Exhibit A

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EXHIBIT A
DISCUSSION

INTRODUCTION

The project consists of a 3,525 square foot single-family residence, inclusive of a 244 square foot single-car garage and associated site improvements. The project previously considered at the October 30, 2024 Planning Commission hearing has been redesigned. A summary of the changes is shown in **Table 1** below and discussed in more detail in the subsequent sections.

	Previous Proposal	Current Proposal	Change
Building Site Coverage	4,096 square feet	2,865 square feet	-1,231 square feet
Floor Area	4,921 square feet	3,525 square feet	-1,396 square feet
Building Height	24 feet 9 inches	22 feet	-2 feet 9 inches
Development on Slopes	6,758 square feet	3,095 square feet	-3,663 square feet
Site Grading	2,270 cubic yards	700 cubic yards	-1,570 cubic yards
Protected Tree Removal	6 trees	4 trees	-2 trees
Distance from Top of Bluff	Approximately 14 feet	Approximately 27 feet	13 feet further from bluff

Table 1: Summary of Changes from Previous Proposal.

At the October hearing, one of the key concerns raised was the scale of the development given the constraints of the site. One of the commissioners also expressed that a supporting analysis for the project based on the size of the homes in the surrounding neighborhood was not something they would be able to support, as not every lot is suitable for the same level of development. Therefore, the discussion of project changes in the re-design describes them in relation to the resource protection policies and regulations applicable to the site, such as how the reduced height alters the visual resources analysis, how the reduced footprint of the residence and improvements reduce grading and slope development, etc.

VISUAL RESOURCES AND VISUAL PUBLIC ACCESS

Background

The project is subject to the Visual Resources and Visual Public Access protection policies of the Carmel Area Land Use Plan (LUP), it's implementing regulations in the Monterey County Coastal Implementation Plan (CIP, Part 4), 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 Key Visual Resources policy of the LUP states that to protect the scenic resources of the Carmel area in perpetuity, all future development within the viewshed must harmonize and be clearly subordinate to the natural scenic character of the area. All categories of public and private land use and development, including all structures, the construction of public and private roads, utilities, and lighting, must conform to the basic viewshed policy of minimum visibility except where otherwise stated in the LUP. Within the LUP area, the "public viewshed" is the composite area visible from major public use areas, including 17-Mile Drive views of Pescadero Canyon, Scenic Road, Highway 1, and Point Lobos Reserve

The dominant visual character in this area of Carmel Highlands is its natural landscape, with its rolling hills, dense vegetation and tree coverage, dramatic rocky granitic cliffs, and the Pacific Ocean. The primary features of the built environment are Highway 1, access roads, and an

eclectic mixture of one- and two-story custom single-family residences (see Figure 1 below). No architectural style appears to dominate, with residences demonstrating neoclassical, Mediterranean revival, and modernist characteristics. The property is approximately 140 feet southwest of a visual access point identified in LUP Figure 3 (Local Coastal Program Public Access) and LUP Section 5.3.4 as an existing bluff top vista point adjacent to the Highland Inn, and is adjacent to Scenic Highway 1. Small portions of the project are visible from Highway 1 and the Vista Point. From the highway looking west, the top of the roof would be visible (see Figure 8 below), with a vegetated hillside and another residence visible behind it. From the vista point looking north, the northwestern roof corner and a small portion of the glass balcony would be visible (see Figure 6 below).

Highway 1 and Vista Point

LUP Policy 2.2.3.3 requires that new development on slopes within the public viewshed be sited within existing forested areas or in areas where existing topography can ensure that it would not be visible from major public viewpoints and viewing corridors, that new development in the Carmel Highlands be carefully sited and designed to minimize visibility, and that structures shall not be sited on non-forested slopes or silhouetted ridgelines. How this policy should be appropriately interpreted and applied to the project was one of the questions discussed at the October 2024 hearing, as the applicants were, and continue to, propose the planting of three screening trees along the northwest area of the site.

Staff's analysis is that development is required to be sited and designed in such a way that it is minimally visible within the existing natural landscape (rather than through alterations to the topography or planted screening). This idea of designing a project to be compatible with the existing land, rather than altering the land to conform to the demands of a project, is supported by various resource protection policies within the LUP, and has been emphasized by the Planning Commission in past actions. Using the LUP's key Visual Resource policy as an analytical lens, "development must harmonize and clearly subordinate to the natural character of the area." The introduction Section 1.4 of the LUP offers some additional context: "The area's charm includes structural features...but the natural grandeur of the area predominates." The CIP also allows landscaping screening where appropriate; CIP section 20.146.030.C.1.e states that native vegetation must be retained to the maximum extent possible, and landscaping screening may be used wherever a moderate extension of native forest areas is appropriate. When landscaping may be appropriate, CIP section 20.146.030.C.2 further clarifies that landscaping should only be used as a secondary protection of scenic quality and visual access. Based on the staff's analysis, the proposed project is consistent with LUP policies and CIP regulations pertaining to the protection, enhancement, and maintenance of visual resources.

The project is sited within an existing forested area. West of the proposed residence along the bluff edge, a 24-inch Monterey cypress would remain (Tree #53), and along the north and east of the site there would be several existing Monterey cypress trees of varying sizes (#55-58, along with others not numbered in the forest management plan) that would also be retained. The proposed project involves the planting of four native trees. Three of these trees will be planted to extend the continuity of the property's Cypress trees, which predominantly line the northern property line. However, these plantings aren't being relied upon to support the necessary finding that the project is subordinate to the surrounding area, as required by CIP sections

20.146.030.C.1.e and 20.146.030.C.2. As detailed below, the proposed residence is not on a silhouetted ridgeline, and has been carefully sited and designed to minimize visibility within the Carmel Highlands, from both the Highway 1 corridor and nearby vista point.

Along Highway 1, the project site slopes steeply down from the highway westward. The edge of Highway 1 is at an elevation of approximately 117 feet. The design presented at the October 2024 Planning Commission hearing had a ridge height of 108.5 feet, which would make it briefly visible to northbound motorists on Highway 1 (See below Figure 7). The proposed ridge height has been reduced by 2.5 feet (an elevation of 106 feet with a structure height of 22 feet from average natural grade), further reducing potential visibility from the highway. Similarly, the proposed residence has been re-sited and re-designed to pull the northwestern roof overhang and balcony (the only elements of the residence visible from the vista point) inland and minimize its visibility. In comparison to the project design presented at the October 2024 hearing, the northwestern corner of the proposed residence's roof would be sited 16 feet east and 7 feet and 10 inches south. This design change results in almost no visibility of the residence from the overlook. Additionally, the preservation of Tree #53 (landmark Cypress) behind the residence would assist in integrating the project into the surrounding forested area.

LUP Visual Access Policies 5.3.3.4.a and 5.3.3.4.c require that visual access to the shoreline from major viewing corridors be protected for visitors and residents alike, and that structures and landscaping installed west of Highway 1 be sited and designed to retain public views of the shoreline and roads. The proposed residence would not obstruct views of the rocky promontories and bluffs along the shoreline that are currently visible from the vista point and Highway 1. The proposed natural, earth-toned colors and materials are compatible with the distant rocky cliffs, which help the residence be compatible with the natural landscape. Although the proposed structure would be heavily obscured from view by existing trees, it would be minimally but partially visible from the overlook. However, from the same overlook/vista point, when looking southwest beyond the proposed project, trees, access roads in the neighborhood, and other residences would all be prominently visible. Thus, the proposed project would be consistent with the existing natural and built environment, would not degrade the surrounding visual character of the area, and would not detract from the natural beauty of the scenic shoreline (LUP Policy 2.2.3.1).

Colors and Materials

CIP section 20.146.030.C.1.c. requires that structures in the Carmel Area LUP area blend into the site and surroundings, and that building exteriors give the appearance of natural materials. The residence is a modern-style two-story residence comparable to other homes in the area. In accordance with the CIP, primary finish materials include smooth and split-face warm tan stone veneers, light brown cedar and oak horizontal wood, grey stone paving, and light grey concrete retaining walls and steps (see Figure 2). Additional colors and materials include stainless steel trench covers, glass, black and stainless steel cable rails, black metal frame windows and doors, and a dark grey built-up roof system. Therefore, the design of the proposed project assures protection of the surrounding neighborhood character.

Figure 1: Photos of Neighboring Residences.

Figure 2: Revised Rendering of Front (South) Elevation.

Figure 3: Previous October 30, 2024 Rending of North and West Elevations.

Figure 4: Revised Project Rendering of North and West Elevations.

Figure 5: Previous October 30, 2024 Photo-simulation from Vista Point to the North.

Figure 6: Revised Photo-simulation View from Vista Point to the North, showing the roofline pulled back 16 feet.

Figure 7: Previous October 30, 2024 Photo-simulation from Highway 1.

Figure 8: Revised Photo-simulation View from Highway 1.

DEVELOPMENT ON SLOPES AND SITE GRADING

Development on Slopes

The previous design presented to the Planning Commission on October 30, 2024 (see Figure 9 below) included approximately 6,758 square feet of development on slopes in excess of 30 percent. Approximately 46% of this, 1,448 square feet, was for the residence (shown in purple), while the remaining was for site improvements (re-graded paved areas in orange, retaining walls in yellow, and graded landscaped area in green). The revised project shown in Figure 10 (below) proposes approximately 3,095 square feet of development on slopes in excess of 30%, a reduction of 3,663 square feet or approximately 54%. 500 square feet of which is for the residence (hatched purple) and 2,595 for the associated site improvements (retaining walls in blue, utility areas in yellow, flatwork in orange, and graded landscape areas in green).

Title 20 section 20.64.230 prohibits development on slopes in excess of 30 percent unless a finding can be made that either there is no feasible alternative which would allow development to occur on slopes of less than 30 percent; or the proposed development better achieves the goals, policies and objectives of the County of Monterey Local Coastal Program than other development alternatives. In this case, there is no feasible alternative to avoid development on slopes due to the site's severe topographical constraints. The only contiguous area of the site not on slopes in excess of 30 percent is a narrow pad graded in the 1960's (approximately 1,875 square feet). Remaining areas to the east, west, and north are highly constrained by a coastal bluff and steep slopes.

Alternative designs have also been considered in the course of review, and the project has been re-designed to minimize development on slopes to the extent feasible. In the re-designed project, 500 square feet of the development on slopes would be for the residence itself, which has been both sited and designed to be on the flattest portion of the lot. The re-design of the previous proposal substantially reduced the portion of the residence sited on steeper slopes. The residential footprint in the new design is pulled inward toward the flat portion of the site by 7 feet and 10 inches on the northwest elevation, 21 feet on the southwest elevation, and 10 feet on the northeast elevation. This resulted in a reduction of 948 square feet on slopes (from 1,448 to 500 square feet), or 65%. The footprint of the proposed residence is 30 feet and 6 inches wide, which is wide enough for an entryway and two parking spaces (a single-car garage and a covered carport). The two parking spaces are required to meet the minimum off-street parking requirements of the zoning ordinance. The remaining 2,595 square feet of development on slopes would be for associated site improvements. A color-coded diagram in Figure 11 (below) shows these different site improvements. These improvements would be necessary for the development of the site with a residence, regardless of the scale of the home, and are described in further detail below:

- The red hatched area is required for a fire truck turnaround.
- The purple area is a turnaround access easement for the water system well south of the property. To ensure public health and safety, all wells must be accessible by the required equipment and trucks needed for installation, maintenance, and repair.
- From south to north, the three yellow rectangles are a propane tank, a utility and trash enclosure, and a septic tank. The propane tank is underneath the area that would be required to be graded flat for a fire truck turnaround. The utility enclosure includes an

electrical service panel and trash enclosure which are necessary to provide utility services to the project. The septic tank is required to provide wastewater service and has been sited to meet minimum setback requirements in Monterey County Code Chapter 15.20 Sewage Disposal: 5 feet between the tank and structures (retaining wall) and 100 feet from the tank to a body of water (the Pacific Ocean), which necessitates it being located on slopes.

- The orange area is a fire department-required access stair leading to Highway 1. The access stairway provides a second means of egress for emergency responders, as the only other way to access the site is through the fifteen-foot-wide driveway to the south, which has a hairpin turn leading to the site.
- The blue areas are the autocourt, which encompasses the fire truck turnaround and access easement to the well site. Additionally, this area needs to be wide enough to accommodate access to the residence and space for two-parking spaces, which is the minimum requirement of the zoning ordinance.
- The green and blue areas are necessary grading and retaining walls that are needed to keep the areas level for the other site improvements discussed above.

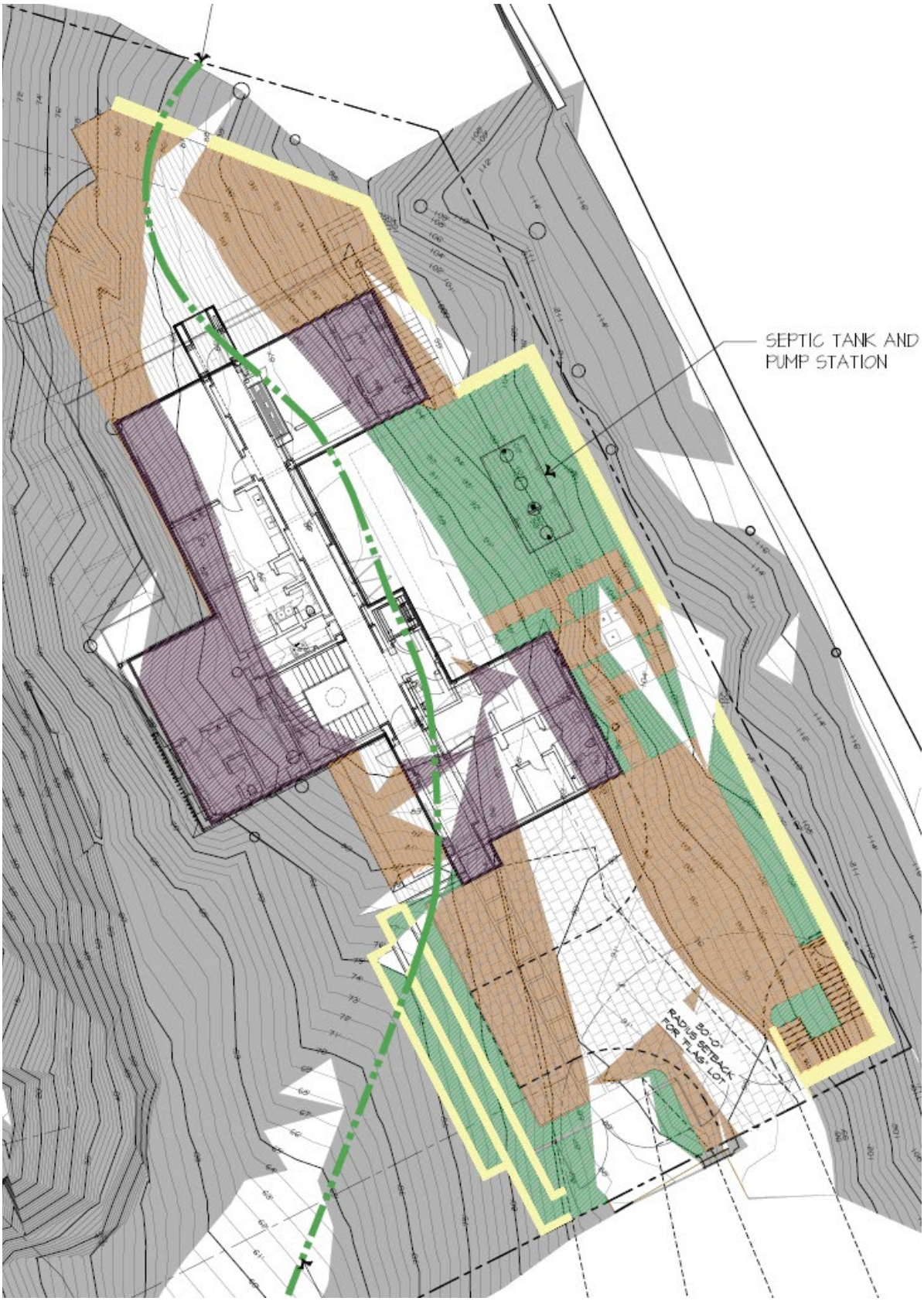

Figure 9: October 30, 2024 Development on Slopes Site Plan.

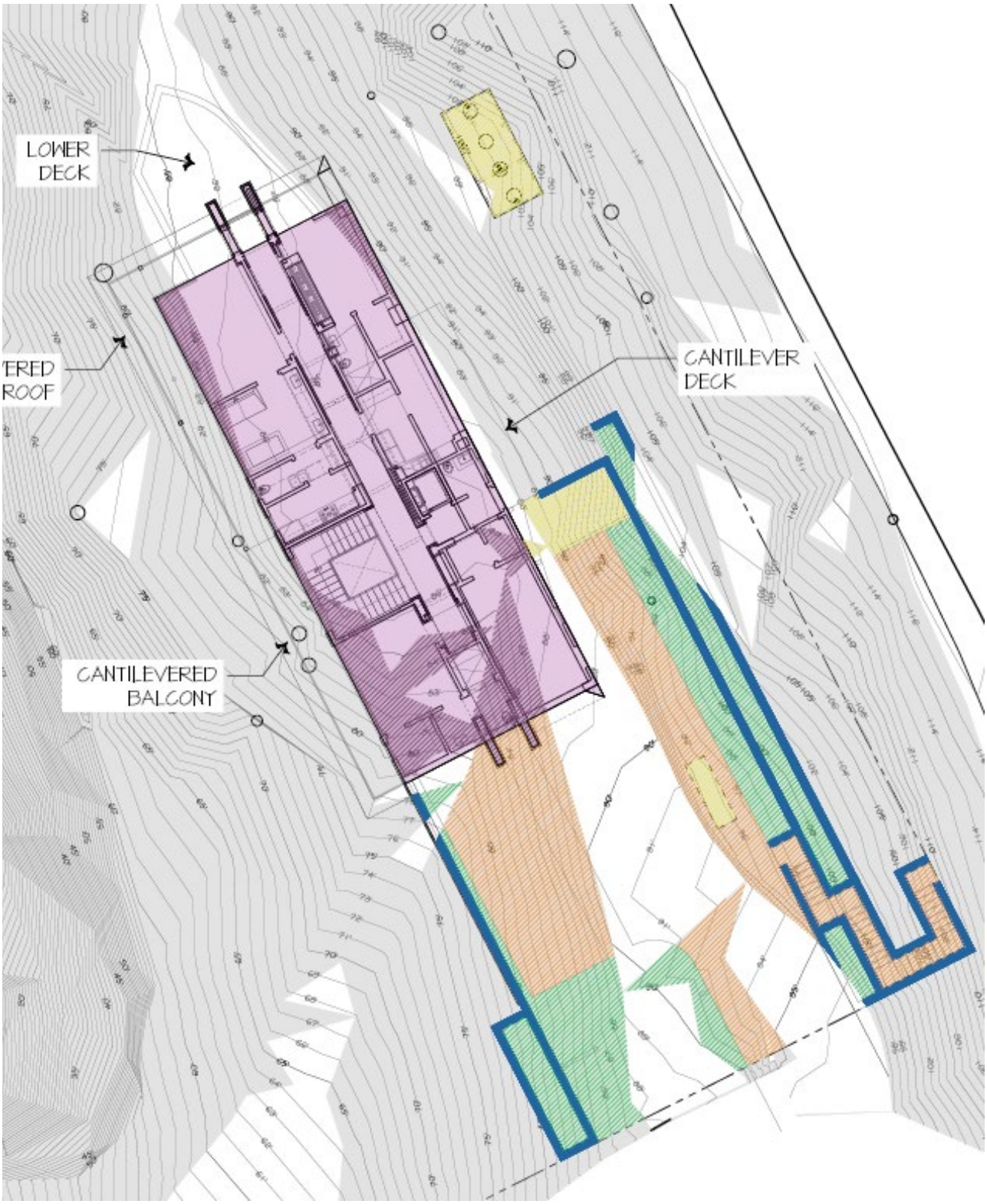

Figure 10: Revised April 10, 2025 Development on Slopes Site Plan.

Figure 11: Color Coded Site Improvements Diagram of the proposed project.

Site Grading

Visual Resources LUP Policy 2.2.3.7 requires that structures be sited and designed to minimize grading for the building site and access road, and prohibits extensive landform alteration. Geologic Hazards Specific Policy 2.7.4.1 similarly requires that development be sited and designed to conform to site topography and minimize grading and other site preparation activities. LUP Specific Policy 2.2.4.10.a states that buildings located on slopes shall be sited on existing level areas and sufficiently set back from the frontal face. In accordance with this policy, the proposed building has been centrally sited on the most level portion of the property, a small cut and fill pad graded in the 1960s.

While the previous design considered at the October 2024 Planning Commission hearing sited the residence and improvements centrally on the flattest portion of the lot and set it sufficiently back from the frontal bluff face per LUP Policy 2.2.4.10.a, it also graded a large portion of the steep area on the eastern half of the site sloping upward to Highway 1 flat to accommodate the design, including portions of the residence, site improvements, and an approximately 26 foot tall retaining wall parallel to Highway 1. Grading and site preparation for the previous design estimated approximately 2,270 cubic yards of grading cut and 395 cubic yards of fill, resulting in a net cut/export of 1,875 cubic yards. The draft construction management plan had a slightly larger estimate of net cut, at 1,950 cubic yards. Using this and an estimated 20 cubic yards of export in a truck and four truck trips per day, the draft construction management plan for the previous project estimated grading would take 100 truck trips over approximately 25 days.

By substantially reducing development, particularly cuts on steep slopes, the revised plan has been brought into conformance with LUP policies 2.2.4.5, 2.2.3.7 and 2.7.4.1, which require that development conform to site topography and minimize grading. Grading has been dramatically reduced, much better respecting the existing form and topography of the site. The estimated quantity of grading for the revised proposal is 700 cubic yards of cut, with 390 cubic yards of fill, resulting in 310 cubic yards of net export. This reduces net export by 83%. Assuming the same size and number of trucks per day, this reduction is the difference between approximately a week of grading and a month of grading.

DEVELOPMENT WITHIN 50 FEET OF A COASTAL BLUFF

The project includes development within 50 feet of a coastal bluff; LUP Specific Policy 2.7.4.3 and CIP section 20.146.080.B.1 require that all development within 50 feet of a cliff or bluff requires preparation of a geologic report prior to consideration of the proposed project. In conformance with these requirements, coordinated preliminary and final geological (HCD-Planning File Nos. LIB210218 and LIB240060), and geotechnical (HCD-Planning File Nos. LIB210219 and LIB240059) reports have been prepared for the project by Easton Geology, Inc., and Rock Solid Engineering, Inc., respectively.

Relative to its geological context, the property is situated on a tall granitic bluff between Highway 1 and the ocean, just north of Wildcat Cove. The bluff was formed over thousands of years through combined geologic processes of fluctuations in sea level, tectonic uplift, and base surf erosion. As previously discussed, grading creating a building pad occurred sometime in the 1960's. The preliminary geotechnical investigation characterized the soil profile as generally consisting of fill, colluvium, and highly weathered granite that becomes less weathered and

stronger with depth. Artificial fill was encountered on the west side of the graded pad.

The geological report (LIB240059) concludes that primary concerns for the site include slope instability and long-term coastal erosion. The discussions on slope instability and long-term coastal erosion are summarized below and discussed in detail in the Initial Study prepared for the project (**Exhibit C**). In summary, both the geological and geotechnical reports considered the site suitable for a single-family residence, provided that the recommendations within them were followed. These recommendations include criteria for site preparation, grading, foundations, and other improvements; either siting the residence landward of a projected 100-year bluff setback or embedding of foundations below the projected 100-year bluff erosion profile; direction of concentrated drainage away from the ground surface or steep slopes to prevent shallow landsliding or ponding; and review of grading and foundation plans. The majority of the residence is landward of the 100-year bluff setback shown in Figure 5 (above), but includes a micro-piled foundation penetrating below the projected 100-year bluff erosion profile as shown in the section view in Figure 13 (below). To ensure the geologists' and geotechnical engineers' recommendations are adhered to, Conditions Nos. 10 and 11 are recommended, which would require that the applicant record a notice on the property stating that all development shall be in accordance with the geological and geotechnical reports. Additionally, Monterey County Code section 16.08.110.D shall require that recommendations included in soil engineering reports be included in grading plans and specifications.

Slope Instability

Strong ground shaking can cause landslides or slope failure. The geological report states that while deep landsliding, incorporating a large part of, or the entire slope, is possible, the initiation of new large landslides is exceedingly rare and relatively uncommon in granodiorite. In their on-site investigation, the geologist saw no indicators of previous slides on the site, such as scarps, large bowl-shaped swales, or “hummocky” topography. The geologist concluded that improvements too close to the bluff would have a high risk of damage resulting from bluff instability; however, the likelihood of retreat to impact these improvements is low, provided any improvement is well-founded, below the 100-year bluff profile mentioned above, or adequately setback from the bluff. In this case, the application includes foundations that would penetrate below the 100-year projected bluff profile, therefore reducing the risk of damage by bluff retreat to a normally acceptable level. The geotechnical report also included a quantitative slope stability analysis, which indicated that the soil condition and granite slopes meet or exceed the industry standard minimum safety factors for slope failures above weathered granite. Similar to the geological report, the geotechnical report recommends either siting improvements landward of the 100-year bluff setback or embedding their foundations below the 100-year bluff profile to address landslides. Both reports emphasized controlling and not directing drainage toward the steep bluff to prevent erosion and avoid impacts on bluff stability, which shall be required through adherence to Condition Nos. 10 and 11 and through application of Monterey County Code Chapter 16.08.

Long-term Coastal Bluff Erosion

In accordance with LUP Policy 2.7.4.7, the geologic report includes an analysis of cliff geometry, historic bluff retreat, and foreseeable cliff erosion. The geologist evaluated aerial photographs of the site dating back to 1929, and conservatively estimated that historical bluff

retreat has been one foot every 10 years. Using this projection, retreat of the bluff face would be approximately 10 feet over the next 100 years. While not necessarily a representative sample, between 2010 and 2016, retreat of the bluff face near the site was significantly less, approximately one-tenth of a foot in 10 years, indicating retreat rates along the granitic coast at the site are very slow. Sea level rise does have the potential to accelerate coastal erosion, however the report concludes that due to the site's very low bluff erosion rate, a hypothetical erosion rate increase of 25% over the next century (erosion would total approximately 12.5 feet over the next 100 years) would have a negligible impact over the lifetime of the project. The geologist's bluff retreat analysis also included retreat from potential rock topple or sliding along dipping joint planes. Using these factors, the geologist mapped a geologically feasible building envelope (see Figure 12) but indicated that development seaward of this envelope would be feasible provided that foundation improvements were installed below the 100-year anticipated bluff retreat profile (See Figure 13). Portions of the proposed development are within this geologically feasible building envelope, while much of the residence is seaward of it. In accordance with LUP policy 2.7.3.1, which requires that all development be designed to minimize risk from geologic hazards, including incorporation of geologic report recommendations, the project includes a micro-pile foundation that would be installed below the 100-year anticipated bluff retreat profile as recommended by the project geologist.

LUP Policy Analysis

LUP Policy 2.7.3.1 requires that development be sited and designed to minimize risk from geologic, flood, and fire hazards; and those areas of the parcel subject to high hazards be generally considered unsuitable for development. Where development is proposed in high-hazard areas, a geotechnical report shall be required prior to County consideration of the project. As discussed above, coordinated geological and geotechnical reports have been prepared to address geotechnical hazards, and recommendations for a deep foundation system have been incorporated into the project's design. The residence has been sited centrally on the flattest portion of the property, and has been sited approximately 27 feet from the edge of the bluff. Therefore, the development has been sized and designed to minimize geologic hazards.

In accordance with LUP Policy 2.7.3.4, projects shall be conditioned requiring the owner to record a deed restriction describing the nature of identified hazards and long-term maintenance requirements. LUP Policy 2.7.4.10 states that revetments and sea walls shall only be allowed for the protection of existing (rather than new) development. Therefore, Condition 17 is recommended requiring the applicant to record a deed restriction identifying that the site is subject to coastal hazards, assuming the risks of such development, waiving liability, indemnifying the County of Monterey for any damages due to coastal hazards, prohibiting future coastal armoring, requiring further geotechnical analysis evaluating whether existing development is safe should land sliding or bluff erosion threaten it, and re-location/removal should the development become unsafe without the installation of new sea walls or shoreline protective structures.

Peer Review

On October 28, 2024 the County received a geotechnical/geologic peer review letter from Rutan and Tucker, LLP prepared by Cornerstone Earth Group as a public comment on the project. The peer review letter had specific comments on the technical analysis and methodology of the

geologic and geotechnical reports prepared for the project, and is attached as **Exhibit G**. Easton Geology Inc and Rock Solid Engineering Inc (the geologist and geotechnical engineer for the project) provided response letters addressing the peer review comments, which are attached in **Exhibit H**. The comments are highly technical and in the realm of the project geologist and engineer. However, HCD-Planning, HCD-Building Services, and HCD-Environmental Services staff have reviewed the materials together with the reports prepared for the project and don't believe that they identify any new hazards or affect the conclusion that the site is suitable for the proposed use. At this time, staff have accepted the final geological (HCD-Planning File Nos. LIB210218 and LIB240060) and geotechnical (HCD-Planning File Nos. LIB210219 and LIB240059) report.

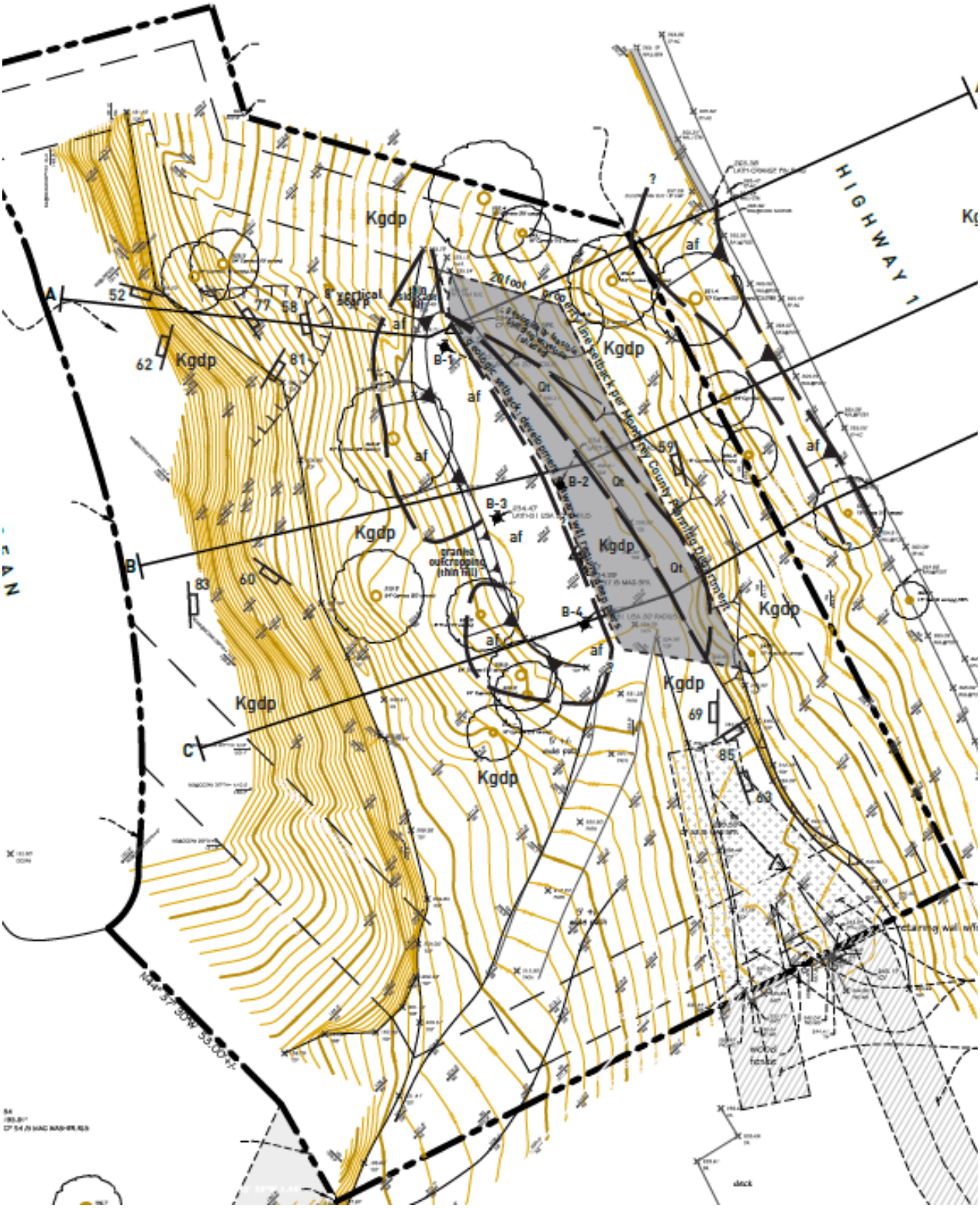

Figure 12: Geologically feasible building envelope

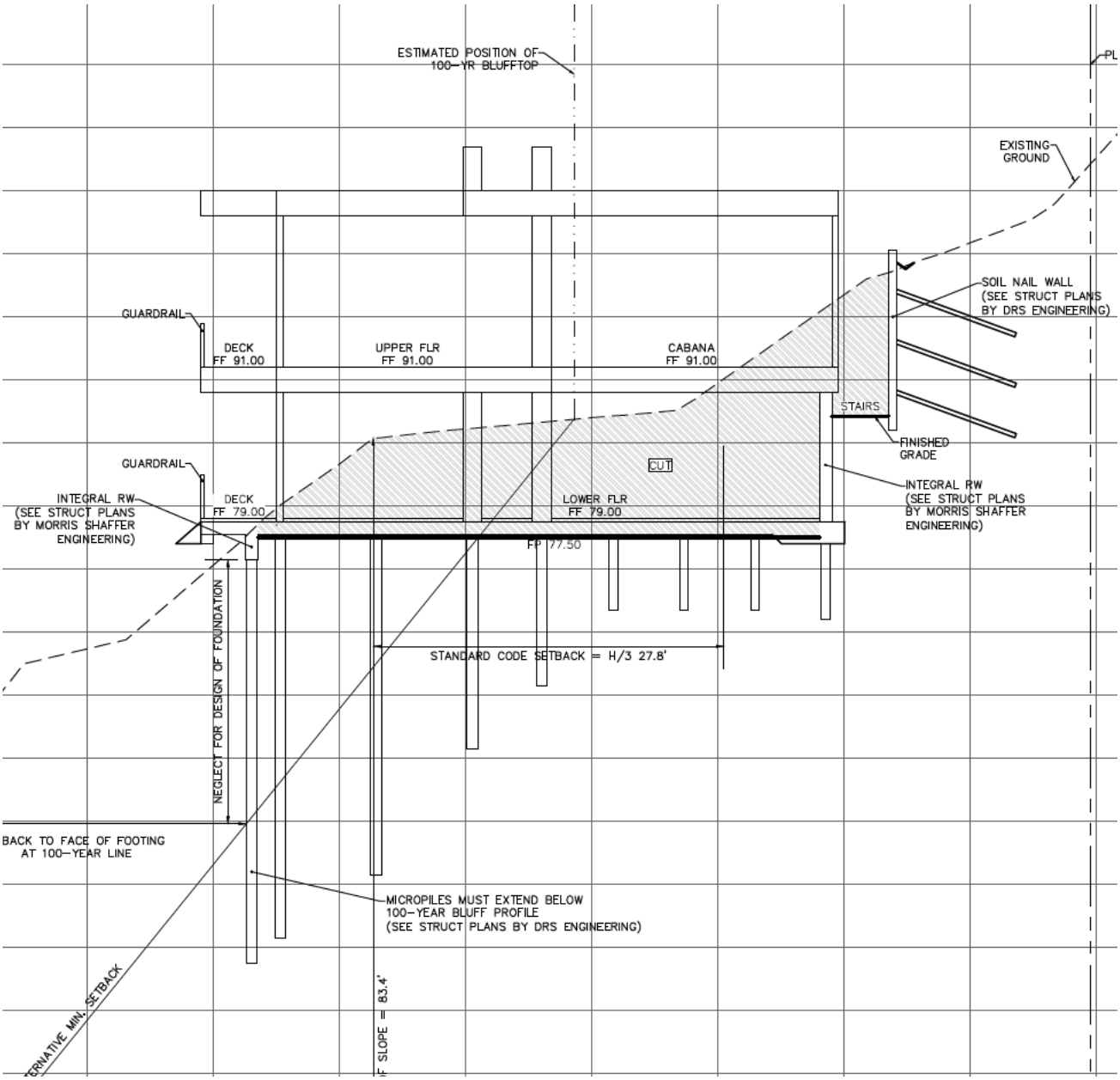

Figure 13: Section view of residence with foundation system (Note: this is diagrammatic and based on previous design)

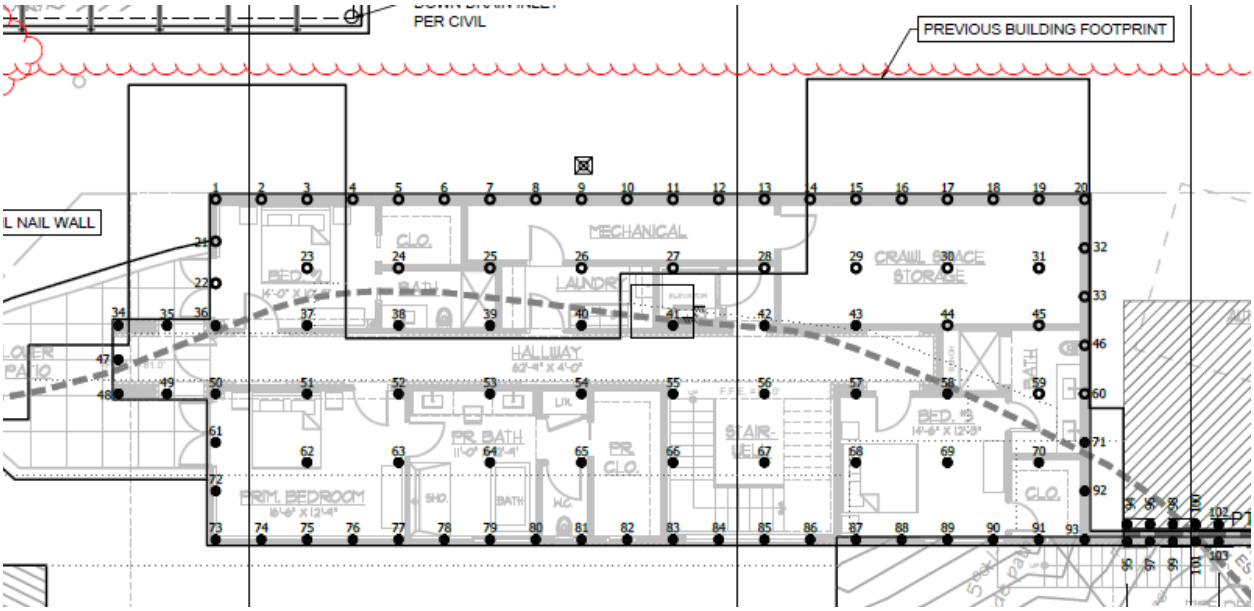

Figure 14: Draft floor plan with locations of micropiles

FOREST RESOURCES

The project includes the removal of five trees. One is a non-native Acacia that doesn't require a permit to remove. The other four are native trees that would require a Coastal Development Permit to remove, including three landmark Monterey cypress trees and one Monterey pine. The proposed tree removal is unavoidable in this case and consistent with the requirements of the CIP.

The previous proposal considered on October, 2024 included the removal of six protected trees. The applicants submitted a revised plan for the project, reducing the requested number of protected trees that would be removed to four, together with a revised forest management plan dated March 15, 2025. Both the original and revised forest management plan are included as **Exhibit D**. The re-design substantially reduces the proposed development area, pulling the residence approximately 21 feet away from a 24-inch diameter Cypress along the cliff edge and 10 feet away from a 12 inch diameter Cypress parallel to Highway 1, so these two trees which were previously considered infeasible to retain can now be preserved. The revised forest management plan states that while both are partially uprooted, have fragmented crowns, and should continue to be monitored for stability, they appeared stable at the time of assessment. The four trees proposed for removal range from poor to fair condition, with the original forest management plan stating that they're in generally poor condition due to crown fragmentation, limb die-back, or uprooting, and would not be safe to retain when any soil disturbance occurs near them.

CIP section 20.146.060.D.6 requires replacement on a 1:1 basis of all trees greater than 12 inches in diameter. Therefore, Condition No. 13 is recommended, which would require the replanting of three Monterey cypress and one Monterey pine. Additionally, to ensure that trees not being removed are protected through the construction process, and protected in accordance with the forester's recommendations, Condition No. 14 is applied. This condition requires the applicant install and implement tree protection measures recommended in the Forest Management Plan,

provide photos documenting that the tree protection has been installed prior to commencement grading or construction permits, and verify if tree protection has been successful or if follow-up remediation measures or additional permits are required after construction.

CULTURAL RESOURCES

An archaeological report together with a supplemental letter report were prepared to assess whether the project has the potential to impact archaeological resources (HCD-Planning File No. LIB201216). While there is no evidence of resources on the site where the house is proposed, the proposed sewer line and driveway improvements traverse over properties that overlap with a mapped archaeological site. The recorded site occupies several properties, and the extent of any specific resources associated with it are not known. In accordance with the LUP and CIP, mitigation measures and conditions are recommended which would include a cultural awareness training for construction personnel, archaeological monitor, tribal cultural monitor, procedures for stopping work if archaeological resources or human remains are identified, and the requirement for an archaeological mitigation if any resources are identified during the course of construction.

SETBACKS

Main structures in LDR zoning require a minimum front setback of 30 feet and side and rear yard setbacks of 20 feet. The property has a unique configuration, with the western side parallel to the Pacific Ocean subject to a side setback, and the far northern property line subject to a rear yard setback. The property also has multiple front setbacks as it is both a flag lot (located at the end of a driveway access easement) and is bounded by Highway 1 along its eastern and northeastern property lines. Front setbacks for flag lots are measured as a radius from the centerline of the access, or "pole". This radius is depicted on the site plan in **Exhibit B, Attachment 3**. The front setback for the northern and northeastern property lines bounded by Highway 1 is measured from the edge of the highway right-of-way.

The previous version of the project considered at the October 30, 2024 hearing requested two Variances as it encroached into the front setbacks along the eastern and northeastern property lines. The first was a Variance to reduce the front setback along the eastern property line by 10 feet to allow the residence a 20 foot setback parallel to Highway 1 (similar to a side setback). The second was a front setback Variance to reduce the setback for an approximately 26 foot tall retaining wall and a stairwell that were adjacent to Highway 1. The setback distance for this Variance varied, being approximately 14 feet from the property line at the furthest point and two feet from the property line at the closest point. At the October hearing, questions arose regarding both the justification and the scale of the Variance requests.

While there are unique topographical constraints applicable to the property, after the hearing, the applicants elected to redesign their project to remove anything that would require a setback Variance. For the residence, this meant re-designing the home to be equal to or more than 30 feet away from the eastern and northern property lines. For the retaining walls and stairway, this meant re-designing all the site improvements to remove substantial portions of the retaining walls, and terrace others to be no taller than six feet. The County Setbacks for Structures Below Grade interpretation dated December 28, 2006 states that as a matter of practice, retaining walls have been treated similarly to fences, making ones less than six feet not subject to setbacks.

As re-designed, the project meets all the required minimum setbacks. The setback along the northeastern property line is 38 feet and 5 inches, and the setback along the eastern property line is 30 feet, both complying with the minimum front yard setback along those property lines. The setback from the residence southeast to the access easement flag lot "pole" is 56 feet and 5 inches, complying with the 30 radius front setback for the flag lot. The setback from the residence west to the Pacific Ocean is 56 feet and 10 inches, complying with the 20 foot minimum rear yard setback, and the setback from the residence to the northern property line is 99 feet and 2 inches, complying with the minimum 20 foot rear yard setback.

OTHER AGENCY INVOLVEMENT

The Monterey Peninsula Water Management District (MPWMD), Caltrans District 5, Carmel Area Wastewater District (CAWD) were involved in the review process of this application, as detailed below.

As the project includes connecting to and installing water treatment system improvements for Highway 1 Water Distribution System No. 12, which has a Water Distribution System (WDS) permit from the Monterey Peninsula Water Management District (MPWMD) (permit number M13-05-L2). Staff reached out to the MPWMD regarding potential District permitting requirements. They confirmed that because the WDS permit included three connections, including one for this property, and project did not entail an additional water system connection, it would not be required to amend the WDS permit but would require a water permit to ensure that the number of water fixtures do not exceed the production limitations imposed by the WDS permit. The water permit will be secured during the construction permit process, should the project be approved.

The County also referred the project to Caltrans District 5 for review and input during the interdepartmental review process. They stated that the project would require an encroachment permit from their office and encouraged concurrent submittal and review of the County planning and Caltrans permits. The applicants submitted their application for an encroachment permit to Caltrans for such review.

The project's Can and Will serve letter from the Carmel Area Wastewater District (CAWD) references a private "Highlands Point" association that manages the sewer lateral for this area. Staff reached out to CAWD staff regarding the project, and the district engineer indicated that they would require authorization from the properties served by this system prior to their issuance of a sewer connection permit. Therefore, Condition of Approval No. 28 is recommended, which requires a sewer connection permit from CAWD prior to issuance of grading or building permits from HCD-Building Services. At the October 30, 2024 hearing, the project proponents objected to the language of Condition of Approval No. 28, as it required individual approval of the members of the Highlands Point association. At the hearing, staff prepared revised condition language which would require the applicant to provide the County with an approved sewer connection permit from CAWD, but not approval from the Highlands Point Association. After the hearing, CAWD staff reviewed the revised language and did not see the justification for the change, as approval from the association would be required for their permit process, and it's an issue the applicant must address regardless. Staff understands this perspective, but recommends

that the revised language be retained, which does not require direct approval from the Highlands Point association. This removes the County from the position of interpreting a private management agreement between several property owners.