



Board Report

File #: RES 23-077, **Version:** 1

PLN100338 - SIGNAL HILL LLC

Public hearing to consider three appeals, one by Raymond Neutra, aka Neutra Institute for Survival Through Design, one by Samuel Reeves represented by Anthony Lombardo, Esquire, and one by Alliance of Monterey Area Preservationists represented by its President, Mimi Sheridan, from the January 25, 2023 Planning Commission decision approving a Combined Development Permit authorizing demolition of a 4,124 square foot single family residence and the construction of a new three level 11,933 square foot single family residence including an attached three-car garage, a 986 square foot entry court, 106 square feet of uncovered terraces, approximately 2,600 square feet of covered terraces, new driveway, and approximately 1,700 cubic yards of grading (1,200 cubic yards cut/500 cubic yards fill) and restoration of approximately 1.67 acre of native dune habitat; The project, Alternative 9 of the Environmental Impact Report, includes development on a ridgeline, on slopes exceeding 30 percent, within 100 feet of environmentally sensitive habitat area, and within 750 feet of a known archaeological resources, removal of three Monterey Cypress trees, and demolition of a listed historic resource.

Project Location: 1170 Signal Hill Road, Pebble Beach, Del Monte Forest Area Land Use Plan, Coastal Zone
Proposed CEQA Action: Certify an Environmental Impact Report and adopt CEQA Findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Plan.

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution (Attachment B) to:

- a. Certify the Signal Hill LLC Environmental Impact Report (SCH#: 2015021054);
- b. Adopt a Statement of Overriding Considerations;
- c. Deny the appeal by Raymond Neutra, aka Neutra Institute for Survival Through Design from the January 25, 2023 Planning Commission decision approving the Combined Development Permit (PLN100338/Signal Hill LLC);
- d. Deny the appeal by Samuel Reeves represented by Anthony Lombardo, Esquire, from the January 25, 2023 Planning Commission decision approving the Combined Development Permit (PLN100338/Signal Hill LLC);
- e. Deny the appeal by Alliance of Monterey Area Preservationists represented by the President, Mimi Sheridan from the January 25, 2023 Planning Commission decision approving the Combined Development Permit (PLN100338/Signal Hill LLC);
- f. Approve a Combined Development Permit for the “Reduced Height Project” (Alternative 9 of the Final EIR) consisting of:

(1) A Coastal Administrative Permit and Design Approval to allow the demolition of an existing 4,124 square foot single family residence and the construction of a new three level 11,933 square foot single family residence including an attached three-car garage, a 986 square foot entry court, 106 square feet of uncovered terraces, approximately 2,600 square feet of covered terraces, new driveway, and approximately 1,700 cubic yards of grading (1,200 cubic yards cut/500 cubic yards fill) and restoration of approximately 1.67 acre of native dune habitat;

(2) A Coastal Development Permit to allow development within 100 feet of environmentally sensitive habitat;

(3) A Coastal Development Permit for development on slopes exceeding 30 percent;

- (4) A Coastal Development Permit for development within 750 feet of a known archeological resources;
 - (5) A Coastal Development Permit for Ridgeline Development; and
 - (6) A Coastal Development Permit for removal of three Monterey Cypress trees; and
- g. Adopt a Mitigation Monitoring and Reporting Plan (MMRP).

The attached draft resolution includes findings and evidence for consideration (**Attachment C**). Staff recommends approval subject to the recommended 43 conditions of approval attached to the resolution.

PROJECT INFORMATION:

Property Owner: Massy Mehdipour

Agent: None

APN: 008-261-007-000

Zoning: Low Density Residential, 1.5 acres per unit with Design Control Overlay (Coastal Zone)

Flagged and Staked: Photographic simulations in EIR

SUMMARY:

On January 25, 2023, the Planning Commission approved a Combined Development Permit (PLN100338/Signal Hill LLC), by a vote of 6 to 2 with 2 absent, to allow demolition of an historic resource, to preserve and allow construction of a new single family dwelling in the footprint of the existing dwelling with an expansion of approximately 7,840 square feet of building coverage.

The Mehdipour property is located at 1170 Signal Hill Road, Pebble Beach. The 2.2-acre property is zoned for low density single-family residential uses in the Coastal Zone. This project involves demolition of an existing 4,124 square foot single family dwelling and construction of a nearly 12,000 square-foot single-family dwelling in its place. During staff's review of this project, potentially significant impacts to historic resources, biological resources, visual resources, archaeological resources, and development on 30% slopes were identified. An Environmental Impact Report (EIR) was prepared. The EIR identified significant impacts to a historic resource, the Richard Neutra designed Connell house. The Historic Resources Review Board (HRRB) reviewed two of the EIR's Historic Resources mitigation measures for Historic Resources prior to their vote on the project. Even with these mitigations, the demolition of an historic resource remains a potentially significant impact. The EIR also identified potential impacts to sensitive biological habitats (coastal dunes), visual/aesthetics, tribal cultural resources, and development on slopes. However, mitigation measures have been identified and the applicant agrees to implement to reduce these impacts to a less than significant level. All these topics are discussed in more detail in the Discussion section, **Attachment A**.

After review of the project and consideration of the various impacts, EIR-analyzed project alternatives, and potential outcomes, staff recommends the Reduced Height alternative (Alternative 9), discussed and analyzed in the Final EIR. The Reduced Height alternative would allow demolition of the existing structure and construction of the proposed dwelling with a reduced height, which would mitigate the project's visual impacts. As discussed in Exhibit A, staff recommends that the Board of Supervisors allow staff discretion to adjust total height of the project during construction permit review. Additionally, the Reduced Height alternative, as mitigated, can be found consistent with the Coastal Zoning (Title 20), the Del Monte Area Land Use Plan (LUP), and the Coastal Implementation Plan (Part 5).

On January 12, 2023, the HRRB heard the project proposal of the Reduced Height Alternative and voted 3 ayes and 1 no with 1 abstaining, 2 recused due to conflicts) to recommend that the Planning Commission (as the anticipated decision-making body) approve the Reduced Height Alternative, Alternative 9 of the EIR. The

recommendation of the HRRB is attached as **Attachment F**.

An appeal from the Planning Commission's decision was timely filed on February 8, 2023 by Raymond Neutra, aka Neutra Institute for Survival Through Design (Attachment B1). A second appeal was timely filed on February 8, 2023 by Anthony Lombardo on behalf of Samuel Reeves (Attachment B2). A third appeal was timely filed on February 9, 2023 on behalf of Alliance of Monterey Area Preservationists, represented by its President, Mimi Sheridan (Attachment B3). The appeals challenge the Planning Commission's approval and contend the decision is contrary to law and not supported by evidence. Staff has reviewed the appeal contentions, and the recommendations have not changed. Discussion of the appeal contentions is provided in Attachment B; a summary of contentions and responses are provided in the attached draft resolution (Attachment C).

The Board of Supervisors hearing on the project is *de novo*. Staff recommends denial of the appeals and granting of the Combined Development Permit. Staff has prepared a draft resolution denying the appeals and granting entitlements subject to conditions. This is the staff recommendation, however, under California Environmental Quality Act (CEQA), the Board can pick another alternative and/or craft a new alternative and instruct staff to bring a new resolution forward.

On April 28, 2023, Mimi Sheridan, President of Alliance of Monterey Area Preservationists (AMAP), and filer of the AMAP appeal, informed staff that she will not personally attend the hearing. Instead, the Vice-president of AMAP, Jeff Becom, shall attend to represent as the AMAP appellant.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

Pursuant to Public Resources Code section 21083 and CEQA Guidelines sections 15081, 15161, and 15200 *et seq.*, The County, as Lead Agency, prepared an Environmental Impact Report (EIR) for this project. The Draft EIR was circulated for public review and comment from August 24 to October 12, 2018 (SCH No. 2015021054). A public scoping meeting was held on February 23, 2015, at the Pebble Beach Community Services District Office at 3101 Forest Lake Road, Pebble Beach. The EIR identified potentially significant impacts to Aesthetics, Archaeological Resources, Air Quality and Greenhouse Gases, Biological Resources, Geology, Seismicity, Soils, Hazards and Hazardous Materials, Historic Resources, Hydrology and Water Quality, and Noise. The EIR proposed mitigation measures to reduce all but one of the identified impacts to a less-than-significant level. Demolition of the existing historic house is a potentially significant impact to Historic Resources, pursuant to California Environmental Quality Act (CEQA) Guideline section 15064.5(b). Mitigation measures have been identified which reduce some of these impacts, but not to a level of insignificance; therefore, these impacts are significant and unavoidable. To approve the project despite this significant impact, the Board of Supervisors will need to consider whether the benefits of approving the project override its significant effects. As presented in staff's draft resolution, possible overriding considerations might include:

- Physical considerations, including the substandard conditions of the existing structure;
- Ecological considerations, including restoration and preservation of 1.67 acres of native sand dune habitat;
- Social considerations, including the applicants' project objectives and the treatment of other properties in the vicinity;
- Economic considerations, including temporary construction jobs and foreseeable increases in property tax revenue to the County generated by the project.

These considerations are discussed in more detail in the attached draft resolution (**Attachment C**).

During public review of the Draft EIR, the County received comments from three agencies: the Governor's Office of Planning and Research (standard reply), the California Coastal Commission, and the Monterey Bay Air Resources District. Eight organizations commented on the Draft EIR, all of which were architectural and historical organizations except for one, Pacific Legal Foundation, a property owner rights organization. The public submitted 129 comment letters. County staff reviewed and provided detailed responses to all such comments. in the Final EIR prepared for the project (**Attachment E**).

LUAC:

The proposed project was reviewed or continued by the Del Monte Forest Land Use Advisory Committee (LUAC) on several occasions between December of 2010 and November of 2011. At a duly-noticed public meeting on November 11, 2011, the LUAC voted 3 in favor and 3 against to recommend the project as proposed to the Planning Commission. Although not written in the recommendation section of the LUAC minutes, one LUAC member appears to have abstained, explaining that the individual is a neighbor to the project. Extensive public comments were split on the project. (**Attachment G**).

OTHER AGENCY INVOLVEMENT:

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

- Environmental Health Bureau
- Cypress Fire Protection District
- County Counsel
- Monterey Peninsula Water Management District
- California Air Resources Board
- California Coastal Commission

FINANCING:

Funding for staff time associated with this project is included in the FY2022-23 Adopted Budget within HCD Unit 8543 Appropriation Unit HCD002 and has been recovered through fees collected in prior fiscal years (FY2010-11 and FY2013-14) based on Fee Schedules in place under the former Resource Management Agency.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The intent of the hearing is to review and decide on three appeals on the Planning Commission decision on a Combined Development Permit and to decide on the Project and its CEQA review documents and findings.

Check the related Board of Supervisors Strategic Initiatives:

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Mary Israel, Supervising Planner, x5183
Reviewed by: Craig Spencer, HCD Chief of Planning
Approved by: Craig Spencer, Acting HCD Director

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

Attachment A - Discussion

Attachment B - Appeals with staff responses immediately after, including:

- B1 - Samuel Reeves, c/o Anthony Lombardo, Esquire
- B2 - Raymond Neutra, aka Neutra Institute for Survival Through Design
- B3 - Alliance of Monterey Area Preservationists, c/o the President, Mimi Sheridan

Attachment C - Draft Resolution, including:

- Conditions of Approval & Mitigation Monitoring and Reporting Plan
- Project Plans

Attachment D - Vicinity Map

Attachment E - Final EIR (linked material on the County HCD website)

Attachment F - Historical Resources Review Board recommendation

Attachment G - LUAC minutes for November 17, 2011

Copies of the FEIR were distributed separately and are available for review on the County's public website at the following link:

<https://www.co.monterey.ca.us/government/departments-a-h/housing-community-development/planning-services/library-current-major-projects/signal-hill-llc-mehdipour>

cc: Front Counter Copy; California Coastal Commission; Erik Lundquist, AICP, HCD Director, Craig Spencer, HCD Chief of Planning; Mary Israel, Project Planner; Engineering Services; Environmental Health Bureau; Environmental Services; Cypress Fire Protection District; Massy Mehdipour, Applicant/Owner; Anthony Lombardo, agent for Appellant; Raymond Neutra, Appellant; Mimi Sheridan, Appellant; The Open Monterey Project (Molly Erickson); LandWatch (Director); INTERESTED PARTIES; Project File PLN100338