

Exhibit B

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EXHIBIT B DISCUSSION

Evolution of the General Development Plan (GDP)

The March 2018 application first proposed to allow residential and non-residential uses on Lots 2-7, not to exceed the gross square footage of commercial use on all nineteen lots in the Laguna Seca Office Park (LSOP) and exclude the potential for residential use mixed with commercial use on Lots 1 and 8-19. The LSOP was approved in 1983 prior to the requirement for a General Development Plan (GDP) when a project includes more than an acre of property, development includes more than one use, or any form of subdivision. Therefore, no GDP exists for the entire LSOP subdivision, and project applications on individual lots subsequent to LSOP approval, have required a Use Permit be approved subject to approval of a GDP. Due to the GDP potential for affecting each lot in the LSOP, the applicant proposed a GDP applicable to the entire LSOP subdivision (LSOP GDP) and that supersedes all other GDPs.

On August 14, 2019, this project was considered by the Planning Commission. After receiving public comment, the Planning Commission continued the hearing and requested additional information regarding airport conditions and plans, water use, and safety. Staff also issued a disclosure letter to owners of parcels in the LSOP on December 23, 2019 in an attempt to solicit responses regarding the proposal as the proposed GDP would affect development potential on all 19 lots.

Staff worked with the applicant to modify the GDP (**Exhibit C3**) to allow residential and nonresidential uses on any single lot such that the cumulative total of residential use gross square footage throughout the LSOP does not exceed commercial use gross square footage within the entire LSOP, subject to the available residential square footage at the time of application, and not to exceed 260,000 total square feet of residential and non-residential development throughout the LSOP.

Residential Development in the LSOP

Given that the Environmental Impact Report (EIR) contained a buildout assumption of 260,000 square feet of commercial space within the LSOP, the total square footage (commercial or residential is capped at 260,000 square feet under the proposed GDP. The amount of residential square footage allowed is also not permitted to exceed the total commercial square footage existing within the office park (currently 152,978 square feet). Given these parameters, there shall be no more 107,022 square feet of residential development throughout the LSOP. The proposed GDP reflects this limit. Furthermore, the GDP reflects the ability of Lots 1, 8, a portion of 10, 13, 14, 17, 18, & portion of 19 to pursue adding residential square footage to the existing commercial square footage (Owners of these lots have not given written agreement for a transfer of residential potential), while owners of Lots 2-7, 9, portions of 10, 11, 12, 15, 16, & portion of lot 19 have provided written authorization to transfer residential development potential as outlined in the GDP. Agreement with the GDP signifies a parcel owner gives over potential residential development square footage on said parcel to the LSOP pool of residential square footage that would be allowed throughout the LSOP.

The GDP includes a spreadsheet that shows existing commercial square footage in the LSOP, proposed square footage of residential development, and the amount of square footage agreed to by LSOP parcel owners to contribute to the LSOP pool of residential square footage (**Exhibit**

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E1).

Zoning and Land Use

The LSOP is located between Ryan Ranch Industrial Park and Laguna Seca Ranch Estates 1 and 2 subdivisions, north of State Route 68 (SR 68). The site is zoned “VO/B-6-D-S-UR” [Visitor Serving/Professional and Office Serving in the Urban Reserve Zoning District with overlays for Building Site, Design Control, and Site Plan Review]. Residential use is allowed within this zone provided the gross square footage of the residential use does not exceed the gross square footage of the commercial use, and subject to review and approval of a Use Permit (Section 21.22.060 of Title 21). A General Development Plan (GDP) is required for development in the VO zone when the site is in excess of one acre, includes more than one use, or includes any form of subdivision (Section 21.22.030 of Title 21).

The LSOP was approved in 1983 to create 19 parcels. At that time a GDP was not required, so development of each parcel in the LSOP has been required to submit a GDP as part of each project application for lots which are in excess of one acre. Approval of this GDP for the entire LSOP would eliminate the future need for a GDP on each parcel. However, underlying permitting requirements for development would remain, such as Design Approval and Administrative Permits for development in the “D” and “S” districts.

None of the currently developed Lots 1 & 8-19 in the LSOP include residential use, although the VO zoning district would permit residential use on each individual lot subject to a Use Permit in each case and provided the square footage of the residential use does not exceed the square footage of the commercial use. Rather than allowing residential use on each of the nineteen LSOP lots, the proposed LSOP GDP (**Exhibit C3**) would allow residential and/or nonresidential development on specified Lots. As proposed, residential gross square footage would not exceed the gross square footage of commercial development in the LSOP.

The LSOP Covenants, Conditions, and Restrictions (CC&Rs) currently limit the development potential of Lots 1 & 8-19 (**Exhibit J6**) to professional, executive or administrative offices; however, the County does not enforce CC&Rs. A letter dated December 20, 2019 from the County of Monterey RMA-Planning was sent on December 23, 2019 to all owners of parcels within the LSOP (**Exhibit H1**). Responses received are included as **Exhibit H2** (Lot 16, Archer) and **Exhibit H3** (Lots 13 & 14, Jesson). Archer’s response is that the proposed GDP confirms and conforms to the existing use restrictions in the CC&Rs that were both expressly approved by the owners of LSOP properties and that run with the land, consequently, binding the owners of the Lots. Jesson’s response is that an owner of an LSOP lot should not lose the future ability to change to residential use so that neighboring LSOP property owners may have residential use. Jesson does not object to apartments on the neighboring property.

The County does have the ability to enforce GDPs which it approves. Therefore, if approved, the GDP would be enforceable by the County. The GDP is consistent with the existing constraint on LSOP properties that runs with the land.

The LSOP shares the easternmost boundary with Ryan Ranch within the City of Monterey and is

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zoned Urban Reserve (“UR”) which identifies areas that are reserved for annexation and are to be developed in a phased manner as part of an incorporated city (i.e. City of Monterey). The development was referred to the City of Monterey for comment. City staff expressed concern about tree removal and replacement with respect to the proposed amendment/development on Lot 5. With assurance that trees would be replaced at a 1:1 ratio, City staff had no further comments or concerns.

General Plan Land Use Policy LU-1.19

General Plan Policy LU-1.19 calls for the establishment of a Development Evaluation System (DES) for areas of unincorporated County outside of Community Areas, Rural Centers, and Affordable Housing Overlay Districts. Application of the DES criteria is an opportunity to ascertain a project’s strengths and shortcomings in light of the policies of the *2010 General Plan* and implementing of regulations, resources and infrastructure constraints, and overall quality of the development. Once established, the DES would be a method for quantitative evaluation of development proposed in areas of the County outside the targeted areas for development. Pending adoption of a program implementing the DES, the County has been implementing the DES through application of the criteria in LU-1.19. Accordingly, a qualitative analysis has been completed for this project based on the Policy LU-1.19 criteria.

The DES criteria specified in Policy LU-1.19 are:

- a. Site Suitability
- b. Infrastructure
- c. Resource Management
- d. Proximity to a City, Community Area, or Rural Center
- e. Mix/Balance of uses including Affordable Housing consistent with the County Affordable/Workforce Housing Incentive Program adopted pursuant to the Monterey County Housing Element
- f. Environmental Impacts and Potential Mitigation
- g. Proximity to multiple modes of transportation
- h. Jobs-Housing balance within the community and between the community and surrounding areas

Residential development shall incorporate the following minimum requirements for developments in Rural Centers prior to the preparation of an Infrastructure and Financing Study, or outside of a Community Area or Rural Center:

- 1) 35% affordable/Workforce housing (25% inclusionary; 10% Workforce) for projects of five or more units to be considered.
- 2) If the project is designed with at least 15% farmworker inclusionary housing, the minimum requirement may be reduced to 30% total.

As governed by the *2010 General Plan*, development proposals of five or more lots or units outside of the priority development areas in unincorporated County areas are subject to analysis using the DES. Staff analyzed both the proposed LSOP GDP and Lot 5 apartment building using criteria set forth in the Development Evaluation System (DES) of the *2010 General Plan* Policy

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LU-1.19.

Accommodation of full development regarding infrastructure and resource management was analyzed in the project Final Environmental Impact Report (FEIR) certified in 1983 (File No. 80-109, Resolution No. PC-3734) (**Exhibit E1**) while site-specific infrastructure and resource management are implemented with each development project. Each criteria contained in Policy LU-1.19 is discussed in more detail below:

Site Suitability & Proximity to a City, Community Area, or Rural Center – The Lot 5 project site is infill in nature due to its location within the Laguna Seca Office Park (LSOP) subdivision, established in 1983 (File No. 80-109, Resolution No. PC-3734). Further, the LSOP shares the easternmost boundary with Ryan Ranch within the City of Monterey urban overlay district in anticipation of future annexation, indicating development in a phased manner and in collaboration with the City. In addition to commercial and retail businesses within Ryan Ranch and the LSOP, nearby Monterey Peninsula communities of Carmel-by-the-Sea, Pacific Grove, Del Rey Oaks, Seaside, and Sand City are within short travel distance of the LSOP and offer a wide range of services, amenities, and employment opportunities that support suitability of the site for multi-family housing. The project plans were provided to the Monterey County Regional Fire Protection District and Sheriff's Office, neither of which indicated project implementation or operations would impact services provision.

Infrastructure, Resource Management, & Proximity to Multiple Modes of Transportation – The LSOP is located in an area of the County that has established roads and services which have been implemented in anticipation of complete LSOP buildout. The location of the LSOP along State Route 68 provides vehicular access and public transit stops for traveling by bus (equipped with bicycle racks) to other Monterey Peninsula communities and to Salinas. Business trips via commuter flight out of the Monterey Regional Airport (approximately 1.5 miles away) can be made by residents of the apartments. Each LSOP parcel owner is responsible for providing professionally designed onsite stormwater management infrastructure within construction plans and to be implemented as part of development on the property. Water usage for the residential/commercial development within the LSOP, as proposed in the LSOP GDP, is estimated to be less than water usage for all commercial development, as contemplated in the certified FEIR. The adjudication of the Seaside Basin determined that *de minimis* production by any person or entity less than 5 AFY is not likely to cause significant injury or harm. Each lot will be required to remain under the 5 acre feet per year (AFY) of water use per lot limitation.

Environmental Impacts and Potential Mitigation – While the proposed residential development on Lots 2-7 and a 15-unit apartment building on Lot 5 had not been previously anticipated, these changes in circumstances would not increase the severity of impacts on the environment. Water usage for the residential/commercial development within the LSOP, as proposed in the LSOP GDP, is estimated to be less than water usage for all commercial development, as contemplated in the certified FEIR. Mitigations adopted in the 1983 FEIR were implemented concurrently with the buildout of the LSOP roadway infrastructure. The project for a General Development Plan for the LSOP, residential development on Lots 2-7, and a 15-unit apartment building on Lot 5, as proposed, would have no further impact on traffic than previously analyzed. Vehicle trip generation is estimated as less for the residential proposal than for the previously analyzed commercial use only.

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Mix/Balance of uses including Affordable Housing consistent with the County Affordable/Workforce Housing Incentive Program adopted pursuant to the Monterey County Housing Element & Jobs-Housing Balance Within the Community and Between the Community and Surrounding Areas – Under the Inclusionary Housing Ordinance, the applicant may provide units in affordability categories and/or pay in lieu fees, each of which may be directed and calculated by the County Housing and Economic Development Office. The 2015-2023 Housing Element (<https://www.co.monterey.ca.us/home/showdocument?id=23939>), adopted by the Board of Supervisors 26 January 2016 [certified by Federal Housing and Community Development (HCD) 10 May 2016] showed that, in unincorporated County (as of 2012), approximately 63 percent of housing units were built prior to 1979, rental vacancy rates tended to be lower than the optimal five to six percent needed to balance housing demand and supply, and approximately five percent of renters live in overcrowded conditions. A certain number of vacant units are needed to moderate the cost of housing, allow sufficient choice for residents, and provide incentive for unit upkeep and repair. In the situation where the applicant chooses to submit in lieu fees, even market-rate units of an apartment building at the LSOP could contribute to alleviating rental housing pressures.

The Affordable/Workforce Housing Incentive Program is intended to promote implementation of inclusionary housing by offering incentives such as density bonuses, streamlined permitting processes, and modified development standards. Housing choice in the area is primarily single family homes and some condominiums throughout the developments of Laguna Seca Ranch Estates 1, York School, and Laguna Seca Ranch Estates 2 for the noncommercial uses at Ryan Ranch, LSOP, and Stone Creek Plaza. Employees with jobs in and near this commercial hub do not have multi-family rental type options nearby. Implementation and operation of the project could contribute to availability of rental housing options with updated features, materials, and utilities, and increase the rental unit inventory. Commute times could be reduced for those employed in either Salinas or on the Peninsula and who do not live in a nearby single-family dwelling along SR 68.

Application of 35% Inclusionary and Workforce Housing from the DES

Currently, the Area Median Income (AMI) in Monterey County is approximately \$70,681 ±\$3,641 [2018 American Community Survey (ACS) 1-year Estimate]. The Monterey County Housing and Economic Development Office would quantify minimum requirements for provision of units affordable to the following inclusionary and workforce income ranges, calculated using the current AMI for Monterey County:

25% Inclusionary

- a) Very low-income household (\$21,911 to \$35,031 household income, 31%-50% AMI)
- b) Low income household (\$35,031.01 to \$56,545 household income, 51%-80% AMI);
- c) Moderate income household (\$56,545.01 to \$84,817 household income, 81%-120% AMI);
and

10% Workforce

- d) Workforce I household (\$84,817.01 to \$105,712 household income, 121%-150% AMI).

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General Plan Land Use Policy LU-2.13

General Plan Policy LU-2.13 calls for the consistent application of an Affordable Housing Ordinance that requires 25% of new housing units be affordable to very low, low, moderate, and workforce income households. The Affordable Housing Ordinance shall include the following minimum requirements:

- a) 6% of the units affordable to very low-income (31%-50% of median County household income)
- b) 6% of the units affordable to low-income (51%-80% of median County household income)
- c) 8% of the units affordable to moderate-income (81%-120% of median County household income)
- d) 5% of the units affordable to Workforce I income (121%-150% of median County household income)

Inclusionary Housing Ordinance (Chapter 18.40)

The County's Inclusionary Housing Ordinance (Chapter 18.40) requires 20% of new housing units to be affordable to households within very low-, low-, and moderate-income at the percentages specified in Policy LU-2.13 (6% very low, 6% low, and 8% moderate). Unlike Policy LU-2.13, the Inclusionary Housing Ordinance does not include a requirement that 5% of new units be affordable to Workforce I income households. Updates to Chapter 18.40 based on the adopted 2010 General Plan are on the County's long-range work program. The County's Inclusionary Housing Ordinance provides that residential developments required to provide a fractional unit may pay an in-lieu fee corresponding to the fraction (Monterey County Code Section 18.40.090.A.3).

In July 2019, the Housing and Economic Development Office provided staff with a breakdown of housing and in lieu fees for this project, based on the Inclusionary Housing Ordinance 20% requirement, as follows:

- (number of units) affordability level: (1) low-income, (1) moderate income, (1) Workforce 1 income, and either (1) Workforce 1 income OR \$137,696 in lieu fee for the partial unit; or
- Pay in lieu fee of \$963,872 that may be paid over five years and accrue simple interest at the Prime Rate plus 1%.

At that time, the Housing and Economic Development Office expressed preference for payment of the in lieu fee to meet an immediate need to support a housing project.

The applicant indicated that the 20 percent affordability criteria in the adopted Inclusionary Housing Ordinance should apply to the project because the Development Evaluation System has not been adopted pursuant to LU-1.19 and the Inclusionary Housing Ordinance has not been updated to reflect the higher levels of affordability called for in the 2010 General Plan (25%). Staff, in coordination with the Housing Office, is recommending 35% affordability consistent with Policy LU-1.19 and has conditioned the project to provide this level of affordability either through the provision of units within the project and/or payment of in lieu fees.

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Procedural Background – Airport Land Use Commission (ALUC)

On March 20, 2018, the applicant applied for an Amendment to a previously approved project (PC Resolution No. 12-035) changing from a commercial building to a residential apartment building on Lot 5 in the Laguna Seca Office Park (LSOP). On April 19, 2018, the project was deemed complete. During the months of May through July 2018, staff worked with the applicant to obtain additional information necessary to completely analyze the project. Staff informed the applicant that residential development would not be allowed to exceed commercial development for a project in the VO zone. Rather than proposed mixed use on Lot 5, the applicant proposed a General Development Plan (GDP) that would apply residential use to be considered cumulatively over all 19 lots in the LSOP with specific allowance for residential use on Lots 2-7, which are currently undeveloped. Staff added the GDP to the project description for the subject application in October 2018.

On February 25, 2019 an Airport Land Use Compatibility Plan for the Monterey Regional Airport was adopted that replaced the 1987 Compatibility Land Use Plan for the airport (1987 CLUP). The project required review by the Airport Land Use Commission (ALUC) for consistency with the adopted airport land use compatibility plan because it is located in the Monterey Regional Airport area of influence. The 2019 ALUCP Policy 4.1.5.2 provides that a project application deemed complete prior to adoption of the 2019 ALUCP should be evaluated under the 1987 CLUP. The ALUC staff considered whether the policy was referring to completeness determination by the ALUC staff or by the County. The previously approved project for a professional office building (PC Resolution No. 12-035) had been analyzed for consistency with the 1987 CLUP and was found in compliance. The applicant interpreted the 2019 ALUCP Policy 4.1.5.2 refers to the County completion date, and therefore, the 1987 CLUP was the appropriate plan for review of the project for consistency. ALUC staff interpreted Policy 4.1.5.2 refers to the ALUC completion date, and therefore, the 2019 ALUCP was the appropriate plan for review of the project for consistency.

The 2011 Caltrans Airport Land Use Planning Handbook created a Safety Zone 4 that allows a residential development density maximum of 1 dwelling unit per 2 acres, which is included in the 2019 ALUCP. Therefore, the proposed project would be inconsistent with the 2019 ALUCP. The 1987 CLUP does not include Safety Zone 4, indicating a finding of consistency could be made for the proposed project if analyzed using the 1987 CLUP. The ALUC ultimately voted in a 6(ayes) – 0(noes) to not make a consistency determination of the proposed project with either the 1987 CLUP or the 2019 ALUCP (**Exhibit G**). Therefore, no consistency determination has been made for the project with either the 1987 CLUP or the 2019 ALUCP. Pursuant to PUC Section 21676(d) and 2019 ALUCP Policy 4.1.11.2, the decision by ALUC not to make a determination of consistency on the project indicates the project is deemed consistent with the 2019 ALUCP by operation of law.

Safety and Land Use

The 2019 ALUCP seeks to ensure that people and facilities are not concentrated in areas susceptible to high risk of aircraft accidents per the 2011 Handbook (Chapter 1, pg. 1-1, 2019

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ALUCP), and allows a maximum 150 persons per acre for non-residential uses in Zone 4 (Chapter 4, Table 4b, pg. 4-28, 2019 ALUCP). Of the nineteen LSOP parcels, Lots 1 and 19 are outside Zone 4. The seventeen parcels of the LSOP within Zone 4 range from 0.7 to 2.2 acres in size. Thirteen of the parcels are developed with commercial and office buildings over approximately fifteen acres. Using a rough conservative estimate of a maximum occupancy of 40 persons per 10,000 square feet of building, the occupancy of the existing buildings in the LSOP could be up to 522 persons (40 persons x 13.05) over fifteen acres. That is 35 persons per acre (522 persons divided by fifteen acres). The maximum 1 dwelling unit per 2 acres for residential development in Zone 4 would allow up to three inhabitants per acre (using a 6-person household). This would indicate that, on any given business day (7am-7pm), the concentration of people in the LSOP could be up to an estimated 35 persons per acre, far in exceedance of three persons per acre. The Monterey Regional Airport is open from 4am until the last arrival, always before midnight (4am-midnight). No flights operate midnight-4am. Therefore, daytime commercial operation of the LSOP concentrates people in the area during the majority of flights in and out of the airport.

The 2015-2023 Housing Element, adopted by the County Board of Supervisors 26 January 2016 and certified by State Housing and Community Development 10 May 2016, acknowledges the potential for an airport land use compatibility plan (ALUCP) to constrain residential development, most likely if General Plan land uses or any future residential development is deemed incompatible with an ALUCP (Chapter 3.2 – Governmental Constraints, pg. 57, 2015-2023 Housing Element). At the time of developing the 2015-2023 Housing Element, the 1987 CLUP was used for consistency determination and was not considered a significant constraint for residential development in Monterey County.

Zone 4 is the Outer Approach/Departure Zone with an accident risk level considered moderate, encompassing approximately five percent of general aviation aircraft accidents. There are seven total safety zones appointed in the 2019 ALUCP. Five of the safety zones account for a total of 47 percent of general aviation aircraft accidents. Safety Zone 1 is the Runway Protection zone with an accident risk level considered very high, accounting for 20 to 21 percent of general aviation aircraft accidents. The recommendation for non-residential uses in Zone 1 is for zero people maximum who may be on the parcels or site at a single point in time, whether indoors or outdoors. Zone 1 is applied to the locations of Tarpy's Roadhouse and Stone Creek Plaza (7-Eleven, Starbucks, Jack-in-the-Box, Wells Fargo Bank, Pet Specialists of Monterey, Avian & Exotic Clinic, and Stone Creek Kitchen). This would indicate that, on any given business day (7am-7pm), daytime commercial/retail operation of the businesses located at Stone Creek Plaza concentrates people in the area during the majority of flights in and out of the airport.

Participants in commercial operations in the Stone Creek Plaza or the LSOP on any given business day (7am-7pm) are concentrated in areas susceptible to high risk of aircraft accidents more so than residents in the LSOP on any given day (4am-7am and 7pm-midnight when fewer Monterey Regional Airport departures and arrivals occur than 7am-7pm).

LSOP location in Zone 4 of the 2019 ALUCP is fully disclosed and the applicant shall be required to record a deed restriction that encumbers each of affected lots. The deed restriction shall include a disclosure clause requiring the property owner fully state in each rental agreement, the circumstances of airport proximity, potential hazards, and restrictions for

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residents within Zone 4 (Condition No. 17, **Exhibit C1**).

Monterey Regional Airport Master Plan

The Planning Commission asked for a summary of growth expectation for the Monterey Regional Airport (MRY). Expectation of growth and aviation forecasts for the MRYP are addressed in the *2015 Monterey Regional Airport Master Plan* (MRYP). Some factors affecting the ability of an airport to retain passengers include flight schedules, airfares, frequency of service, numbers and level of commercial services available at MRYP, type of aircraft utilized, non-stop service offered at competing airports, travel time to competing airports, quality and capacity of air service offered by competing airports, driving distance and potential traffic congestion, and parking rates and cost of driving (MRYP Chapter Two: Forecasts).

The demand-based manner in which the MRYP was prepared accommodates variations in demand that can be caused by many factors, including changes in the aviation industry as well as the economy in general. Demand-based planning relates capital improvements to specific demand factors instead of points in time. This allows the airport to address capital improvement needs according to actual demand occurring at the airport. Service demands do not necessarily track with increase in population of the airport service area. For example, the year 1990 was at 239,914 enplanements for a Monterey County population of 355,660 while the year 2013 was at 200,651 enplanements for a County population of 421,494.

Demand for aviation is fundamentally driven by economic activity in U.S. and global economies. The number of enplanements has fluctuated at MRYP coincidental with periods of economic recession or economic growth. The airport has not needed to expand facilities to meet a need for increase in enplanements. However, the *2015 Monterey Regional Airport Master Plan* does forecast overall growth in operations to the year 2033. The Capital Improvement Plan (MRYP Chapter Seven: Capital Improvement Plan) sets milestone-based planning horizons instead of specific years to allow greater flexibility in adjusting capital needs as demand dictates. Several development items will need to follow demand indicators which essentially establish triggers for implementation. Concurrently, development items associated with day-to-day operations, such as pavement maintenance, need to be programmed in a timely manner and monitored for required upkeep.

Concerns from the Public

Concerns expressed by the Public include ability of local streets to accommodate egress during an emergency evacuation, the availability of water from the Seaside Basin, the capacity of the Pasadera Wastewater Treatment and Recycling Facility (Facility), fear of potential litigation regarding drainage issues, and the determination of traffic impacts.

Seaside Basin Groundwater

The adjudication of the Seaside Basin (**Exhibit J1**) includes a Physical Solution (Superior Court of the State of California in and for the County of Monterey Case No. M664343, 27 March 2006). Further clarification is provided in the court ruling on May 11, 2009 (**Exhibit J2**) that the Physical Solution governs the environmental aspects of Seaside Basin Groundwater usage, and attempts by any agency or organization to impose obligations on the use of Basin water rights

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must be viewed with concern for the integrity of the Physical Solution. The Physical Solution includes the potential for de minimis use of up to 5 acre feet of water per year per lot. The proposal would remain within the de minimis water use per lot threshold. As it relates to a potential for a revision and moratorium to the adjudication, **Exhibit E3** is the Addendum to the LSOP FEIR that includes discussion of this topic.

The “Application of California-American Water Company (U210W) for an Order Authorizing and Imposing a Moratorium on Water Service Connections in the Laguna Seca Subarea of its Monterey County District” that was filed on 2 July 2019 and provided by Mark Blum in his 13 August 2019 correspondence (**Exhibit H5**) has not been approved by the California Public Utilities Commission (CPUC). Therefore, a moratorium is not in effect at this time. Information about the application and who to contact for following the CPUC proceedings is on the website <https://amwater.com/caaw/customer-service-billing/billing-payment-info/water-rates/monterey-district>

Emergency Egress on Local Streets

Staff relayed public concerns regarding the ability of local streets to accommodate egress during an emergency evacuation to Monterey County Regional Fire District (MCRFD) Deputy Marshall Dorothy Priolo who addresses these concerns in a letter dated January 29, 2020 (**Exhibit H4**). MCRFD is confident that Citation Court, Blue Larkspur Lane, York Road, etc. will provide sufficient means of egress for evacuating vehicles. The County of Monterey Office of Emergency Services (OES) Emergency Operation Plan (EOP) provides emergency response that conforms to the requirements of the State of California Standardized Emergency Management System (SEMS), incorporates the Incident Command System (ICS), and is consistent with the Department of Homeland Security’s National Incident Management System (NIMS). For the complete EOP document, visit <https://www.co.monterey.ca.us/Home/ShowDocument?id=72548>

Pasadera Wastewater Treatment and Recycling Facility

Concerns were raised by the public as to the capacity and operations of Pasadera Wastewater Treatment and Recycling Facility (Facility). California-American Water Company (Cal-Am) received its waste discharge and recycled water producer requirements (WDR Order No. 98-58) from the Central Coast Region California Regional Water Quality Control Board (Water Board) on 23 October 1998 to operate the Facility (**Exhibit J3**). The order prohibits daily flow, averaged over each month, to not exceed 106,000 gallons of effluent. Facility effluent volumes for 2012 averaged a daily flow of approximately 43,000 gallons (*Seaside Groundwater Basin Salt & Nutrient Management Plan* prepared June 2014 for the Monterey Peninsula Water Management District). In regard to operations of the Facility, the Water Board is responsible for inspections, enforcements, documentation of violation, and assignment of corrective action which are available to the public through the California Integrated Water Quality System (CIWQS) online. The most recent inspection logged into CIWQS was on 25 June 2019 (**Exhibit J4**), the last violation receiving corrective action on 31 December 2018, and the last enforcement action on 18 February 2005.

Potential Litigation Regarding Drainage Issues

A York Hills resident related that one year, York Hills property owners were at risk of being

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sued by a business owner in the LSOP after heavy rains caused a mudslide onto LSOP properties. In an effort to be good neighbors and to avoid incurring the potential legal costs of a law suit, York Hills property owners opted to perform the cleanup. Monterey County Code Chapter 16.14 Urban Stormwater Quality Management and Discharge Control Ordinance is implemented by the requirement of an engineered plan prepared by a drainage management expert and approved by the County prior to approval of building permits. This ordinance is applicable to all development in unincorporated County.

Lot 5 has a Drainage Report Update (LIB180117) that recommends onsite stormwater detention implemented as underground storage using two fiberglass tanks to provide a total 30,000 gallons of storage, and a 1,000-gallon sediment tank with an oil interceptor compartment for stormwater quality control. The site would be suitable for onsite detention of stormwater with implementation of stormwater control, as recommended in the Drainage Report Update. The project is conditioned to provide certification from the licensed practitioner of report recommendations incorporated appropriately into the approved stormwater control plan.

Determination of Traffic Impacts

Attorney Mark Blum asserts the traffic reports do not include enough metrics to come to a conclusion about traffic impacts and that staff is obligated to require more information from the applicant rather than putting the burden on the public to submit information to support a finding that impacts will be more substantial than identified in the previously certified FEIR. During the August 14, 2019 hearing, the Planning Commission directed staff to provide additional information regarding traffic impacts on local streets. This direction resulted from the public comment taken during the hearing. The applicant submitted the Traffic Study Update prepared by Higgins (**Exhibit F5**) in response to the request for additional information regarding traffic impacts on local streets. The Trip Generation Study prepared by Higgins (**Exhibit F3**) showed evidence that fewer overall traffic trips would be generated by the residential use proposal on Lots 2-7 than by commercial use on the same lots that was contemplated in the certified FEIR. Further, the Update showed evidence of the same outcome with traffic distribution on the local streets. Staff concludes the evidence does not show that additional information must be requested from the applicant to support a finding that impacts will be more substantial than identified in the previously certified FEIR.

Design

Parcels in the LSOP are subject to the Design Control (“D”) overlay which provides for consideration of location, size, configuration, materials, and colors to ensure visual integrity of the public viewshed and to protect neighborhood character. An Administrative Permit is requested as required for development in the “S” district for those areas of the County where development, by reason of its location, has the potential to adversely affect or be adversely affected by natural resources or site constraints. Siting, bulk, and mass of the residential apartment building (**Exhibit C2**) are marginally different from those of the previously approved office building (**Exhibit J5**). The Lot 5 apartment building proposal (**Exhibit C5**) includes colors and materials that are compatible with the natural surroundings. Landscaping includes Coast live oaks (**Exhibit F4**), large non-invasive screening shrubs, and native vegetation in

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aesthetic sympathy with the rural setting.

CEQA

An Addendum (**Exhibit E3**) to the certified Laguna Seca Office Park FEIR (File No. 80-109, Resolution No. PC-3734) has been prepared for this project. The Addendum describes changes in circumstances and conditions that had occurred subsequent to approval of the office park (1983) including groundwater and traffic. Site-specific information for Lot 5 was analyzed for potential environmental impacts and a 2012 IS/Addendum (**Exhibit E2**) demonstrated that major revisions to the LSOP FEIR (**Exhibit E1**) were not required due to these changes in circumstances. The apartment building proposal for Lot 5 presents no changes in circumstances that were not contemplated in the 2012 IS/Addendum for the professional office building. This 2019 Addendum contemplates potential project-specific impacts on the environment due to the change in use from commercial to residential and shows that the General Development Plan for the LSOP, residential development on specified lots, and a 15-unit apartment building on Lot 5, as proposed, would have less than significant impact on traffic and groundwater supplies (**Exhibits F3 & F5**). Therefore, there are no new significant impacts due to implementation or operation of the proposed project.