

Exhibit A

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DISCUSSION

INTRODUCTION

The site is a 2.8 acre (121,968 square foot) property in Pebble Beach on the ocean side of 17-Mile Drive, developed with a single-family home with an attached two-car garage, a gymnasium connected to the main home with a covered walkway, a detached accessory dwelling unit and garage, and three sheds. On February 25, 2021, the Zoning Administrator approved a Combined Development Permit (PLN200068) to allow partial demolition and re-construction of the accessory dwelling unit and garage (Zoning Administrator Resolution No. 21-008). Construction pursuant to that permit is on-going.

This project (PLN210276) proposes:

- demolition of the existing 17,992 square foot single-family home with an attached two-car garage, 3,797 square foot gymnasium, and three sheds;
- construction of a new 7,767 square foot single-family dwelling with an attached two-car garage, 882 square foot basement, and 712 square foot pool house; and
- site improvements, including new driveways and paths, a 1,114 square foot pool, and a 319 square foot spa.

The project also includes deleting Condition No. 8 of the prior approval (PLN200068) requiring recordation of a Conservation and Scenic Easement. A new condition will be applied to the proposed project requiring a conservation and scenic easement reflecting the revised development footprint. This is further discussed in the “Environmentally Sensitive Habitat” section below.

ALLOWED USE AND DEVELOPMENT STANDARDS

The property is zoned Low Density Residential, 2 acres per unit, with a Design Control overlay (Coastal Zone) [LDR/2-D(CZ)], which allows development of single-family dwellings and non-habitable accessory structures such as garages and pool houses as principally allowable uses, subject to a Coastal Administrative Permit. (Title 20 Sections 20.14.040.A. and 20.14.040.F.) The site development standards for the base LDR zoning are found in Title 20 section 20.14. The project is consistent with the minimum setback, maximum height, maximum building coverage, and maximum floor area requirements, as summarized in the tables below.

| Table 1: Main Home Setbacks and Height | | |
|--|----------|------------------|
| | Required | Proposed |
| Front (min) | 30 feet* | 32 feet |
| Side – West (min) | 20 feet | 156 feet |
| Rear Setback (min) | 20 feet | 94 feet |
| Height (max) | 30 feet | 19 feet 6 inches |

*DMF LUP Policy 84 further requires a 100 foot setback from the centerline of 17-Mile Drive, unless certain criteria are met. This policy is discussed below in “Visual Resources”.

| Table 2: Pool House Setbacks and Height | | |
|---|----------|----------|
| | Required | Proposed |
| Front (min) | 50 feet | 50 feet |
| Side – East (min) | 6 feet | 36 feet |
| Rear Setback (min) | 1 foot | 79 feet |

| | | |
|--------------|---------|---------|
| Height (max) | 15 feet | 15 feet |
|--------------|---------|---------|

| Table 3: Building Site Coverage and Floor Area | | |
|--|----------------------------|---------------------------|
| | Maximum Allowed | Proposed |
| Building Site Coverage | 15% (18,295 square feet) | 9.5% (11,586 square feet) |
| Floor Area Ratio | 17.5% (21,344 square feet) | 8.2% (9,969 square feet) |

COASTAL HAZARDS

The Del Monte Forest Land Use Plan (DMF LUP) contains policies governing development within hazardous areas, and implementing regulations for these policies are contained in Part 5 of the Monterey County Coastal Implementation Plan (CIP).

The proposed development is within 50 feet of a coastal bluff, and in accordance with DMF LUP Hazards Policy 46, geological (LIB220003) and geotechnical (LIB220004) reports were required to evaluate the suitability of the site. The reports concluded that the site was suitable for development given that the recommendations within them were followed. These included recommendations on site grading, foundation design, and surface drainage. Staff are recommending that the County’s standard notice of report condition be applied for each report (Condition Nos. 8 and 9) to ensure that they are.

Additionally, pursuant to CIP section 20.147.060.B.6., new development is required to avoid the need for shoreline armoring over the development’s lifetime, and habitable structures are required to be sited outside of areas subject to storm wave run-up. The County does not have a regulatory standard establishing the lifetime of development for different land uses, however the advisory 2018 Sea Level Rise Policy Guidance document prepared by the California Coastal Commission indicates a minimum of 75 years as the long-range evaluation horizon for the life of a structure.

The project geologist concluded that, based on historical bluff erosion information, bluff retreat would be between 5 and 10 feet over the next 75 years. Climate change and sea level rise accelerates bluff retreat, so an additional 5 feet was factored in to account for this. Finally, a safety factor of 10 feet was added to account the inherent imprecision of evaluating future coastal erosion, and to create a buffer zone from the bluff edge to proposed building foundations in the future scenario (year 2097). This produced a total recommended setback of 25 feet from the current bluff edge. All proposed structures are outside of this recommended bluff setback, so the development has been designed in a way that is not anticipated to require armoring over the life of development.

The impacts of ocean wave run-up (storm surges) were observed around the 48 – 52 foot elevation above NAVD 88. The geological report concludes that wave run-up will rise by the amount of sea level rise that occurs within the life of the structures. If the 2018 Sea Level Rise Policy Guidance “Medium – High Risk Aversion” figures are used, the sea level would rise between 5.5 and 6.9 feet by 2100, which would be an elevation between 53.5 to 58.9 feet. The lowest finish floor (the lower floor/basement of the single-family home) is proposed with a finish floor elevation of 62 feet, higher than both of these figures.

ENVIRONMENTALLY SENSITIVE HABITAT AREAS

The Del Monte Forest Land Use Plan (DMF LUP) contains policies intended to protect Environmentally Sensitive Habitat Areas “ESHA”, with implementing regulations contained in Part 5 of the Monterey County Coastal Implementation Plan (CIP). Monterey cypress forest habitat is designated as ESHA and presumed present in all areas mapped in Figure 2a of the DMF LUP, which includes this property.

Therefore, in accordance with CIP section 20.147.040.D.2.(a), coordinated biological (LIB220002) and forest management (LIB220026) reports were prepared to assess the potential of the project to impact sensitive habitat areas and species. The reports identified two distinct environmentally sensitive habitat areas on the property, indigenous Monterey cypress forest, and coastal bluff scrub, which contains Sea-cliff Buckwheat, a host plant for the federally endangered Smith’s Blue Butterfly.

The Del Monte Forest Land Use Plan recognizes that sensitive habitats in the area are unique, limited, and fragile resources that enrich Del Monte Forest for residents and visitors alike. Accordingly the Plan calls for these resources to be protected, maintained, and, where possible, enhanced and restored. This project advances this key policy as: the proposed development has been sited and designed to be within the existing development footprint, minimizing potential impact to habitat areas; detailed best management practices are incorporated through Mitigation Measures No. 1 and 2 to ensure that the habitats are protected through construction; and implementation of Mitigation Measures no. 3 and 4 will ensure that invasive weeds are removed from the property and approximately 33,600 square feet of sensitive habitat area are restored.

Indigenous Monterey Cypress Forest

Indigenous Monterey cypress habitat in the Del Monte Forest is protected by DMF LUP Policy 20, and development standards for this habitat are enumerated in CIP section 20.147.040.D.2., both of which were updated in 2018 and attached as **Exhibits H and I**.

CIP section 20.147.040.D.2.(b) requires that all development in and adjacent to cypress forest shall be carefully sited and designed to avoid adverse impacts to cypress habitat, and include measures recommended in the biological/forestry reports to protect and enhance Monterey cypress habitat values. The project incorporates the best management practices recommended in the biological forestry reports to protect and enhance the habitat area:

- Mitigation Measure No. 1 requires wrapping tree trunks with protective material, establishment of protective exclusionary fencing areas, a pre-construction training, on-going monitoring during construction by a qualified arborist or forester, and remediation if any trees are inadvertently harmed during construction.
- Mitigation Measure No. 3 requires eradication of invasive species onsite; and
- Mitigation Measure No. 4 requires preparation, execution, and monitoring of a restoration plan, which would restore approximately 33,607 square feet of environmentally sensitive habitat area, inclusive of 14,619 square feet of Monterey Cypress forest habitat and ecotone, and 18,988 square feet of coastal bluff scrub habitat. This is in addition to the approximately 16,783 square feet of restoration required by the approved planning permit PLN200068, which allowed alterations to the existing accessory dwelling unit.

| Habitat Type | PLN200068 (Approved) | PLN210276 (Proposed) | Total |
|-----------------------------------|-------------------------|-------------------------|--------|
| Monterey cypress understory | 7,582 | 8,613 | 16,195 |
| Northern Coastal bluff scrub | 6,325 | 18,988 | 25,313 |
| Cypress and bluff scrub ecotone | 471 | 2,711 | 3,182 |
| Monterey cypress germination area | 2,405 | 3,295 | 5,700 |
| Total Habitat Restoration | 16,783 | 33,607 | 50,390 |

CIP section 20.147.040.D.2.(c) provides further development criteria in Monterey cypress forest habitat. This section essentially establishes a two-part test for evaluating which detailed criteria to use. Part one of the test is whether the lot is developed. Projects on undeveloped lots are subject to the regulations in 20.147.040.D.2.(c)(1), while projects on already developed lots are subject to the regulations within 20.147.040.D.2.(c)(2). Per the first paragraph of 20.147.040.D.2.(c)(2), on developed lots new development should remain within the existing legally established structural/hardscape area. This project is located within the footprint occupied by current development.

Per the second paragraph of 20.147.040.D.2.(c)(2), new or modified development outside of the existing legally established structure/hardscape area would be allowable if it complies with the findings of 20.147.040.D.2.(c)(2)(a) – (g), however, these findings are not applicable as all development is within the existing structural/hardscape area. Previous iterations of the design did include impervious native soil paths outside of the development area. However, as indicated in revised plan sheet A0.6 submitted on November 7, 2022, these paths have been removed to assure consistency with the CIP regulations. This sheet is Attachment 2 to the permit resolution, and the other site plans would need be updated for consistency with this sheet prior to building permit issuance for the building permit to be determined to be in substantial conformance with the planning approval.

Coastal Bluff Scrub

This site also contains coastal bluff scrub habitat. In the DMF LUP, designation of ESHA is context dependent, relying both on current evaluation of existing resources and the sensitivity of habitats and species at the time of development consideration. North coastal bluff scrub is considered ESHA by the California Coastal Commission, recognized as a threatened plant community by the California Department of Fish and Wildlife, and classified as a community “rare and worthy of consideration” by the California Natural Diversity Database (CNDDDB), and in this case includes the species Sea-cliff Buckwheat, a host plant for the federally endangered Smith’s Blue Butterfly, and a single Ocean bluff milkvetch, a sensitive plant species. Therefore, the coastal bluff scrub on the site is determined to be ESHA.

DMF LUP Policy 8 indicates that environmentally sensitive habitats shall be protected against significant disruption in habitat values. Addressing this policy in the context of bluff scrub, Mitigation Measure No. 2 is incorporated, which requires that protective fencing be installed around existing Sea Cliff Buckwheat and intact coastal bluff scrub habitat areas to protect them during construction, that the invasive species eradication contractor meet with the project

biologist prior to initiating the invasive species eradication form Mitigation Measure No. 3, and that sediment control devices be installed along the perimeter of the building envelope to prevent construction runoff from impacting bluff scrub habitat and the ocean.

To protect coastal habitat areas, DMF LUP Policy 25 requires a setback/buffer of at least 100 feet from the edge of mean high water tide line. While the mean high water tide line is not precisely denoted, all proposed structures appear greater than 120 feet from the pacific ocean, and are further from the ocean than the existing structures, which would appear consistent with this policy. Portions of the existing hardscape appear within this 100 foot buffer, however, these areas are existing and not being modified by the project.

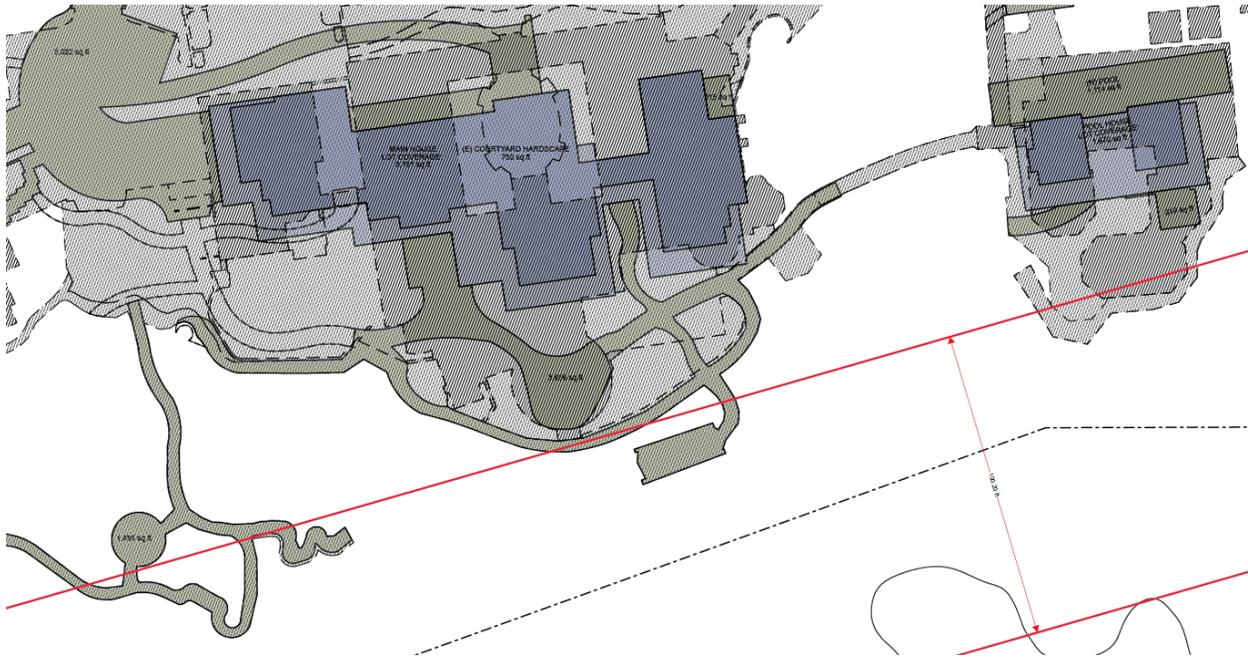


Figure 1: Red Line Indicates Approximate 100 foot buffer from Shoreline

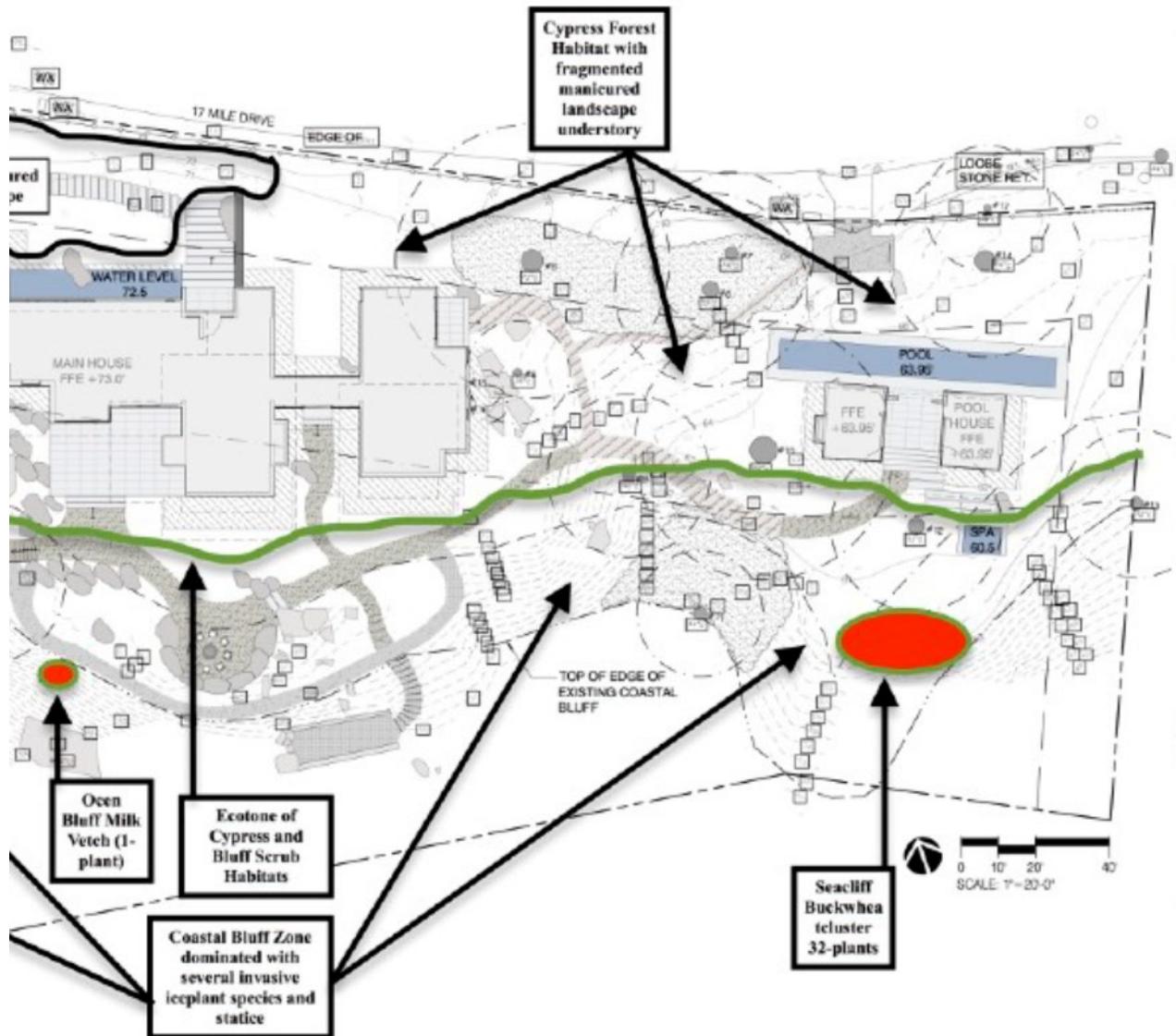


Figure 2: Denoting Plant Habitat and Species Locations on South/East of Property

Conservation and Scenic Easement Amendment

In 2004 a Scenic Easement was recorded on the property which restricted structural development within 100-feet of 17-Mile Drive, excepting existing and approved development areas. This easement initially appeared to be an enforcement mechanism for DMF LUP Policy 84, which requires a 100-foot setback from the centerline unless certain exception criteria are met to protect the viewshed from 17-Mile Drive, and is recorded in Monterey County Recorder document No. 2004087472.

On March 4, 2021, the Zoning Administrator approved a Coastal Development Permit (PLN200068), allowing partial demolition and re-construction of the detached accessory dwelling unit/garage on the west of the property. This approval included a new Conservation and Scenic Easement Condition No. 8, which required that the 2004 scenic easement be amended to cover all areas of the property excepting existing and approved development, and to protect

environmentally sensitive habitats in accordance with DMF LUP Policies 20 and 13.

However, the easement condition was structured so that the easement would burden the entire property (excepting existing and approved development) without a separate easement map or legal description. Draft easement language and a diagram depicting the existing and approved development were prepared but the easement has not yet been recorded.

This application requests to substitute Condition No. 8 from PLN200068 with a new conservation and scenic easement condition, which would include an easement map and legal description. This serves a few functions:

- The timing of the modified easement would allow final recording of the amended easement to be completed prior to final inspection of the home, rather than final inspection of the accessory dwelling unit.
- While the lack of a map and legal description were included in the condition text of PLN200068, including these would make the easement clearer and easier to enforce.
- The project involves a substantial reduction in hardscape and increase of sensitive habitat areas, a new easement would be required by DMF LUP Policies 13 and 20. Amending Condition No. 8 would streamline this process. Rather than the easement required by PLN200068 being recorded and then subsequently amended by a new easement required under PLN210276, one new easement would be prepared for the property which would satisfy the easement requirements of both permits.

The amended condition would still be generally keeping with the original action of the Zoning Administrator, and no new environmental impacts would be created, as both conditions require a Conservation and Scenic Easement over all areas excepting existing and approved development.

VISUAL RESOURCES

The neighborhood consists of large single-family homes with a variety of traditional materials, styles, and roof profiles. The landscape is heavily forested, with intermittent views of the Pacific Ocean and craggy coastal bluffs from 17-Mile Drive.

The project is subject to the Visual Resources protection policies of the Del Monte Forest Land Use Plan (DMF LUP), their implementing regulations in Part 5 of the Monterey County Coastal Implementation Plan (CIP), and the Design Control “D” zoning overlay district, which requires a design review of structures and fences to assure protection of the public viewshed and neighborhood character. The project is consistent with these policies, regulations, and the surrounding neighborhood character.

The colors and material palette includes limestone, bronze roofing and window frames, and a cypress soffit, natural materials consistent DMF LUP Policies 52 and 53, that development harmonize with the natural setting and be designed to subordinate and blend into the environment. The substantial reduction in height and massing from the existing home, from 32 feet and 7 inches to 19 feet and 6 inches also helps subordinate the design to the surrounding forest.

The project does propose large clear story windows oriented toward Point Lobos, which could be a potential source of glare or night time light pollution. However, Condition No. 7 is recommended, which requires lighting be unobtrusive, reduce offsite glare, and light only an intended area. This lighting plan condition also includes language requiring that the applicant provide evidence that the non-reflective glass and automatic dimmers were installed prior to building final, ensuring that the project doesn't contribute to glare or night time light pollution.

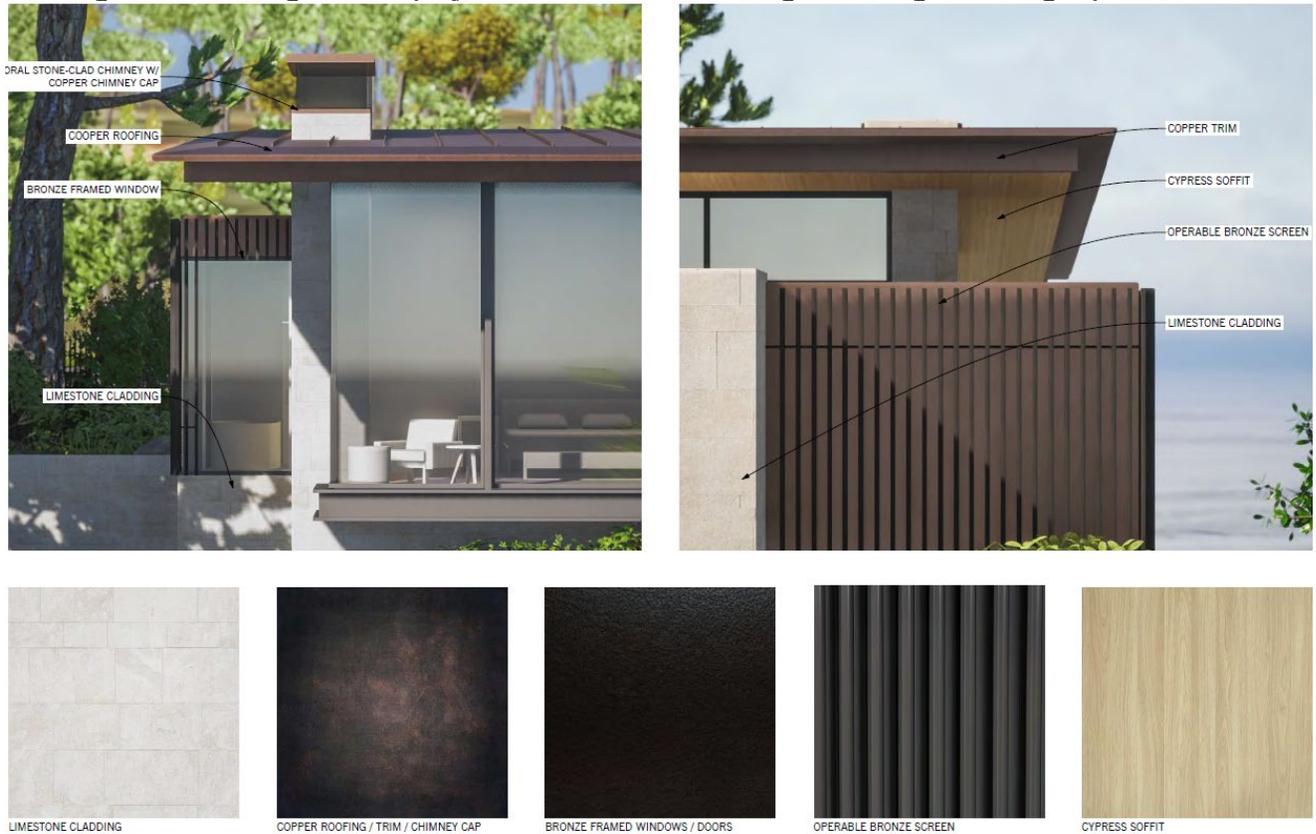


Figure 3: Colors and Materials

DMF LUP Land Use and Development Policy 84 indicates that a minimum of a 100 foot setback from the centerline of 17-Mile drive shall be maintained to screen development from public views, unless “otherwise screened by vegetation and/or terrain, and the screening terrain/vegetation is required to be maintained and/or enhanced in perpetuity for screening and public viewshed enhancement purposes.” In this case, the proposed home is approximately 52 feet from the centerline of 17-mile drive at the closest point. However, such encroachment into the setback is still supportable as moving it further from 17 Mile Drive would conflict with bluff and habitat policies and the project is consistent with the policy as it proposes:

- A 6 foot tall fence which will screen the proposed project from view from 17-Mile Drive and runs for 420 lineal feet;
- “Viewshed” fencing along 3 points on 17-Mil drive, totaling 103 feet, which are sited to increase blue ocean views from 17-Mile Drive, enhancing the public viewshed; and
- Approximately 33,600 square feet of habitat restoration. In addition to its ecological value, the cypress forest and scrub habitats will screen the proposed structures and

enhance the public viewshed, and be required to be maintained in perpetuity in accordance with Landscaping Restoration Plan Condition No. 6.

CULTURAL RESOURCES

The Del Monte Forest Land Use Plan (DMF LUP) Cultural Resources key policy indicates that Del Monte Forest's cultural resources shall be maintained, preserved, and protected for their scientific and cultural heritage values, with new development being required to incorporate site planning and design features necessary to avoid, minimize, and mitigate impacts to cultural resources.

Historical Resources

DMF LUP Policy 57 encourages timely identification and evaluation of archaeological and historical resources so that they may be given full consideration during the conceptual design phase of projects. In accordance with this, a historical report (LIB220005) was prepared which evaluated the historicity of the property and whether the project would impact historical resources. The property is developed with an approximately 17,992 square foot single-family home, designed by George Washington Smith in the Spanish Colonial Revival style and constructed in 1924. The association of this style would place it within the period of prominence for Mediterranean revival architecture in the 1919-1945 time period according to the Pebble Beach Historic Context statement. Therefore, should it have retained integrity the home would have been significant both as a representation of the trend of Spanish Colonial Revival Architecture in Pebble Beach and as a notable example of the work of George Washington Smith. Neither the gymnasium or accessory dwelling unit were considered significant or contributing to the historical character of the site, due to their more recent construction and modifications.

However, for a property to be considered a historical resource, it must contain both significance and integrity. The home has undergone numerous alterations, most notable of which beginning in the 70's, which compromise its integrity such that it no longer conveys its significance and no longer retains its core historically defining features. As the property does not retain integrity, it cannot be considered a historical resource, and its removal would not impact historical resources. The project was referred to the Historic Resources Review Board (HRRB) for review. The historical report (LIB220005) prepared by Seth A. Bergstein and concurring opinions that the site had lost its integrity from Kent L. Seavey, Page & Turnbull, and Marc Appleton and Anthony Kirk were provided to the HRRB, as well as a petition opposing the demolition of the home. 6-0 with 1 absent, the HRRB adopted a resolution finding the site was not eligible for listing on the Monterey County Register of Historic Resources and recommending approval of the project.

Archaeological Resources

Pursuant to DMF LUP Policy 58, an archaeological report (LIB220001) was prepared by Susan Morley to evaluate the potential of the project to impact archaeological resources. The report included archival research, a field reconnaissance, and subsurface testing for cultural resources. The archival research identified that in 1988, Charles Smith prepared a report for the accessory dwelling (at that time caretaker) unit. That report did not identify any evidence of archaeological resources in proximity to the unit. In 1990, Breschini and Haversat prepared a report for the expansion of the gym, which identified resources in proximity to the site. With known resources

nearby, staff requested testing. Archaeological observation of the geotechnical bores, B-1 through B-3 and HA-1 through HA-4 did not reveal any evidence of cultural materials. The archaeologist also conducted four hand augers around the gym, A1 through A4. The augers revealed sparse abalone shell fragments. No other cultural constituents were noted.

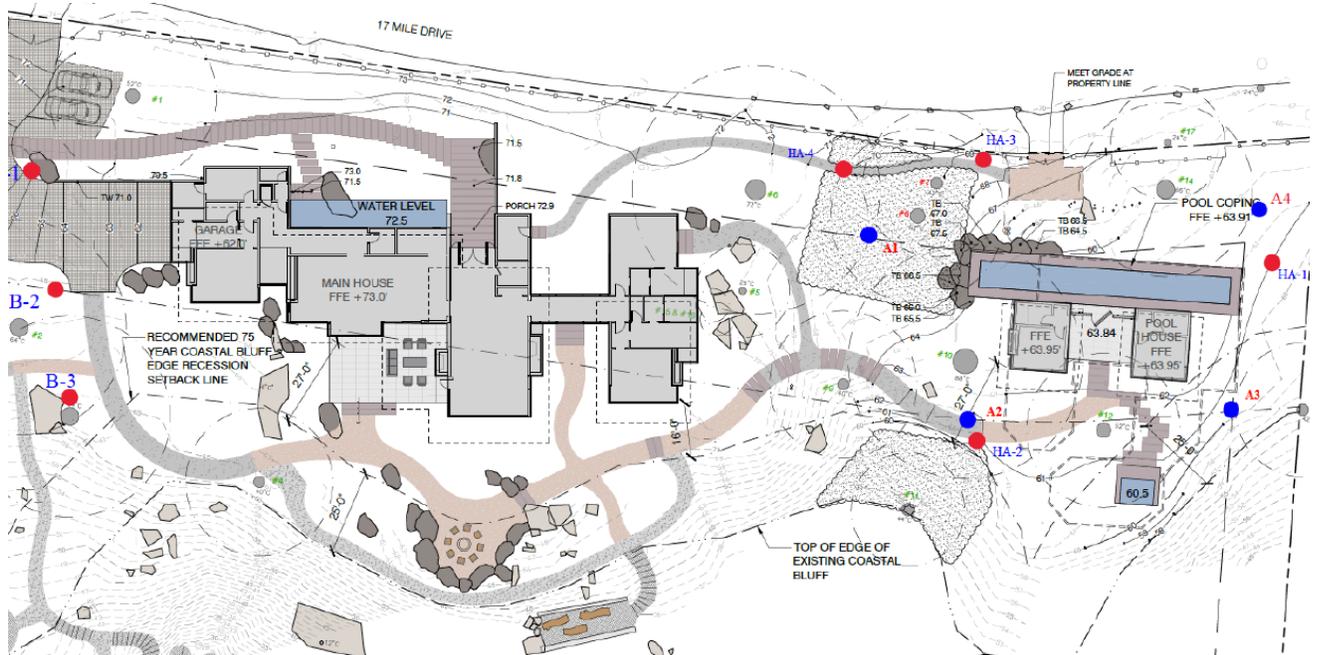


Figure 4: Auger and Bore Locations

Due to the presence of shells and the proximity to known resources, Mitigation Measure No. 5 is recommended, which would require establishment of an exclusionary fence along the hardscape path to prevent disturbance beyond the areas intended. And while only extremely sparse marine shell fragments were identified during the auger testing, there is the potential for the site to contain previously unidentified resources. Therefore, Mitigation Measure No. 5 also requires cultural awareness training for construction personnel and archaeological monitoring during grading and excavation activities, and the County's standard Condition No. 3 has been applied, requiring work be halted and the coroner be contacted if any human remains are discovered. This Mitigation Measure and condition reduce potential impacts to archaeological resources to a less than significant level.

Tribal Cultural Resources

In accordance Assembly Bill (AB) 52, on July 22, 2022 the County sent notices of the proposed project to the Ohlone/Costanoan-Esselen Nation, Esselen Tribe of Monterey County, and KaKoon Ta Ruk Band of Ohlone-Costanoan informing them the project and their ability to request a consultation. None of the notified tribal groups requested a consultation. However, due to the known sensitivity of the site to archaeological resources and overlap between archaeological and tribal cultural resources, Mitigation Measure No. 6 has been applied, which requires that a tribal monitor approved by the appropriate tribal authority traditionally and culturally affiliated with the area be onsite to observe all project related grading and excavation. The monitor shall have the authority to temporarily halt work to examine any potentially significant cultural materials or features.