



# Monterey County

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## Board Report

Legistar File Number: RES 15-010

February 10, 2015

**Introduced:** 1/28/2015

**Version:** 1

**Current Status:** Agenda Ready

**Matter Type:** BoS Resolution

Public hearing continued from February 3, 2015 to consider:

- a. Adoption of a resolution to certify the Final Environmental Impact Report and adopt associated Findings of Fact and a Statement of Overriding Considerations for the California Flats Solar Project;
- b. Adoption of a resolution to approve a Use Permit to allow the construction of a 280 Megawatt solar generating facility on an approximately 3,000 acre site including: photovoltaic (PV) solar modules, two substations (approximately 6 acres each), a switching station (approximately 6 acres), a 4,000 square foot operations and maintenance building, an approximately 155 acre utility corridor, other infrastructure needed to serve the proposed project and grading of approximately 880,000 cubic yards of cut and 880,000 cubic yards of fill.; and to adopt a Mitigation Monitoring and Reporting Plan; and
- c. Adoption of an Ordinance to approve a Development Agreement between the County of Monterey and California Flats Solar, LLC and to authorize the Chair of the Board to execute the Development Agreement.

(PLN120294/California Flats, southeastern corner of Monterey County, approximately 7 miles southeast of Parkfield, South County Area Plan)

### PROJECT INFORMATION:

**Planning File Number:** PLN120294

**Owner:** California Flats Solar LLC

**Project Location:** approximately 7 miles southeast of Parkfield

**APN:** 143-011-001-000, 143-011-002-000, 143-011-003-000, 143-011-004-000, 143-011-007-000, 143-011-008-000, 143-011-012-000, 143-011-023-000, 143-011-024-000, 143-011-025-000, 423-191-037-000, 423-191-038-000, 423-191-039-000, 424-181-012-000, 424-181-013-000, 424-181-014-000, 424-181-015-000, 424-181-016-000, 424-081-018-000, 424-081-036-000, 424-181-038-000, 424-191-015-000, 424-191-016-000, 424-201-007-000, 424-201-009-000, 424-201-010-000, 424-201-011-000, 424-211-001-000, 424-211-004-000, 424-211-024-000, and 424-211-025-000

**Agent:** Anthony Lombardo

**Plan Area:** South County Plan Area

**Flagged and Staked:** No

**CEQA Action:** EIR

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Adopt a resolution (Attachment B) to certify the Final Environmental Impact Report and adopt associated Findings of Fact and a Statement of Overriding Considerations for the

- California Flats Solar Project;
- b. Adopt a resolution (Attachment C) to approve a Use Permit to allow the construction of a 280 Megawatt solar generating facility on an approximately 3,000 acre site including: photovoltaic (PV) solar modules, two substations (approximately 6 acres each), a switching station (approximately 6 acres), a 4,000 square foot operations and maintenance building, an approximately 155 acre utility corridor, other infrastructure needed to serve the proposed project and grading of approximately 880,000 cubic yards of cut and 880,000 cubic yards of fill.; and to adopt a Mitigation Monitoring and Reporting Plan; and
  - c. Adopt an ordinance (Attachment D) to approve a Development Agreement between the County of Monterey and California Flats Solar, LLC and to authorize the Chair of the Board to execute the Development Agreement.

SUMMARY:

The proposed project would allow the construction and operation of a 280 megawatt solar energy facility, involving clustered photovoltaic solar panels distributed over approximately 2,120 acres of a 2,720-acre site (part of an existing 72,000 acre cattle ranch) with, two substations, an operations and maintenance building, and other infrastructure needed to serve the proposed project. Caltrans right of way improvements at Highway 41 in San Luis Obispo County, and other infrastructure improvements will be required as part of the project. The project would help achieve state goals for diversifying energy production by adding more renewable sources.

An EIR has been prepared for this project identifying significant unavoidable impacts related to traffic on Highway 41 in San Luis Obispo County, and to air quality related to the construction of the project. The site supports significant biological resources and a significant number of mitigation measures have been applied to reduce the biological impacts to a Less than Significant level. Since not all impacts can be mitigated to a Less than Significant level, finding supporting overriding considerations are required. The FEIR identified many benefits associated with the project that balance the identified unavoidable environmental impacts. These benefits include: providing a renewable source of energy consistent with state and federal mandates, the subject site is within a Competitive Renewable Energy zone, the project will offset a significant amount of carbon oxide emissions each year, will contribute towards making solar energy more economically competitive, the project will generate a significant number of construction jobs, and several operational jobs during the life of the project, the construction and operation of the project will increase tax revenue, and the project proponent will contribute toward construction of a new library facility in Parkfield, and help to equip CalFire in providing service to the subject site.

The applicant, California Flats Solar, LLC, is also requesting a Development Agreement which would freeze the current regulations in place during the thirty-four year term of the agreement in exchange for the applicant guaranteeing revenue associated with the purchase of supplies. This agreement provides financing for the public benefit that can be considered as an overriding consideration.

The project has some opponents who expressed concerns with the following:

1. Adequacy of the EIR related to biological impacts and closed and capped oil wells on site.

2. Use of portion of Turkey Flats Road that is a private road following the Board of Supervisors' 1998 vacation and abandonment of a right of way..
3. Visual impacts to neighbor who has two residences which view the site.

The Planning Commission conducted a public hearing on the project on January 14, 2015 and recommended that the Board of Supervisors certify the Environmental Impact Report, approve the Use Permit, and enter into the Development Agreement. (Attachment I) As part of their action the Planning Commission considered the EIR, the public testimony, and the impact to the adjacent residences, and followed staff recommendation to add a condition to address the use of Turkey Flats Road.

Detailed discussion is provided in **Attachment A**.

OTHER AGENCY INVOLVEMENT:

The following agencies have reviewed the project, have comments, and/or have recommended conditions:

- ✓ RMA-Public Works Department
- ✓ RMA-Environmental Services
- ✓ Environmental Health Bureau
- ✓ Water Resources Agency
- ✓ CAL FIRE

Agencies that submitted comments are noted with a check mark ("✓"). Conditions recommended by RMA - Public Works, RMA-Environmental Services, Environmental Health Bureau, Water Resources Agency, and Cal Fire have been incorporated into the Condition Compliance/Mitigation Monitoring and Reporting Plan attached to the draft resolution (Attachment C). County Counsel assisted in the negotiation of the Development Agreement and has approved the Development Agreement ordinance as to form.



The project was reviewed by the South County LUAC on September 19, 2012 and then again on November 19, 2014. The LUAC considered the comments made by the public and recommended approval of the project with a vote of 4-0-1 (1 Abstain.)

FINANCING:

Funding for staff time associated with this project is included in the FY14-15 Adopted Budget for RMA-Planning.

Under this Development Agreement Cal Flats agrees to guarantee \$3 million in revenue to the County from the project, based on Bradley-Burns Uniform Local Sales and Use Tax for the County of Monterey. If the sales and use tax attributable to the project and allocated to the County by the State Board of Equalization is ultimately less than \$3 million, Cal Flats agrees to make an additional payment to the County to bring the total revenue received by County up to \$3 million. County staff's expectation is that the sales and use tax will independently exceed \$3 million. No contribution from the applicant is required if the sales and use tax attributable to the project and allocated to the County exceeds \$3 million by itself.



Prepared by: John H. Ford, RMA Services Manager, ext. 5158   
Approved by: Mike Novo, Director, RMA-Planning, ext. 5192   
Carl Holm, Acting Director Resource Management Agency 

cc: Front Counter Copy; Board of Supervisors; CAL FIRE; RMA-Public Works Department; RMA-Environmental Services; Environmental Health Bureau; Water Resources Agency; California Department of Transportation; California Department of Fish and Wildlife; Monterey Bay Unified Air Pollution Control District; Shandon Joint Unified School District; California Department of Industrial Relations, Division of Occupational Safety and Health; San Luis Obispo County Department of Planning and Building; San Luis Obispo County Air Pollution Control District; U.S. Army Corps of Engineers; Pacific Gas and Electric Company; John Ford, RMA Services Manager; Hearst Corporation, Owner; California Flats Solar LLC/First Solar, Inc.; The Open Monterey Project (Molly Erickson); LandWatch (Amy White); W.J. Van Bortel; Jane Wooster and Ann Myhre; Ann Gaglioti; Cameron Hunter; Holly Temple; Kathleen D. Lambeth; Tristan James Mabry; The Offset Project; Adams Broadwell Joseph & Cardozo; California Native Plant Society; Extreme Impact, Inc.; Defenders of Wildlife; Audubon California; Center for Biological Diversity; Monterey Audubon; Sierra Club Ventana Chapter; Anthony Lombardo and Associates, Anthony Lombardo; Fenton and Keller, David Sweigert; and Planning File PLN 120294

The following attachments are on file with the Clerk of the Board:

- Attachment A Project Discussion
- Attachment B Draft Resolution - Certification of EIR and Findings of Overriding Considerations
- Attachment C Draft Resolution - Use Permit, including:
  - 1. Conditions of Approval and Mitigation Monitoring and Reporting Program
  - 2. Project Plans
- Attachment D Ordinance Adopting Development Agreement
  - Development Agreement.
- Attachment E Vicinity Map
- Attachment F-1 11/19/2014 Advisory Committee Minutes (South County LUAC)
- Attachment F-2 09/19/2012 Advisory Committee Minutes (South County LUAC)
- Attachment G Project Correspondence
  - G-1 Monterey County Business Council
  - G-2 Adams Broadwell Joseph and Cardozo
  - G-3 Kathleen Lambeth
  - G-4 Fenton & Keller
  - G-5 Ruth Legaspi
  - G-6 Farella Braun +Martel
  - G-7 Mitch and Jane Ulibarri (Rancho Basque)
  - G-8 Corinne Kuhnle
  - G-9 Rebecca Allen

	G-10 Salinas Valley Chamber of Commerce
	G-11 Holly Phillips
	G-12 The Van Boxtel Family
	G-13 Teresa Brander
Attachment H	Letter From Wallace Group about access on Turkey Flat Road Abandonment
Attachment I	Planning Commission Resolutions
	I-1 Resolution Recommending Certification of FEIR
	I-2 Resolution recommending approval of Use Permit
	I-3 Resolution recommending entering into Development Agreement
Attachment J	Draft EIR
Attachment K	Appendices to DEIR
Attachment L	Final EIR

\*NOTE: The Final EIR was distributed to Board Members approximately January 8, 2015.

The preceding attachments are also available for review on the RMA-Planning public website at [http: www.co.monterey.ca.us/planning/](http://www.co.monterey.ca.us/planning/): Project Plans, Draft EIR, and Final EIR