

Attachment E

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When recorded return to:
MONTEREY COUNTY RESOURCE
MANAGEMENT AGENCY
PLANNING DEPARTMENT
Attn: Joseph Sidor
168 West Alisal St 2nd Floor
Salinas, CA 93901
(831) 755-5025

Space above for Recorder's Use

Permit No.: PLN100138
Resolution Nos.: Board of Supervisors
Resolution Nos. 12-148 and
12-149
Owner Name: Pebble Beach Company
Project Planner: Joseph Sidor
APNs: 007-101-045-000 and 007-
101-046-000

The Undersigned Grantor(s) Declare(s):
DOCUMENTARY TRANSFER TAX OF \$ 0
 computed on the consideration or full value of
property conveyed, OR
 computed on the consideration or full value less
value of liens and/or encumbrances remaining at
time of sale,
 unincorporated area; and
 Exempt from transfer tax,
Reason: Transfer to a governmental entity

Signature of Declarant or Agent

OPEN SPACE CONSERVATION EASEMENT DEED (DEL MONTE FOREST - COASTAL)

THIS OPEN SPACE CONSERVATION EASEMENT DEED (this "Easement Deed") is made this ____ day of _____, 2016, by and between PEBBLE BEACH COMPANY, a California general partnership, as Grantor, and the DEL MONTE FOREST CONSERVANCY, a California non-profit corporation (formerly named the Del Monte Forest Foundation), as Grantee, on behalf of the County of Monterey.

WITNESSETH:

WHEREAS, Grantor is the owner in fee of the real property more particularly described in Exhibits "A-1" and "A-2" attached hereto and made a part hereof, situated in Monterey County, California (hereinafter the "Property"); and

WHEREAS, the Property comprises the Conservation Area and includes environmentally sensitive habitat areas (ESHA), as that term is understood under the Coastal Act and the Monterey County Local Coastal Program (LCP), and also provides natural scenic beauty and open space values; and

WHEREAS, the Grantor, the Grantee, and the County of Monterey (hereinafter "County") desire to preserve and conserve for the public benefit the Conservation Area, including for its ESHA, its great natural scenic beauty, and its open space values, in such a way as to ensure enhancement, protection, and management of such areas as protected and self-functioning habitat areas in perpetuity; and including because such ESHA protection is essential to the health and well-being of the Del Monte Forest, not only in terms of the value of the resources themselves, but also in terms of fostering a natural environment within which the Forest's residential and visitor-serving commercial uses can thrive; and

WHEREAS, the California Coastal Act of 1976 (hereinafter referred to as the "Act") requires that any coastal development permit approved by the County must be consistent with the provisions of the certified LCP; and

WHEREAS, pursuant to the Act, and the LCP, Grantor applied to the County for a permit to undertake development as defined in the LCP; and

WHEREAS, Combined Development Permits were granted (File Number PLN100138, hereinafter collectively referred to as the "Permit") on June 19, 2012, by the Monterey County Board of Supervisors pursuant to the Findings, Evidence, and Conditions contained in Resolution Nos. 12-148 and 12-149, attached hereto as Exhibits "B-1" and "B-2" (without the attachments to such Resolutions, which attachments are available for review upon request at Monterey County Resource Management Agency - Planning) and hereby incorporated by this reference in their entirety notwithstanding the omission of their attachments herein (hereinafter the "Resolutions"), subject to the following condition(s):

"Condition No. 12 - PDSP001 - PRESERVATION AREA EASEMENTS (NON-STANDARD) - Easements over all preservation areas shown on the Pebble Beach Company Concept Plan (LUP Figures 9a to 9t) shall be

dedicated to the Del Monte Forest Foundation in perpetuity through Open Space Conservation Easements in a form and content approved by the County and the Executive Director of the Coastal Commission. The easement shall be developed in consultation with a certified professional and the Del Monte Forest Foundation (Foundation). These instruments shall provide for enforcement, if need be, by the County or other appropriate agency, and name the County as beneficiary in event the Foundation is unable to adequately manage these easements for the intended purpose of scenic, biological and visual resource protection.

Condition No. 65 - MM BIO A2. DEDICATE CONSERVATION EASEMENTS TO THE DEL MONTE FOREST FOUNDATION FOR ALL PRESERVATION AREAS - The applicant will be required to dedicate conservation easements to the Del Monte Forest Foundation or other approved entity for proposed preservation areas, which includes undeveloped land within Areas B, C, F-1, F-3, G, H, I, J, K, L, M, N, O, PQR, U, V, and Corporation Yard as identified in Appendix C. The conservation easements will incorporate specific development prohibitions based on the protection measures outlined in the Master RMP in Appendix C in Volume II of EIR and the SSRMPs to be developed per MM BIO A1. The conservation easements will contain specific restrictive language that permanently prohibits all future development in the preservation areas, with the following three exceptions: 1. Existing trails and utility uses and their maintenance. 2. New recreational trails and utility lines within the applicant's proposed preservation areas. 3. Limited expansion of trails, but not expansion of formal recreational facilities, utility lines or corridors, nor construction of any additional supporting facilities. The conservation easements will also contain a guarantee of full funding for implementation and monitoring by the applicant of all agency approved resource management methods established in all agreements and MOUs, and a statement that these dedicated areas cannot be used for the mitigation of

any other past, present, or future projects. The intent of this language is to prevent the possibility of later revision, amendment, or interpretive disputes concerning the conservation easements that might directly or indirectly result in the loss of habitat area and quality that is intended and required solely as mitigation for this project's effects. The intent is also to ensure the implementation of proposed resource management activities that are intrinsic to enhancing and maintaining the forest's ecological values, such as implementation of resource and wildfire management practices.”

WHEREAS, the areas being protected include natural, scenic, and open space qualities and features valuable for plant and wildlife habitat; and

WHEREAS, the County, acting on behalf of the People of the State of California and pursuant to the Act, and in accordance with the findings contained in the Resolutions, granted the Permit to the Grantor upon the conditions described above (hereinafter the “Conditions”) requiring, inter alia, that the Grantor record an open space conservation easement affecting the Conservation Area and agree to restrict development on and use of the Conservation Area so as to enhance, protect, preserve, and manage the habitat, open space, scenic, and overall natural resource values present in the Conservation Area as protected and self-functioning habitat areas in perpetuity, including to prevent any adverse direct and cumulative effects on these resources; and

WHEREAS, the County has placed the Conditions on the Permit because a finding must be made under the law that the proposed development is in conformity with the provisions of the certified LCP and that in the absence of the protections provided by the Conditions said finding could not be made; and

WHEREAS, Grantor has elected to comply with the Conditions and execute this Easement Deed so as to enable Grantor to undertake the development authorized by the Permit; and

WHEREAS, it is intended that this Easement Deed be irrevocable and shall constitute enforceable restrictions within the meaning of Article XIII, Section 8, of the

California Constitution and that this Easement Deed shall thereby qualify as an enforceable restriction under the provision of the California Revenue and Taxation Code, Section 402.1; and

WHEREAS, the Grantor is willing to execute this Easement Deed for the conservation and scenic use as herein expressed of the Conservation Area, and thereby enhance, protect, preserve, and manage the habitat, open space, scenic, and overall natural resource value by the restricted use and enjoyment of the Conservation Area by the Grantor through the imposition of the restrictions hereinafter expressed; and

WHEREAS, the recitals set forth above are hereby incorporated in and made a part of this Easement Deed by this reference.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor does hereby grant and convey unto Grantee for the benefit of the People of the State of California, an estate, interest, and open space conservation easement in perpetuity for the purpose of habitat protection and resource conservation over the Conservation Area in accordance with the following provisions (the "Easement"); and to that end and for the purposes of accomplishing the intent of the parties hereto, Grantor covenants on behalf of itself, its heirs, successors, and assigns, with the Grantee, its successors and assigns, to do and refrain from doing severally and collectively upon the Conservation Area the various acts hereinafter mentioned.

A. PROPERTY SUBJECT TO EASEMENT. This Easement shall be over the Property identified in this Easement Deed as the Conservation Area.

B. RESTRICTIONS. Upon recordation of this Easement Deed and thereafter in perpetuity, the use of the Conservation Area shall be limited to natural open space for habitat protection and resource conservation uses. No "development" (as defined in Section 20.06.310 of the LCP), including, but not limited to, removal of trees and other major or native vegetation, grading, paving, installation of structures such as signs, buildings, etc., and no grazing or agricultural activities shall occur or be allowed on the Conservation Area with the exception of the following (subject to compliance with any applicable governmental regulatory requirements and in accordance with the specific development prohibitions based on the protection measures outlined in the approved

Master Resource Management Plan (Master RMP) in Appendix C in Volume II of the EIR and the Site-Specific RMP (SSRMP) to be developed per MM BIO A1):

1. The right to maintain, repair, and use all existing roads, bridges, trails, structures, public service and utility lines, pipes, and transmission facilities (including those for gas, electricity, telephone, water, sewer, and cable television), and facilities for drainage and erosion and sedimentation control, upon the Conservation Area, and the right to the construction, maintenance, repair, and use of the development and uses authorized by the Permit, including new and relocated fire roads and pedestrian and equestrian trails as allowed thereunder.

2. The right to the construction, maintenance, repair, and use of new public service and utility lines, pipes, and transmission facilities (including those for gas, electricity, telephone, water, sewer, and cable television), and facilities for drainage and erosion and sedimentation control, when such public service, utility, and drainage pipes and facilities are found to be infeasible to be located outside of such Conservation areas, and, if infeasible, when such facilities are the minimum necessary.

3. Intermittent grazing for use as a wildfire prevention measure, only if allowed in accordance with the approved Master RMP and future SSRMP.

4. Conduct of public and private scientific study, consistent with the intent of this Easement.

5. The use and occupancy of the Conservation Area not inconsistent with the conditions and restrictions herein imposed, such as public and private visitation, hiking, equestrian, and similar passive or low-impact outdoor recreational uses. Access to the Conservation Area shall be governed by a Del Monte Forest Public Access Management Plan to be developed pursuant to Condition No. 14 of the Permit.

6. Management of resources within the Conservation Area in accordance with the Master RMP and the future SSRMP.

For any allowable use and development, Grantor shall provide Grantee with copies of all Site and Construction Plans (e.g. Site, Grading, Utility, Drainage, Erosion Control, and Landscape plans, etc.) showing the location of existing and proposed facilities and the materials and specifications for proposed grading and construction

within the Conservation Area. Grantor shall give advance notice to Grantee whenever maintenance or construction activities will occur within the Conservation Area.

C. SUBJECT TO APPLICABLE LAWS. Land uses and development permitted or reserved to the Grantor by this instrument shall be subject to all applicable laws regulating the use of land.

D. BENEFIT AND BURDEN. This Easement shall run with and burden the Conservation Area, and all obligations, terms, conditions, and restrictions hereby imposed shall be deemed to be covenants and restrictions running with the land and shall be effective limitations on the use of the Conservation Area from the date of recordation of this document and shall bind the Grantor and all of its successors and assigns. This Easement shall benefit Grantee and its successors and assigns on behalf of the People of the State of California forever. This Easement shall further benefit the County, and in the event that Grantee is unable to adequately manage the Easement for the intended purpose, the County may perform such actions.

E. RIGHT OF ENTRY. The Grantee, the County, the Coastal Commission, or their agents may enter onto the Conservation Area to ascertain whether the use restrictions set forth above are being observed at times reasonably acceptable to the Grantor.

F. ENFORCEMENT. Any act or any conveyance, contract, or authorization, whether written or oral, by the Grantor which uses or would cause to be used or would permit use of the Conservation Area contrary to the terms of this Easement Deed will be deemed a breach hereof. The Grantee, the County, or the Coastal Commission may bring any action in court necessary to enforce this Easement Deed, including, but not limited to, injunction to terminate a breaching activity and to force the restoration of all damage done by such activity, or an action to enforce the terms and provisions hereof by specific performance. It is understood and agreed that the Grantee, the County, or the Coastal Commission may pursue any appropriate legal and equitable remedies. The Grantee, the County, or the Coastal Commission shall have sole discretion to determine under what circumstances an action to enforce the terms and conditions of this Easement Deed shall be brought in law or in equity. Any forbearance on the part of the Grantee, the County, or the Coastal Commission to enforce the terms and

provisions hereof in the event of a breach shall not be deemed a waiver of Grantee's, the County's, or the Coastal Commission's rights regarding any subsequent breach.

G. MAINTENANCE. The Grantee shall not be obligated to maintain, improve, or otherwise expend any funds in connection with the Conservation Area or any interest or easement created by this Easement Deed. All costs and expenses for such maintenance, improvement, use, or possession shall be borne by the Grantor, except for costs incurred by Grantee for monitoring compliance with the terms of this Easement Deed. Grantor and its successors and assigns shall manage and maintain the Conservation Area in accordance with the standards of the approved Master RMP and the future SSRMP applicable to the Conservation Area as well as any other standards and requirements of whatever kind that may from time to time be legitimately imposed on the Conservation Area subject to all required approvals, including entitlement approvals for any development, including changes in intensity of use. Grantor agrees to pay the cost of preparing the future SSRMP in accordance with the requirements and schedule of the approved Master RMP and hereby guarantees full funding for implementation and monitoring of all agency approved resource management methods established in the approved Master RMP and the future SSRMP. The future SSRMP shall be consistent with the approved Master RMP and any other Permit requirements, including specifying the contemplated uses and the management, maintenance, restoration, and monitoring standards and activities to be carried out in furtherance of the protection of the natural habitat of the Conservation Area. The Conservation Area cannot be used for the mitigation of any past, present, or future projects other than the Del Monte Forest Plan, as approved by the County under the Permit. The future SSRMP and any other documents that may extend or revise their standards and requirements shall be reviewed and approved in writing by the Grantee, the Director of Planning of the County, the Executive Director of the Coastal Commission, and the other agencies described as the "Resource Management Team" in the approved Master RMP, as necessary.

H. LIABILITY AND INDEMNIFICATION. This conveyance is made and accepted upon the express condition that the Grantee, the County, the Coastal Commission, and their agencies, departments, officers, directors, agents, employees,

and authorized volunteers are to be free from all liability and claim for damage by reason of any injury to any person or persons, including Grantor, or property of any kind whatsoever and to whomsoever belonging, including Grantor, from any cause or causes whatsoever, except matters arising out of the sole negligence or intentional misconduct of the Grantee, the County, or the Coastal Commission while in, upon, or in any way connected with the Conservation Area, Grantor hereby covenanting and agreeing to indemnify and hold harmless the Grantee, the County, the Coastal Commission, and their agencies, departments, officers, directors, agents, employees, and authorized volunteers from all liability, loss, cost, and obligations on account of or arising out of such injuries or losses however occurring, except to the extent caused by the sole negligence or intentional misconduct of such entities or persons. The Grantee, the County, and the Coastal Commission shall have no right of control over, nor duties and responsibilities with respect to, the Conservation Area which would subject the Grantee, the County, or the Coastal Commission to any liability occurring upon the Conservation Area by virtue of the fact that the Grantee, the County, and the Coastal Commission have the right to enter the Conservation Area, as such right is strictly limited to preventing uses inconsistent with the interest granted. The parties acknowledge and agree that the Conservation Area is not “property of a public entity” or “public property”, and Grantee’s, County’s, and Coastal Commission’s rights herein do not include the right to enter the Conservation Area for the purposes of correcting any “dangerous condition” as those terms are defined by California Government Code Section 830.

I. TRANSFER OF TITLE. Grantor shall have the absolute right to transfer its right, title, and interest in and to all or any portion of the Conservation Area and upon such a transfer the transferee, by acceptance of the deed (whether or not so stated in the deed), shall have assumed and shall be obligated to perform all of the covenants of Grantor under this Easement Deed and shall have all of the rights and obligations of and be deemed to stand in the place of the Grantor for all purposes under this Easement Deed, with respect to the land transferred; and upon such a transfer Grantor shall be fully relieved and discharged from all of Grantor’s obligations under this Easement Deed with respect to the land transferred.

J. ASSIGNMENT.

1. Grantor shall have the right to assign its rights or delegate its obligations under this Easement Deed, in whole or in part. No such assignment or delegation by Grantor, however, shall relieve the fee owner or owners of the Conservation Areas from the obligations to perform the covenants of Grantor in this Easement Deed, and such covenants shall continue as covenants running with the land as specified in Paragraph D above.

2. Grantee shall have the right to assign its rights and delegate its obligations under this Easement Deed, but only to a public agency, private association, or corporation which agrees to accept such rights and assume such obligations and is approved in writing in advance by the County, the Executive Director of the California Coastal Commission, and Grantor. Grantee shall not abandon the Easement, but may assign the Easement in accordance with the preceding sentence.

K. PUBLIC ENTRY AND USE OF CONSERVATION AREAS AND ROADS IN DEL MONTE FOREST. This Easement Deed does not govern access to or use of the Conservation Area by members of the public. Access to and the use of the Conservation Area by members of the public is governed by other agreements between Grantor and the County, and by other LCP and Permit terms and conditions, including primarily the Del Monte Forest Public Access Management Plan to be developed pursuant to Condition No. 14 of the Permit. The road system of Del Monte Forest is privately owned by Grantor and the use of the roads in Del Monte Forest is by permission of Grantor and subject to the payment of a fee for motor vehicle use and rules and regulations imposed by Grantor so long as they are consistent with the LCP and Permit terms and conditions, including primarily the aforementioned Del Monte Forest Public Access Management Plan.

L. SUCCESSORS AND ASSIGNS. The terms, covenants, conditions, exceptions, obligations, and reservations contained in this conveyance shall be binding upon and inure to the benefit of the successors and assigns of both the Grantor and the Grantee and the County, whether voluntary or involuntary.

M. SEVERABILITY. If any provision of this Easement Deed is held to be invalid or for any reason becomes unenforceable, no other provision shall be thereby affected or impaired.

N. AMENDMENT/MODIFICATION. This Easement Deed may be amended, modified, or changed only with the written consent of the Grantor, the Grantee, the County, and the Executive Director of the Coastal Commission. In addition, an amendment to the Permit may be required, if necessary, as determined by the County. Any amendment of this Easement Deed and any necessary amendment to the Permit shall be void and of no effect without the written consent of all four entities.

Document Form/Content Acceptable:

Charles J. McKee, County Counsel

By: _____

DATED: _____

Type/Print Name: _____

Deputy County Counsel

EXHIBIT A-1

DESCRIPTION FOR AREA B CONSERVATION EASEMENT

Certain real property situated in Point Pinos Rancho, County of Monterey, State of California, being more particularly described as follows:

Area B

BEGINNING at the Northeast corner of Parcel "C" as shown on that certain map filed for record on August 24, 1979 in Volume 13 of Parcel Maps at Page 117 in the Office of the Recorder of the County of Monterey, California and as identified as POB on the attached exhibit; thence along the boundary of said Parcel "C" the following courses and distances:

- 1) South 41° 30' 00" East 698.8 Feet; thence
- 2) South 87° 27' 30" East 60.00 Feet; thence
- 3) South 21° 00' 00" East 304.55 Feet; thence
- 4) South 48° 11' 21" West 225.58 Feet; thence
- 5) North 90° 00' 00" West 712.48 Feet; thence leaving said Parcel "C" boundary
- 6) Along the arc of a curve to the left having a radius of 80.00 Feet, to which beginning of curve a radial bears South 65° 43' 29" West, through a central angle of 30° 57' 27", an arc distance of 43.22 feet to a point of tangency; thence
- 7) North 55° 13' 57" West 369.63 Feet; thence
- 8) North 34° 45' 12" East 60.06 Feet; thence
- 9) North 01° 44' 48" West 587.41 Feet to a point on the Northerly line of said Parcel "C"; thence along said Northerly line
- 10) North 75° 00' 00" East 225.34 Feet to a point of tangency; thence
- 11) 116.41 Feet along a curve to the right with radius of 230.00 Feet through a central angle of 29° 00' 00" to a point of reverse curvature; thence

- 12) 235.69 Feet along a curve to the left with radius of 350.00 Feet through a central angle of 38° 35' 00"; thence to the **POINT OF BEGINNING**.

Containing an area of 847,624 sq.ft., being 19.46 acres more or less.

APN: 007-101-045

END OF DESCRIPTION



Frank Lucido Jr.

Frank Lucido Jr., PLS 8368
April 12, 2016



CURVE TABLE			
CURVE	LENGTH	RADIUS	DELTA
C1	43.22	80.00	30°57'27"
C2	116.41	230.00	29°00'00"
C3	235.69	350.00	38°35'00"

LINE TABLE		
LINE	LENGTH	BEARING
L1	698.80	S 41°30'00" E
L2	60.00	S 87°27'30" E
L3	304.55	S 21°00'00" E
L4	225.58	S 48°11'21" W
L5	712.48	N 90°00'00" W
L6	369.63	N 55°13'57" W
L7	60.06	N 34°45'12" E
L8	587.41	N 01°44'48" W
L9	225.34	N 75°00'00" E



FOREST LODGE ROAD

CONGRESS ROAD

MAJELLA ROAD



GRAPHIC SCALE

NOTE: THIS PLAT IS FOR GENERAL REFERENCE ONLY; SEE ACCOMPANYING LAND DESCRIPTION FOR CONTROLLING BOUNDARY INFORMATION.



PEBBLE BEACH COMPANY
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 (415) 424-9477
 FAX: (415) 425-5445
 INFORMATION: (916) 762-5800, pebble.com

AREA B CONSERVATION EASEMENT
 DEL MONTE FOREST PLAN
 EXHIBIT A-1
 3 of 3

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 DATE: APRIL 2018

B

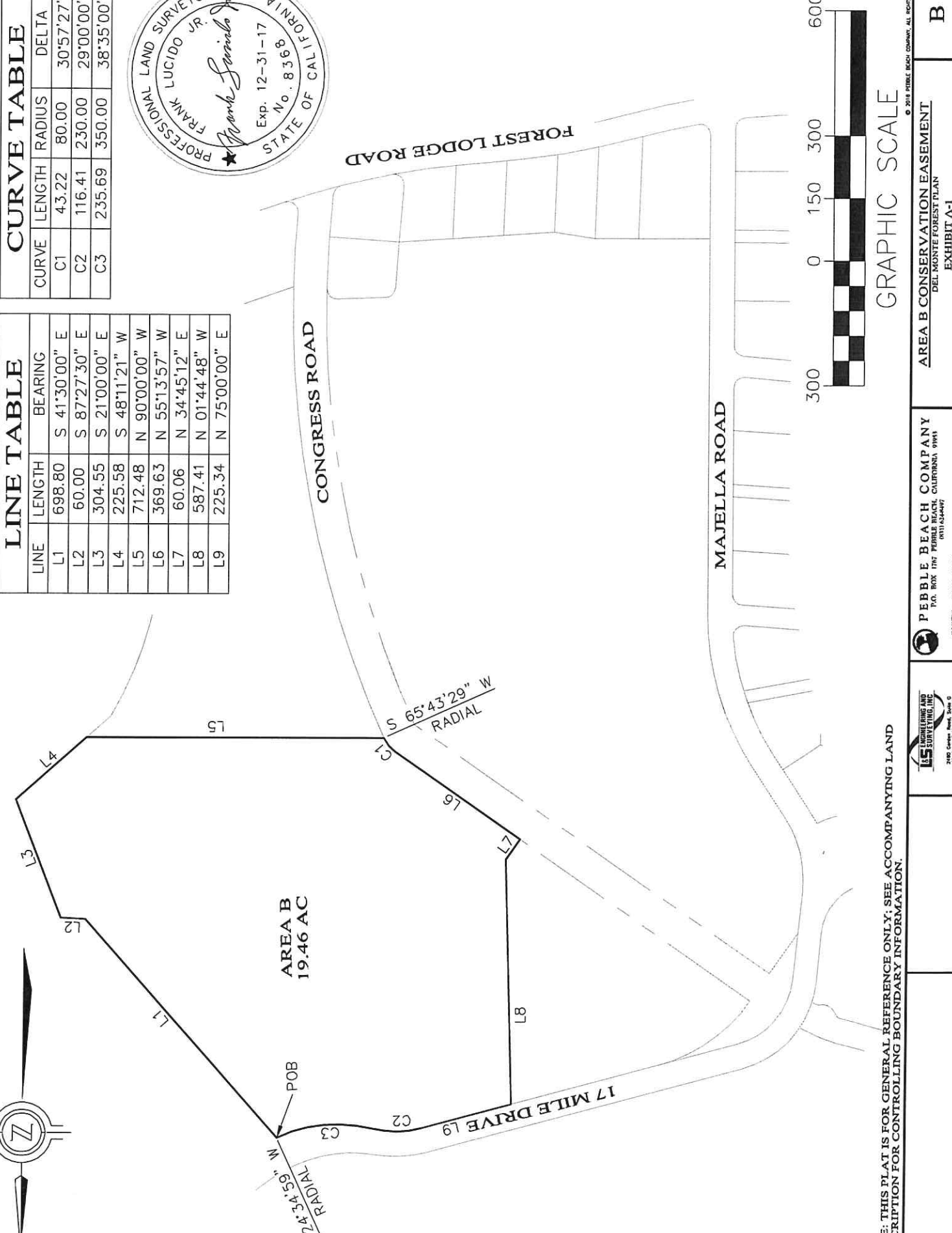


EXHIBIT A-2

DESCRIPTION FOR AREA C CONSERVATION EASEMENT

Certain real property situated in Point Pinos Rancho, County of Monterey, State of California, being more particularly described as follows:

Area C

BEGINNING at the Southwest corner of Parcel "C" as shown on that certain map filed for record on August 24, 1979 in Volume 13 of Parcel Maps at Page 117 in the Office of the Recorder of the County of Monterey, California and as identified as POB on the attached exhibit; thence along the boundary of said Parcel "C" the following courses and distances:

- 1) North 00° 00' 00" East 903.56 Feet to a point of tangency; thence
- 2) 395.24 Feet along a curve to the left with radius of 680.38 Feet through a central angle of 33° 17' 00"; thence
- 3) North 33° 17' 00" West 142.70 Feet to a point of tangency; thence
- 4) 189.90 Feet along a curve to the right with radius of 276.98 Feet through a central angle of 39° 17' 00"; thence
- 5) North 06° 00' 00" East 97.50 Feet to a point on the Westerly line of said Parcel "C"; thence leaving said Westerly line
- 6) North 34° 46' 03" East 118.57 Feet; thence
- 7) South 55° 13' 57" East 1047.92 Feet to a point of non-tangency; thence
- 8) Along the arc of a curve to the right having a radius of 2445.00 Feet, to which beginning of curve a radial bears North 65° 39' 14" East, through a central angle of 25° 22' 53", an arc distance of 1083.11 feet to a point of non-tangency on the Southerly boundary of said Parcel "C" as shown on said Volume 13 of Parcel Maps at Page 17; thence along said Southerly line

- 9) Along the arc of a curve to the left having a radius of 25.00 Feet, to which beginning of curve a radial bears South 88° 57' 50" East, through a central angle of 94° 54' 10", an arc distance of 41.41 feet to a point of reverse curvature; thence
- 10) 113.27 Feet along a curve to the right with radius of 1760.00 Feet through a central angle of 03° 41' 14" to a point of reverse curvature; thence
- 11) 37.23 Feet along a curve to the left with radius of 25.00 Feet through a central angle of 85° 19' 20"; thence
- 12) South 04° 30' 00" West 110.58 Feet; thence
- 13) South 86° 13' 49" West 374.47 Feet; thence
- 14) North 81° 30' 00" West 99.03 Feet; thence
- 15) North 90° 00' 00" West 276.86 Feet to the **POINT OF BEGINNING.**

Containing an area of 1,264,738 sq.ft., being 29.03 acres more or less.

APN: 007-101-046

END OF DESCRIPTION



Frank Lucido Jr.

Frank Lucido Jr., PLS 8368
April 12, 2016



GRAPHIC SCALE

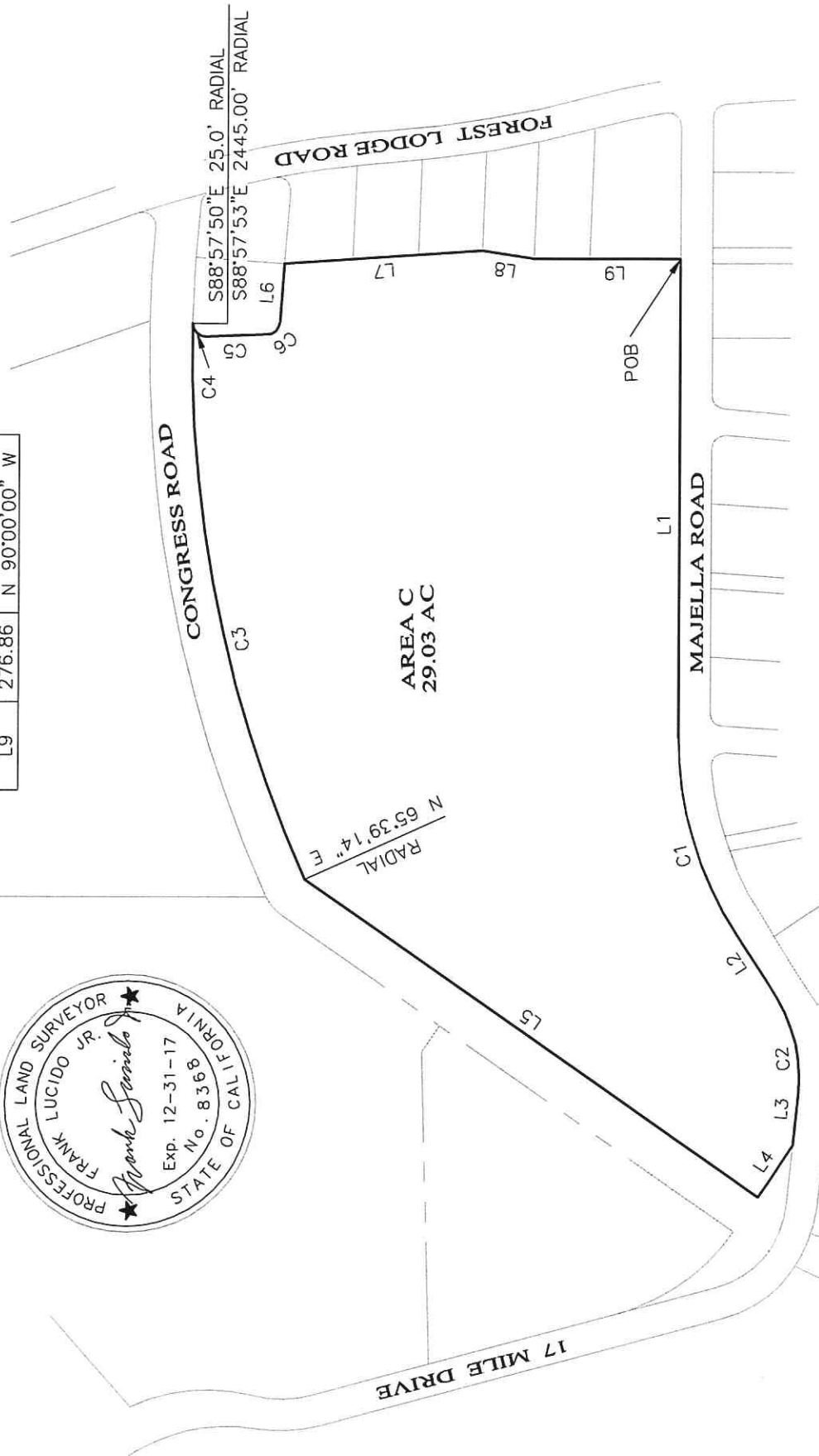


LINE TABLE

LINE	LENGTH	BEARING
L1	903.56	N 00°00'00" E
L2	142.70	N 33°17'00" W
L3	97.50	N 06°00'00" E
L4	118.57	N 34°46'03" E
L5	1047.92	S 55°13'57" E
L6	110.58	S 04°30'00" W
L7	374.47	S 86°13'49" W
L8	99.03	N 81°30'00" W
L9	276.86	N 90°00'00" W

CURVE TABLE

CURVE	LENGTH	RADIUS	DELTA
C1	395.24	680.38	33°17'00"
C2	189.90	276.98	39°17'00"
C3	1083.11	2445.00	25°22'53"
C4	41.41	25.00	94°54'10"
C5	113.27	1760.00	3°41'14"
C6	37.23	25.00	85°19'20"



NOTE: THIS PLAN IS FOR GENERAL REFERENCE ONLY; SEE ACCOMPANYING LAND DESCRIPTION FOR CONTROLLING BOUNDARY INFORMATION.



PEBBLE BEACH COMPANY
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 PEPPER HARBOR, PORT PAST MARCO, MONTEREY COUNTY, CALIFORNIA

AREA C CONSERVATION EASEMENT
 DEL MONTE FOREST PLAN
 EXHIBIT A-2
 3 OF 3

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

In the matter of the application of:

Pebble Beach Company (PLN100138)

RESOLUTION NO. 12-148

Resolution by the Monterey County Board of
Supervisors:

- 1) Certifying the Environmental Impact Report for the Pebble Beach Company Project; and
- 2) Adopting a Statement of Overriding Considerations.

[PLN100138, Pebble Beach Company, Pebble Beach (Assessor's Parcel Numbers 007-091-028-000, 007-091-033-000, 007-101-041-000, 007-991-001-000, 008-021-009-000, 008-022-024-000, 008-022-031-000, 008-022-032-000, 008-022-035-000, 008-031-014-000, 008-031-015-000, 008-031-019-000, 008-032-004-000, 008-032-005-000, 008-032-006-000, 008-034-001-000, 008-041-009-000, 008-163-001-000, 008-163-003-000, 008-163-005-000, 008-164-001-000, 008-165-001-000, 008-171-009-000, 008-171-022-000, 008-241-008-000, 008-242-007-000, 008-272-010-000, 008-272-011-000, 008-311-011-000, 008-312-002-000, 008-313-002-000, 008-313-003-000, 008-321-006-000, 008-321-007-000, 008-321-008-000, 008-321-009-000, 008-423-002-000, 008-423-019-000, 008-423-029-000, 008-423-030-000, 008-431-009-000, 008-561-020-000, and 008-991-001-000)], Greater Monterey Peninsula Area Plan and the Del Monte Forest Land Use Plan, Coastal Zone.

The Pebble Beach Company application (PLN100138) came on for public hearing before the Monterey County Board of Supervisors on June 19, 2012. Having considered all the written and documentary evidence, the administrative record, the staff report, oral testimony, and other evidence presented, the Board of Supervisors resolves as follows with respect to the Environmental Impact Report for the Pebble Beach Company Project:

FINDINGS

**FINDINGS FOR CERTIFICATION OF EIR AND
ADOPTION OF OVERRIDING CONSIDERATIONS**

1. **FINDING:** **CEQA (EIR)** - The final Environmental Impact Report (EIR) on the Pebble Beach Company Project has been completed in compliance with the California Environmental Quality Act (CEQA); the final EIR was presented to the Board of Supervisors of the County of Monterey, and the Board of Supervisors reviewed and considered the information contained in the final EIR prior to approving the project; and the final EIR reflects the County of

Monterey's independent judgment and analysis.

- EVIDENCE:** a) The Pebble Beach Company Project (PLN100138) ("Project") consists of multiple Combined Development Permits (CDPs) to allow the phased development and preservation of the remaining undeveloped Pebble Beach Company properties located within the Del Monte Forest. The CDPs consist of 12 vesting tentative maps for the subdivision of approximately 899.6 acres, resulting in the creation of 90 to 100 single-family residential lots, the renovation and expansion of visitor serving uses, and the preservation of 635 acres as forested open space. The CDPs include multiple Coastal Development Permits, Coastal Administrative Permits, and Design Approvals to allow: new structural development at four primary sites (The Lodge at Pebble Beach, The Inn at Spanish Bay, Spyglass Hill, and the Pebble Beach Equestrian Center); new and amended General Development Plans at five locations; lot line adjustments; structural and hardscape development, including associated grading; development within 100 feet of environmentally sensitive habitat (ESHA); development on slope exceeding 30 percent; tree removal; and development within 750 feet of a known archaeological resource.
- b) CEQA requires preparation of an environmental impact report if there is substantial evidence in light of the whole record that the project may have a significant effect on the environment.
- c) The Environmental Impact Report ("EIR") for the Pebble Beach Company application (PLN100138) was prepared in accordance with CEQA. The Draft EIR (DEIR) circulated for public review from November 14, 2011 through January 9, 2012 (SCH#: 2011041028).
- d) Issues that were analyzed in the DEIR include Aesthetics, Air Quality, Biological Resources, Climate Change, Cultural Resources, Geology, Seismicity & Soils, Hydrology & Water Quality, Land Use & Recreation, Noise & Vibration, Transportation & Circulation, Public Services & Utilities, and Water Supply & Demand. The DEIR identified potential significant impacts that are either less than significant or can be mitigated to less than significant levels on Aesthetics, Air Quality, Biological Resources, Climate Change, Cultural Resources, Geology, Seismicity & Soils, Hydrology & Water Quality, Land Use & Recreation, Noise & Vibration, Transportation & Circulation, and Public Services & Utilities. The DEIR identified significant impacts on Air Quality, Transportation & Circulation, and Water Supply & Demand that cannot be mitigated to less than significant levels.
- e) The County prepared "Comments, Responses to Comments, and Revisions to the draft EIR" for the Pebble Beach Company Project. The Responses to Comments respond to comments that were received during the DEIR circulation period. The Responses to Comments document was released to the public on April 3, 2012 and responds to all significant environmental points raised by persons and organizations that commented on the DEIR. Errata to the FEIR were distributed to the public in May 2012. Together, the DEIR, the revisions to the DEIR, the comments of persons and organizations commenting on the DEIR and a list of all such persons and organizations, the responses to the comments, the May 2012 errata, and other information added by the County constitute the final Environmental Impact Report ("FEIR") on the project.
- f) On April 9, 2012, the Subdivision Committee held a duly noticed public

hearing to consider the Project and recommended approval. On May 30, 2012, the Planning Commission held a duly noticed public hearing to consider the Project. The Planning Commission reviewed and considered the Final EIR and recommended that the Board of Supervisors certify the EIR and approve the project, subject to an additional recommendation for the Board to consider regarding inclusionary housing.

- g) The Monterey County Planning Department, located at 168 W. Alisal, Second Floor, Salinas, California, 93901, is the custodian of documents and other materials that constitute the record of proceedings upon which the decision to certify the EIR is based.

2. **FINDING:**

ENVIRONMENTAL IMPACTS OF THE PROJECT – The Project consists of separate project components that are analyzed in the EIR. These components consist of: (1) Improvements to The Lodge at Pebble Beach; (2) Improvements to The Inn at Spanish Bay; (3) Improvements to Collins Field, the Equestrian Center, and the Special Events Area; (4) in Area M, construction of a 100 unit hotel with associated facilities and a spa or, alternatively, a 10 lot residential subdivision; (5) nine residential subdivisions; (6) Roadway Improvements; (7) Trail Improvements and (8) Infrastructure Improvements. Each of these components has distinct environmental impacts with distinct mitigation measures, although many components have the same environmental impacts and mitigation measures in certain environmental areas of analysis. Attachment 1 [Table ES-3 from the DEIR, amplified to incorporate the FEIR revisions], which is attached to this resolution and incorporated herein by reference, lists and summarizes the potential significant environmental impacts of the Project and mitigation measures that apply to each component, and the findings with respect to them are set forth below. As described in these findings and in the Final EIR, the mitigation measures avoid or substantially lessen the significant environmental effects to less than significant levels (see Finding 3), or, for impacts identified as significant and unavoidable, all feasible mitigation measures have been incorporated, but even with such mitigation, the impacts remain significant (see Finding 4).

- EVIDENCE:** a) See Findings 3 and 4.
 b) The application, project plans, and related support materials submitted by the project applicant to the Monterey County RMA - Planning Department for the proposed development found in Project File PLN100138.
 c) Pebble Beach Company Final EIR.
 d) Table ES-3 from the draft EIR and as revised in the final EIR, attached hereto as Attachment 1.

3. **FINDING:**

POTENTIALLY SIGNIFICANT ENVIRONMENTAL IMPACTS IDENTIFIED IN THE EIR THAT ARE REDUCED TO A LEVEL OF "LESS THAN SIGNIFICANT" BY THE MITIGATION MEASURES IDENTIFIED IN THE EIR AND ADOPTED FOR THE PROJECT –

Per Public Resources Code section 21081(a)(1), changes or alterations have been required in, or incorporated into, the Project which mitigate or avoid the significant effects on the environment.

- EVIDENCE:** a) The EIR identified potentially significant impacts to Aesthetics, Air Quality, Biological Resources, Climate Change, Cultural Resources, Geology, Seismicity & Soils, Hydrology & Water Quality, Land Use &

Recreation, Noise & Vibration, Transportation & Circulation, and Public Services & Utilities which could result from all components of Project. These impacts will be mitigated to a less than significant level with incorporation of mitigation measures from the EIR into the conditions of project approval. By separate action following certification of the EIR, the Board is to consider project approval subject to conditions of approval that incorporate the proposed mitigation. (See Resolution No. 12-149, project resolution before the Board of Supervisors on June 19, 2012.)

- b) Aesthetics. Potentially significant impacts on aesthetics have been mitigated to less than significant levels through mitigation measures that incorporate design features, landscaping requirements, and light & glare reduction measures in design plans for all development sites that involve construction of new visitor-serving structures or modification of existing visitor-serving structures and preparation of landscape plans for the SR1/SR 68/17-Mile Drive intersection. The Mitigation Measures from the DEIR are: AES-A1, AES-A2, and AES-C1. In the FEIR, Mitigation Measure AES-A1 has been revised to include the selection of exterior paint colors, which are consistent with the visual character of existing visitor-serving buildings located on the site. The revised measures are equivalent or more effective in mitigating or avoiding potential significant effects and they will not cause any potentially significant effect on the environment because the careful selection of paint color helps to ensure building aesthetics fit within the local color palette and does not result in any secondary effects on the environment. See Section 3.1 of the Pebble Beach Company Draft EIR and Chapter 4 of the Pebble Beach Company Final EIR.
- c) Air Quality. Potentially significant air quality impacts to sensitive receptors from exposure to objectionable odors from the Equestrian Center have been mitigated to a less than significant level through a mitigation measure that requires the preparation and implementation of a manure management plan. Additional potentially significant impacts to air quality that are significant and unavoidable that would not be mitigated to a less than significant level are discussed in Finding 4. The Mitigation Measures from the DEIR are: AQ-C1, AQ-C2, AQ-D1, and AQ-E1. In the FEIR, Mitigation Measure AQ-C2 has been revised to include the installation of Level 3 diesel particulate filters (DPFs) capable of achieving an 85% reduction in PM₁₀ exhaust emissions. Mitigation Measure AQ-D1 has been deleted and text has been added to AQ-C2. The revised measures are equivalent or more effective in mitigating or avoiding potential significant effects and they will not cause any potentially significant effect on the environment because the changes only consolidated the mitigation requirements into a single measure without any removal of mitigation requirements. See Section 3.2 of the Pebble Beach Company Draft EIR and Chapter 4 of the Pebble Beach Company Final EIR.
- d) Biological Resources. Potentially significant impacts on biological resources have been mitigated to a less than significant level through mitigation measures that require development and implementation of site-specific resource management plans for each preservation area; dedication of conservation easements to the Del Monte Forest Foundation; dedication of additional area of undeveloped Monterey pine forest; avoidance of or compensation for the loss of wetlands; maintenance and enhancement of Yadon's piperia, Gowen cypress, Pacific Grove clover and Hickman's

potentilla habitats; minimization of habitat disturbance during trail construction; pre-construction surveys for pine rose, California red-legged frog (CRLF), raptors, legless lizard, and Dusky-footed woodrats; design of new red-legged frog breeding habitat; retention of dead trees or snags as bat roosting habitat; and protection of retained trees from construction disturbance. The Mitigation Measures from the DEIR are: BIO-A1, BIO-A2, BIO-B1(C)¹, BIO-B2, BIO-B3, BIO-C1, BIO-D1 to D7, BIO-E1, BIO-E2, BIO-E5 to E7, BIO-G1, BIO-I1, BIO-J1, and BIO-J2. Additional Mitigation Measures that minimize impacts to wetlands and special status species include HYD-A1, HYD-A2, HYD-C1 to C3, GSS-C1, and GSS-D1. See Evidence g) and h) in this Finding. In the FEIR, Mitigation Measure BIO-A1 has been revised to include a prohibition of the use of invasive non-native species for landscaping in any project locations adjacent to preservation areas; to provide education on invasive non-native species to residents; and to require outside lighting in the Area B Employee Parking Lot to be directed downward and inward away from the adjacent preservation area. BIO-E1 has been revised to clarify that red-legged frog preconstruction survey areas be determined by a biologist and that exclusion fencing be provided in the Equestrian Center work area. BIO-E2 has been modified to include creation of red-legged frog breeding ponds in the Seal Rock Watershed. BIO-I2 has been revised to clarify the dates of the raptor breeding season. The revised measures are equivalent or more effective in mitigating or avoiding potential significant effects and they will not cause any potentially significant effect on the environment for the following reasons: BIO-A1 will provide for increased protection of preservation areas from non-native species; BIO-E1 will ensure that pre-construction clearance surveys and red-legged frog protections will be applied at the Equestrian Center; BIO-E2 will still require red-legged frog breeding pond creation but will allow flexibility in location as long as the new ponds are within the Seal Rock Watershed which is the center of red-legged frog population in the Del Monte Forest; and BIO-I2 has only been clarified in regard to the dates for the application of breeding season requirements. See Section 3.3 of the Pebble Beach Company Draft EIR and Chapter 4 of the Pebble Beach Company Final EIR.

- e) Climate Change. Potentially significant impacts to climate change have been mitigated to a less than significant level through mitigation measures that require implementation of best management practices for greenhouse gas (GHG) emissions during construction; a reduction of annual GHG emissions by 24% relative to business as usual; and validation of GHG emission offset value of preserving Monterey pine forest designated for development. The Mitigation Measures from the DEIR are: CC-A1, CC-A2-A, and CC-A2-B. In the FEIR, Mitigation Measure CC-A2-A has been revised to clarify that the project shall reduce annual greenhouse gas emissions by 24% relative to business as usual; to require the mitigation for the one-time emissions associated with tree removal and loss of associated carbon stock; to clarify the provisions required in the GHG Reduction Plan; and to clarify the operational GHG emissions reductions for project Options 1 and 2. CC-A2-B has been revised to clarify the GHG significance

¹ The (C) at the end of the mitigation measure refers to a mitigation measure that addresses a significant cumulative impact.

threshold of 24%; and to clarify the potential mitigated GHG emissions assuming 100 percent validation of forest preservation offset credit for preserved forest. The revised measures are equivalent or more effective in mitigating or avoiding potential significant effects and they will not cause any potentially significant effect on the environment because the revised mitigation measures still require reduction of greenhouse gas emissions in parallel to that necessary in the County overall consistent with AB 32. Mitigation for one-time losses has been clarified to ensure that such mitigation is provided. Other clarifications have been provided to ensure that mitigation overall results in the reductions necessary to meet the required performance standard without decreasing any effectiveness. See Section 3.4 of the Pebble Beach Company Draft EIR and Chapter 4 of the Pebble Beach Company Final EIR.

- f) Cultural Resources. Potentially significant impacts to cultural resources have been mitigated to a less than significant level through mitigation measures that require training for construction workers prior to ground disturbance activities and stopping work if buried cultural deposits, human remains, or vertebrate fossils are encountered during ground disturbance activities. The Mitigation Measures from the DEIR are: CR-B1, CR-B2, and CR-D1. In the FEIR, Mitigation Measure CR-B1 has been revised to clarify that training is required for construction personnel involved in grading and other ground-disturbing activities. The revised measures are equivalent or more effective in mitigating or avoiding potential significant effects and they will not cause any potentially significant effect on the environment because the revisions only clarify that training applies specifically to the construction workers involved in work that could affect cultural resources (and not to workers not involved in such work). See Section 3.5 of the Pebble Beach Company Draft EIR and Chapter 4 of the Pebble Beach Company Final EIR.
- g) Geology, Seismicity, & Soils. Potentially significant impacts to geology, seismicity, and soils have been mitigated to a less than significant level through mitigation measures that require inclusion of recommendations contained in geologic and geotechnical reports in the final design and construction specifications; preparation and implementation of erosion and sediment control plans; de-watering of excavations and shoring of temporary cuts during construction of underground facilities; and a Phase II investigation and remedial action, if warranted, at the Corporation Yard. The Mitigation Measures from the DEIR are: GSS-A1, GSS-C1, GSS-D1, GSS-E1, and GSS-E2. Additional Mitigation Measures that minimize impacts to construction in areas of unconsolidated fill include HYD-A1 and HYD-A2. See Evidence h) in this Finding. In the FEIR, Mitigation Measure GSS-A1 has been revised to clarify the setbacks for structural foundation elements for Area K under Slope Stability. GSS-C1 has been revised to correct a typographical error reference to Section 3.7, Hydrology and Water Quality. The revised measures are equivalent or more effective in mitigating or avoiding potential significant effects and they will not cause any potentially significant effect on the environment because the revisions only clarify the mitigation requirements and do not decrease any mitigation requirements. See Section 3.6 of the Pebble Beach Company Draft EIR and Chapter 4 of the Pebble Beach Company Final EIR.
- h) Hydrology & Water Quality. Potentially significant impacts to hydrology

and water quality have been mitigated to a less than significant level through mitigation measures that require on-site detention of stormwater at development sites; oil/grease separators at parking lots; preparation and implementation of a final drainage plan; maintenance and monitoring of drainage and flood control facilities; preparation and implementation of a SWPPP during construction and an Integrated Pest Management Program for the driving range; and inspection and maintenance of drainage facilities to ensure function and minimize discharge of pollutants. The Mitigation Measures from the DEIR are: HYD-A1, HYD-A2, and HYD-C1 to HYD-C3. Additional Mitigation Measures that minimize impacts to surface water quality include GSS-C1 and GSS-D1. See Evidence g) in this Finding. See Section 3.7 of the Pebble Beach Company Draft EIR.

- i) Land Use & Recreation. Potentially significant impacts to land use and recreation have been mitigated to a less than significant level through a mitigation measure that requires preparation and implementation of a manure management plan in Mitigation Measure AQ-E1. See Evidence c) in this Finding. See Section 3.8 of the Pebble Beach Company Draft EIR.
- j) Noise & Vibration. Potentially significant impacts of noise and vibration have been mitigated to a less than significant level through mitigation measures that require noise-reducing treatments on parking structure fan systems; limitations on hours of construction; location of equipment from sensitive receptors as far as practicable; shielding, shrouding, or use of sound-control devices on equipment; shutting off equipment when not in use; using short travel routes; and disseminating essential construction schedule information to residents including complaint contact numbers and relocation provisions. The Mitigation Measures from the DEIR are: NOI-A1, NOI-B1 to B8, and NOI-C1. See Section 3.9 of the Pebble Beach Company Draft EIR.
- k) Public Services & Utilities. Potentially significant impacts on public services and utilities have been mitigated to a less than significant level through mitigation measures that require implementation of vegetation management plans and maintenance in high-risk fire areas; implementation of fire safety precautions when performing maintenance on open space areas; improved water flow to ensure proper fire flow; and coordination with utility service providers to reduce service interruptions during construction. The Mitigation Measures from the DEIR are: PSU-C1 to C3 and PSU-F1. See Section 3.10 of the Pebble Beach Company Draft EIR.
- l) Transportation & Circulation. Potentially significant impacts on transportation and circulation have been mitigated to a less than significant level through mitigation measures that require compliance with the Del Monte Forest Transportation Policy Agreement; changes to roadway design or internal circulation patterns at The Lodge at Pebble Beach, the Colton Building, The Inn at Spanish Bay, and the Pebble Beach Links Driving Range; preparation and implementation of an alternative transportation plan and expansion of shuttle and valet systems; and stenciling the word "route" after the bicycle symbols on the designated route for bicycling between the Pacific Grove Gate and Stevenson Drive at Ondulado Road. Additional potentially significant impacts on transportation and circulation that are significant and unavoidable that would not be mitigated to a less than significant level are discussed in Finding 4. The Mitigation Measures from the DEIR are: TRA-A1 to A4, TRA-C1 to C5, TRA-C6(C) to C10(C),

TRA-D1 to D10; TRA-G1, TRA-G2, and TRA-H1. In the FEIR, Mitigation Measure TRA-C2 has been revised to include the modifications to the SR 68 Widening project as modified by the City of Monterey's Condition of Approval #19 for the CHOMP expansion permit. TRA-C4 has been revised to clarify that the calculation of the regional impact fee shall take into account the direct fair share for impacts noted in TRA-C2 relative to the Highway 68 Widening Project and any payments made by the Applicant for construction of Phase 1B improvement. TRA-G1 has been revised to clarify that the alternative transportation plan must also identify a reporting and enforcement mechanism. TRA-C6(C), TRA-C7(C), and TRA-C9(C) have been revised to clarify the estimated share of impact and estimated mitigation fair-share fee. TRA-C8(C) has been revised to include the modifications made in TRA-C2 and to clarify the estimated mitigation fair-share contribution. The revised measures are equivalent or more effective in mitigating or avoiding potential significant effects and they will not cause any potentially significant effect on the environment for the following reasons: revisions to TRA-C2 provide for a modification that will still result in the subject intersections meeting level of service standards; TRA-C4 has only been clarified in terms of calculation of fair-share payments; TRA-G1 has been enhanced by adding reporting and enforcement requirements; and other measures have only been clarified in terms of the estimated mitigation fee amount. See Section 3.11 of the Pebble Beach Company Draft EIR and Chapter 4 of the Pebble Beach Company Final EIR.

- m) The revisions to mitigation measures were considered at a public hearing at the Subdivision Committee on April 9, 2012, at the Planning Commission's hearing on May 30, 2012, and at the Board of Supervisors' hearing on June 19, 2012. The mitigation measures and any revisions to such measures as described herein are made conditions of project approval.
- n) Pebble Beach Company Final EIR.

4. **FINDING:**

SIGNIFICANT UNAVOIDABLE ADVERSE IMPACTS – The EIR identified potentially significant impacts to Air Quality, Transportation & Circulation, and Water Supply & Demand, which could result from the project. Mitigation measures have been identified which reduce some of these impacts but not to a level of insignificance. By separate action following certification of the EIR, the Board is to consider project approval subject to conditions of approval that incorporate the proposed mitigation measures. (See Resolution No. 12-149, project resolution before the Board of Supervisors on June 19, 2012.) Even with incorporation of mitigation measures from the EIR into the conditions of project approval, these impacts are significant and unavoidable and would not be mitigated to a less than significant level. Per Public Resources Code section 21081(a)(3), specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers; make infeasible additional mitigation.

EVIDENCE: a)

Air Quality. The DEIR identified potentially significant impacts to air quality from construction-related fugitive dust and construction-related exhaust emissions. Impacts will be reduced in severity with the implementation of mitigation measures AQ-C1, AQ-C2, and AQ-E1; the proposed project would result in a short-term increase in PM₁₀ emissions

due to grading and construction. Even with the implementation of mitigation measures to control fugitive dust and construction-related exhaust emissions during project construction, the proposed project would still exceed the Monterey Bay Unified Air Pollution Control District's significance threshold of 82 pounds/day with a maximum PM₁₀ of approximately 550 pounds/day expected to occur in March 2014 based on the DEIR assumptions of the construction schedule. This is a short-term, construction-related environmental impact. There is no feasible additional mitigation to further reduce this impact.

- b) Transportation & Circulation. The DEIR identified potentially significant impacts and cumulative impacts to traffic during project construction. The construction traffic and workers for the proposed project would add traffic to locations that are already experiencing deficient traffic operations. This is considered a potentially significant impact at all development sites, but is reduced in severity with the implementation of mitigation measures TRA-A1 to TRA-A4. However, even with mitigation, it is possible that construction traffic may exacerbate existing unacceptable conditions on certain roadways outside Del Monte Forest and thus the project's contribution to cumulative traffic impacts during construction is considered significant and unavoidable. This is a short-term, construction-related environmental impact. There is no feasible additional mitigation to further reduce this impact.
- c) Transportation & Circulation. The DEIR identified potentially significant impacts to roadway intersections and regional highway sections during project operations. The traffic analysis for the proposed project shows that three intersections during AM and PM peak hour are expected to experience a significant impact under 2015 with-project conditions:
- SR 68/Skyline Forest Drive: This unsignalized intersection currently operates at LOS F. Mitigation Measure TRA-C1 requires the project to pay fair share contribution to improvements at the intersection. With construction of the improvements identified in this measure, the intersection would improve to LOS A. This impact remains significant and unavoidable during the period between when the impact occurs and when the improvement is actually built.
 - SR 68/Carmel Hill Professional Center: This unsignalized intersection currently operates at LOS F. Mitigation Measure TRA-C2 requires the project to pay fair share contribution to construct the full SR 68 Widening Project. With construction of the improvements identified in this measure, the intersection would improve to LOS A at the best AM and PM peak hour movements, improve to LOS C with the worst AM peak hour movement, and remain at LOS F with the worst PM peak hour movement. This represents an improvement over existing conditions. This impact remains significant and unavoidable during the period between when the impact occurs and when the improvement is actually built.
 - SR 1 /Ocean Avenue: This signalized intersection currently operates at an acceptable LOS C during the weekday AM peak hour and an unacceptable LOS D in the PM peak hour. The intersection will operate at LOS D during the weekday AM and PM peak hours under 2015 with-project conditions. Mitigation Measure TRA-C3 requires the project to pay fair share contribution to improvements at the

intersection. With construction of the improvements identified in this measure, the intersection would improve to LOS C in the AM and PM peak hours. This impact remains significant and unavoidable during the period between when the impact occurs and when the improvement is actually built.

- d) Transportation & Circulation. The DEIR identified potentially significant impacts to regional highway sections during project operations. The traffic analysis for the proposed project shows that three regional highway sections during AM and PM peak hour and two regional highway sections during the PM peak hour are expected to experience a significant impact under 2015 with-project conditions:

- SR 1 from Munras Street to Fremont Street (PM peak hour);
- SR 1 from Fremont Street to Fremont Boulevard (AM & PM peak hours);
- SR 1 north of SR 156 (AM & PM peak hours);
- SR 68 east of Laguna Seca Recreation Area (AM & PM peak hours);
- SR 156 from SR 1 to US 101 (PM peak hour).

Mitigation Measure TRA-C4 requires the project to pay fair share contribution to improvements to SR 1, SR 68, and SR 156 based on the conditions described in the Transportation Agency for Monterey County's Regional Development Impact Fee Program. Even with implementation of the measure, this impact remains significant and unavoidable because of the uncertainty of funding to construct all of the needed improvements. This impact would also be significant and unavoidable between the completion of proposed project construction and the completion of regional highway improvements included in the TAMC regional program.

- e) Transportation & Circulation. The DEIR identified potentially significant impacts and cumulative impacts to the SR 1 northbound on-ramp merge from SR 68 (west). With the project, the ramp would deteriorate from LOS C to LOS D under existing conditions and would operate at LOS E during the PM peak hour under cumulative plus project conditions. Mitigation Measure TRA-C5 requires the project to pay fair share contribution to the improvement. With construction of this measure, the ramp would improve to LOS B and LOS C during AM and PM peak hours, respectively. This impact remains significant and unavoidable during the period between when the impact occurs and when the improvement is actually built.

- f) Transportation & Circulation. The DEIR identified potentially significant cumulative impacts to roadway intersections and segments. The traffic analysis for the proposed project shows that four intersections during AM peak hour and seven intersections during PM peak hour are expected to experience a significant impact under cumulative 2030 with-project conditions:

- Sunset Drive (SR 68)/Congress Road (AM & PM peak hour): This intersection is expected to deteriorate from an acceptable to an unacceptable LOS in 2030 with the project's contribution. Mitigation Measure TRA-C6(C) requires the project to pay fair share contribution to the improvement. With construction of this measure, the intersection would improve to LOS C. This impact remains significant and unavoidable during the period between when the

impact occurs and when the improvement is actually built.

- Forest Avenue (SR 68)/David Avenue (PM peak hour): This signalized intersection operates at LOS D and the project will increase in the intersection's critical movement V/C ratio in 2030. Mitigation Measure TRA-C7(C) requires the project to pay fair share contribution to the improvement. With construction of this measure, the intersection would improve to LOS C. This impact remains significant and unavoidable during the period between when the impact occurs and when the improvement is actually built.
- SR 68/Skyline Forest Drive (AM & PM peak hour): See Evidence c in this Finding.
- SR 68/Carmel Hill Professional Center (AM & PM peak hour): This unsignalized intersection currently operates at LOS F. Mitigation Measure TRA-C2 requires the project to pay fair share contribution to construct the full SR 68 Widening Project. With construction of this measure, the intersection would improve to LOS C under cumulative conditions. This impact remains significant and unavoidable during the period between when the impact occurs and when the improvement is actually built.
- SR 68/SR 1 Southbound Off-Ramp (AM & PM peak hour): This signalized intersection currently operates at an unacceptable LOS F. Mitigation Measure TRA-C8(C) requires the project to pay fair share contribution to the improvement. This impact remains significant and unavoidable during the period between when the impact occurs and when the improvement is actually built.
- SR 68/Aguaquito Road (PM peak hour): This unsignalized intersection currently operates at LOS E and F. Mitigation Measure TRA-C9(C) requires the project to pay fair share contribution to the improvement at the intersection. This impact remains significant and unavoidable during the period between when the impact occurs and when the improvement is actually built.
- SR 1 /Carpenter Street (PM peak hour): This signalized intersection is expected to continue to operate at LOS E and the project will increase in the intersection's critical movement V/C ratio in 2030. Mitigation Measure TRA-C10(C) requires the project to pay fair share contribution to the improvement. Construction of this measure would offset the impact of the proposed project, but the deficiency would remain. This impact would also remain significant and unavoidable during the period between when the impact occurs and when the improvement is actually built.

g) Transportation & Circulation. The DEIR identified potentially significant cumulative impacts to regional highway sections during project operations. The traffic analysis for the proposed project shows that regional highway sections during AM and/or PM peak hour are expected to experience a significant cumulative impact under 2030 with-project conditions:

- SR 1 from SR 68 (west) to Munras Avenue (AM peak hour).
- SR 1 from Munras Avenue to Fremont Street (AM and PM peak hours).
- SR1 from Fremont Boulevard to Imjin Parkway (PM peak hour)
- SR 1 north of SR 156 (AM peak hour).

- SR 68 east of Olmsted (AM and PM peak hours)
- US 101 north of SR 156 (PM peak hour).
- SR 1 from SR 68 (west) to Munras Avenue (PM peak hour).
- SR 1 from Fremont Street to Fremont Boulevard (AM and PM peak hours).
- SR 1 north of SR 156 (AM and PM peak hours).
- SR 68 west of Skyline Forest Drive (AM and PM peak hours).
- SR 68 east of Laguna Seca Recreation Area (AM and PM peak hours).
- SR 156 from SR 1 to US 101 (PM peak hour).

Mitigation Measure TRA-C4 requires the project to pay fair share contribution to improvements to SR 1, SR 68, and SR 156 based on the conditions described in TAMC's RDIF Program. Even with implementation of the measure, this impact remains significant and unavoidable because of the uncertainty of funding to construct all of the needed improvements. This impact would also be significant and unavoidable between the completion of proposed project construction and the completion of regional highway improvements included in the TAMC regional program.

- h) Water Supply & Demand. The DEIR identified potentially significant impacts and cumulative impacts to water supply and demand. The project's water demand would represent an increase in water use above the 2011 Existing Conditions, but would be within the Applicant's current entitlement and could be legally supplied by California American Water (Cal-Am) through 2016. However, given the current uncertain nature of regional water supplies, the additional project water demand could intensify water supply shortfalls and rationing starting in 2017, if the Regional Project (or its equivalent) is not built by then. The project could obtain water in 2017 and thereafter if the Regional Project (or its equivalent) is not completed by then, but would be subject to deep rationing and would intensify the level of rationing for existing users which is considered a significant unavoidable water supply impact. However, it may take many years before the project's full water demand is realized, in particular due to residential demand as it may take many years before all of the project's proposed lots are actually built out and their water demands come on line. The same is true for new cumulative water demand related to the Applicant's sale of a portion of its water entitlement (as of Fall 2011, while 117 acre-feet (AF) of the entitlement had been sold to other parties, only 30 AF was actually in use). Thus, in the short and near-term, the estimates of project and other entitlement demand likely overstate the demand that will actually occur, and thus provide a worst-case analysis of potential impacts.
- i) Water Supply & Demand. The DEIR identified potentially significant impacts to water infrastructure capacity. Local water infrastructure is included to serve the proposed project and existing supply infrastructure outside the project area is adequate to serve the project through 2016. The Regional Project (or its equivalent) will need to be built by 2017 to serve existing demand and the increase in demand from the project. Regional water supply infrastructure and operations will have secondary

environmental impacts and the project would indirectly contribute to these secondary physical impacts on the environment because the project would add additional demand for new regional water supply infrastructure. This is considered a significant and unavoidable impact. For the Regional Project, the California Public Utilities Commission has documented the reasons why further mitigation is not available to reduce identified significant and unavoidable impacts.

- j) Water Supply & Demand. The DEIR identified potentially significant impacts to Carmel River biological resources. The project's water demand would result in increased withdrawals from the Carmel River through 2016 and thus would have a significant and unavoidable impact on Carmel River biological resources. After 2017, the State Water Resources Control Board (SWRCB) mandated reductions in Cal-Am withdrawals from the Carmel River will not be changed by the project demand. After 2016, SWRCB Order WR95-10 and Order WR2009-0060 will result in a substantial reduction in Cal-Am withdrawals from the Carmel River. Because the SWRCB orders cap the amount that Cal-Am can withdraw from the Carmel River, the potential provision of water from the river to the project from either the Carmel River or from the Regional Project (or an equivalent) would not result in any change in the amount of Cal-Am withdrawals from the Carmel River. Thus, the project would not have a significant impact on biological resources in the Carmel River after 2016.
- k) Water Supply & Demand. In 2012, there have been several proposals developed to provide alternatives to the former Regional Water Supply Project. Cal-Am submitted an application to the California Public Utilities Commission (CPUC) in April 2012 for a multi-source water supply project that would provide the same amount of water as Phase 1 of the Regional Project (15,200 AFY) through a desalination project (5,500 AFY, expandable to 9,000 AFY), increased aquifer storage and recovery (1,300 AFY), and water purchase from the Monterey Peninsula Water Management District/Monterey Regional Water Pollution Control Agency (MPWMD/MRWPCA) Groundwater Replenishment Project (3,500 FY). Cal-Am is partnering with the MPWMD (for the aquifer storage and recovery element) and the MRWPCA (for the groundwater recharge element). The Cal-Am project has not yet completed its environmental analysis, although the prior CPUC EIR did evaluate impacts associated with all three sources of water proposed in the new project. Nader Agha, a private developer, has also proposed an alternative desalination project, referred to as the "People's Moss Landing Desalination Project", which consists of a desalination project, located at Moss Landing, that would be capable of producing up to 10,700 AFY of water. The City of Pacific Grove has recently decided to partner with Mr. Agha on the project. Mr. Agha's project has not yet gone through environmental review. Because these alternatives to the Regional Water Supply Project have not undergone environmental review, it is premature to identify the specific project-level impacts of these alternatives. The CPUC EIR disclosed, in general, the potential environmental impacts of desalination, aquifer storage and recovery, and groundwater replenishment but did not specifically evaluate the new Cal-Am proposal or Mr. Agha's proposal.

The Draft EIR for the Pebble Beach project discloses that the Regional

Water Supply Project faced substantial obstacles to implementation and that an alternative water supply project may be necessary in order to provide the Monterey Peninsula with water, including water for the proposed Pebble Beach project. The Draft EIR also discloses that there may be significant unavoidable secondary impacts of such water supply project infrastructure and also discloses the potential impacts on water rationing if an alternative water supply is not developed by 2017. Thus, the EIR for the Pebble Beach project appropriately discloses the general potential secondary impacts of alternative water supply infrastructure to the extent that they have been evaluated to date and discloses potential significant and unavoidable impacts if the alternative water supply projects are not built prior to a potential cutoff of Cal-Am's illegal supply from the Carmel River in 2017.

- 1) Pebble Beach Company Final EIR.

5. **FINDING:**

MITIGATION MONITORING PROGRAM - Per Public Resources Code section 21081.6, the County of Monterey shall adopt a reporting or monitoring program for the changes made to the project or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment.

EVIDENCE: a)

In recommending approval of the project, the Planning Commission recommended that the Board of Supervisors adopt a Mitigation Monitoring and Reporting Plan for the project.

b)

At the June 19, 2012 hearing at the Board of Supervisors, in addition to certifying the EIR, the Board is considering adoption of a resolution to approve the project and adopt a Mitigation Monitoring Program (MMRP), and adoption of the MMRP would be part of the project approval. (Board of Supervisors Resolution No. 12-149 for the project) The mitigation measures identified in the final EIR are incorporated as conditions of approval and are included in Attachment 2 of Board of Supervisors Resolution No. 12-0149 for the project.

c)

The Applicant/Owner of the project will be required to enter into an "Agreement to Implement a Mitigation Monitoring and Reporting Plan" as a condition of approval for the project.

d)

The mitigation measures incorporated into and imposed on the project, including mitigation measures that were revised in the FEIR, will not have new significant environmental impacts that were not already analyzed in the FEIR for the project.

e)

See Finding 3.

f)

Pebble Beach Company Final EIR.

g)

The application, project plans, and related support materials submitted by the project applicant to the Monterey County RMA - Planning Department for the proposed development found in Project File PLN100138.

6. **FINDING:**

ALTERNATIVES TO THE PROPOSED PROJECT - There are no feasible alternatives that would avoid the project's significant unavoidable environmental effects. The EIR identified that the project would have significant and unavoidable effects to Air Quality (during construction only), Transportation, and Water Supply. While the EIR analyzed a reasonable range of alternatives that reduce or lessen the unavoidable impacts of the Project, the EIR concluded there were no feasible

alternatives that would reduce all significant and unavoidable impacts to a less than significant level. Because the alternatives do not reduce the significant unavoidable impacts to a less than significant level, the County does not choose to adopt the Alternatives analyzed in the EIR, except Alternative 3, which is described below. Alternative 3 has been incorporated into the Project.

- EVIDENCE:**
- a) Per Public Resources Code section 21001, agencies should not adopt projects as proposed if there are feasible alternatives which would substantially lessen significant environmental effects of a project to a less than significant level. No such feasible alternatives were identified.
 - b) The draft EIR in Chapter 4, pages 4-1 through 4-7, identifies the Significant and Unavoidable Impacts of the project related to Air Quality, Transportation and Circulation, and Water Supply and Demand.
 - c) Final EIR Table 5-3 identifies that the project alternatives analyzed in the EIR do not avoid significant effects. As described in the EIR, project alternatives do not reduce the Significant and Unavoidable impacts to Air Quality, Transportation and Circulation, and Water Supply and Demand. Any Alternative that allows additional traffic or water use will contribute to the Significant and Unavoidable impacts to Transportation and Circulation, and Water Supply and Demand.
 - d) Specific economic, legal, social, technological, or other considerations make infeasible alternatives that would lessen the significant unavoidable impacts of the project. The Coastal Commission staff report and decision provide evidence of economic and legal infeasibility. As stated in the Coastal Commission staff report, "the PBC Concept Plan is a good compromise plan that protects coastal resources and provides for priority visitor-serving development, while recognizing some remaining development potential of PBC's undeveloped land. Most significant, the Concept Plan will result in the permanent preservation and management of 635 acres of sensitive native Monterey pine forest, and it includes significant improvements to existing public recreational access facilities, including the Del Monte Forest trail system, and overall public access management in the Del Monte Forest." As stated below, the Local Coastal Program Amendment and Concept Plan resolve many years of controversy (see Finding 7) and resolves disputes and potential litigation concerning the build out of the Del Monte Forest. The Coastal Commission's approval of the Local Coastal Program Amendment recognized the balancing of allowing development in or immediately adjacent to existing developed areas, while preserving hundreds of additional acres of significant habitat in perpetuity. No other project Alternative analyzed in the EIR would accomplish that result. Some of the components of the Alternatives could be inconsistent with the certified and adopted Local Coastal Program Amendment and upset the compromise that has now been achieved to provide a balance between allowing development along and within disturbed areas while preserving significant areas of biological resources. As the Coastal Commission concluded, "there are no feasible alternatives that would achieve all of the goals of the proposal without violating a [Del Monte Forest Land Use Plan] Chapter 3 policy." (page 110.)

See the California Coastal Commission decision resulting from the May 9, 2012 public hearing for Monterey County Major Amendment Number 1-12

Part 1 (Del Monte Forest Update and Pebble Beach Company Concept Plan), including but not limited to Sections 1.A, 2.A, 2.D, and 2.D.2.G. Section 1.A describes the history of development applications for the Pebble Beach Company property, the balance achieved by the compromise plan, and that the Concept Plan provides certainty for the future development of these land holdings, essentially buildout of Del Monte Forest, and the preservation of significant resource areas. Section 2.A describes the history of previous development applications that led to litigation and this compromise Concept Plan. Section 2.D provides the analysis for the Local Coastal Program Amendment, concluding that the proposed amendments and Concept Plan, on balance provide for better protection of coastal resources. Section 2.D.2.G describes the Conflict Resolution provisions of the Coastal Act and an analysis of the Local Coastal Program Amendment in light of those provisions. This section also points out that the Concept Plan “avoided the largest pieces of undeveloped habitat” and that “the areas proposed for residential development were carefully selected based on their locations adjacent to roads and areas of heavy use (golf courses and neighborhoods), and the fact that they are less sensitive, relatively speaking, than the identified preservation areas.” That section also went through an analysis of project alternatives and describes that, due to infeasibility of the alternatives, adoption of one of the alternatives would likely lead to litigation on Measure A (page 108).

- e) Chapter 5 of the Draft EIR, as amplified by the FEIR, analyzes a reasonable range of alternatives. The Draft EIR explains why there are no feasible alternatives that reduce identified significant and unavoidable effects (Air Quality, Transportation and Circulation, and Water Supply and Demand) to a less than significant level. (DEIR pages 5-5, 5-13, 5-16, 5-18, 5-21, 5-22, 5-23, 5-25, 5-28, 5-34 and 5-35.)
- f) See Final EIR pages 4-4 through 4-7, 4-68 through 4-70, 4-73 through 4-79, 4-96 through 4-105, and 4-111, which clarify and amplify the draft EIR alternatives’ analysis.
- g) Tables ES-4 and 5-1 summarize project alternatives and their effects relative to the proposed project. The column labeled “Reduces One or More Impacts to Less than Significant” was clarified in the final EIR as to its meaning. It identifies that any one of the alternatives identified with a “yes” answer is reducing “a project impact that can be mitigated to a less than significant level, without the need for mitigation.” See Footnote 2 to those Tables in the Final EIR on pages 4-4 and 4-68.
- h) See Finding 4 above.
- i) The County does adopt and incorporate Alternative 3 into the project because it is a feasible way to reduce the impact of the project on Pacific Grove clover, a rare plant species. Alternative 3 would redesign the relocated Pebble Beach Driving Range to avoid the 0.2 acre habitat area with Pacific Grove clover in the far northwest corner of Collins Field near the proposed tee box. Such on-site preservation of the existing population is feasible. The EIR concludes that the impacts to Biological Resources are less than significant, even without the adoption of this Alternative; however, Alternative 3 is feasible, does not create additional significant impacts, and meets all of the project objectives. Therefore, this alternative has been incorporated into the proposed project.
- j) Pebble Beach Company Final EIR.

7. **FINDING:** STATEMENT OF OVERRIDING CONSIDERATIONS – Per Public Resources Code section 21081(b) and section 15093 of the CEQA Guidelines, with respect to the identified significant unavoidable environmental effects of the project, the Board of Supervisors has weighed the economic, legal, social, technological, and other benefits, including region-wide and statewide environmental benefits, of the project against its unavoidable significant environmental impacts in determining whether to approve the project. The Board finds that the benefits of the project outweigh its unavoidable adverse environmental effects such that the adverse environmental effects may be considered “acceptable.” Each benefit set forth below constitutes an overriding consideration warranting approval of the Project, independent of the other benefits, despite each and every unavoidable impact.

- EVIDENCE:**
- a) The proposed project will result in development that will provide benefits described herein to the surrounding community and the County has a whole.
 - b) The project will create economic benefits to the County and the economy through the creation of jobs for construction (temporary) and for the expanded resort operations (permanent) and the creation of new property tax revenue through higher property valuation.
 - c) The project will create benefits to other tourism destinations on the Monterey Peninsula as noted during public testimony made at the Planning Commission Workshop on November 9, 2011, at the Board of Supervisors hearing on January 24, 2012 by Mark Stilwell and Moe Ammar, and other testimony at the hearings on the project.
 - d) The project will permanently preserve approximately 635 acres of open space. These properties will be permanently protected and managed to enhance habitat values. Several conditions of approval of this Project require the preservation and active management of these areas. Without approval of the Project, the areas would be designated “Open Space Forest” under the Land Use Plan, as amended, but there would be no conditions of approval requiring applicant to place the areas in permanent conservation easements or to actively protect and manage the area.
 - e) The Local Coastal Program Amendment reduced the potential number of housing units that could be developed on Areas B, C, F, G, J, K, L, M, N, O, P, Q, R, U, and V as noted on Table A in the former Del Monte Forest Land Use Plan from as much as 891 units to 90 to 100 units. The project reduces the intensity of build-out compared to prior proposals for the Del Monte Forest. The project would result in the buildout of the Del Monte Forest consisting of 195 to 205 residential units (including 90 to 100 residential units with the proposed project, 96 units on existing vacant lots, and nine units in areas outside the project area) compared to as many as 403 units in prior proposals. Approval of the project carries out the negotiated compromise that is embodied in the Local Coastal Program Amendment and strikes a balance between development at a level acceptable to the applicant and enhanced protection of coastal resources compared to the prior Del Monte Forest Land Use Plan. (See evidence h below.)
 - f) The project will create road, parking, trail and other infrastructure improvements that will enhance coastal access and benefit the entire

Monterey Peninsula.

- g) The project will include new visitor-serving development that would increase the number of hotel rooms allowed in the Del Monte Forest from 460 to 700. This increase would lead to an increase in transient occupancy tax (TOT) receipts in the County.
- h) The project would resolve over 20 years of controversy surrounding the buildout of the Del Monte Forest. The previous Local Coastal Program allowed substantial amounts of residential development and additional golf courses to be constructed in Del Monte Forest. Due to significant biological resources located within the Del Monte Forest, earlier attempts at development proposals had been abandoned or denied. After the Measure A project was denied by the Coastal Commission, the applicant prepared to file a lawsuit, but entered into a tolling agreement with the Coastal Commission. The applicant and Coastal Commission staff then met to come to agreement regarding the level of development that provides a balance between coastal access, development, and protection of environmentally sensitive habitat. The Local Coastal Program Amendment, which was certified by the Coastal Commission on May 9, 2012 (see evidence i, following) and adopted by the Board of Supervisors on May 22, 2012, incorporates that agreement in substance and establishes the regulatory framework for the project. Approval of the project carries out the compromise.

See the Coastal Commission decision resulting from their May 9, 2012, public hearing, including but not limited to Sections 1.A, 2.A, 2.D, and 2.D.2.G. Section 1.A describes the history of development applications for the Pebble Beach Company property, the balance achieved by the compromise plan, and that the Concept Plan provides certainty for the future development of these land holdings, essentially buildout of Del Monte Forest, and the preservation of significant resource areas. Section 2.A describes the history of previous development applications that led to litigation and this compromise Concept Plan. Section 2.D provides the analysis for the Local Coastal Program Amendment, concluding that the proposed amendments and Concept Plan, on balance provide for better protection of coastal resources. Section 2.D.2.G describes the Conflict Resolution provisions of the Coastal Act and an analysis of the Local Coastal Program Amendment in light of those provisions. That section also analyzes project alternatives and describes that, due to infeasibility of the alternatives, adoption of one of the alternatives would likely lead to litigation on Measure A (page 108). This section also points out that the Concept Plan “avoided the largest pieces of undeveloped habitat” and that “the areas proposed for residential development were carefully selected based on their locations adjacent to roads and areas of heavy use (golf courses and neighborhoods), and the fact that they are less sensitive, relatively speaking, than the identified preservation areas.”

- i) The resulting Local Coastal Program Amendment was unanimously certified by the California Coastal Commission on May 9, 2012. The Board of Supervisors acknowledged the certification and adopted the Local Coastal Program Amendment via a resolution amending the Del Monte Forest Land Use Plan and an ordinance amending the Coastal Implementation Plan on May 22, 2012. The Local Coastal Program

Amendment established the regulatory framework for the Project. The Amendment substantially reduce the amount of residential development allowed within Del Monte Forest, eliminate additional golf courses, provide permanent protection of 635 additional acres of habitat areas, direct growth to disturbed areas or the edges of disturbed areas, increase public access opportunities, and, together with approval of the Project, eliminates potential scattered development from existing legal lots of record.

- j) Pebble Beach Company Final EIR.
- k) Table A in the Del Monte Forest Land Use Plan, certified by the California Coastal Commission on May 19, 1987.
- l) Public testimony at the Planning Commission Workshop on November 9, 2011.
- m) Public testimony at the Planning Commission hearings on December 14, 2011, and May 30, 2012, and at the Board of Supervisors Hearings on January 24, 2012, and June 19, 2012.
- n) The application, project plans, and related support materials submitted by the project applicant to the Monterey County RMA - Planning Department for the proposed development found in Project File PLN100138.

8. **FINDING:**

RECIRCULATION NOT REQUIRED – No new significant information has been added to the EIR since circulation of the DEIR that would require recirculation of the EIR. Per Section 15088.5 of the CEQA Guidelines, the County of Monterey is required to recirculate an EIR when significant new information is added to the EIR after public notice is given of the availability of the draft EIR for public review but before certification. “Significant new information” requiring recirculation include, for example, a disclosure showing that:

- 1) A new significant environmental impact resulting from the project or from a new mitigation measure proposed to be implemented;
- 2) A substantial increase in the severity of an environmental impact unless mitigation measures are adopted that reduce the impact to a level of insignificance;
- 3) A feasible project alternative or mitigation measure, considerably different from others previously analyzed, that clearly would lessen the significant environmental impacts of the project, but that the project’s proponents decline to adopt; or
- 4) The draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

No such significant new information has been added.

- EVIDENCE:**
- a) Recirculation of the draft EIR is not required where the new information merely clarifies, amplifies or makes minor modifications to an adequate EIR. The information provided since the draft EIR meets those criteria.
 - b) All the text revisions to the draft EIR provide clarification and additional detail. After considering all comments received on the draft EIR, the County has determined that the changes do not result in a need to recirculate the draft EIR.
 - c) See Finding 1, 3, and 5.
 - d) Pebble Beach Company Final EIR.

9. **FINDING:** **FISH AND GAME FEE** – For purposes of the Fish and Game Code, the project will have a significant adverse impact on the fish and wildlife resources upon which the wildlife depends.
- a) State Department of Fish and Game reviewed the DEIR to comment and recommended necessary mitigations to protect biological resources in this area. Therefore, the project will be required to pay the State fee in effect at the time of the recordation of the Notice of Determination to the Monterey County Clerk/Recorder for processing said fee and posting the Notice of Determination (NOD).
 - b) See Finding 3, evidence (d).
 - c) The application, project plans, and related support materials submitted by the project applicant to the Monterey County RMA - Planning Department for the proposed development found in Project File PLN100138.
 - d) Pebble Beach Company Final EIR.

DECISION

NOW, THEREFORE, be it resolved by the Board of Supervisors of the County of Monterey as follows:

1. The foregoing recitals and findings are true and correct;
2. The Board of Supervisors hereby certifies with respect to the Final Environmental Impact Report for the Pebble Beach Company Project (SCH#2011041028), which is on file with the Clerk of the Board and incorporated herein by reference, that (a) the Final EIR has been completed in compliance with CEQA; (b) the Final EIR was presented to the Board of Supervisors, and the Board of Supervisors reviewed and considered the information contained in the Final EIR before approving the Pebble Beach Company Project; and (c) the Final EIR reflects the County of Monterey's independent judgment and analysis; and
3. The Board hereby adopts the Statement of Overriding Considerations.

PASSED AND ADOPTED upon motion of Supervisor Potter, seconded by Supervisor Salinas, and carried this 19th day of June 2012, by the following vote, to wit:

AYES: Armenta, Calcagno, Salinas, Parker, and Potter
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 76 for the meeting on June 19, 2012.

Dated: June 27, 2012
 File Number: RES 12-006

Gail T. Borkowski, Clerk of the Board of Supervisors
 County of Monterey, State of California

By *Denise Hancock*
 Deputy

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

In the matter of the application of:
PEBBLE BEACH COMPANY (PLN100138)
RESOLUTION NO. 12-149

Resolution by the Monterey County Board of Supervisors
to:

- a) Approve the Combined Development Permits based on the findings and evidence and subject to the conditions of approval; and
- b) Adopt the Mitigation Monitoring and Reporting Plan.

[PLN100138, Pebble Beach Company, Pebble Beach (Assessor's Parcel Numbers 007-091-028-000, 007-091-033-000, 007-101-041-000, 007-991-001-000, 008-021-009-000, 008-022-024-000, 008-022-031-000, 008-022-032-000, 008-022-035-000, 008-031-014-000, 008-031-015-000, 008-031-019-000, 008-032-004-000, 008-032-005-000, 008-032-006-000, 008-034-001-000, 008-041-009-000, 008-163-001-000, 008-163-003-000, 008-163-005-000, 008-164-001-000, 008-165-001-000, 008-171-009-000, 008-171-022-000, 008-241-008-000, 008-242-007-000, 008-272-010-000, 008-272-011-000, 008-311-011-000, 008-312-002-000, 008-313-002-000, 008-313-003-000, 008-321-006-000, 008-321-007-000, 008-321-008-000, 008-321-009-000, 008-423-002-000, 008-423-019-000, 008-423-029-000, 008-423-030-000, 008-431-009-000, 008-561-020-000, and 008-991-001-000), Greater Monterey Peninsula Area Plan and the Del Monte Forest Land Use Plan, Coastal Zone.]

The Pebble Beach Company application (PLN100138) came on for public hearing before the Monterey County Board of Supervisors on June 19, 2012. Having considered all the written and documentary evidence, the administrative record, the staff report, oral testimony, and other evidence presented, the Board of Supervisors finds and decides as follows:

FINDINGS

1. **FINDING:** **PROJECT DESCRIPTION** – The proposed project (PLN100138) consists of Combined Development Permits (CDPs) to allow the phased development and preservation of the remaining undeveloped Pebble Beach Company properties located within the Del Monte Forest. The CDPs consist of 12 vesting tentative maps for the subdivision of approximately 899.6 acres, resulting in the creation of 90 to 100 single-family residential lots, the renovation and expansion of visitor serving uses, and the preservation of 635 acres as forested open space. The

CDPs include multiple Coastal Development Permits, Coastal Administrative Permits, and Design Approvals to allow: new structural development at four primary sites (The Lodge at Pebble Beach, The Inn at Spanish Bay, Spyglass Hill, and the Pebble Beach Equestrian Center); new and amended General Development Plans at five locations; lot line adjustments; structural and hardscape development, including associated grading; development within 100 feet of environmentally sensitive habitat; development on slope exceeding 30 percent; tree removal; and development within 750 feet of a known archaeological resource. Development includes the following: The Lodge at Pebble Beach – Renovation and expansion of visitor-serving and recreational facilities to include the addition of hospitality and meeting space, relocation of the Pebble Beach Golf Links Driving Range, and construction of 60 visitor-serving guestrooms; The Inn at Spanish Bay – Renovation and expansion of visitor-serving and recreational facilities, to include the addition of hospitality and meeting space, construction of 40 visitor-serving guestrooms, and construction of a surface parking lot to provide approximately 285 parking spaces; Spyglass Hill - Construction of a 100-room resort and spa to include the addition of hospitality and meeting space, a restaurant, a 19,700 square foot spa with underground parking for approximately 40 vehicles, construction of a parking facility with a level at grade and two levels below grade to accommodate approximately 301 vehicles and other ancillary facilities, or an alternative option that would result in the subdivision of this area into 10 single-family residential lots; Pebble Beach Equestrian Center - Site redevelopment consisting of demolition of the existing equestrian facilities and construction of new equestrian facilities to include a covered arena, employee housing, barns and stalls, vehicle storage, interior roadway, parking, and accessory structures; the construction of associated infrastructure improvements; relocation of existing trail segments and construction of new trail segments; construction/installation of internal roadway, circulation, and drainage improvements at four intersections (Congress Road and 17-Mile Drive; Congress Road and Lopez Road; Sunridge Road and Lopez Road; and Portola Road and Stevenson Drive); and the reconfiguration of the main entrance/gate to the Pebble Beach/Del Monte Forest area at the Highway 1/Highway 68/17-Mile Drive intersection. A detailed description of the County entitlements (Combined Development Permits) granted by this permit for the project is attached to this resolution as Attachment 1 and incorporated herein by reference. The Conditions of Approval, including the Mitigation Monitoring and Reporting Plan, for the project are attached to this resolution as Attachment 2 and incorporated herein by reference. The General Development Plans for the project are attached to this resolution as Attachment 3 and incorporated herein by reference. The plan set (dated May 2011), which includes the vesting tentative maps, is attached to this resolution as Attachment 4 and incorporated herein by reference. The plan set is distributed to the Board of Supervisors on CD, is on file with the Clerk of the Board, and is on file in the RMA-Planning Department. The applicant is the Pebble Beach Company (hereafter “Applicant”).

- EVIDENCE:** a) The application, project plans, and related support materials submitted by the project applicant to the Monterey County RMA - Planning Department for the proposed development found in Project File PLN100138.
- b) Draft Environmental Impact Report, Volume I, Chapter 2 and FEIR for the Pebble Beach Company Project.

2. **FINDING:** **CONSISTENCY** – The Project, as conditioned, is consistent with the applicable plans and policies which designate this area as appropriate for development.

EVIDENCE: a) During the course of review of this application, the project has been reviewed for consistency with the text, policies, and regulations in:

- the 1982 Monterey County General Plan;
- the 2010 Monterey County General Plan;
- Greater Monterey Peninsula Area Plan;
- Del Monte Forest Land Use Plan (LUP);
- Monterey County Coastal Implementation Plan Part 5;
- Monterey County Zoning Ordinance (Title 20);
- Monterey County Zoning Ordinance (Title 21);
- Monterey County Subdivision Ordinance (Title 19 – Inland);
- Monterey County Subdivision Ordinance (Title 19 – Coastal, included within Part 6 of the Coastal Implementation Plan)

No conflicts were found to exist, based on an associated Local Coastal Program Amendment (LCPA), which established the regulatory framework for the development proposal. The LCPA added the Pebble Beach Company Concept Plan (i.e., the subject development proposal) as a specifically allowed development (subject to entitlements) in the Del Monte Forest. On January 24, 2012, the Monterey County Board of Supervisors adopted a resolution of intent to approve the LCPA. On May 9, 2012, the California Coastal Commission (CCC) certified the LCPA. On May 22, 2012, the Monterey County Board of Supervisors acknowledged receipt of the CCC resolution certifying the LCPA and adopted the LCPA by adopting a resolution to amend the Del Monte Forest Land Use Plan and adopting an ordinance to amend the Monterey County Coastal Implementation Plan. Per state law, the LCPA is to take effect on the 31st day following adoption, which is June 22, 2012. The project is consistent with the Del Monte Forest Land Use Plan and Coastal Implementation Plan after the amendment takes effect¹.

- b) The entitlements for the Pebble Beach Company project granted by this permit will take effect only after the LCPA takes effect. See Condition No. 1.
- c) The Project properties are located at numerous sites throughout the Del Monte Forest Land Use Plan area. A complete listing of the Assessor's Parcel Numbers is attached to this resolution as Attachment 1 and incorporated herein by reference. The LCPA redesignated land uses in the Del Monte Forest Land Use Plan and rezoned properties to establish the general plan and zoning necessary for the subject development proposal, which primarily involves Open Space, Visitor-Serving

¹ References in this resolution to the Del Monte Forest Land Use Plan and Coastal Implementation Plan (Title 20) are to the plans as amended by the adopted LCPA. The findings are predicated on the LCPA taking effect.

- Commercial, and Residential uses. Therefore, the project is consistent with the land use designations and zoning after the LCPA takes effect.
- d) **Building Site 8 (B-8) Overlay:** The LCPA also removed the resource constraint overlays for the proposed development areas due to changes in circumstances from the time period in which the overlays were applied to the zoning and land use maps. The B-8 overlay was applied at a time in which water supply and sewer capacity were constraints to development and when highway capacity and circulation solutions had not been agreed upon and adopted. The Applicant subsequently financed the construction of a water reclamation facility and is currently in possession of a water entitlement sufficient to supply the project (see also Finding No. 10, Evidence g, and Finding No. 14). The wastewater collection and treatment system subsequently was expanded, resulting in adequate capacity for sewage disposal. Traffic solutions, both inside Del Monte Forest and for adjacent portions of Highway 68 have been agreed upon and adopted.
- e) A portion (approximately 17.14 acres) of Assessor's Parcel Number 008-041-009-000 is located in the Country Club Planning Area, which is in the inland unincorporated area of the County, not the Coastal Zone. Said property is part of the standard subdivision vesting tentative map to allow division of the 472.12 acre parcel which includes the Huckleberry Hill Natural Habitat Area, Area G, and the Pebble Beach Company Corporation Yard. Said property includes the proposed Parcel F (9.19 acres), Parcel G (3.95 acres), and an approximately 4.0 acre area of Parcel H (405.23 acres), and is currently designated for residential and open space forest uses. The proposed project does not change the land use designations or zoning, and no construction is proposed in these areas under the Pebble Beach Company Project. Said property is subject to Title 21 (zoning), the Greater Monterey Peninsula Area Plan (GMPAP), and the 2010 Monterey County General Plan. No conflicts were found to exist with the text, policies, and regulations in these documents. Therefore, this portion of the Project is consistent with the 2010 General Plan, the GMPAP, and Title 21.
- f) The project planner conducted numerous site inspections between September 2010 and March 2012 to verify that the project sites conform to the plans listed above.
- g) **Public Access:** See Finding No. 6.
- h) **Development on Slope Exceeding 30%:** See Finding No. 7.
- i) **Environmentally Sensitive Habitat Area (ESHA):** See Finding No. 8.
- j) **Subdivision:** See Finding No. 10.
- k) **Tree Removal:** See Finding No. 11.
- l) **Viewshed:** See Finding No. 12.
- m) **General Development Plans:** See Finding No. 13.
- n) **Water Supply:** See Finding No. 14.
- o) **Inclusionary Housing:** See Finding No. 15.
- p) **Recreational Requirements:** See Finding No. 16.
- q) The Project was referred to the Del Monte Forest Land Use Advisory Committee (LUAC) for review. Based on the LUAC Procedure guidelines adopted by the Monterey County Board of Supervisors per Resolution No. 08-338, this application did warrant referral to the

LUAC because it involves development requiring CEQA environmental review, a lot line adjustment in the Coastal Zone, and Design Approvals subject to review by the Planning Commission. The DMF LUAC considered the project on December 2, 2010, and voted unanimously to support the project as proposed.

- r) The application, project plans, and related support materials submitted by the project applicant to the Monterey County RMA - Planning Department for the proposed development found in Project File PLN100138.

3. **FINDING:** **SITE SUITABILITY** – The site is physically suitable for the use proposed.

- EVIDENCE:**
- a) The Project has been reviewed for site suitability by the following departments and agencies: RMA - Planning Department, Pebble Beach Community Services District (Fire Protection District), Parks Department, RMA - Public Works Department, Environmental Health Bureau, Economic Development Department, Sheriff's Office, and Water Resources Agency. There has been no indication from these departments/agencies that the sites are not suitable for the proposed development. Conditions recommended have been incorporated.
- b) The Applicant and the California Coastal Commission (CCC) staff discussed feasible development alternatives within the Del Monte Forest (DMF) that would be consistent with the Coastal Act. These discussions resulted in the DMF Agreement, which is the basis for the development proposal and the associated Local Coastal Program Amendment (LCPA). The LCPA established the regulatory framework for the development proposal, consisting of the build-out development and preservation of the remaining undeveloped Pebble Beach Company properties located within the DMF. The LCPA has been certified by the CCC and adopted by the Board, and is to take effect on June 22, 2012. The project is consistent with the Del Monte Forest Land Use Plan and Coastal Implementation Plan after the amendment takes effect (see Finding No. 2).
- c) A Draft Environmental Impact Report (DEIR) was prepared for the project by the RMA – Planning Department, with the assistance of ICF International (ICF), and distributed for public comment in November 2011. A Final EIR was prepared and distributed in April 2012. An Errata to the EIR was prepared and distributed in May 2012. The EIR was based on the technical expertise of ICF as well as technical reports prepared by outside experts in the areas of archaeology, biology, geology, geotechnical engineering, historical evaluation, hydrology, noise, paleontology, and traffic. See Finding No. 18.
- d) The EIR prepared for the project determined that most significant impacts could be mitigated to a level of less than significant, although some Air Quality, Water Supply and Demand, and Transportation and Circulation impacts have been determined to be significant and unavoidable. Mitigation has been identified to reduce these impacts, but not to a less than significant level. While significant and unavoidable, these three issues are either temporary, such as during construction, or apply to more regional issues not affecting the physical site suitability of

the Pebble Beach Company Project components.

- e) Staff conducted numerous site inspections between September 2010 and March 2012 to verify that the project sites are suitable for the uses proposed.
- f) The application, project plans, and related support materials submitted by the project applicant to the Monterey County RMA - Planning Department for the proposed development found in Project File PLN100138.

4. **FINDING:** **HEALTH AND SAFETY** - The establishment, maintenance, or operation of the project applied for will not under the circumstances of this particular case be detrimental to the health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood of such proposed use, or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.

- EVIDENCE:**
- a) The project was reviewed by the RMA - Planning Department, Pebble Beach Community Services District (Fire Protection District), Parks Department, RMA - Public Works Department, Environmental Health Bureau, Economic Development Department, Sheriff's Office, and Water Resources Agency. The respective agencies have recommended conditions, where appropriate, to ensure that the project will not have an adverse effect on the health, safety, and welfare of persons either residing or working in the neighborhood.
 - b) Necessary public facilities are either available or will be provided. Development sites would be served by existing and new water, sewer, stormdrain, and reclaimed water lines. The Applicant is in possession of a water entitlement sufficient to serve the project, and will be serviced by Cal Am. The wastewater collection and treatment system also has adequate capacity for sewage disposal, and will be serviced by the Pebble Beach Community Services District and the Carmel Area Wastewater District.
 - c) Finding Nos. 2, 3, 10, and 14, and supporting evidence.
 - d) Staff conducted numerous site inspections between September 2010 and March 2012 to verify that the project sites are suitable for the uses proposed.
 - e) The application, project plans, and related support materials submitted by the project applicant to the Monterey County RMA - Planning Department for the proposed development found in Project File PLN100138.

5. **FINDING:** **NO VIOLATIONS** - The subject properties are in compliance with all rules and regulations pertaining to zoning uses, subdivision, and any other applicable provisions of the County's zoning ordinance. No violations exist on the properties.

- EVIDENCE:**
- a) Staff reviewed Monterey County RMA - Planning Department and Building Services Department records and is not aware of any violations existing on the Pebble Beach Company Project site parcels.
 - b) Staff conducted numerous site inspections between September 2010 and March 2012, and research County records to assess if any violation

exists on the subject properties.

- c) There are no known violations on the Pebble Beach Company Project site parcels.
- d) The application, plans and supporting materials submitted by the project applicant to the Monterey County Planning Department for the proposed development are found in Project File PLN100138.

6. **FINDING:**

PUBLIC ACCESS – The project is in conformance with the public access and recreation policies of the Coastal Act (specifically Chapter 3 of the Coastal Act of 1976, commencing with Section 30200 of the Public Resources Code) and Local Coastal Program, and does not interfere with any form of historic public use or trust rights.

EVIDENCE:

- a) Based on the locations of the proposed project sites, and their relationship to existing public access areas, the development proposal will not interfere with any form of historic public use or trust rights. The visitor-serving and public access areas identified on LUP Figure 8 (Major Public Access and Recreational Facilities) of the Del Monte Forest Land Use Plan as amended by the LCPA will not be limited by the proposed development. For the Inn at Spanish Bay, public access was authorized by the Coastal Commission and was improved as a condition of approval of the development of The Inn in 1984, and these improvements are not affected by this proposal.
- b) Several of the proposed development sites affect equestrian/pedestrian trails shown on LUP Figure 8 (Major Public Access and Recreational Facilities) of the LCPA, specifically Area F-2, Area I-2, Area J, and Area K. Affected trail segments would be relocated and extended as required to ensure connectivity with the existing trail system. In addition, the proposed project would add approximately 2.4 miles of trails (in Area PQR, the Corporation Yard, and the Huckleberry Hill Natural Habitat Area) to the existing 31.5 miles of hiking and equestrian trails within the DMF, for a total of 33.9 miles of trails.
- c) Additionally, the project would include dedicated bicycle lanes along approximately 9.4 miles (4.7 miles in each direction) of existing roadway (17-Mile Drive - Spyglass Hill Road - Stevenson Drive - to the Peter Hay Golf Course and back to the Pacific Grove Gate).
- d) Consistent with the DMF Agreement between the Applicant and the California Coastal Commission (CCC) staff (see Finding No. 3 above), the adopted LCPA and conditions of approval require the development of a public access management plan prior to issuance of grading or building permits. The new plan will establish the requirements for protection and maintenance of existing public access and the expansion of new public access (where appropriate).
- e) No evidence or documentation has been submitted or found showing the existence of historic public use or trust rights over the subject parcels, except as outlined in the evidence above.
- f) The project planner conducted numerous site inspections between September 2010 and March 2012.
- g) The application, plans and supporting materials submitted by the project applicant to the Monterey County Planning Department for the proposed development are found in Project File PLN100138.

7. **FINDING:** **DEVELOPMENT ON SLOPE** – The proposed development better achieves the goals, policies and objectives of the 1982 Monterey County General Plan, the Del Monte Forest Land Use Plan (DMF LUP), and the Monterey County Zoning Ordinance (Title 20) than other development alternatives.
- EVIDENCE:**
- a) In accordance with the applicable policies of the DMF LUP and the Monterey County Zoning Ordinance (Title 20), multiple Coastal Development Permits are required and the authority to grant said permits has been met. The project, as proposed, balances remaining development adjacent to or within existing developed areas while ensuring preservation of large intact contiguous areas of forest and other sensitive habitat areas.
 - b) The project includes application for development on slopes exceeding 30% at the following sites: Area I-2, Area L, Area M (Option 1 or 2), Collins Field, Area V, Corporation Yard, The Inn At Spanish Bay, Area B, and Roadway Improvements. The total area of impact for all sites is approximately 174,900 to 217,900 square feet, depending on the Area M option selected. The project, as proposed, balances remaining development adjacent to or within existing developed areas while ensuring preservation of large intact contiguous areas of forest and other sensitive habitat areas. For example, Area M and the Corporation Yard are former quarry sites that are proposed for development to minimize potential impacts to forest and biological resources in other areas of the Del Monte Forest. Modifying the project design to avoid slope greater than 30% would cause conflicts with policies relating to the protection of forest and biological resources. Allowing development of these slope areas will minimize these potential impacts.
 - c) Per Section 20.64.230.E.2 of the Monterey County Zoning Ordinance, the County has imposed the following conditions of approval to assure compliance with guidelines for development on slope as deemed necessary: Mitigation Measures GSS-B1 and GSS-C1 require the inclusion of final design and construction specifications contained in the site-specific geologic and geotechnical reports, and the preparation and implementation of erosion and sediment control plans.
 - d) The project planner conducted numerous site inspections between September 2010 and March 2012.
 - e) The subject project minimizes development on slopes exceeding 30% in accordance with the applicable goals and policies of the applicable land use plan and zoning codes.
 - f) The application, plans and supporting materials submitted by the project applicant to the Monterey County Planning Department for the proposed development are found in Project File PLN100138.
8. **FINDING:** **ESHA** – The subject project minimizes impact on environmentally sensitive habitat areas (ESHA) in accordance with the applicable goals and policies of the applicable area plan and zoning codes. Therefore, the project is consistent with the ESHA policies of the Land Use Plan and Coastal Implementation Plan as amended by the LCPA.

- EVIDENCE:**
- a) The project includes application for development within 100 feet of environmentally sensitive habitat areas (ESHA). In accordance with the applicable policies of the Del Monte Forest Land Use Plan, as amended, and the Monterey County Zoning Ordinance (Title 20), multiple Coastal Development Permits are required. The requirements to grant said permits have been met for the reasons described herein. The project, as proposed, balances remaining development adjacent to or within existing developed areas while ensuring preservation of large intact contiguous areas of forest and other sensitive habitat areas.
 - b) The project includes application to allow development within 100 feet of ESHA at the following sites: F-2, Area I-2, Area J, Area K, Area L, Area M (Option 1 or 2), Area U, Equestrian Center and Special Events Staging Area, Collins Field, Area V, Corporation Yard, Area B, and Roadway Improvements. The project also includes Draft EIR Alternative 3 – avoidance of Pacific Grove clover at the Collins Field site.
 - c) The proposed project would concentrate residential development and new visitor-serving development adjacent to existing developed areas of the Del Monte Forest that are able to accommodate such development in a manner that would reduce impacts to ESHA. It would still allow some non-resource-dependent development in ESHA, but on balance is protective of resources by also setting aside 635 acres for permanent protection. The proposed project would result in loss of sensitive habitat (e.g., Monterey pine forest and small areas of seasonal wetlands), special-status plants (e.g., Yadon's piperia and other species) and special-status wildlife habitat (e.g., California red-legged frog and other species). Monterey pine forest is affected by most project elements, but the primary effects are due to residential development. Impacts on plants, wildlife, and seasonal wetlands and other waters are also primarily due to residential development. The impacts would be less than significant with implementation of the mitigation measures; however, the project would still result in a net reduction in the acreage of Monterey pine forest and of Yadon's piperia habitat and other biological resources, even with mitigation.
 - d) The associated LCPA allows specific exceptions to ESHA and other resource policies for the Pebble Beach Company Concept Plan development areas. The LCPA Concept Plan sections establish the regulatory framework for the development proposal. The LCPA also includes clarification and amplification of policies that protect environmentally sensitive habitat areas (ESHA) and includes the permanent preservation and conservation of approximately 635 acres of ESHA (e.g., Monterey pine forest habitat and remnant sand dune habitat).
 - e) Overall, the LCPA is more protective of the natural resources of the Del Monte Forest, specifically with regard to the buildout of remaining undeveloped properties. The LCPA formally preserves large undeveloped tracts of forested open space previously planned for residential development, provides management prescriptions to the preserve areas to enhance habitat/resource values, and ensures a planned and balanced approach to development and preservation within the Del

Monte Forest. See the California Coastal Commission Resolution certifying the LCPA - Monterey County LCP Amendment Number 1-12 Part 1 (DMF Update and PBC Concept Plan).

- f) Per the Coastal Act conflict resolution sections and consistent with the California Coastal Commission's findings on the LCPA, the County finds that on balance, the project is protective of coastal resources and is therefore consistent with the LUP and CIP's ESHA requirements. On balance, the preservation and conservation of 635 acres of contiguous forest and dune areas added to existing forest and dune preservation areas, and relocating potential development to areas, generally along previous development edges, where habitat has been degraded is more protective of coastal resources.
- g) The project planner conducted numerous site inspections between September 2010 and March 2012 to verify ESHA locations and potential project impacts to ESHA.
- h) The application, plans and supporting materials submitted by the project applicant to the Monterey County Planning Department for the proposed development are found in Project File PLN100138.

9. **FINDING:**

LOT LINE ADJUSTMENT – Per Section 66412(d) of the California Government Code (Subdivision Map Act), lot line adjustments may be granted based upon the following findings:

1. The lot line adjustment is between four (or fewer) existing adjoining parcels;
2. A greater number of parcels than originally existed will not be created as a result of the lot line adjustment;
3. The parcels resulting from the lot line adjustment conform to the County's general plan, any applicable specific plan, any applicable coastal plan, and zoning and building ordinances.

The lot line adjustments meet these standards.

EVIDENCE:

- a) **The Inn at Spanish Bay:** The subject parcels are zoned Open Space Recreation and Visitor-Serving Commercial. The project includes a Coastal Development Permit to allow a Lot Line Adjustment of 1.54 acres between two legal lots of record consisting of Assessor's Parcel Number 007-091-033-000, adjusting 200 acres to 198.46 acres (Parcel 1) and Assessor's Parcel Number 007-091-028-000, adjusting 21.17 acres to 22.71 acres (Parcel 2). The properties are located at The Inn at Spanish Bay and The Golf Links at Spanish Bay, 17-Mile Drive and Congress Road, Spanish Bay Planning Area, Del Monte Forest Land Use Plan, Coastal Zone. In the LCPA, the 1.54 acre area is re-designated and reclassified from Open Space Recreation to Visitor-Serving Commercial.
- b) **Fairway One (The Lodge at Pebble Beach):** The subject parcels are currently zoned Low Density Residential and Coastal General Commercial. The project includes a Coastal Development Permit to allow a lot line adjustment to merge two legal lots of record, Lot 1: 0.82 acres and Lot 2: 1.36 acres, and a remainder parcel (0.04 acres), resulting in a parcel of 2.22 acres. The properties are located at and near The Lodge at Pebble Beach, adjacent to 17-Mile Drive (Assessor's Parcel Numbers 008-423-002-000, 008-423-019-000, and 008-423-029-

000), Pebble Beach Planning Area, Del Monte Forest Land Use Plan, Coastal Zone. In the LCPA, the 2.22 acre parcel is re-designated and reclassified to Visitor-Serving Commercial.

- c) The lot line adjustment and lot merger are between more than one and less than four existing adjoining parcels. Pages S-1 through S-3, and PBL-1 through PBL-3, of the plan set show the location of the subject parcels, and are incorporated herein by reference.
- d) The lot line adjustment and the lot merger will not create a greater number of parcels than originally existed. At The Inn at Spanish Bay, two (2) contiguous separate legal parcels of record will be adjusted and two (2) contiguous separate legal parcels of record will result from the adjustment. At Fairway One (The Lodge at Pebble Beach), two (2) contiguous separate legal parcels of record and a contiguous remainder parcel will be adjusted and one (1) separate legal parcel of record will result from the merger. No new parcels will be created.
- e) The proposed lot line adjustment is consistent with the Monterey County Zoning Ordinance (Title 20). Staff verified that the subject property is in compliance with all rules and regulations pertaining to the use of the property that no violations exist on the property.
- f) On-site water and sewer line extensions would be installed at these development sites to provide connections to existing water and sewer lines.
- g) As an exclusion to the Subdivision Map Act, no map is recorded for a Lot Line Adjustment. In order to appropriately document the boundary changes, a Certificate of Compliance for each new lot is required per a standard condition of approval.
- h) The project does not conflict with the General Plan, Local Coastal Program, zoning or building ordinances. (See Finding No. 2.)
- i) The application, plans and supporting materials submitted by the project applicant to the Monterey County Planning Department for the proposed development are found in Project File PLN100138.

10. **FINDING:**

SUBDIVISION – Section 66474 of the California Government Code (Subdivision Map Act) and Title 19 (Subdivision Ordinance) of the Monterey County Code (MCC) require that a request for subdivision be denied if any of the following findings are made:

1. That the proposed map is not consistent with the applicable general plan and specific plans.
2. That the design or improvement of the proposed subdivision is not consistent with the applicable general plan and specific plans.
3. That the site is not physically suitable for the type of development.
4. That the site is not physically suitable for the proposed density of development.
5. That the design of the subdivision or the proposed improvements is likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.
6. That the design of the subdivision or type of improvements is likely to cause serious public health problems.
7. That the design of the subdivision or the type of improvements will conflict with easements, acquired by the public at large, for access

through or use of property within the proposed subdivision.
None of these findings are made with respect to the vesting tentative maps approved by this resolution.

- EVIDENCE:**
- a) Consistency. The project as designed and conditioned is consistent with the 1982 Monterey County General Plan, Greater Monterey Peninsula Area Plan, Del Monte Forest Land Use Plan as amended by the LCPA, Monterey County Coastal Implementation Plan Part 5 as amended by the LCPA, and Title 19 (coastal and inland) of the Monterey County Code (MCC). (See Finding No. 2.)
 - b) Design. The lot design is consistent with the Lot Design Standards of MCC Sections 19.10.030 (Coastal and Inland). The lots, as proposed, meet all County requirements for minimum lot size, lot width, and lot depth.
 - c) Site Suitability. The sites are suitable for the proposed project including the type and density of the development (see Finding No. 3).
 - d) Environment. The subdivision design and improvements will not cause substantial environmental damage to fish or wildlife habitat (see Finding No. 8).
 - e) Health and Safety. The proposed project as designed and conditioned will not, under the circumstances of the particular application, be detrimental to the health, safety, peace, morals, comfort and general welfare of persons residing or working in the neighborhood or to the general welfare of the County (see Finding No. 4).
 - f) Private Road. The project as designed and conditioned meets the minimum requirements of MCC Section 19.10.065. The lots, as proposed, meet all County requirements as applicable for design, traffic control, drainage, road grades, rights-of-way and improvements.
 - g) Water Supply. MCC Section 19.10.070 requires that provisions be made for domestic water supply as may be necessary to protect public health, safety, or welfare, and that the source of supply is adequate and potable. MCC Sections 19.03.015.L and 19.07.020.K require water supply information in order to assess these conditions and obtain proof that there is a long term water supply with the project. Development sites would be served by existing and new water lines. The Applicant is in possession of a MPWMD water entitlement sufficient to serve the project, and will be serviced by Cal Am. See also Finding Nos. 4 and 14.
 - h) Sewage Disposal. MCC Sections 19.03.015.K, 19.07.020.J, and 19.10.075 require that provision shall be made for adequate sewage disposal. Development sites would be served by existing and new sewer lines. The wastewater collection and treatment system has adequate capacity for sewage disposal, and will be serviced by the Pebble Beach Community Services District and the Carmel Area Wastewater District. See also Finding No. 4.
 - i) Easements. The subdivision or the type of improvements will not conflict with easements. Several of the proposed development sites affect equestrian/pedestrian trails shown on LUP Figure 15 (Recreational Facilities) of the LCPA, specifically Area F-2, Area I-2, Area J, and Area K. Affected trail segments would be relocated and extended as required to ensure connectivity with the existing trail

system. In addition, the proposed project would add approximately 2.4 miles of trails (in Area PQR, the Corporation Yard, and the Huckleberry Hill Natural Habitat Area) to the existing 31.5 miles of hiking and equestrian trails within the DMF, for a total of 33.9 miles of trails.

- j) Traffic. The proposed project would result in construction-related traffic that would temporarily increase traffic volumes that would affect Level of Service (LOS) and intersection operations. The proposed project would also add substantial traffic to certain intersections along SR 68 or SR 1 to decrease from acceptable levels of service to unacceptable levels or to worsen existing unacceptable levels of service, would add traffic to regional highway sections that are projected to operate at unacceptable levels of service, and would add traffic to a SR 68 highway ramp projected to operate at an unacceptable level of service. Implementation of mitigation measures would reduce identified significant impacts, but impacts related to construction traffic and impacts related to certain roadways outside the Del Monte Forest where mitigation is payment of fair-share impact fees would remain significant and unavoidable in the period between the completion of project construction and completion of required highway improvements.
- k) Affordable/Inclusionary Housing. See Finding No. 15.
- l) Recreational Requirements. See Finding No. 16.
- m) Staff conducted numerous site inspections between September 2010 and March 2012.
- n) The application, tentative map and supporting materials submitted by the project applicant to the Monterey County Planning Department for the proposed development are found in Project File PLN100138.

11. **FINDING:** **TREE REMOVAL – COASTAL** The subject project minimizes tree removal in accordance with the applicable goals and policies of the Del Monte Forest Land Use Plan and the associated Coastal Implementation Plan as amended by the LCPA.
- EVIDENCE:**
- a) The project includes application for the removal of up to approximately 6,700 trees. In accordance with the applicable policies of the Del Monte Forest Land Use Plan and the Monterey County Zoning Ordinance (Title 20), multiple Coastal Development Permits are required and the requirements to grant said permits have been met. The project, as proposed, balances remaining development adjacent to or within existing developed areas while ensuring preservation of large intact contiguous areas of forest and other sensitive habitat areas.
 - b) The project includes application for the removal of trees at the following sites: Area B, Area F-2, Area I-2, Area J, Area K, Area L, Area M (Option 1 or 2), Area U, Area V, Equestrian Center and Special Events Staging Area, Collins Field, Collins Residence, Corporation Yard, The Inn At Spanish Bay, The Lodge at Pebble Beach, and Roadway Improvements. The total area of direct impact for all sites is approximately 39 to 41.5 acres, depending on the Area M option selected. Table 2-3 of the Draft EIR prepared for the project provides a summary of estimated tree removal for each site. For the purpose of environmental review, this amount presumes a conservative scenario of the total clearing of 15,000 square feet on all proposed residential lots,

which would not occur. The total number of trees removed would likely be substantially fewer. When lots are subsequently developed by the property owner, the County will not require separate permits for the removal of trees on the residential lots created under this project; however, the County will review the proposed residence design and coordinate with the property owner to minimize tree removal.

- c) Of the trees identified for potential removal, approximately 45% are 12 inches in diameter or more and 85% are Monterey pine trees. For all trees removed for resort, recreational, and infrastructure projects, Pebble Beach Company intends that they would be taken to the Corporation Yard wood processing facility to be processed for use as firewood or chipped for use in various on-site landscaping projects. Residential lot owners would be responsible for tree removal and disposal as part of their normal construction process, as separately reviewed and approved by the County for each lot. Although the County will not require separate permits for the removal of trees on the residential lots created under this project, the County will review the proposed residence design and coordinate with the property owner to minimize tree removal.
- d) The proposed project would result in loss of Monterey pine forest. Monterey pine forest is affected by most project elements, but the primary effects are due to residential development. The impacts would be less than significant with implementation of the mitigation measures; however, the project would still result in a net reduction in the acreage of Monterey pine forest, even with mitigation.
- e) Currently, 685 acres of undeveloped open space are formally preserved (either in fee title or easement) through the Del Monte Forest Foundation (DMFF) (now known as the Del Monte Forest Conservancy) in the Del Monte Forest. As part of the project proposal, the Applicant proposed to formally dedicate or preserve an additional 627 acres of undeveloped areas, comprised of Monterey pine forest and other native habitat, through the DMFF in the Del Monte Forest. Additionally, the Applicant proposed additional conservation easements for approximately 8 acres that comprise smaller buffer areas and setbacks around development sites, for a total of 635 acres. These proposals have been incorporated into the project. As conditions of approval of this project, the Applicant is required to dedicate easements over all preservation areas to the DMFF (or other approved entity) and to develop and implement resource management plans for each of the six preservation areas (Condition Nos. 12, 64, and 65).
- f) To provide for integrated resource management of the proposed preservation areas, a Master Resource Management Plan (Master RMP) for implementing resource management has been developed by the County with technical assistance from ICF. The Master RMP is considered part of the proposed project because it is a necessary component to managing the preservation areas for the benefit of biological resources, including Monterey pine forest. The Master RMP establishes a framework for the development of site-specific RMPs for each preservation area. The Master RMP also establishes a framework for development and approval of work plans for restoration activity, monitoring, and adaptive management of all dedicated areas. Through

this framework, the habitat value of the dedicated lands can be preserved in perpetuity with an appropriate context of monitoring, funding, and oversight.

- g) Staff conducted numerous site inspections between September 2010 and March 2012 to verify that the tree removal is the minimum necessary for the project and to identify any potential adverse environmental impacts related to the proposed tree removal.
- h) The application, plans and supporting materials submitted by the project applicant to the Monterey County Planning Department for the proposed development are found in Project File PLN100138.

12. **FINDING:**

VIEWSHED – The Project is consistent with the Land Use Plan policies and Coastal Implementation Plan development standards on viewshed. The project minimizes development within the viewshed in accordance with the applicable goals and policies of the applicable land use plan and zoning codes.

EVIDENCE:

- a) The project includes application for development within visually scenic areas as identified on LUP Figure 3 (Visual Resources Map) of the Del Monte Forest LUP as amended. In accordance with the applicable policies of the DMF LUP and the Monterey County Zoning Ordinance (Title 20), the development standards for the protection of scenic and visual resources have been met.
- b) The project would change certain portions of existing views within the Del Monte Forest. It would degrade the views where new development is visible from 17-Mile Drive (including views of residential development in Area F-2 and the Corporation Yard), and it would degrade the visual character and quality and introduce light and glare at some development sites. Potentially significant impacts on aesthetics have been mitigated to less than significant levels through mitigation measures (AES-A1, -A2, and -C1) that incorporate design features, landscaping requirements, and light and glare reduction measures in design plans for all development sites that involve construction of new structures or modification of existing structures and preparation of landscape plans for the SR1/SR 68/17-Mile Drive intersection.
- c) The project as proposed, conditioned, and mitigated is consistent with policies of the LCPA dealing with visual resources and will have no significant impact on the public viewshed.
- d) The project planner conducted numerous site inspections between September 2010 and March 2012 to verify that the project minimizes development within the viewshed or to identify methods to minimize the development.
- e) The application, plans and supporting materials submitted by the project applicant to the Monterey County Planning Department for the proposed development are found in Project File PLN100138.

13. **FINDING:**

GENERAL DEVELOPMENT PLAN – Monterey County Code requires a General Development Plan (GDP) prior to the establishment of uses/development if there is no prior approved GDP, and if: 1) the lot is in excess of one acre; or, 2) the development proposed includes more than one use; or, 3) the development includes any form of subdivision. The

entitlements approved by this permit include five General Development Plans in accordance with these requirements.

- EVIDENCE:**
- a) The proposed project sites (The Lodge at Pebble Beach, The Inn at Spanish Bay, Area M Hotel and Spa, Pebble Beach Driving Range, and Equestrian Center – Special Events Area) are located in the following zoning districts: Coastal General Commercial, Visitor-Serving Commercial, and Open Space Recreation (MCC Chapters 20.18, 20.22, and 20.38, respectively). The proposed project sites meet the size and number of uses criteria; therefore, amended or new GDPs are required to be approved prior to new development, changes in use, expansion of use, or physical improvement of the site.
 - b) The project as described in the application and accompanying materials was reviewed by the Planning Department, Pebble Beach Community Services District (Fire Protection District), Parks Department, Public Works Department, Environmental Health Bureau, Sheriff's Office, and the Water Resources Agency. The respective departments have recommended conditions, where appropriate, to ensure that the project will not have an adverse effect on the health, safety, and welfare of persons either residing or working in the neighborhood; or the county in general (see Finding No. 4).
 - c) Amended General Development Plans have been developed for The Lodge at Pebble Beach and The Inn at Spanish Bay that update and incorporate the proposed development. The amended GDPs are attached hereto and incorporated herein by reference.
 - d) General Development Plans have been developed for the Area M Hotel and Spa, Pebble Beach Driving Range, and Equestrian Center – Special Events Area that incorporate the proposed development and establish use, parking, and signage parameters for the sites. The GDPs are attached hereto and incorporated herein by reference.
 - e) Staff conducted numerous site inspections between September 2012 and March 2012 to verify that the proposed GDPs and project are consistent with allowed uses for a commercial site and historical uses identified.
 - f) The application, plans and supporting materials submitted by the project applicant to the Monterey County Planning Department for the proposed development are found in Project File PLN100138.

14. **FINDING:** **WATER SUPPLY** – The project has an adequate long-term public water supply and manages development in the area so as to minimize adverse effects on the aquifers and preserve them as viable sources of water for human consumption.

- EVIDENCE:**
- a) Policy 111 of the Del Monte Forest Land Use Plan as amended states: "Development shall only be approved if it is first clearly demonstrated that the development will be served by an adequate, long-term public water supply, and where such development clearly incorporates all necessary measures to assure no net increase in water demand from Cal-Am sources where extraction is leading to resource degradation, other than development that uses the remaining available Pebble Beach Company MPWMD Water Entitlement from the original 365 AFY

- granted to Pebble Beach Company (pursuant to its Fiscal Sponsorship Agreement with MPWMD, dated October 3, 1989, as amended), consistent with applicable law for such use.” (The above-referenced water entitlement shall be referred to herein as “Water Entitlement.”)
- b) Water for the Project will be supplied by Cal-Am pursuant to Pebble Beach Company’s Water Entitlement. As described in the EIR, Section 3.12, Water Supply and Demand and in Appendix H to the EIR, the Project uses a portion of the Water Entitlement to supply water for the proposed project. As described in the EIR in Table H.2-2C, the total water demand of the proposed project (estimated as 135 AFY in an average year and up to 145 AFY in a critically dry year) is less than the amount available for the Applicant’s use (237 AFY) after taking into account the amount of the original entitlement (365 AFY) and the amount previously sold to other parties or dedicated to other use (127 AFY, as of Fall 2011). See Finding No. 10, Evidence g.
- c) Policy 111 explicitly states that development can be approved in relation to water supply if it uses the remaining available Water Entitlement. As such, the proposed project is, by definition, consistent with Policy 111. Chapter 3 of the Land Use Plan as amended provides: “Development pursuant to the concept plan may satisfy its water demand through the use of water supply associated with the Pebble Beach Company and Monterey Peninsula Water Management District (MPWMD) Water Entitlement (Entitlement) (identified in the Pebble Beach Company-MPWMD Fiscal Sponsorship Agreement dated October 3, 1989, as amended), consistent with applicable law for such use.” (LUP, at page 38.) The project is also consistent with this provision of the LUP.
- d) Chapter 4 (Land Use Support Element, Water and Wastewater Services, Water Supply Conditions) of the Land Use Plan as amended describes the origin of the Water Entitlement in the Applicant’s financing of the Recycled Water Project, which has resulted in a reduction in potable water withdrawals from the Carmel River. This section of the LCPA specifically describes that use of the Water Entitlement is an exception to the LCP requirement for formal demonstration of a long-term public water supply in favor of the recognition of the specific circumstances of the origin of the entitlement. As described in the EIR, Section 3.12 (see footnote 2 on Page 3.12-9), even with complete use of the Water Entitlement, the cumulative effect of the Recycled Water Project and full use of the Water Entitlement, would be a net reduction of potable water withdrawals from the Carmel River of approximately 600 AFY. In addition, the approximately 17 acre portion of the project located in the inland unincorporated area of the Del Monte Forest is consistent with the water supply policies of the 2010 General Plan. This area is currently designated for residential and open space forest uses, the project does not change or intensify the land use designations or zoning, and no construction is proposed in this area under the Pebble Beach Company Project. This area is also a benefitted property under the Water Entitlement, which still results in a net reduction of withdrawals from the Carmel River, given the Applicant’s financing of the Recycled Water Project.

15. **FINDING:** **INCLUSIONARY HOUSING** – The Project complies with the Monterey County Inclusionary Housing Ordinance, and the Board finds that a modification to the requirements of the Ordinance is appropriate due to unusual circumstances and that the development qualifies for the payment of an in-lieu fee.

EVIDENCE: a) The Project is subject to the Monterey County Inclusionary Housing Ordinance #04185, codified in Section 18.40 of the Monterey County Code (MCC). Section 18.40.50.B.2 of the County's Inclusionary Ordinance allows for modifications to the requirements for compliance based on unusual characteristics of the site, project, and/or location. The modification must be specifically approved by the Appropriate Authority with supporting findings and evidence. Section 18.40.90.C also allows a developer to elect to pay in-lieu fees if certain characteristics of the development site exist. The Board of Supervisors finds that a modification to the requirements for compliance with the County's Inclusionary Housing Ordinance, specifically related to supplying Inclusionary Units on the project site is appropriate. The project is required to comply with the Inclusionary Housing Ordinance by: 1) paying an in lieu fee in the amount of \$5 million to the County, to be held by the County in a separate fund to be utilized solely for costs associated with development of an affordable (as defined in the Inclusionary Housing Ordinance) housing project or projects of at least 18 units in the Greater Monterey Peninsula Planning Area (including the incorporated cities located therein); 2) working with the County to attempt to identify, acquire, entitle, and finance an affordable housing project or projects of at least 18 units in the Greater Monterey Peninsula Planning Area within five (5) years of the recordation of the first residential subdivision Final Map; and 3) failing identification, acquisition, entitlement, and securing full financing of a project pursuant to 2) above within five (5) years of the recordation of the first residential subdivision Final Map, contribute an additional \$2 million to the County to be added to the separate fund. If any monies remain in the segregated fund after five (5) years of the recordation of the first residential subdivision Final Map, the County shall retain the balance to be spent in compliance with the Inclusionary Housing Ordinance. (Condition No. 18)

In addition, in the event that an affordable housing site is successfully identified, acquired, entitled and financed in the Greater Monterey Peninsula Planning Area pursuant to Condition No. 18, and therefore no additional \$2 million in-lieu fee contribution is required of the Applicant under such Condition, the Applicant agrees to make an irrevocable offer to transfer title to approximately 135 acres of land commonly known as the Old Capitol Site in the City of Monterey (Assessor's Parcel Numbers 001-761-015-000, 001-761-035-000, and 001-771-043-000), to the County or an entity approved by the County for parkland purposes, subject to any existing title exceptions and other requirements affecting the land, and pursuant to terms and conditions acceptable to the Applicant, including the County's agreement that

preservation of the natural resources on the Old Capitol Site shall be applied or credited as mitigation if needed for any affordable housing or other project identified by the Applicant. (Condition No. 143)

This modification is supported by the following facts:

1. Opportunities for affordable housing within the Monterey Peninsula area are limited. Constructing new off-site Inclusionary Housing (either in the cities or in the unincorporated areas) is extremely challenging due to water and traffic issues. However, there is the possibility that off-site inclusionary housing could be provided in the future if the applicant, working with the County, were to identify a site, provided that any such proposal is subject to all appropriate environmental review and public hearing processes.
2. As an Alternative to the proposed project, the EIR analyzed the impacts associated with developing 10 market-rate lots and 18 inclusionary units at the Corporation Yard site. The Corporation Yard site was selected as a potential on-site location for inclusionary housing based on the terms of the DMF Agreement and subsequent discussions with the CCC staff, which views the Corporation Yard as the only site within the Project area suitable for higher-density residential housing.
3. Assuming on-site units, the Inclusionary Housing requirement for the project would be 22.4 units. The LCPA re-zoned this 4.7-acre site as Medium Density Residential, 6 units per acre (MDR/6), which would only allow up to a total of 28 market-rate and inclusionary units. PBC has proposed 10 market-rate units for the Corporation Yard site. The addition of 22 inclusionary units would total 32 residential lots and units, would exceed the maximum allowed by zoning, and therefore would necessitate the reduction of four market-rate lots. To avoid that result and be consistent with the Final EIR, the on-site option would include 18 inclusionary units on-site and payment of in-lieu fees for 4.4 units.
4. The project design and process has been under preparation for some time based on a number of competing objectives, including the protection and enhancement of the valuable natural resources within the project area which constrain locating Inclusionary Housing at alternative locations. Although the applicant employs a significant number of people within the project area who could potentially qualify for inclusionary housing, the lack of services and public transportation limits the suitability of the site for households at the required income levels and could limit the number of interested households. In addition, the remote nature of the Corporation Yard site from services would preclude some housing grant opportunities.
5. Providing an in-lieu fee for compliance would provide funding for affordable housing projects and/or programs benefiting the Greater Monterey Peninsula Planning Area. Housing for very low, low, and moderate income households is an identified need in the Monterey Peninsula Planning Area. The option of

constructing very low, low, and moderate income units off-site closer to services would help meet this unmet need, if a suitable site were identified in the future. In addition, an in-lieu fee could be leveraged to build more units than would be constructed in the Corporation Yard, assuming a suitable site could be entitled.

6. If the applicant (working with the County) identifies a suitable site or sites on the Monterey Peninsula, an appropriate entity should be able to utilize the in-lieu fees to construct affordable units, subject to appropriate approvals and environmental review.

Based on the above, the evidence supports a finding that the Corporation Yard is neither desirable or suitable for inclusionary housing, because the specific characteristics of the development site, including lack of access to services, zoning which requires large lot development, and potentially high site maintenance costs (all of which characteristics are documented with evidence in the record) make the site unsuitable for households at the required income levels; and that the payment of in-lieu fees, as conditioned, will make a far greater contribution to meeting the needs of the County for affordable housing than on-site housing.

- b) The project is conditioned to require the applicant to execute an Inclusionary Housing Agreement prior to the recordation of the first residential subdivision Final Map that will set forth the details of the compliance including, but not limited to, payment of the in-lieu fee, the disbursement of monies from the separate fund, the type, location, and size of the Inclusionary Units, the phasing of providing the units, and preferences for employees, if a site is identified and in compliance with Fair Housing Law.
- c) The application, plans and supporting materials submitted by the project applicant to the Monterey County Planning Department for the proposed development are found in Project File PLN100138.

16. **FINDING:** **RECREATIONAL REQUIREMENTS** – The Project complies with the recreational requirements of Title 19, Section 19.12.010.
- EVIDENCE:**
- a) Per MCC Section 19.12.010 D, the minimum amount of dedicated recreation acreage required for the proposed 90 new households within the Del Monte Forest is 0.81 acres. The acreage must be shown to provide reasonable access to active and passive recreational activities serving the respective subdivisions.
 - b) The applicant has provided a comprehensive plan showing existing and proposed recreational amenities to serve the proposed 90 new households that meets this requirement when seen in the context of the larger Del Monte Forest community:
 - 1) Three public golf courses open to Del Monte Forest residents (Pebble Beach Golf Links, Spyglass Hill Golf Course, and The Links at Spanish Bay), one nine-hole golf course (the Peter Hay Par-3 Golf Course), the Pebble Beach and Spyglass practice golf facilities, the Northern California Golf Association (NCGA) 18-hole Poppy Hills Golf Course and related practice facilities;

- 2) Two private clubs, the Cypress Point Club with an 18-hole golf course and the Monterey Peninsula Country Club (MPCC) with two 18-hole golf courses (the Shore Course and the Dunes Course) plus related facilities at each club open to members and their guests;
 - 3) Stevenson School maintains athletic fields, a quarter mile track, and tennis courts, that are available to Del Monte Forest residents;
 - 4) Public stables and equestrian training facilities are maintained by the Pebble Beach Equestrian Center;
 - 5) Thirty-one (31) miles of an existing, dedicated hiking/equestrian trail network connects most of the 90 new households within 10 subdivisions and loops at varying distances through the forest interior and to the shore to provide recreation opportunities in close proximity to the respective neighborhoods. Where some of these trails are removed by subdivision development, an additional 2.4 miles of trail development shall assure neighborhood connections to the larger trail network. Informational kiosks at each trailhead and trail guide signage at other key locations shall identify the recreational use of the trails;
 - 6) Twelve (12) miles of Class II public recreational bicycle lanes adjacent to the 17-Mile Drive along the shoreline; and
 - 7) Public access to Stillwater Cove, Spanish Bay, Seal Rock and Fan Shell beaches providing beach-related activities such as surfing, and kayaking.
- c) The above existing recreation facilities and user-friendly improvements made to trail networks dedicated to hiking, jogging, and equestrian access, in addition to separate Class II bicycle lanes – all provide access to active recreational activities. Therefore, the Parks Department has determined that the minimum requirement of 0.81 acres dedicated to recreation activities is satisfied by the existing and proposed development listed above to serve the addition of the 90 households pursuant to MCC Section 19.12.010 D.
- d) The application, plans and supporting materials submitted by the project applicant to the Monterey County Planning Department for the proposed development are found in Project File PLN100138.

17. **FINDING:**

WILDFIRE PROTECTION STANDARDS IN STATE

RESPONSIBILITY AREAS – The subject project, as conditioned, will ensure standardized basic emergency access and fire protection pursuant to Section 4290 of the Public Resources Code.

EVIDENCE:

- a) The Del Monte Forest area, including all proposed project sites, is within the Monterey County State Responsibility Area. The proposed project would expose people and structures to risk of wildland fire where proposed residential development is adjacent to undeveloped open space, most notably the Corporation Yard.
- b) Monterey County Code Section 18.56, Wildfire Protection Standards in State Responsibility Areas, requires that future design and construction of structures, subdivisions and developments in State Responsibility Areas shall provide for emergency access and perimeter wildfire protection measures. All proposed subdivisions, as designed, provide for emergency access and fire suppression. Development sites would be

- served by existing and new water lines and roads.
- c) Mitigation measures (PSU-C1, -C2, and -C3) and non-standard fire suppression and protection conditions have been applied to the project to ensure the following: 1) all roads meet minimum requirements regarding width, surface, grade, and turning radius or turnaround; 2) all buildings have required signing and numbering; 3) all sites have adequate emergency water flow; and 4) implementation of vegetation/fuel modification and management plans, and fire safety precautions during declared fire season. Implementation of these mitigations and conditions of approval will ensure that impacts remain less than significant.

18. **FINDING:**

CEQA (EIR) – By separate resolution on June 19, 2012, prior to adopting this resolution, the Board certified the Final Environmental Impact Report (EIR) on the Pebble Beach Company Project, made all appropriate findings under CEQA, and adopted a statement of overriding considerations (Resolution No. 12-xxx).

EVIDENCE:

- a) The draft Environmental Impact Report for the Pebble Beach Company application (PLN100138) was prepared in accordance with CEQA and circulated for public review from November 14, 2011 through January 9, 2012 (SCH#: 2011041028).
- b) The Final EIR was prepared and released to the public on April 3, 2012, and errata were issued in May 2012.
- c) Issues that were analyzed in the EIR include Aesthetics, Air Quality, Biological Resources, Climate Change, Cultural Resources, Geology, Seismicity and Soils, Hydrology and Water Quality, Land Use and Recreation, Noise and Vibration, Transportation and Circulation, Public Services and Utilities, and Water Supply and Demand. The EIR identified potential significant impacts that are either less than significant or can be mitigated to less than significant levels on Aesthetics, Air Quality, Biological Resources, Climate Change, Cultural Resources, Geology, Seismicity and Soils, Hydrology and Water Quality, Land Use and Recreation, Noise and Vibration, Transportation and Circulation, and Public Services and Utilities. The EIR identified significant impacts on Air Quality, Transportation and Circulation, and Water Supply and Demand that cannot be mitigated to less than significant levels.
- d) In the accompanying CEQA Resolution, the Board of Supervisors made specific findings for each of the significant environmental effects of the project and adopted a Statement of Overriding Considerations in which the Board found that the benefits of the project outweigh the unavoidable adverse environmental effects of the project.
- e) The Mitigation Monitoring and Reporting Plan (MMRP) has been prepared and is adopted as part of this resolution. The MMRP is attached to this resolution as Attachment 2 and incorporated herein by reference.

19. **FINDING:**

APPEALABILITY - The decision on this project may be appealed to the California Coastal Commission.

EVIDENCE:

California Coastal Commission: Section 20.86.080.A of the Monterey County Zoning Ordinance (Title 20). The project is subject to appeal

by/to the California Coastal Commission because it involves development between the sea and the first through public road paralleling the sea, development within 100 feet of any wetland, and development that is permitted in the underlying zone as a conditional use.

DECISION

NOW, THEREFORE, BASED ON ALL OF THE ABOVE FINDINGS AND EVIDENCE, BE IT RESOLVED, that the Board of Supervisors does hereby:

- a. Find that all of the foregoing findings are true and correct;
- b. Approve the Combined Development Permits -- including all of the entitlements and permits listed in Attachment 1; the General Development Plans attached hereto as Attachment 3; and the vesting tentative maps attached hereto as Attachment 4 -- based on the findings and evidence and subject to the conditions of approval attached hereto as Attachment 2 and in general conformance with the Plan Set dated May 2011 set forth in Attachment 4, all attachments being hereby incorporated herein by reference; and
- c. Adopt the Mitigation Monitoring and Reporting Plan attached hereto as Attachment 2 and incorporated herein by reference.

PASSED AND ADOPTED upon motion of Supervisor Potter, seconded by Supervisor Salinas, and carried this 19th day of June 2012, by the following vote, to wit:

AYES: Armenta, Calcagno, Salinas, Parker, and Potter
 NOES: None
 ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 76 for the meeting on June 19, 2012.

Dated: June 27, 2012
File Number: RES 12-006

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By *Danielle Hancock*
Deputy

**Recording Requested by and
When Recorded, Mail To:**

Monterey County Resource Management Agency
Planning Department
Attn: Joseph Sidor
168 West Alisal St, 2nd Floor
Salinas, CA 93901

Space above for Recorder's Use

File No: PLN100138
Project Title: Pebble Beach Company Concept Plan
Resolution Nos: 12-148 and 12-149
Applicant Name: Pebble Beach Company
Project Planner: Joseph Sidor

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT. (THIS NOTICE REQUIRED BY CALIFORNIA CIVIL CODE SECTION 2953.3)

This subordination agreement is made between Pacific Life Insurance Company, a California corporation, hereinafter called "Beneficiary", and Pebble Beach Company, a California general partnership, hereinafter called "Trustor".

The undersigned beneficiary under Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (hereinafter "Deed of Trust") dated November 1, 2000, and recorded on November 1, 2000, as Document No. 2000071670, as modified on September 1, 2004, as Document No. 2004092385, of the Official Records in the Office of the County Recorder of Monterey County, and as modified on October 1, 2010, as Document No. 2010055856, of the Official Records in the Office of the County Recorder of Monterey County, encumbering the real property described in "Exhibit A" to this document, which Deed of Trust has as Trustee First American Title Insurance Company, a California corporation, hereby acknowledges the Open Space Conservation Easement Deed dated _____, granted by Pebble Beach Company, to the Del Monte Forest Conservancy and recorded concurrently herewith,, and does hereby subordinate the interests of its Deed of Trust thereto on behalf of the People of the State of California.

Dated: _____

By: Pacific Life Insurance Company,
a California corporation, Beneficiary

By: Pebble Beach Company, a California
general partnership, Trustor

SIGNATURE OF THE BENEFICIARY

SIGNATURE OF THE TRUSTOR

PRINT OR TYPE NAME/TITLE OF ABOVE

PRINT OR TYPE NAME/TITLE OF ABOVE

SIGNATURE OF THE BENEFICIARY

SIGNATURE OF THE TRUSTOR

PRINT OR TYPE NAME/TITLE OF ABOVE

PRINT OR TYPE NAME/TITLE OF ABOVE

NOTE TO NOTARY PUBLIC: If you are notarizing the signatures of persons, signing on behalf of a corporation, partnership, trust, etc., please use the correct notary jurat (acknowledgment) as explained in your Notary Public Law Book.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF MONTEREY)

On _____ before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

(This page for County use only)

STATE OF CALIFORNIA)
COUNTY OF MONTEREY)

On _____ before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

COUNTY OF MONTEREY

Dated: _____

By: _____

Mike Novo
Director of RMA-Planning

APPROVED AS TO FORM:
Charles McKee, County Counsel

By: _____
Deputy County Counsel

EXHIBIT A

Legal Description

The land referred to herein below is situated in the County of Monterey, State of California, and is described as follows:

Parcel "C" as said parcel is shown and so designated on the Parcel Map filed for record August 24, 1979, Volume 13, Page 117, Official Records, Monterey County.

Said parcel is also described in that certain "Certificate of Compliance", recorded October 9, 2002, Instrument No. 2002095034, Official Records, Monterey County.

Current Assessor's Parcel Numbers: 007-101-044-000, 007-101-045-000, 007-101-046-000, and 007-101-047-000

Former Assessor's Parcel Number: 007-101-041-000 and 007-991-001-000 (portion of)