Alt 4-C is likely to spark lawsuits (from either side), adding delay to needed safety improvements. Investigations also possible.

GMAC has witnessed many lawsuits between landowners, including some who have backed calls for on-highway parking and changes to the GTP/LCP. Additionally, there are tangential issues involving third-parties that could result in lawsuits affecting the completion of the Streetscape project. We hesitate to discuss them further, but we have good reason to believe they are far more likely under Alt 4-C.

PART 2: GMAC recommends that, with no further delay, Caltrans and MCOG adopt 4A based on strong support from residents in 2021 Town Hall/Survey, recent comments, and very strong opposition to parking at the Hotel Breakers -- the only key element remaining in Alt 4C.

1. GMAC previously recommended approval of 4A in belief it will fulfill the Town Plan/LCP requirements when Caltrans determines need for turn lane.

After Caltrans completed circulation, discussion, surveys and a Town Hall that showed Gualalans were “very supportive” of the Alt 4-A compromise plan, GMAC urged MCOG to adopt it in April 2021. The council did so in the belief that Alt 4-A, while not perfect, will lead quickly to fulfillment of all requirements for highway improvements included in the GTP/LCP.

The sole exception would be the inclusion of the center two-way left turn lane on the northern portion of the project, between Church St. and Ocean Ave. In Alt 4-A, Caltrans proposed postponing that one element until the need for such a lane is more clearly indicated by its safety experts.

It should be noted that in the same survey, 42 percent generally supported the two-way center turn lane in this area. But 41 percent were generally opposed, and 17 percent remained neutral. (If the question had been whether they supported a turn lane at Ocean alone, we believe the vast majority would support that because of concern about traffic accidents there.)

Safety is a key consideration, but not the only one. GMAC recognizes that a substantial minority of residents are reluctant to give up all on-highway parking at once. The council thinks it is reasonable to retain 8 spaces as provided in Alt 4-A during a transitional period.

The two-way center left turn lane is important eventually. There are numerous driveways on the southern end of this section, and the GTP would encourage landscape strips in areas where fewer driveways exist.

Caltrans has excluded a left turn lane at the intersection of Ocean and Highway 1 for now, despite serious injury accidents that have occurred there. GMAC believes Caltrans should restore the turn lane for safety reasons sooner rather than later, but we defer to its authority in this area. Once Caltrans says the turn lane is needed, the retained eight spaces would be converted to the northbound traffic lane, and the project would meet all the requirements of the GTP/LCP.

Caltrans proposed Alt 2 in June 2019, which met all Town Plan requirements. GMAC still supports that alternative as well. Alt 4-A is, in its essence, the same as Alt 2, but with 8 transitional parking spaces instead of a center turn lane.

2. The greater Gualala community was “very supportive” of Alt 4A in Caltrans’ 2021 Survey (61% favored Alt 4, with strong preference for parking on East side of highway)

GMAC’s mission calls on it to gather and report community comments on planning issues to relevant agencies. We see and respect that 61 percent of our community was “very supportive” of Alt 4-A in the Caltrans survey completed in 2021.

We also noted that, of those favoring some parking on the highway, most favored parking on the east side of the highway from Church to Ocean Ave. It is this factor that separates Alt 4-A from Alt 4-B, which would put the parking on the west side. A substantial 41 percent wanted to eliminate on-highway parking entirely.

Taken together, Alt 4-A – with 8 transitional spaces on the east side from Church to Ocean – had the most support in this survey.

3. Alt 4-A has already been circulated, studied in an extensive Caltrans survey, and discussed in detail at a Caltrans Town Hall. We continue to recommend further circulation be waived under CEQA section 15073.5c.

Alt 4-A was broadly circulated by Caltrans in 2020. It was publicized in newspapers, talked about on the radio, debated at GMAC meetings, and analyzed in depth by the GMAC Streetscape committee.

Caltrans produced an online video about the alternatives, and 92 percent of those participating in a subsequent Town Hall said they watched it. The option was further discussed at the Town Hall.

As noted earlier, Caltrans later reported that the community was “very supportive” of the option in a detailed survey conducted in conjunction with the Town Hall.

Caltrans covered this issue very, very carefully during 2020-2021 and the results are crystal clear. Gualalans support Alt 4-A.

The comments we report in this letter and the first two exhibits show that the Town has embraced Alt 4-A and is eager to see it built. We have heard no requests from the community for additional alternatives or another Town Hall, which would be the fourth in four years.

Moreover, GMAC is committed to upholding the legal requirements of the GTP and LCP, and would not approve any alternative that does not fulfill those requirements or at least provide a clear path to fulfilling those requirements. GMAC does not encourage any amendment to the GTP/LCP to go around those requirements.

If there are minor tweaks that are consistent with the Town Plan, they may be completed under CEQA section 15073.5c, which provides precisely for that situation. Examples might include such things as the choice of downcast lighting units, or moving a sidewalk's path in a way that substantially conforms with the Town Plan. GMAC is ready and eager to work with Caltrans and PBS to resolve such minor issues. These do NOT require recirculation of the plan

At GMAC, we unanimously believe this matter is settled and CEQA requirements are fully satisfied. And given that we see a large and growing support for Alt 4-A, we strongly recommend moving forward without further review.

[End]