Exhibit A

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EXHIBIT A Discussion

Project Description

The Esalen Institute proposes to construct a 32-unit employee housing complex on the south coast campus site. The proposed employee housing complex would be composed of three (3) separate buildings and a "common room" that includes a laundry, kitchen, and meeting room/lounge for use of the employees. The project also includes a temporary yurt located adjacent to the pool on an existing stone patio. The yurt would serve as a meeting / social space and be removed once the housing units and common room are built. Also included is an after-the-fact Coastal Administrative Permit for a garage that houses a fire truck for the Big Sur Fire Brigade, and the removal of a dilapidated solar panel located adjacent to the northern property line.

Two (2) phases of development are proposed with this permit.

Phase 1 includes:

- Removal of a temporary housing unit constructed under separate permit
- Construction of a 4,094 square foot two-story, 10-unit multifamily housing facility ("Building 2");
- Construction of a 6,713 square foot three-story, 14-unit multifamily housing facility ("Building 3");
- Related site improvements including a new loop driveway for fire access, new landscaping, new pathways, and enlargement of the existing septic system.

Phase 2 includes:

- Removal of temporary the remaining temporary housing constructed under separate permit;
- Construction of a 2,668 square foot two-story, 8 unit multifamily housing facility ("Building 1"); and
- Construction of a 1,010 square foot one-story common area with laundry, kitchen, and gathering area.

An existing 11-unit one-story housing facility will remain on-site. Once completed, the project will include a 42-unit employee housing complex for employees of the Esalen Institute.

Development will occur on slopes in excess of 30 percent and will be visible from Highway 1.

Background

The Esalen Institute owns and operates two properties in Big Sur; the "main campus" and the "south coast campus." Both campuses are located off Highway 1 north of the town of Lucia and south of Julia Pfeiffer Burns State Park. The main campus is located west of Highway 1 and offers workshops and classes, lodging for students and visitors, a cafeteria, classrooms, and natural hot springs perched on the cliffs of Big Sur. The south coast campus (located at 54105 Highway 1) is located north of the main campus and on the east side of Highway 1. It was originally developed in the 1950's as the South Coast Motel and converted to employee housing

associated with operations at the Esalen Institute main campus. Portions of the motel/housing were destroyed by fire 2011.

On November 12, 2003, the Planning Commission adopted an Initial Study and Mitigated Negative Declaration and approved PLN020599 for improvements to the Esalen main campus and the South Coast Property (Monterey County Planning Commission Resolution No. 03080, (**Exhibit F**). Application PLN020599 included proposed improvements to the South Coast property that encompassed a new employee parking lot, which has since been built, and two structures to serve as meeting space and employee housing, which were not built.

Biological Resources

Construction of the employee parking lot disturbed approximately 697 sq. ft. of Arroyo Willow Riparian Habitat and approximately 4,922 sq. ft. of northern coastal scrub that includes sea cliff buckwheat (potential habitat for Smith's blue butterfly, (a federal protected species) was impacted, but restoration of approximately ½ acre of this habitat occurred on the property. Mitigation measures included restoration of approximately 24,263 sq. ft; compliance to the mitigation measure has been achieved. A follow-up biological assessment conducted November 2, 2018 (Toyon) notes that the arroyo willow habitat is established and healthy, indicative of the success of the implementation of the mitigation measure.

No species of special concern were observed within the proposed building locations during the 2000, 2001, and 2002 biological assessment (Norman 2002). The report notes that the two structures proposed at that time would be located in areas that were previously disturbed and were landscaped with non-native and ornamental plants and that the location was generally degraded from a biological perspective. The Norman assessment also noted that the pine and cypress forestation found on the property are habitat that could support the nesting activities of the olive-sided flycatcher; however, no birds of this species were observed. Mitigation Measure 1 requires that all trees be retained where possible (except in emergencies and special cases), so that potential impacts to the olive-sided flycatcher are maintained at less-than significant levels. Additionally, the Toyon reconnaissance (2018) did not note any observations of the bird or indications that the bird is nesting in the forestation. Regardless, the forestation would be protected by exclusionary fencing and, when appropriate, individual trees with bales and other protective devices.

Toyon observed a San Francisco dusky-foot woodrat nest in the forestation described above during the 2018 reconnaissance. The nest, and the forestation, are beyond the limits of grading and scope of the current project proposal. Protective measures include the exclusionary fencing described above to demark a limit of the work area, and protection of select trees through more stringent protection measures such as bales or other soft armament methods on select trees.

Design Review and Critical Viewshed

Pursuant to MCC Chapter 20.44, the proposed project site and surrounding area are designated as a Design Control Zoning District ("D" zoning overlay), which regulates the location, size, configuration, materials, and colors of structures and fences to assure the protection of the public viewshed and neighborhood character. The proposed structural development consists of modular units, finished to customer specifications and assembled on site. The proposed development is designed to conform to the existing man-made topography of the site and are predominately lower than the maximum allowable height or 24 feet from average natural grade. The housing structures feature a board and batten siding in a neutral tone, with contrasting window and door trim. The roof materials are standing-seam steel and non-reflective. The "common room" is benched into the terrace with portions of the exterior walls "daylighting." The exposed exterior walls feature stained fiber-cement with batten siding and a roof that is a mix of standing-seam steel and a living roof. Portions of this roof are supported by wood posts and open wood truss elements stained a medium brown. The existing and proposed development is screened from Highway 1 through topography and trees. However, orange netting depicting a portion of the top of Building 3 is visible from one point just north of the driveway entrance and a portion of the top of Building 1 would be visible from one point just south of the driveway. Visibility is discussed in more detail below. It is believed that portions of the structure lost to fire could have been visible from Highway 1, most likely at the driveway entrance. The terrace and resultant finished floor for the destroyed structure is approximately 10 feet above the finished floor of the existing employee housing structure and swimming pool. The Big Sur Land Use Plan allows replacement or enlargement of structures lost in fire on the original location on the site, provided no other less visible portion of the site is acceptable to the property owner, and provided the replacement or enlargement does not increase the visibility of the structure. The development proposal is consistent with 3.2.3.A.7.

The proposed development is consistent with Big Sur Coast Land Use Plan Policies 3.2.1, 3.2.3.A.2 in that the proposed development is clustered in the vicinity of the existing development, the remnants of the original motel, swimming pool, and lawn areas; thus, much of the site remains undeveloped. The proposed development is also consistent with Land Use Policy 3.2.3.A.3 in that there is not an alternate portion of the site that would better implement the Big Sur LUP. The proposed building locations are screened by the forestation around the outer edges of the existing limits of development. The existing parking lot, located south of the building site, is closer to Highway 1, does not offer the same level or quality of screening, and is inconsistent with Policy 3.2.3.A.2 recommending clustering of development discussed above. The project is consistent with the Big Sur Coast Land Use Plan Policies 3.2.3.A.7 in that the proposed development is located largely in the same location of the old motel structure converted to residential use that was destroyed by fire in 2011.

As proposed, the project would not result in any significant visual impacts, and the project is consistent with the applicable visual resource and public access policies of the Big Sur Coast Land Use Plan.

Development Standards

Pursuant to the development standards for the WSC zoning district, identified in MCC Section 20.17.060, and as proposed, the structures meet or exceed all required setbacks, and are also within the corresponding maximum structure heights. The property is approximately 15.6 acres, or 679,536 sq. ft., which would allow site coverage of 10 percent, or 67,954 square feet. As proposed, the project would result in cumulative site coverage of 18,326 square feet or 2.7 percent.

Proposed employee housing, PLN150337
The development approved through PLN020599 discussed development in terms of structural footprint, not square footage or volume of space. To put the current development proposal in context with the historical development of the site, the table below describes the development in terms of footprint for a more meaningful comparison of the scope of the development with that proposed in PLN020599.

The current proposal is for employee housing provided in a campus-like environment comprised of three (3) new residential buildings and a "common room" that contains a community kitchen, meeting room, and lounge area loosely clustered around the existing swimming pool and employee housing structure. The three proposed buildings provide a total of 32 living units comprised of 22 studios, 8 1-bedroom units, and 2 2-bedroom units. The buildings vary in height from one story elements to three stories with a maximum height of 24 feet from average natural grade. The proposed development is a cumulative 14,026 sq. ft. The structural footprint of the proposed development is 7,410 sq. ft., resulting in total structural footprint on the site of 18,046 sq. ft, an area approximately 12 percent larger than the sum of structural footprint had the 2002 proposal been built. The table below summarizes the structural footprint and lot coverage of the site.

		Footprint	**Coverage**
2002	Baseline footprint	13,500 sq. ft	2.0 %
2003	PLN020599 approved 1,310 sq. ft.		
	Total footprint	14,810 sq. ft.	2.2 %
	These structures were not built		
2011	October fire destroys employee housing <4,174> sq. ft.		
	Total footprint	10,636 sq. ft.	1.6 %
2015	New proposal PLN150337		
	Replacement employee housing & "Common Room" 7,410 sq. ft.		
	Total footprint	18,046 sq. ft.	2.7 %

<u>Development on Slopes Exceeding 30 Percent</u>

The project includes an application for placement of portions of the development on slopes exceeding 30 percent. The slopes are man-made, and the result of fill materials deposited when the property was developed as the South Coast Motel in the 1950s. The upper terrace area was the location of a component of the original motel, an approximately 4,174 sq. ft. one-story structure that contained rooms designed for overnight stay by the motoring public. This area of the site was approximately 10 feet above the principal motel structure and swimming pool. The current proposal is located on portions of the slopes of this terrace, which are 30 percent or greater. The geotechnical report (LIB160018) states that the terrace fill is undocumented and varies in depth from one (1) to five (5) feet and the slopes that support the terrace are undocumented fill. The geotechnical report recommends removing the fill and additional soils, and then filling the area with engineered fill to support the proposed development. Thus, grading activities account for 3,506 cubic yards: approximately 1,669 cubic yards of cut, and approximately 1,837 cubic yards of fill.

The project as proposed utilizes portions of the site that were originally developed in the 1950s. The siting of the proposed development achieves a clustering of the development of the site, consistent with the Big Sur Land Use Plan, Section 3.2.3.A.2. The proposed development on the mad-made slopes and terrace better achieves the goals of the Big Sur Coast Land Use Plan; no alternatives exist that would better meet the goals of the Big Sur Land Use Plan and standards of the Coastal Implementation Plan, Part 3, Big Sur Coast. New development has been sited and designed on disturbed areas avoiding environmentally sensitive habitat and minimizing impacts on the critical viewshed.

Recommendation

Staff recommends the Planning Commission accept the Addendum to the adopted Mitigated Negative Declaration (03080), approve the Combined Development Permit, the Coastal Development Permit and Design Approval, and the Coastal Development Permit for development on slopes, and the Coastal Development Permit for development in the Critical Viewshed as proposed and conditioned.

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