Exhibit B

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DISCUSSION

INTRODUCTION

The site is a 1.11 acre (48,560 square feet) property in the Otter Cove subdivision in the Big Sur Coast Land Use Plan (BSC LUP), developed with a two story 4,058 square foot single-family home with a 274 square foot attached garage and a 125 square foot detached shed. The property has a driveway that connects into Aurora Del Mar. The site is bounded by a steep coastal bluff which runs along the north half of the property. A low stone retaining/seat wall runs parallel to the bluff bounding the edge of the developed area. Between this stone wall and the residence are a patio area and two elevated wood decks; one by the entry and one by the master bathroom, which includes a spiral staircase. A third deck is southeast of the residence.

On the home, the project proposes:

- A 312 square foot addition to the single-family home.
- A 244 square foot addition to the attached garage.
- Re-roofing the residence.
- An increase in height above the game room, to add a clerestory window.
- Replacing the wood deck by the entry.
- Replacing the spiral staircase on the deck by the master bedroom.
- Replacing the deck southeast of the residence, pulling it further from the bluff edge and installing a spa on it.

Additional site improvements include:

- Replacing the stone curb on the north of the driveway.
- Installing a new retaining wall and pedestrian stairs on the south of the driveway.
- Removing an existing 125 square foot shed.
- Constructing a new 250 square foot shed.
- Installing a wood board walk connecting the roof of the residence, spa area, and shed.
- Replace flatwork in existing areas.
- Removal of 3 Monterey cypress trees.
- Removal of a grove of 14 Eucalyptus trees.

The project is within 50 feet of a bluff and in an area with many sensitive resources: biological, scenic, and archaeological. Despite these environmental constraints, the project will not impact environmental resources and is consistent with the Big Sur Coast Land Use Plan (BSC LUP) resource protection policies. The relevant project issues are summarized below and discussed in more detail in the subsequent sections.

Hazardous Areas

The addition and the new shed are outside of the geologist recommended 75-year bluff setback; and while the deck alteration is within this setback, it does not extend the deck closer to the ocean, and does not modify the approximately 1 foot retaining wall that forms the outward edge of the development. The geological report does conclude that the existing development seaward of this 75-year bluff setback is at risk and may be damaged over the next 75-years. To address this Condition No. 14 is recommended, which will require a deed restriction notifying owners of the potential geologic hazard.

Scenic Resources

The property is in view of Highway 1, which would place it in the Big Sur Critical Viewshed. However, Otter Cover is exempt from the Critical Viewshed developments standards, and the project is consistent with the Scenic Resources development standards governing development in Otter Cove. The colors, materials, and scale of the proposed addition and shed are subordinate to the surrounding environment; and while the removal of the Eucalyptus grove has the potential to make the home viewable from Highway 1, it opens access to blue ocean views, enhancing the publics visual access to the ocean. Staff are also recommending landscaping screening in the front of the home to minimize visibility from scenic Highway 1.

Forest Resources

Tree removal is proposed consisting of 3 Monterey cypress trees and a grove of 14 Eucalyptus trees. Removal of the cypress is the minimum number under the circumstances. Removal of the Eucalyptus does include two tree stems above 24 inches in diameter, which would define them as "landmark" trees, however, it abates an exotic/invasive species, which is encouraged by the Big Sur Coast Land Use Plan.

Archaeological Resources

The project is in an area mapped as being highly sensitive for, and within 750 feet of known archaeological resources. However, site specific investigations did not identify the presence of any resources, and the project is not anticipated to impact archaeological resources.

Environmentally Sensitive Habitat Areas

The coastal bluff contains the environmentally sensitive Coastal bluff scrub vegetation community. In accordance with the recommendations of the project biologist, as long as all construction activity is landward of the retaining wall outlining the edge of the development area, no impacts to environmentally sensitive habitat will occur. Staff are recommending a construction management plan Condition No. 15, to ensure that all construction activity is kept away from the sensitive habitat area, ensuring its protection.

ALLOWED USE AND DEVELOPMENT STANDARDS

Allowed Use

The property is zoned Rural Density Residential, 40 Acres per Unit with a Design Control overlay in the Coastal Zone, or "RDR/40-D(CZ)", which allows the first single-family dwelling per legal lot of record and non-habitable accessory structures such as garages and sheds subject to a Coastal Administrative Permit (Title 20 sections 20.16.040.A. and 20.16.040.E.). Therefore, all proposed uses are allowable.

Development Standards

The development standards for the RDR zoning are located in Title 20 section 20.16.060, which has standards for minimum setbacks, maximum structure height, and building site coverage. The setback section indicates that the minimum setback may be superseded by the setbacks shown on the subdivision final map. In this case the final map, "Map of Tract No. 588 Carmel Sur" filed in Volume 10 Cities and Towns Page 6 indicates a minimum front setback of 50 feet, which applies

to both the main and accessory structures. Both the home and proposed shed comply with this setback. The project is consistent with all the applicable development standards:

- The required side and rear setbacks for main structures are 20 feet. The proposed side and rear setbacks for the main home are not dimensioned on the plan set, but are approximately 30 feet (side) and 25 feet (rear).
- The required side and rear setbacks for non-habitable accessory structures are 6 feet (side) and 1 foot (rear). The proposed side is 14 feet, and while the rear setback is not dimensioned on the plan set, is greater than 70 feet.
- The maximum allowable height is 30 feet for main structures, and 15 feet for nonhabitable accessory structures is 15 feet. The proposed heights are 16 feet for the home and 11 foot and 6 inches for the shed, in conformance with these requirements.
- The maximum allowable building site coverage is 25% (12,140 square feet), and the proposed coverage is 8% (3,898 square feet).

SCENIC RESOURCES

The property is subject to the BSC LUP Scenic Resources protection policies; their implementing regulations within Monterey County Coastal Implementation Plan (CIP), Part 3; and the requirements of the Design Control "D" zoning district, which requires design review to assure protection of public viewshed and neighborhood character. The Scenic Resources Key policy 3.2.1 indicates that due to "*Big Sur coast's outstanding beauty and its great benefit to the people of the State and Nation, it is the County's objective to preserve these scenic resources in perpetuity and to promote the restoration of the natural beauty of visually degraded areas wherever possible…*" which provides an analytical lens for the design review. The LUP defines the Big Sur Critical Viewshed as everything within sight of Highway 1 and major public viewing areas, and has policies which essentially prohibit development in the Critical Viewshed.

However, while located on the ocean side of Highway 1 and viewable from the highway, the property is in the Otter Cove subdivision, which is exempt from the BSC LUP Critical Viewshed standards. Instead, properties in Otter Cove are subject to the standards in CIP section 20.145.030.C.2 and the additional specific standards in CIP section 20.145.030.B.7. As conditioned, the project is consistent with these development standards and maximizes protection of the viewshed.

In accordance with CIP section 20.145.030.B.7.b, the roofing material is natural and earth tone to blend with the environment, being primarily a green roof, with a small section being a green copper standing seem roof. The copper section is angled away from the public viewshed.

CIP section 20.145.030.B.7.c. indicates that berming and other measures be used to minimize views of structures without blocking ocean vistas seen from Highway 1. The existing Eucalyptus grove west of the home does provide screening of the residence from the highway; however, it also significantly blocks the public's view of the ocean. The applicants are proposing to remove these trees, which will open up white water views and be a net benefit to the viewshed. To minimize visibility of the residence, pursuant to CIP section 20.145.030.C.2.d staff are recommending that the landscaping plan Condition No. 7 be included, which shall require planting of landscaping screening parallel to the highway to minimize view of the home without obstructing views of the ocean.

Consistent with CIP section 20.145.030.C.2.c, the colors, materials, and massing of the new development all subordinate to and blend in with the surrounding environment. The existing home is low-lying, being 11 feet and 6 inches in height, and is built into the landscape, extending west from the natural grade and gently sloping down. The only addition in height to the home is a 4 foot 6 inch addition to allow a clerestory window to bring natural light into the home. The site is significantly downslope of Highway 1, so this increase in height will not significantly alter how the massing of the home is perceived from the public viewshed. The window also includes a black out curtain, which will prevent light pollution. The addition to the front of the home follows the outward extent of the existing walls and encloses areas which are underneath the existing green roof, so it similarly won't materially alter how the massing of the home is perceived. The primary exterior material is an earth tone tan stone veneer, which will be unobtrusive and blend with the natural surroundings.



Figure 1: Site photo from Highway 1 toward site, with Eucalyptus grove circled. The staking and flagging is the small area in orange heavily obscured by the Eucalyptus.



Figure 2: Excerpt form site plan. Eucalyptus are circled in red. Existing cypress screening circled in blue will remain in place.



Figure 3: Photo of existing home. Addition will follow line denoted in red, and height addition flagged in orange.



Figure 4: Proposed front elevation.



Figure 5: Proposed stone veneer.



Figure 6: Photo of existing and proposed shed location oriented toward Highway 1. Both the existing and proposed shed were entirely screened and could not be viewed from Highway 1.

HAZARDOUS AREAS

The BSC LUP key Hazardous Areas policy 3.7.1 is that "Land use and development shall be carefully regulated through the best available planning practices in order to minimize risk to life and property and damage the natural environment." General policy 3.7.2.3. further clarifies that "All development shall be sited and designed to minimize risk from geologic, flood, or fire hazards to a level generally acceptable to the community..." The LUP contains additional supplemental policies addressing both geological, and Monterey County Coastal Implementation Plan (CIP) Part 3 contains implementing regulations for the LUP policies. The project is consistent with these policies and regulations.

The existing home is within 50 feet of a bluff, was originally permitted in 1978 with California Coastal Commission Resolution No. 78-78, and was constructed between 1979 and 1980. Since then, the site has experienced bluff erosion due to natural environmental factors and wave action, resulting in under-cutting and loss of coastal bluff area, causing a deep seacave to form at the base of the bluff in an area seaward of the home. In 1986, a portion of the seacave's entrance partially collapsed, resulting in approximately 8-feet of the bluff's edge to erode.

Therefore, in accordance with CIP section 20.145.080.A., a coordinated geotechnical and geological report was prepared by Haro, Kasunich, and Associates, Inc. (LIB220166) to assess the potential of geologic hazards, including bluff erosion, to impact the proposed development. The report analyzed historic bluff erosion rates, including a safety factor to account for the potential of sea level rise to accelerate historic bluff retreat, and produced a 75-year coastal erosion setback. The geological report considered the proposed additions and replacement stairs and decking, and recommended that any new habitable additions or structures be located further than this setback.

The proposed addition to the main home and new shed are sited landward of this 75-year setback, and the geotechnical engineer concluded they were feasible provided the recommendations from the report are followed, which include criteria for grading, founding design, and drainage. Condition No. 9 is recommended requiring a notice of report to ensure that the geologists and geotechnical engineers recommendations are adhered to. For the site improvements seaward of the 75-year setback, the geotechnical engineer indicated *"The patios, decks, stairs, and non-habitable shed seaward of the 75-year setback line may be damaged over time and should be considered sacrificial."* The non-habitable shed has since been re-sited landward of the setback.

Portions of the existing home are within 75 year setback, although no additions are proposed in those areas. While no coastal armoring is proposed or permitted as part of this permit, the geologist concludes, "*At the subject property, we recommend that areas seaward of the RECOMMENDED 75-YEAR BLUFF EROSION AND STABILITY SETBACK shown in Appendix B be considered to be at potential risk in the next 75 years (by 2099).*" CIP section 20.145.080.A.2.a.1 requires that development requiring geologic reports and subject to geologic hazards record a deed restriction. This implements BSC LUP policy 3.7.2.4, "*in locations determined to have significant hazards, development permits should include a special condition requiring the owner to record a deed restriction describing the nature of the hazard(s), geotechnical and/or fire suppression mitigations and long-term maintenance requirements.*"

Therefore, staff are recommending Condition No. 13 be incorporated, that prior to the issuance of a building permit the applicant shall record a deed restriction which states: "The parcel is located within a geological hazard area and development may be subject to certain restrictions required as per Section 20.145.080.A.2.a.1 of Part 3 of the Monterey County Coastal Implementation Plan and per the standards for development of residential property."

FOREST RESOURCES

The project proposes removal of 3 Monterey cypress and 14 Eucalyptus trees. The property is subject to BSC LUP policies protecting forest resources, and their implementing regulations in the Monterey County Coastal Implementation Plan (CIP), Part 3. The removal is consistent with these polices and regulations: it's the minimum amount under the circumstances, the design has been modified to protect a landmark Monterey cypress, and all trees being removed are either planted landscaping trees or exotic/invasive species.

CIP section 20.145.060.A requires a coastal development permit for tree removal in the Big Sur Coast Land Use Plan, exempting "non-native or planted trees" except landmark trees or where the removal would result in exposure of structure in the critical viewshed. CIP section 20.145.020.ZZ defines a landmark tree as "are those trees which, are 24 inches or more in diameter when measured at breast height, or a tree which is visually significant, historically significant, exemplary of its species, or more than 1000 years old." The CIP also has a definition of native trees, being "those trees which are native to Monterey County as listed in attachment 2 to this Chapter." (CIP section 20.145.020.LLL) Attachment 2 lists Monterey cypress as being a native tree in the Monterey County Coastal Zone.

Notwithstanding whether a tree requires a coastal development permit to allow its removal, CIP section 20.145.060.D.3 requires that removal of native trees shall be limited to that which is necessary for the proposed development. Landmark trees are further protected by CIP section 20.145.060.D.1., which indicates that landmark trees of all species shall not be permitted to be removed. An exception to this may be granted if a finding can be made that no alternatives exist whereby the tree removal can be avoided.

Monterey Cypress

There are three Monterey cypress between 18 and 20 inches in diameter in the footprint of the shed proposed for removal, ranging from fair to poor health. The trees appear to have been introduced as windbreaks and to denote the boundaries between property lines in the Otter Cove subdivision, and are primarily even-aged. The applicants have submitted a forester's report and aerial images from 1979 prior to the trees being onsite as evidence of this.

The exemption to allow planted trees to be removed without a Coastal Development Permit appears to be in the CIP to prevent the forest resources standards from being applied to ornamental landscaping, orchards, or timber production. Utilizing it in this case does not appear to be appropriate. While staff concur that it's likely that the trees were planted, and that the grove appears to have been introduced after development of the subdivision, at this point we can't definitively know whether decades old trees were planted, are the off spring of planted trees, etc. This would also set a precedent for the evaluation of future applications, as it focuses the analysis not on whether the removal is the minimum amount and how it would affect forest health, but on where the trees come from.

Therefore, a Coastal Development Permit to allow the removal of the three cypress is included in the project description. However, the removal of the three Monterey cypress is consistent with the CIP requirements. The siting of the shed has been modified to preserve a landmark Monterey cypress as required by CIP section 20.145.060.D.1. The shed is screened from view from Highway by a hedge running parallel to Aurora Del Mar, and removal of the Monterey cypress would not expose any structures to the critical viewshed. The removal is limited to that necessary for the forest management plan as required by CIP section 20.145.060.D.3. And the trees shall be replaced on a 1:1 basis as required by Condition No. 10.

While a "native" tree within Monterey County per the definitions in the CIP, the Monterey cypress indigenous range is within Point Lobos and certain areas in the Del Monte Forest, as mapped in the Del Monte Forest Land Use Plan figure 2a. They aren't native to the Otter Cove area, and the Big Sur LUAC recommended that they be replaced with a tree native to Big Sur. Staff are recommending that the LUAC's recommendation be incorporated into the tree replacement condition, allowing the replacements to be an alternative native species as recommended by the forester.

Eucalyptus

A grove of 14 Eucalyptus trees is in front of the residence, parallel to Aurora Del Mar. These are proposed for removal. BSC LUP policy 3.3.3.A.10 encourages restoration of Big Sur's natural environment by removal of exotic plants, including Eucalyptus. Eradication of Eucalyptus is also one of the Forest Management Plan requirements in Attachment 1 to the CIP.

Two of the stems of the Eucalyptus are above the 24 inch diameter to be defined as "landmark trees". However, the decision maker may allow their removal, as long as they are not visually or historically significant, exemplary of their species, or more than 1,000 years old, by finding "*that no alternatives to development (such as resiting, relocation, or reduction in development area) exists whereby the tree removal can be avoided.*" (CIP section 20.145.060.D.1) In this case the trees are not visually or historically significant, exemplary of their species, or more than 1,000 years old. Additionally, no alternatives exist which would prevent their removal; they're being removed to promote forest health as encouraged by the LUP rather than for development, so resiting, relocation, etc. would not protect them.

As discussed in the Scenic Resources Section, their removal would make the existing home more visible from Highway 1. However, staff are recommending Condition No. 7 be included, which shall require planting of landscaping screening parallel to the highway to minimize view of the home.

CULTURAL RESOURCES

The site is in an area mapped as having a high sensitivity for the presence of archaeological resources, and is within 750 feet of known archaeological resources. In 2013, an archaeological report (LIB150426) prepared by Mary Doane identified scattered abalone shell near the edge of the bluff, but no other indicators of cultural resources. The report concluded that the "project

area" (a new entry staircase considered in 2013 with an undefined footprint) did not contain evidence of archaeological resources. As the information in this previous report didn't conclusively assess the current project area, in accordance with CIP section 20.145.120.B, an archaeological report (LIB220162) was prepared by Dana E. Supernowicz to further evaluate the potential of development on the site to impact archaeological resources. The report included archival research, surface reconnaissance, and limited shovel test units and surface scrapes. The report concluded that the cove below the house was likely used by native people to access marine species for food, but did not identify evidence of archaeological resources in the development area. Therefore, the project is not anticipated to impact archaeological resources. The County's standard Condition No. 3 has been applied, which will require the applicant to stop work if any previously unknown resources are encountered.

ENVIRONMENTALLY SENSITIVE HABITAT AREAS

The site is within 100 feet of environmentally sensitive habitat area (coastal bluff scrub). Pursuant to CIP section 20.145.040.A., a biological report (LIB220149) was prepared by Nicole Nedeff to evaluate the potential of the project to impact environmentally sensitive habitat areas (ESHA). The report concluded that the coastal bluff scrub located seaward of the landscaping seat wall on the property was environmentally sensitive habitat, however, no impacts to the ESHA would occur as long as no work or equipment staging occurred seaward of the landscaping wall. The majority of the work, including the additions and the shed are landward of this wall. The deck and stair replacement have their foundations landward of the wall but do slightly cantilever over this wall, and are within close proximity to ESHA. Therefore, in accordance with CIP section 20.145.040.B, to implement the biologist's recommendation condition No. 14 is recommended. This condition requires that a construction management plan be prepared which will denote areas of exclusionary fencing, which shall be installed prior to issuance of building permits and ensure no work or material is staged seaward of the landscaping wall. The construction management plan will include a required note indicating that no debris will be cast off over the bluff. With the incorporation of this condition, the project will not impact ESHA.