



COUNTY OF MENDOCINO

DEPARTMENT OF PLANNING AND BUILDING SERVICES

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MEMORANDUM

DATE: JUNE 26, 2025

TO: COASTAL PERMIT ADMINISTRATOR

FROM: LIAM CROWLEY, PLANNER II

SUBJECT: CDP_2024-0040 (CALTRANS) RECOMMENDED ADDITIONAL FINDINGS AND CONDITIONS

Landscaping: As noted on page CPA-12 of the staff report, several Gualala Town Plan policies address the installation of landscaping along State Route 1 medians and embankments. Although included in past alternatives for the project, landscaping was removed from the proposed development. Several comments have been submitted that express concern regarding the removal of landscaping, including assertions that the proposed project is inconsistent with Gualala Town Plan policies.

Although reasons for the removal of landscaping are discussed on page CPA-12 of the report, ongoing discussions with Caltrans, Mendocino County Department of Transportation (DOT), and Mendocino Council of Governments (MCOG) have revealed additional context behind this decision.

As noted in the report, Caltrans is not responsible for maintaining landscaping areas for this project. This is partly due to the project's funding source. The Gualala Downtown Streetscape Enhancement project is funded through a combination of Active Transportation Program (ATP) and State Transportation Improvement Program (STIP) funds. These programs fund projects that are often administered by local agencies. As such, Caltrans delegates responsibility for maintenance to the local agency administering the project. This differs from projects with other funding sources, such as the State Highway Operation and Protection Program (SHOPP). SHOPP projects are administered directly by Caltrans. As such, Caltrans retains responsibility for post-construction maintenance. According to Caltrans' Project Development Procedures Manual, highway planting funded and maintained by Caltrans on conventional highways (which includes the subject portion of State Route 1) is limited to planting that provides safety improvements, erosion control and stormwater pollution prevention, highway planting revegetation, and required mitigation planting.

Caltrans has clarified that it is generally responsible for maintenance within the state right-of-way, such as tree pruning and grass mowing to ensure safety. However, the types of plants that are desired by the Gualala community are not typical. Caltrans does not have the budget or crews for this type of landscape maintenance. According to Caltrans, a Budget Cost Proposal (BCP) to increase resources to allow for landscape crews was requested but ultimately denied. There is no SHOPP funding currently available for a future project to maintain the landscaping.

Therefore, maintenance of landscaping for this project is the responsibility of Mendocino County. To facilitate landscaping maintenance, a Maintenance Agreement is normally established between Caltrans and local government. Maintenance Agreements specify the responsibility for maintaining facilities and the financial arrangements for assuming responsibility. According to Caltrans' Project Development Procedures Manual, Maintenance Agreements are between Caltrans and local agencies, never a private company or developer. As such, Caltrans attempted to negotiate a Maintenance Agreement with Mendocino County Department of Transportation (DOT). However, a dedicated funding source to conduct maintenance activities is not available to County DOT. Originally, the Gualala Town Plan envisioned the following methods of dedicated funding:

G3.9-2: Streetscape improvements on Highway 1 identified in the Gualala Town Plan should be financed by a combination of developer impact fees or a new transient occupancy tax for these specific services proposed which should be placed before the voters in the GMAC area. These fees/taxes should be assessed on all properties within the GMAC area of jurisdiction, and the County shall make every effort to have a corresponding assessment/tax adopted by Sonoma County for all parcels on the Sea Ranch. Streetscape improvements off of Highway 1 shall be paid for by developers whose development benefits from said improvements.

G3.9-3: Special districts may be established to help fund the public improvements identified in the Gualala Town Plan. Assessment districts must be structured to levy an assessment on each property which is directly related to the proportional benefit received.

To date, no developer impact fees, transient occupancy tax, or special districts have been established to fund streetscape improvements, including the desired landscaping. Caltrans has not conducted an analysis of the cost associated with landscaping maintenance. However, Caltrans did note that lane closure(s) would be required for work within six (6) feet of the travel lane, which costs \$7,500 per day per lane. It was estimated that a four (4) person crew would be required for planting, weeding, watering, and ongoing maintenance. Based on correspondence with County DOT, staff estimate that the annual cost of maintenance would be no more than a few ten thousand (\$10,000s) dollars.

Despite the relatively low potential cost of maintenance, County DOT is currently unwilling to enter into a Maintenance Agreement with Caltrans. County DOT has stated that the current number of road crew staff and expertise is not sufficient to cover the maintenance. Per Streets and Highways Code Section 2150, County road funds must be expended exclusively for county roads. As such, County DOT cannot use road funds to maintain landscaping within the state highway in place of a dedicated funding source.

Additionally, a Maintenance Agreement would require the County to deliver evidence of self-insured coverage providing general liability insurance, coverage of bodily injury liability, and property damage liability. The insurance policy must name the state, its officers, agents and employees as the additional insured in the amount of \$1 million per occurrence, \$2 million in aggregate, and \$5 million in excess. If the County were to use a contractor, the contractor would be required to maintain an insurance policy with the same requirements. The prospect of additional liability risk was also a factor in County DOT's decision not to enter into a Maintenance Agreement. County DOT staff have stated that internal payments to the County's Risk Management Department have increased more than five hundred percent (500%) in the last ten (10) years. By comparison, countywide Internal Service Fund (ISF) revenue to the General Liability Insurance/Risk Management budget unit has increased approximately 273% between fiscal year 2015-16 and 2025-26. Beyond insurance premiums, County DOT is concerned that the cost of legal fees or damages for even a single accident resulting from the maintenance of landscaping for the proposed project could exceed decades of maintenance costs.

Although Gualala Town Plan Policy G3.4-30 states that *"Highway 1 medians and embankments should be landscaped with ground level shrubs and herbaceous plants"*, Caltrans has stated that landscaping within the median is not appropriate for this location because it is counter to the Highway Design Manual (HDM) and poses risks within the clear recovery zone, creates issues with sight distance, and creates an unnecessary risk for maintenance workers.

Caltrans has also stated that the HDM mandates that landscaping be designed with the least amount of maintenance requirements and the least amount of exposure for maintenance workers. Caltrans asserts that if they were responsible for the landscaping, they would not have proposed landscaping at the intensity desired by the Gualala Town Plan. As such, the desired landscaping is outside the scope of Caltrans' standard plans. Caltrans has noted that there is no ability to plant landscaping within the state right-of-way without a landscape agreement in place, and that a local City or County are the only entities that are eligible to enter into a landscape agreement for this project. Although Mendocino County would have the option to hire another entity to perform the landscape maintenance, the County must be a signatory to that agreement. Caltrans has stated that specialty project elements requested by a local agency for inclusion in a project require a maintenance agreement. For example, elements like bicycle parking, wayfinding signage, and street trees require Project Specific Maintenance Agreements (PSMAs).

An alternative design that would involve the installation of decorative rocks or patterned pavers was also contemplated. However, Caltrans explained that such landscaping would also be considered non-standard, meaning funding is not available for Caltrans to maintain such items and a PSMA with the County would be required for their maintenance. Caltrans also explained that decorative rocks can accumulate weeds without maintenance, creating a sight distance hazard.

Another possible alternative could involve the installation of landscaping without a Maintenance Agreement and the addition of a condition of approval requiring that a Maintenance Agreement be established prior to the expiration of the permit (2 years). Alternatively, the installation of landscaping could be deferred, and a condition of approval could be added requiring that landscaping be installed at a future time prior to the expiration of the permit. However, Caltrans is unwilling to accept either of these alternatives. As noted above, landscaping cannot be installed without a Maintenance Agreement in place, regardless of whether funding is available for the initial planting and establishment of landscaping. Additionally, these potential alternatives do not directly address the Maintenance Agreement issue. The addition of a condition of approval which would require the future establishment of a Maintenance Agreement is problematic. Caltrans, as the permittee, cannot force County DOT to enter into a Maintenance Agreement. Conditions of approval cannot grant new powers to Caltrans.

As noted on page CPA-12 of the staff report, the exclusion of landscaping from the current proposal does not preclude the installation of landscaping in the future, if funding and maintenance opportunities become available. If funding were available in the future, an entity could apply for an encroachment permit through Caltrans to install landscaping within the

state right-of-way. The encroachment permit would also require a Maintenance Agreement. To ensure that Caltrans would facilitate any future opportunities to install landscaping, staff recommends the following condition of approval be adopted:

28. If at which time future funding becomes available through special tax or fees as described in the Gualala Town Plan, and a Landscape Agreement with a qualified Local or State agency is in place, Caltrans will work with applicants through the encroachment permit process to integrate landscaping in the future.

Staff also recommends that the following finding be adopted to memorialize the discussion above:

11. The removal of landscaping from the proposed development does not conflict with the policies of the Gualala Town Plan. Policy G3.4-22 requires that developments provide as much landscaped area as feasible. In this case, the installation of landscaping is infeasible due to the inability of Caltrans and Mendocino County Department of Transportation to establish a Maintenance Agreement for landscaping. Policies G3.4-26 through G3.4-29 do not require that landscaping be installed. Rather, they establish requirements for any landscaping that is part of a project. Policy G3.4-30 states that "Highway 1 medians and embankments should be landscaped with ground level shrubs and herbaceous plants." The use of the word "should" indicates that this policy is a recommendation rather than a requirement. Policy G3.6-2 refers to an area that is outside the scope of this project. Policy G3.6-3 requires that "street landscaping and pedestrian walkways shall be provided within the corridor preservation setback". Policy G3.6-4 requires that twelve (12) feet of landscaping shall be included within an eighty (80) foot right-of-way on both sides of Highway 1 within the GHMU district. Policy G3.6-16 states that "landscaping shall be provided along all pedestrian walkways". These policies do not specify which entity would be responsible for the installation of landscaping and do not specify a time limit in which full implementation must be achieved. Policies G3.9-1 through G3.9-3 recommend that in-lieu fees, special taxes, or assessment districts be established to fund public improvements, but these funding mechanisms have not been realized. Though landscaping has been removed from the proposed development, its future installation will not be precluded by the proposed development. The areas originally proposed with landscaping elements would be replaced with concrete. If future funding becomes available and a Maintenance Agreement can be established, the concrete could be removed and replaced with landscaping. The inability to include landscaping within this project should not imperil the other elements of the proposed development that would directly implement several policies within the Gualala Town Plan. The installation of landscaping is outside the scope of this project in the same way that the installation of a pedestrian crosswalk across Center Street (Policy G3.6-17) or the extension of pedestrian crosswalks along the west side of Highway 1 to Robinson Reef Road (Policy G3.6-14) are outside the scope of this project. The Gualala Town Plan requires that these other features be implemented. Practical constraints limit the inclusion of these elements within the proposed development, but the proposed development does not prevent these elements from being installed in the future. The same is true of highway landscaping.

GMAC Comments: As noted on page CPA-4 of the staff report, the Gualala Municipal Advisory Council (GMAC) provided six (6) recommended conditions of approval for the project. Staff recommends that those recommendations be adopted as conditions of approval. Caltrans also provided the following response to each recommendation:

1. A monitoring and reporting plan to ensure applicable water quality objectives are met will be included in a Stormwater Pollution Prevention Plan (SWPPP) that is prepared by the contractor. This includes schedule of work including Temporary BMP implementation as part of the Construction Site BMP strategy. Currently, the risk assessment analysis determined the project is a Risk Level 3, based on potential erosion and transport of sediment to receiving waters. Because the proposed project has been evaluated as Risk Level 3, sampling and analysis of effluent discharges are required to characterize discharges associated with construction activity from the entire area to be disturbed. A minimum of three samples per day during qualifying rain events (0.5 inch or more of precipitation within a 24-hour period) are required for the analysis of pH and turbidity, and for any additional parameters identified in the proposed project's SWPPP.
2. We [Caltrans] usually have a website that a Public Information Officer can update regularly and can be in contact when questions arise.
3. Access will be maintained and clearly delineated for both vehicles and pedestrians throughout the duration of the project.
4. Caltrans will implement construction standards and avoidance measures which address dust control onsite.

5. *Stormwater management features will not impact the scenic value of the Gualala Bluff Trail.*
6. *The landscape Architect that is assigned to this project has provided a proposed native seed mix for erosion control [see attachments C, D, & E] that includes a variety of native plants.*

On-Street Parking: On June 12, 2025, staff received a letter from Jackson Law Offices asserting that the project should not be permitted to move forward without a clear plan to protect the local businesses negatively affected by the project, particularly the business located at 39331 South Highway 1 (APN 145-262-10). Based on the photograph attached to the letter, it appears that patrons utilize an informal area within the highway right-of-way as on-street parking. The letter asserts that this parking would be eliminated by the proposed project. As noted on page CPA-13 of the staff report, Gualala Town Plan Policy G3.6-12 states that “*no on-street parking shall be permitted on Highway 1*”. The proposed project would directly implement this policy. Policy G3.6-12 was adopted in 2002. According to County records, the subject property was transferred to the current owner in 2020. As such, the current owner’s expectations in purchasing the property could not have included the assurance that informal, on-street parking could be retained in the future.

Conclusion: Although it is unfortunate that the proposed development does not include the landscaping contemplated by the Gualala Town Plan, the exclusion of landscaping should not jeopardize the remaining elements of the project, which would deliver significant streetscape improvements to the Gualala downtown area and directly implement several other policies of the Gualala Town Plan. As such, staff recommends that the Coastal Permit Administrator approve the project in accordance with the findings and conditions of approval in the staff report with the addition of the condition and finding included in this memorandum.

Attachments:

- Caltrans Streetscape Rendering (Southbound)
- Caltrans Streetscape Rendering (Northbound)



