



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: PC 19-018, **Version:** 1

PLN040183 - PARAISO HOT SPRINGS RESORT

Public hearing to consider the reconstruction of a resort (Paraiso Hot Springs Resort). The proposed project would demolish the former resort structures and construct a resort with 103 hotel rooms, 77 timeshare units, and a wide variety of amenities. Most amenities will be available only for resort guests, but the resort includes a public use area with spa, visitor center, and commercial uses.

Project Location: 34358 Paraiso Springs Road, Soledad, Central Salinas Valley Area Plan (Assessor's Parcel Numbers 418-381-021-000, 418-361-004-000, and 418-381-022-000)

Proposed CEQA Action: Certify an Environmental Impact Report; Adopt a Statement of Overriding Considerations; Adopt a Mitigation Monitoring and Reporting Program

RECOMMENDATION:

It is recommended that the Planning Commission adopt a resolution to:

- 1) Certify an Environmental Impact Report;
- 2) Adopt a Statement of Overriding Considerations;
- 3) Approve a Combined Development Permit consisting of:
 - a. "After The Fact" permission to demolish nine historic cottages removed from the Paraiso Hot Springs Resort, November 2003 (to clear Code Violation Case CE030404/PLN040488);
 - b. Use Permit and General Development Plan for the reconstruction and expansion of the historic resort with the following amenities: a 103 room hotel consisting of single and two-story clustered visitor-serving hotel units; 60 two-to-three bedroom timeshare units and 17 timeshare villas (as modified by the conditions of approval); lodge; visitor center; restaurants; culinary training center; wine pavilion; shops; tennis courts; swimming pools; golf instruction center; racquetball pavilion; spa center with massage, beauty, therapeutic services and outdoor/indoor fitness center; a wellness/education center with lecture and conference facilities; cultural center for music, art and literature; outdoor amphitheater; vineyards; laundry and maintenance facilities; wastewater treatment system; and re-landscaping of the grounds including new trees, paths, hiking trails, pedestrian and vehicle bridges, gardens and pergolas. Architectural treatments, materials, colors, and landscaped grounds are intended to echo the Paraiso Hot Springs' former affiliation with Mission Soledad;
 - c. Standard Subdivision (Vesting Tentative Map) to create 23 parcels and a condominium map for timeshare units;
 - d. Use Permit for removal of 185 protected oak trees;
 - e. Use Permit for development on slopes in excess of 30%;
 - f. Grading of 162,073 cubic yards;
 - g. Off site road improvements to Paraiso Springs Road.
- 4) Adopt a Mitigation Monitoring and Reporting Program.

The attached draft resolution includes findings and evidence for consideration (**Exhibit C**). Staff recommends approval subject to the recommended conditions of approval attached to the resolution. **Exhibit B** includes a discussion of the project as well as staff's recommended changes to the project.

PROJECT INFORMATION:

Agent: Anthony Lombardo

Property Owner: Paraiso Springs Resort LLC

APN: 418-381-021-000, 418-361-004-000, and 418-381-022-000

Parcel Size: Approximately 235 acres (approximately 47 acres of development area)

Zoning: Visitor Serving/Professional Office and Permanent Grazing, 40 acre minimum

Plan Area: Central Salinas Valley Area Plan

Flagged and Staked: No (Visual Simulations prepared)

SUMMARY:

The subject property is located on the northwestern slopes of the Santa Lucia Range, west of Arroyo Seco Road. The project site is at the terminus of Paraiso Springs Road, approximately seven miles west of the city of Greenfield and approximately eight miles southwest of the city of Soledad. The project site has been used as a resort since the late 1800's, but has been closed since 2003. Many of the old resort structures still exist on the site.

The proposed project includes the demolition of the former resort, which has been closed for almost 20 years. Nine structures, later determined to have been historical resources, were removed without permits in 2003. A code enforcement case was opened for that demolition; the proposed project includes clearance of the code enforcement case.

Project Description

A project description is found in Exhibit B, with a detailed description found in the Recirculated Draft Environmental Impact Report as Chapter 2. A brief summary of the project is presented here:

The proposed resort includes 103 hotel units, 77 timeshare units, resort facilities, spas, restaurants, conference facilities, hiking trails, outdoor amphitheater, a commercial area open to the public, a water system, and a wastewater treatment plant. Most resort facilities are for the use of those staying at the resort, with the exception of the commercial area, including a day spa. Grading of approximately 162,073 cubic yards is proposed. Wastewater will be treated and reused on site for irrigation of landscaping, including vineyard areas.

The project also includes off-site road improvements to include a more consistent road cross section along Paraiso Springs Road, a county road. The resort will operate a shuttle system to reduce vehicle trips to the project site, including a shuttle utilized for employees from neighboring communities, such as Soledad and Greenfield. A shuttle system will also be provided for guests for use as transportation to San Jose International Airport and to other visitor serving locations in the county, such as Pinnacles National Park, wineries, and the Monterey Peninsula.

The project includes phasing for 1) the off-site road improvements (described on RDEIR page 3-341 and depicted on RDEIR Figure 2-10, Paraiso Springs Road Improvement Area), and 2) for the project construction (and recording of associated final map phases) as shown on page 2 of Exhibit B.

RECOMMENDATION:

During the course of review, staff analyzed the opportunities and constraints of the subject property. In looking at the project's design and the findings required for the project, staff is recommending the following changes be made:

- Relocate (or eliminate) timeshare condominiums from the rear of the hotel to some of the Timeshare Villa lots (reduces thirty percent slope encroachment and tree removal)
- Relocate road alignment from hillside condominium timeshares to connect from the cul de sac more directly to the valley floor, avoiding the High Geologic Hazard Potential area, to connect to the service road near the racquetball or basketball court (reduces area of thirty percent slope encroachment and avoids High geologic hazard area)
- Ensure Villa Timeshare Lot 3 structure does not encroach on thirty percent slope areas
- Relocate wastewater treatment facility to location of adjacent parking area

These project changes will enhance fire safety, reduce the encroachment on slopes greater than thirty percent, reduce the amount of tree removal, remove guest units from the narrow part of the Paraiso Valley, reduce the amount of grading for the project, and provide a greater setback between the wastewater facility and a spring water collection area. The number of units would be reduced by between seven and 14 timeshare units.

DISCUSSION:

See **Exhibit B**.

CEQA

In accordance with the California Environmental Quality Act, an Environmental Impact Report (EIR) was prepared and circulated by staff. Initially, a Draft EIR was circulated for public review in 2013. In response to comments received on that document, a Recirculated Draft EIR (RDEIR) was prepared, which was circulated for public review from February 28, 2018, through April 26, 2018.

The RDEIR identified conditions of approval and mitigation measures that, when implemented, would reduce potential impacts to a less than significant level, except for impacts related to historic resources, which were identified as having a Significant and Unavoidable Impact on the environment. Staff received comment letters on the RDEIR from individuals and agencies, which are included in the Final EIR (**Exhibit I**). These comments have been addressed and clarified in the Final EIR, attached discussion and the draft resolution's findings and evidence (see **Exhibits B, C and I**).

OTHER AGENCY INVOLVEMENT:

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

Environmental Health Bureau
RMA-Public Works
RMA-Environmental Services
Water Resources Agency
Mission-Soledad Rural Fire Protection District

FINANCING:

Funding for staff time associated with this project is included in the FY17-18 Adopted Budget for RMA-Planning.

Prepared by: Mike Novo, Management Specialist, x5176

Reviewed by: Brandon Swanson, RMA Planning Services Manager

Approved by: John Dugan, AICP, RMA Deputy Director

The following attachments are attached, except the Project Plans, provided on CD, and EIR, which is provided by link to the County's website:

The following attachments are on file with the RMA:

Exhibit A - Data Sheet

Exhibit B - Project Discussion

Exhibit C - Draft Resolution

- Findings
- Draft Conditions of Approval/Mitigation Monitoring and Reporting Program

Exhibit D - Vicinity Map

Exhibit E - Vesting Tentative Map

Exhibit F - Complete Set of Project Plans

Exhibit G - General Development Plan

Exhibit H - Recirculated Draft Environmental Impact Report

Exhibit I - Final Environmental Impact Report

Exhibit J - Historic Resources Review Board Resolution

Exhibit K - Correspondence

Exhibit L - Additional technical information from applicant

cc: Front Counter Copy; Planning Commission: John Dugan, RMA Deputy Director; Brandon Swanson, Interim Chief of Planning; Craig Spencer, Interim RMA Planning Services Manager; Mike Novo, Management Specialist; John Thompson, Applicant/Owner; Anthony Lombardo, Agent; The Open Monterey Project (Molly Erickson); LandWatch (Executive Director and John Farrow); Local Agency Formation Commission; City of Soledad; Mission-Soledad Rural Fire Protection District; Monterey County Historical Society; Louise Miranda Ramirez, Ohlone/Costanoan-Esselen Nation; Carlene Bell, the Soledad Mission Board; Charles DeWeese; Graig Stephens, Soledad Historical Society; Judy & Frank Berti; Joe & Misty Panziera; Lois Panziera; Cynthia Pura; Yvette & Dennis Blomquist; Victor & Shayna Selby; Alex J Lorca, Fenton & Keller; James McCord, Alliance of Monterey Area Preservationists; Hanna Muegge, Monterey Bay Air Resources District; Donna Galletti, Monterey County Sheriff's Office; CalFire (Garden Road, Monterey); Project File PLN040183