Attachment A



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1. PROJECT DESCRIPTION

A. Location

The subject site is an 870 acre property consisting of nine parcels located along the south side of Highway 68 between River Road and San Benancio Road. Toro County Park and Marks Ranch split the site into two distinct areas. Only a small portion of the property has direct access to the Portola Drive interchange. This portion of the property is the location of the inclusionary housing. References to the project will generally fall into three locations as follows:

- Eastern East of Toro Park. Access to this area would be via River Road, and includes what is referred to as Parcel D and the Bull Field (low grassland visible from Highway 68.)
- Inclusionary (Parcel E) Located off of Portola Drive south of Highway 68 behind the residences off Road 117.
- Western location of most of the lots where market rate single family residences would be located. Extends from Toro Park to San Benancio Road.

B. Planning Commission Recommended Project

The Planning Commission considered the project, the EIR and voted to recommend approval of the Environmentally Superior project identified in the EIR. This project includes the following components:

- 185 Lots (168 market-rate units and 17 lots for moderate income household units).
- 25 unit inclusionary requirement paid through in-lieu fees
- Parcel D (11.8 acres) created for possible future visitor center for Ag Winery Corridor,
- Open space of approximately 700 acres retained in perpetuity,
- Access to the western development area will be a new signalized intersection on SR-68 (New Torrero) with widening of Highway 68.

The Planning Commission recommended approval of this alternative with a 5-4 vote (1 absent) on November 12, 2014. The Planning Commission was concerned that the staff recommendation to relocate 9 lots was not accompanied by a Revised Vesting Tentative Map showing the location of the relocated lots. The VTM attached to the resolution being presented to the Board of Supervisors includes the revisions to relocate these lots.

C. Application Project Description (Now obsolete project description.)

The initial project description proposed:

- 212 residential lots, (146 market rate single family residential lots, 23 clustered market-rate residential lots, 43 inclusionary housing residential lots)
- Open space parcels totaling approximately 600 acres (Parcels A, B, & C),
- An agricultural-industrial parcel (Parcel D) for the future development of a winery

Three access points were proposed as follows:

- 1) An access road through a portion of Toro Regional Park off Highway 68 and within the critical viewshed;
- 2) A separate (not connected) access point off River Road; and
- 3) A separate (not connected) access point off San Benancio Road.

The establishment of the proposed subdivision proposed removal of up to 921 protected Oak trees (Use Permit.) The project also included a Use Permit to allow development on slopes over 30%.

The application includes a request to amend the land use designation of proposed Parcel D from Low Density Residential to Agricultural Industrial, and an amendment to zone Parcel D AI-VS (Agricultural Industrial with Visual Sensitivity). The General Plan Amendment and Rezone continues to be part of the application.

2. BACKGROUND

In 1980 the Board of Supervisors adopted the Toro Vista Specific Plan which included the subject site. The 1982 Monterey County General Plan designation for the subject site was Low Density Residential 1 to 5 acres per unit. That density was consistent with the Toro Vista Specific Plan. In 1986 the Toro Area Plan was adopted designating portions of the subject site for Low Density Residential 1 to 5 acres per unit and much of the site Resource Conservation 10-160 acre minimum. The Toro Area Plan showed the Toro Vista Specific Plan covering the subject site with a note indicating a maximum of 599 units. In 1993 the Toro Area Plan was rezoned to bring the zoning into conformance with the land use designations. At this time the Toro Vista Specific Plan was being repealed and the subject site was left without zoning and the land use designation reverted back to the 1982 General Plan designation of Low Density Residential 1 – 5 units per acre. That is how the land use designation has remained until adoption of the 2010 General Plan when the Land Use Designation was set at Low Density Residential 2.5 units per acre.

Currently the site has no zoning. The County has identified the need to apply zoning on this site as part of the 2010 General Implementation Program. This work is expected by RMA-Planning, to be completed in early 2015.

3. GENERAL AND AREA PLAN CONSISTENCY

The proposed project is being processed under the 1982 General Plan and Toro Area Plan. Monterey County 2010 General Plan Policy LU-9.3 states: *Applications for standard and minor subdivision maps that were deemed complete on or before October 16, 2007 shall be governed by the plans, policies, ordinances and standards in effect at the time the application was deemed complete.* The project application was deemed complete in April of 2005, rendering it subject to

the 1982 General Plan. Additionally, the subject site is within the Toro Area Plan and is subject to the Area Plan as it existed prior to adoption of the 2010 General Plan.

The Project's consistency with the policies of the General Plan and Toro Area Plan is evaluated in the DEIR (pages 3.9-5 through 3.9-12). The Project's consistency with the following policies of the Toro Area Plan merits additional discussion and consideration as these policies are considered as the most constraining for the development of the Site.

A. Water Supply:

- 26.1.4.3 A standard tentative subdivision map and/or vesting tentative and/or Preliminary Project Review Subdivision map application for either a standard or minor subdivision shall not be approved until:
 - (1) The applicant provides evidence of an assured long term water supply in terms of yield and quality for all lots which are to be created through subdivision. A recommendation on the water supply shall be made to the decision making body by the County's Health Officer and the General Manager of the Water Resources Agency, or their respective designees.
 - (2) The applicant provides proof that the water supply to serve the lots meets both the water quality and quantity standards as set forth in Title 22 of the California Code of Regulations, and Chapters 15.04 and 15.08 of the Monterey County Code subject to the review and recommendation by the County's Health Officer to the decision making body.

The project will receive water from California Water Service Company (Cal Water.) Cal Water prepared an Urban Water Management Plan (UWMP) which identifies that Cal Water has the capacity to provide 50,000 acre feet of water per year; however their projected customer demand through the year 2040 is 25,572 acre feet per year. Cal Water will provide water from their wells near Spreckles which draw from the 180/400-Foot Subbasin of the Salinas Valley Groundwater Basin.

The Salinas Valley Groundwater Basin as a whole and the 180/400 Foot aquifer are in an overdraft condition experiencing saltwater intrusion. The Monterey County Water Resources Agency (MCWRA) and the Monterey Regional Water Pollution Control Agency (MRWPCA) operate two major capital projects, Salinas Valley Water Project (SVWP) and the Salinas Valley Reclamation Project (SVRP), which are designed to provide better management of groundwater quality and halt the long-term trend of seawater intrusion and groundwater overdraft. As discussed in Master Response 2 of the FEIR, the growth projected associated with the UWMP for Cal Water is included within the modeling accomplished for development of the SVWP. The proposed project would not directly rely on water produced through the SVWP or other projects, but relies on the overall benefits provided from the suite of projects managed by MCWRA and constructed to minimize seawater intrusion.

The project is estimated to have a total demand of 95 acre feet per year. The DEIR found this demand on the subbasin to be less than significant due to a combination of factors. First is the low volume of demand (95 acre feet per year) versus the total storage capacity of the Pressure subbasin (6.8 million acre feet per year). Second is the small demand of this project (95 AFY) in relation to the overall annual demand for the Pressure subbasin in 2005 of 117,242 AFY (Agricultural Pumping: 98,141 and Urban Pumping 19,101 (Monterey County Water Resources Agency 2014). Based on these numbers, the estimated water use (95 acre feet) is approximately 0.08% of the water in the Pressure subbasin and approximately 0.0013% of the water in the Salinas Valley Groundwater Basin as a whole. By comparison, the total pumping from the SVGB is 500,000 AFY with a 90/10 split between agriculture and urban uses. Third is the consistency with the CWSC Urban Water Management Plan, and fourth is the positive influence of the suite of projects implemented to combat seawater intrusion; the Salinas Valley Water Project, CSIP, Lake Nacimiento and Lake San Antonio. This is discussed in more detail in the DEIR and in Master Response 2 of the FEIR.

The policy stated above requires the County find that there is an assured long-term water supply in terms of quality and yield for all lots which are created through the subdivision. The information presented shows that Cal Water will be providing water and has the infrastructure capacity to provide the water. The question of water supply from the is addressed through the suite of projects managed by the Monterey County Water Resources Agency. The water quality is addressed by the fact that the water is being provided by a utility that is regulated and is required to provide water that meets minimum standards.

B. Areas of Visual Sensitivity

- 26.1.6.1 (T) Within areas of visual sensitivity as indicated on the Toro Visual Sensitivity Map, to development shall be permitted without a finding by the Board of Supervisors or its designee that such development will not adversely affect the natural scenic beauty of the area. Additionally, areas of visual sensitivity shall be reviewed critically for landscaping and building design and siting which will enhance the scenic value of the area.
- 40.2.5 (T) The County shall require newly created parcels to have building sites outside of the 51 critical viewshed.

Critical Viewshed:

Toro Area Plan Policies require that newly created parcels have building sites outside of the critical viewshed, maintain a 100 foot setback from designated scenic routes, and that open space zoning be applied. The intent of the critical viewshed is to protect views from common public viewing areas, such as Highway 68.

No lots or building sites are proposed within the critical viewshed or required 100 foot setback. Mapped critical viewshed areas, as shown on Figure 9 of the Toro Area Plan, will

be retained in open space, with the exception of the development and installation of two access roads, New Terrero (western access) and River Terrace Drive (eastern access).

Visual Sensitivity:

Majority of the project site is designated as visually sensitive. Most lots and or improvements are either fully or partially located within the visually sensitive area. Development in visually sensitive areas requires site planning and attention but is not prohibited.

Development Standards for Scenic Areas.

The proposed project includes development within an area of visual sensitivity. The project has been conditioned to develop Design Criteria within the CC&R's to guide development within areas of Visual Sensitivity. As a party to the CC&R's, the County will administer the provisions of the design criteria through review of a subsequent discretionary permit based upon the Visual Sensitivity criteria (Condition 20). County Staff is programmed to add zoning to the subject site including the Visually Sensitive (VS) and Design Control (D) overlays. The application of these zoning overlays would require full flagging and staking on proposed development areas, prior to approval of additional discretionary and construction permits. The implementation of the zoning overlays would ensure that future development will not adversely affect the natural scenic beauty of the area.. This work is scheduled to be completed in the first quarter of 2015. Either the VS and D Zoning or implementation of the CC&R's will adequately protect the visual quality of the area.

Future development proposed near/adjacent to the Lupine Field and on the Mesa (Parcel D) above River Road will be placed behind engineered landscape berms and designed so that development will not be visible from Highway 68 or River Road (Condition 17).

C. Ridgeline Development

26.1.9 In order to preserve the County's scenic and rural character, ridgeline development shall not be allowed unless a special permit is first obtained. Such permit shall only be granted upon findings being made that the development as conditioned by permit will not create a substantially adverse visual impact when viewed from a common public viewing area. New subdivisions shall avoid lot configurations which create building sites that will constitute ridgeline development. Siting of new development visible from private viewing areas, may be taken into consideration during the subdivision process.

Ridgeline Development is not being allowed or permitted as part of this project. Lots that had the potential to be considered Ridgeline development were relocated as part of the Planning Commission review.

4. CEQA/ENVIRONMENTAL REVIEW

A. Environmental Impact Report Preparation and Circulation. An Environmental Impact Report was prepared for the proposed project in accordance with the California Environmental Quality Act. The public review period for the Draft EIR was from August 27, 2012 through October 22, 2012. Based upon the comments received on the DEIR, a Recirculated Draft EIR was prepared for 4 sections (Air Quality, Biological Resources, Greenhouse Gas Emissions and Climate Change, and Alternatives). The public review period for the RDEIR was from July 1, 2014 until August 18, 2014. Based upon the comments received on the RDEIR, a Final EIR was released for public review on October 1, 2014. This release date complies with the legal requirement of allowing public and responsible agency (State) review at least 10 days prior a decision.

B. Significant Unavoidable Impacts.

The EIR identified that there would be significant unavoidable adverse impacts related to Aesthetic Resources, Traffic and Greenhouse Gas Emissions. The impact associated with Aesthetic Resources was related to the location of Ferrini Ranch Road running through Toro Park and along the frontage of Highway 68. This impact has been removed with the new access through a signalized intersection. In order to approve the project with these impacts, a Statement of Overriding Considerations must be adopted indicating how the project benefits compensate for the impacts identified.

C. Statement of Overriding Consideration:

The project would provide the following benefits to the public:

- **i.** Construct bicycle/pedestrian trail from San Benancio Road to River Road along the south side of Highway 68.
- **ii.** Improve approximately 1.3 miles of Highway 68 from two to four lanes and installing a new four way traffic signal at New Torero. This would eliminate cut through traffic on Portola Road.
- **iii.** Provide a parcel for a visitor center for the Ag Winery Corridor near the intersection of Highway 68 and River Road.
- **iv.** The project would maintain 700 acres of the site in permanent open space and this area would continue to be used for cattle grazing.
- v. Creation of jobs through construction related activities.

5. USE PERMIT -- TREE REMOVAL

The project, as proposed, could result in the removal of up to 921 coast live oak trees and associated oak woodland habitat. Most of the trees would be removed during construction based on the approximate limits of grading for construction of roads, driveways, and building pads (based on a high removal estimate). However, the final number of trees to be removed cannot be determined until final site plans for all lots are prepared. Also, the final tree removal count may vary somewhat due to realignment of roadways and building locations, which could result in removal of fewer trees. The number of trees is a worst- case scenario, based on the original

project, and fewer trees are anticipated to be removed under Vesting Tentative Map Alternative 5.

Removal of 921 oak trees would represent approximately 3.2% of the total trees currently estimated on the project site. The Forest Management Plan identified that approximately 20 to 25 percent of the trees estimated to be removed are suffering from extensive decay, breakage, and/or low vigor. No trees with diameters greater than 24 inches at breast height (i.e., landmark trees) would be removed with implementation of careful construction methods and roadway design modifications.

Tree removal will accommodate the subdivision improvements (i.e., grading for construction of roads and installation of utility infrastructure) and development of individual lots (i.e., driveways and building pads) within the subdivision. The proposed subdivision has been designed to use primarily open areas for access and lots. This design has kept tree removal to a minimum required under the circumstances, as evidenced by the relatively small number of trees proposed for removal given the scope of the project. Open space parcels, approximately 700 acres, would also preserve the remaining trees on site.

6. USE PERMIT DEVELOPMENT ON SLOPE EXCEEDING 30 PERCENT

The project as proposed would involve grading activities on slopes in excess of 30 percent; therefore, the project incorporates a request for issuance of a Use Permit. The Use Permit request is only for the installation of required access roads and subdivision infrastructure. The scope of this Use Permit would not include any of the proposed home lots/building sites.

The 1982 Monterey County General Plan includes Policy 26.1.10, which prohibits development on slopes in excess of 30 percent unless findings can be made that there is no feasible alternative or the project, as proposed, better achieves the resource protection objectives and policies of the General Plan and the applicable Toro Area Plan.

Proposed development on slopes in excess of 30 percent would accommodate the subdivision improvements (i.e., grading for construction of roads and installation of utility infrastructure). The lots are primarily located in areas where the slope is less than 30 percent. This has minimized development on slopes over 30 percent. There is no feasible way to design a circulation system for the project without crossing slopes exceeding 30 percent, as the site is characterized by hills and steep slopes, with flatter lands in between. To access the flatter portions, the road system must cross areas in excess of 30 percent slope. This is particularly true given the limited access locations for the subject site.

Additionally, the General Plan prohibits the creation of new lots within the mapped critical viewshed; however allows an exception to be made for development on slopes exceeding 30 percent. This policy guidance seems to encourage development on slopes rather than in the flatter areas located within the critical viewshed. Therefore the granting of a Use Permit to allow development on slopes in excess of 30 percent, would better achieve the resource protection objectives contained in the General Plan.

7. GENERAL PLAN AMENDMENT/REZONE

The request for the tentative map does not require a General Plan Amendment or rezone. The applicant's request for a GPA/Rezone was to facilitate the creation of a parcel for a winery on Parcel D at the eastern end of the project.

Alternative 5 envisions a winery corridor/Gateway visitor center on Parcel D. Alternative 5 merely creates Parcel D, and this action does not require a General Plan amendment or zoning. No entitlement for a visitor center is sought at this time. In regard to the vision of a future visitor center, the 2010 Monterey County General Plan in the Agricultural Winery Corridor Plan section 3.1H encourages development of a visitor center near Highway 68. The subject site (Parcel D) is within the Ag/Winery Corridor established by the 2010 General Plan. The placement of a Visitor Center at this location would not require modification to the Land Use, so no General Plan Amendment would be necessary if and when an entitlement were sought for the visitor center. The Low Density Residential Zoning District would allow this use as a Public/Quasi Public use subject to approval of a Use Permit. Therefore the General Plan Amendment and Rezone Requests are not required and the Planning Commission recommended that the Board of Supervisors deny these portions of the project application.