

Exhibit F

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MONTEREY COUNTY

RESOURCE MANAGEMENT AGENCY

Carl P. Holm, AICP, Director

LAND USE & COMMUNITY DEVELOPMENT | PUBLIC WORKS & FACILITIES | PARKS

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Salinas, California 93901

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MEMORANDUM

Date: May 23, 2017

To: Anthony L. Lombardo, Anthony Lombardo & Associates

From: Carl P. Holm, AICP, Director, Resource Management Agency *CH*

Subject: Bonhams Temporary Car Auction Location - 2017

The Quail Motorsport gathering has been held in its current form for approximately 13 years, starting in 2003. The majority of the event takes place on the golf course and other Quail Lodge facilities. Quail Lodge operates with a use permit approved in the early 1960s. The Quail Motorsports events, which take place on the golf course and Lodge facilities, are consistent with the operation of resorts and golf courses. Therefore, a separate use permit is not required for those activities.

The car auction, which is the subject of this memo, is historically a part of the overall Quail Motorsports Gathering, but takes place on the "farm field" on the west side of Rancho San Carlos Road at the intersection with Valley Greens Drive. The farm field location was not part of the original Quail Lodge Use Permit granted in the 1960s. The auction operates as a 3-day event with temporary tents, temporary toilet facilities, and designated directed on-site parking. The event typically runs from Wednesday to Friday.

In late 2016, Monterey County and the Applicant agreed that despite the fact that the County had previously completed DMV Zoning Verification Forms, an application for a discretionary Use Permit would need to be submitted and ultimately approved to allow the annual car auction to continue at the farm field site as part of the Quail Motorsports Gathering. The DMV Zoning Verification Form was signed for 2016 recognizing that the former Planning Director executed Forms for the auction and Quail may have relied on those past actions to hold the event in 2016. County notified you of our intent to process a use permit before the 2017 event.

In January 2017, a formal application for a Use Permit was submitted to the County. Since that time, Resource Management Agency (RMA) - Planning Services has been working with the applicant to evaluate the use of the property for these types of events in the future. The application for the discretionary (Use) permit will ultimately be brought to the Planning Commission for decision.

Given the time it takes to analyze Use Permit applications, and ultimately bring a recommendation forward to the Planning Commission, it is not feasible to have a final decision

in time for the applicant to adequately prepare for the Quail Motorsports Gathering in August 2017. Considering this, in combination with the historical use of the property for this event, it is my determination that the "farm field" may host the auction associated with the Quail Motorsports Gathering, **but only for 2017**. A signed DMV Zoning Verification Form is attached for the 2017 event.

This determination is contingent on the applicant continuing to diligently pursue a Use Permit allowing the annual car auction at the farm field site as part of the Quail Motorsports Gathering. No future events will be allowed at the farm field site without approval of a Use Permit.

This determination for 2017 should also not be construed as an admission by the County that Quail may hold similar events in the future without a Use Permit. The County reserves the right to [continue to] evaluate the legality of non-golf related events at Quail (including parcels related to Quail like the farm field), including the auction, in future years based upon the terms of the applicable use permit and history of uses at Quail.



Carl P. Holm, AICP
Resource Management Agency Director

DMV USE ONLY	
OCCUPATIONAL LICENSING NUMBER	
FIRM NAME	

PROPERTY USE AND ZONING VERIFICATION FOR VEHICLE DEALER'S LICENSE

Instructions: This form is to be completed in ink by an official of the agency responsible for property use and zoning in your area, pursuant to Government Code Section 65850, and submitted with your application for license to a department Inspector.

Approval for both property use and zoning must be obtained in connection with an application for a vehicle dealer's license submitted to the Department of Motor Vehicles by:

SECTION 1 — APPLICANT'S INFORMATION

APPLICANT'S TRUE FULL NAME Bonhams & Butterfields Auctioneers Corporation		BUSINESS TELEPHONE NUMBER (415) 861-7500	
BUSINESS NAME Quail Lodge & Golf Club			
BUSINESS ADDRESS 7000 Valley Greens Drive	CITY Carmel	STATE CA	ZIP CODE 93923

SECTION 2 — PROPERTY USE AND ZONING


Does business address exist in city/county records? ☒ Yes ☐ No

Does the dealership location meet zoning requirements for the city/county? ☐ Yes ☐ No

I hereby certify that the property located above is (check one of the following):

- ☒ Approved for the operation of Vehicle Retail Sales.
(Office, sign, and display area are mandatory).
- ☐ Approved for the operation of a Vehicle Dealer-Wholesale Only. No retail sales.
(Office is mandatory).
- ☐ Approved for the operation of a Vehicle Autobroker. No retail sales
(Office and sign are mandatory)
- ☐ Not approved for the operation of a vehicle dealer business.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

PRINTED NAME CARL P. HOUM	TITLE RMA DIRECTOR
AGENCY RMA - Planning Department	
CITY, COUNTY, OR CITY AND COUNTY Monterey County	TELEPHONE NUMBER (831) 755-5025
SIGNATURE X 	DATE 23 MAY 2017



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