

Exhibit E

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PEBBLE BEACH COMPANY

October 24, 2025

RE: DEL MONTE FOREST VACATION RENTAL

Dear Applicant:

Please be advised that Pebble Beach Company ("PBC") will not consent to an application to operate a vacation rental in Del Monte Forest. This proposed use violates the Covenants, Conditions, and Restrictions ("CC&Rs") recorded against residential properties located in Del Monte Forest, and PBC does not consent to the use of its private road system for vacation rental purposes.

The applicable CC&Rs state that residential properties in Del Monte Forest are restricted to residential use only and that business activities are not permitted. Vacation rentals are considered business activities, as demonstrated by the requirement for applicants to obtain a license from and pay Transient Occupancy Tax to the County of Monterey. Additionally, PBC is charged with maintaining the delicate balance between habitat, residential use, and visitor serving use under the Land Use Plans applicable to Del Monte Forest, and believes that allowing vacation rentals in residential areas disrupts this balance.

PBC's position on these matters has been communicated to the County of Monterey on numerous occasions, most recently in letters to the Monterey County Planning Department on October 9, 2024, and to the Board of Supervisors dated December 4, 2024. Copies of these letters are available for your review.

We regret any inconvenience this may have caused and thank you for your understanding.

Sincerely,
PEBBLE BEACH COMPANY

Nikki Simon
Del Monte Forest
Architectural Review Manager



**PEBBLE BEACH
COMPANY**

July 30, 2026

Zoning Administrator
County of Monterey
1441 Schilling Place
Salinas, CA 93901

Re: PLN250315, Commercial Vacation Rental License Application for 3245 Cabrillo Road, Pebble Beach

Dear Zoning Administrator,

Pebble Beach Company reiterates its strong opposition to the issuance of commercial vacation rental permits within the Del Monte Forest, including the property at 3245 Cabrillo Road, Pebble Beach.

Based on the prohibition on commercial use of residential property within the Del Monte Forest and the non-consensual use of Pebble Beach Company's private roads in violation of Monterey County Code Chapter 16.80, among other reasons, Pebble Beach Company has filed with the County of Monterey a blanket objection letter for all vacation rental permit applications within the Del Monte Forest, a copy of which is attached here. Pebble Beach Company requests the Zoning Administrator deny the application at 3245 Cabrillo Road, Pebble Beach, on the basis of our objection as well as the direction from the Monterey County Board of Supervisors on January 6, 2026, to revise the vacation rental ordinances to restrict vacation rental licenses in residential areas.

Pebble Beach Company further requests that the Zoning Administrator cease the processing of all vacation rental license applications until such time as the Planning Commission and the Board of Supervisors have an opportunity to vote upon revised vacation rental ordinances. The discussion at the Board of Supervisors hearing on January 6, 2026, makes clear that the Board believes there is significant risk to the County General Fund from potential damages from pending litigation against the County.

The County's practice of continuing to process vacation rental applications in light of the blanket objection from Pebble Beach Company, the direction of the Board of Supervisors to revise the existing ordinances, and the County's memo of December 12, 2025, that

LEGAL AFFAIRS

Zoning Administrator

July 30, 2026

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enforcement of alleged vacation rental violations have been suspended, combine to create an untenable situation for both residents and owners within Del Monte Forest.

Pebble Beach Company respectfully requests that the permit application for 3245 Cabrillo Road be denied and respectfully reiterates its request that a moratorium be placed on processing applications for vacation rentals with residential areas such as the Del Monte Forest.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathleen Lee". The signature is fluid and cursive, with the first name "Kathleen" being more prominent than the last name "Lee".

Kathleen Lee

Director of Community and Governmental Affairs

Pebble Beach Company

Cc: Jake Sorensen, Assistant Planner – SorensenJ@countyofmonterey.gov
Attachment



PEBBLE BEACH
COMPANY

October 9, 2024

Melanie Beretti, AICP
Acting Chief of Planning
Monterey County Housing and Community Development
1441 Schilling Place
Salinas, CA 93901

RE: Objection to Issuance of Vacation Rental Permits in Del Monte Forest

Dear Melanie:

Thank you for meeting with us on September 12, 2024, which as you know was the latest in a years-long series of meetings between County staff and Pebble Beach Company relating to short-term vacation rentals. We again discussed Pebble Beach Company's position that vacation rentals, and in particular, Commercial Vacation Rentals and Homestays (which the vacation rental ordinances recently passed by the Board of Supervisors will allow within Del Monte Forest) constitute commercial use of property in violation of the CC&Rs contained in the deeds on residential properties in Del Monte Forest. You invited us to submit this letter, which constitutes the Company's "blanket objection" to the issuance of such permits.

While not all deeds underlying properties in Del Monte Forest are uniform, to the best of my knowledge, every deed has language that prohibits commercial use of the premises, and California courts have concluded that restrictions on vacation rentals contained in CC&Rs are reasonable and enforceable. The language reproduced below constitutes CC&R language which is representative of the language contained in other Del Monte Forest deeds:

No trade, business or profession of any description shall be conducted on said premises. Said premises shall not be used for any purpose whatever except solely and exclusively for the purpose of construction and maintenance of not more than one private single family residence with appurtenant detached guest and servants' cottages (without cooking facilities), greenhouse, garage, and if approved in writing by Grantor, a stable for saddle horses.

The plain meaning of the CC&R language bans short-term vacation rentals in the Del Monte Forest. Arguments to the contrary are entirely unpersuasive. For example, arguing that a use titled "commercial vacation rental" is somehow actually not a commercial use of the property defies logic and would be a problematic position for the County to take. In addition, the fact that commercial vacation rentals operated pursuant to Chapters 7.120 and 7.121 are required to obtain an annual business or operation license and pay transient occupancy taxes makes any such rentals, by definition, a business. Like hotels, vacation rentals are a business conducted for the

purpose of making a profit, and are treated as such by federal laws and the County's own code provisions regulating business operations and the income derived therefrom.

Homestays are virtually indistinguishable from commercial vacation rentals. There are no restrictions on the number of rentals allowed by either classification. The permitting process for Homestays will simply be easier and less expensive, and since there is no cap, these will undoubtedly have the most significant impact on the Del Monte Forest residential community, particularly given the County's admitted challenges with regard to enforcement. Accordingly, Pebble Beach Company also objects to Homestays as a prohibited commercial use of property in Del Monte Forest.

There are three commercial land use designations allowed in Del Monte Forest pursuant to the Del Monte Forest Land Use Plan. Visitor-Serving Commercial allows "Major hotel or inn accommodations," defined as The Lodge, The Inn, Poppy Hills, and the Area M hotel site owned by Pebble Beach Company. The other two commercial designations are solely support functions for the uses permitted in those areas zoned as Visitor-Serving Commercial. The remainder of the Forest is zoned residential, which, consistent with the deeds, does not allow for commercial use.

Separately, for the portion of Del Monte Forest located within the Greater Monterey Peninsula Area Plan (GMP LUP), commercial uses are outright prohibited; the entire area is zoned for residential uses or open space/resource conservation.

Accordingly, Pebble Beach Company believes that operation of vacation rentals in Del Monte Forest would violate both the CC&Rs and both the Del Monte Forest LUP and the GMP LUP, and asks the County on this basis to deny applications for commercial and homestay short-term vacation rentals.

Finally, during our meeting, Pebble Beach Company affirmed its intent to require proof of access from applicants pursuant to Chapter 16.80 of the Monterey County Code, and restates that intent here. Del Monte Forest residents are granted right of access to their single family residence on roads privately owned by Pebble Beach Company subject to the payment of an annual road fee (which in many cases is only \$25 per year). Since commercial use of the property is specifically prohibited, the access agreement does not cover access for that purpose.

County staff stated that it will not enforce that portion of Chapter 16.80 that explicitly refers to right of access for a specific "Project." We understand the County's position to be effectively "reading out" the law's requirement that "[a]n applicant shall provide . . . [w]ritten permission to use a private road for the project from a private road governing structure[.]" Ch. 16.80.040(A)(3) (emphasis added); see *also* Ch. 16.80.040(C)(1)(g); Ch. 16.80.040(D)(6). If the applicant has right of access to the property via the private roads for any purpose (i.e., the right to access a home for residential purposes), the County has told us its position is that it will assume right of access via the private roads for the purposes of running a vacation rental. This position runs contrary to the plain text of the law, and in effect deletes the "for the project" requirement from the text of the law. A change of use from residential to commercial constitutes a specific project under the law; indeed, there would be no need for an "application" if the use did not constitute a "project" under the law. The plain text of both the private roads code chapter and the recently enacted short-term vacation rental ordinances support this common sense reading of both laws. As the owner of the

private roads that will be used to access such commercial projects, the law grants Pebble Beach Company the right to grant or deny access for the purposes of such projects under Chapter 16.80. Pebble Beach Company intends to withhold consent for the use of its privately owned and operated roads for such commercial purposes, and respectfully requests the County to reconsider its position and ensure enforcement of Chapter 16.80 as written.

In summary and in accordance with our longstanding public-private partnership on this short-term rental issue, Pebble Beach Company respectfully submits that the County must deny applications for vacation rentals in Del Monte Forest because, among other reasons, such rentals constitute a prohibited commercial use of a residential property. In addition, as the sole owner and operator of private roads in Del Monte Forest, Pebble Beach Company intends to enforce its statutory rights pursuant to Chapter 16.80 to grant or deny access to its private roads in the Forest, and respectfully requests the County's cooperation in this effort.

Sincerely,

PEBBLE BEACH COMPANY


Diane Goldman
General Counsel

- c. Kathleen Lee, Director of Governmental and Community Affairs
Patrick Hovakimian, Chief Legal Officer

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