

CALIFORNIA COASTAL COMMISSION

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April 3, 2002

Thom McCue, Planner
Monterey County Planning and Building Inspection Department
2620 1st Avenue
Marina, CA 93933

Subject: *Notice of Preparation for Pebble Beach Company's Proposed Development Proposal (Monterey County Application Number PLN010254 and PLN010341; SCH# 2002021130) - aka "Del Monte Forest Preservation and Development Project"*

Dear Mr. McCue:

Thank you for forwarding the above-referenced Notice of Preparation (NOP) to our office for review. The NOP for this project was received in our office on March 4, 2002. Our understanding of the proposed project, based on Table 1 of the Initial Study, is that it consists of a Combined Development Permit application for development as summarized below, and an amendment to the existing Spanish Bay Permit for relocation of the equestrian center to the Sawmill Gulch area:

- *Construction of a new 18-hole golf course on the existing Equestrian Center site;*
- *Relocation of existing Equestrian Center to Sawmill Gulch Borrow site;*
- *Construction of a total of 160 new visitor-serving suites at the new golf course, Spanish Bay and the Pebble Beach Lodge;*
- *Addition to the existing Spanish Bay Inn and Lodge at Pebble Beach to include additional hospitality and meeting space;*
- *Construction of a new driving range and golf teaching facility at the Spanish Bay Resort;*
- *Creation of 33 residential lots and construction of 66 employee housing units;*
- *Designation of 273 acres of permanent open space forest lands;*
- *Relocation of existing trail segments and construction of new trail segments for a net increase of 2.5 miles of new trails; and*
- *Road and infrastructure improvements, including an upgrade to the Highway 1/ Highway 68 / 17-Mile Drive intersection.*

We are pleased that the NOP has incorporated many of the concerns that Coastal Commission staff have voiced in the past regarding potential impacts that project components may have on environmentally sensitive habitat areas, including Monterey pine forest, wetlands, riparian habitat and coastal dune habitat. Additionally, we want to ensure that the project EIR takes into account the following comments:

- While Measure A, the ballot initiative to change land use and zoning designations on affected properties in Del Monte Forest, was passed by voters in November 2000, it has not yet been determined if such actions are consistent with the Coastal Act. In order to make such land use/zoning changes to the County's Certified Local Coastal Program, an amendment must first be submitted to the Coastal Commission, including both the proposed Land Use Plan and Coastal Implementation Plan changes. The requirements for submitting such an amendment request are outlined in the attached letter, November 21, 2000 (Attachment 1), and follow up letter dated March 30, 2001 (Attachment 2). An LCP amendment application has not yet been submitted to the Coastal Commission; therefore, none of the land use/zoning designation changes related to the proposed development project have yet been approved. And it should be noted that without prior approval of such an amendment, many of the proposed project components may not be approvable under the existing LCP.
- Please refer to previous correspondence sent describing our concerns regarding the proposed land use/zoning designation changes proposed by Measure A and the previous Pebble Beach lot program, dated October 23, 2000 (Attachment 3), October 28, 1999 (Attachment 4), and May 19, 1999 (Attachment 5). As the proposed project includes many of the components described in these earlier versions, many of the specific comments made in these earlier letters are still applicable and need to be resolved.
- As Table 1 from the Initial Study indicates, the current project being proposed by Pebble Beach Company has changed somewhat from that proposed in the previous Lot Program and the Refined Alternative 2. The proposed project description now clarifies that the applicants propose to construct 160 new visitor-serving units (including 58 new units at the Lodge, 91 new visitor serving units at Spanish Bay, and 11 new suites associated with the new golf course), and employee housing is increased from 48 to 66 new employee-housing units. The proposed project also includes a total of 33 new residential lots, and approximately 18,000 square feet of additional visitor serving meeting and hospitality space. Although more details are now known about the proposed improvements to visitor serving facilities at the Lodge and Spanish Bay, the substantive comments made in previous correspondence (i.e., letters dated October 23, 2000, October 28, 1999 and May 19, 1999) still apply.
- Since some of the project components have the potential to impact environmentally sensitive habitat areas (ESHA), the EIR should evaluate the extent to which there is ESHA on these sites, based on the definition of ESHA given in the Local Coastal Program (LCP).
- The EIR should evaluate how proposed development in and adjacent to ESHA areas will be designed to conform to ESHA policies contained in the County's LCP.
- The NOP states that the project will result in the removal of approximately 15,000 Monterey pine, coast live oak, and Gowen cypress trees. The EIR should describe alternatives to minimize tree removal and describe how the project conforms to Monterey County LCP policies related to minimizing tree removal, tree replacement, and related impacts to ESHA.
- The EIR should evaluate how the proposed development will affect scenic and visual resources in the public viewshed defined in the Monterey County LCP.

- The EIR should evaluate the proposed relocation of the existing Equestrian Center to the Sawmill Gulch area in light of the intent of the previous permit conditions requiring restoration of this area. The EIR should also evaluate impacts of increased pedestrian and equestrian use of any new site or trails, including potential impacts to existing plant and wildlife habitat areas in and adjacent to the proposed relocated equestrian site.
- The EIR should evaluate how development of a driving range can occur in the proposed location consistent with Monterey County LCP ESHA policies? Alternative locations for the proposed driving range should be evaluated.
- The EIR should evaluate how development of a new golf course can occur in the proposed location consistent with Monterey County LCP ESHA policies. Wetland delineations must also be provided based on the LCP's wetland definition (which is synonymous with the Coastal Act wetland definition). Consultation with Commission staff biologists is highly recommended. Based on current knowledge that some portion of the golf course could impact wetlands, alternative locations for the proposed golf course should be evaluated.
- The EIR should reevaluate the amount and type of ESHA impacted by the proposed project components (similar to that done in the earlier draft EIR for the Revised Alternative 2), in order to analyze potential impacts to rare, threatened and endangered wildlife and plant habitats, and other special status species.
- The EIR should evaluate the potential impacts of all project components to current and remnant coastal dune habitats and dune restoration efforts.
- The EIR should evaluate how grading for development will be conducted consistent with Monterey County LCP policies designed to minimize landform alteration and erosion policies. The EIR should also indicate how much material will be excavated, where that material will be placed, if any net loss or gain of material will occur, and where excess spoils will be placed. White sands of the Spanish Bay area should be incorporated into restoration projects required for mitigation and shall not be exported out of the Del Monte Forest area.
- The EIR should include a transportation management plan that describes the traffic demands and circulation patterns required to accommodate the amount and timing of construction activities associated with all components of the proposed project, as well as the resultant traffic demand that will be generated by the new development.
- The EIR should describe how the Pebble Beach Company plans to complete overdue condition compliance of Spanish Bay permit requirements (i.e., conditions requiring abandonment and restoration of haul road, landscape screening of constructed residential and visitor serving structures, and completion of required restoration efforts at Sawmill Gulch).
- The EIR should evaluate proposed impacts to historical structures and describe how proposed demolition/reconstruction activities will conform to LCP policies.
- The EIR should evaluate how the proposed project elements may affect the hydrology of the area, including both direct and indirect impacts to water quality and drainage patterns for all

project site areas, including but not limited to, in and around the existing Lodge and Spanish Bay areas, the existing undeveloped lot sites, the proposed golf course and driving range location and proposed equestrian center relocation area in Sawmill Gulch.

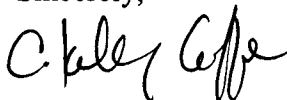
- The EIR should evaluate the potential impacts of all project components on water quality due to proposed pesticide and fertilizer use, increased storm water runoff and changes in drainage patterns. All appropriate Best Management Practices should be included to minimize potential impacts of the project on water quality.
- The EIR should evaluate how the proposed increase in structural coverage, and associated drainage improvements will be consistent with Monterey County LCP policies designed to protect water quality in the Carmel Bay Area of Special Biological Significance.
- The EIR should evaluate the impacts of new and intensified development will have on water demand and existing water supplies. Additionally, the EIR should evaluate the potential impacts to ESHA associated with the siting and existence of new water conveyance and waste discharge lines required to serve the new residential and visitor serving uses proposed.
- The EIR should evaluate the potential recreational use of proposed trails and recreational facilities, and appropriate use levels in areas in and adjacent to ESHA.

Finally, it is our understanding that the County intends to use the information gathered in the EIR process in its submittal for an LCP amendment to incorporate the land use/zoning designation changes provided for in Measure A. We note that the Measure A amendment would provide for a broader range of potential uses (e.g., recreational) or alternative uses that the currently proposed specific project analyzed in the EIR. Therefore, for such cases, the County's LCP amendment submittal will need to include adequate information that describes any difference in impact or magnitude of impacts than that determined for the specific project. Also, in order to evaluate the proposed Measure A LCP amendment, the County submittal will need to describe and evaluate the adequacy of the improvements that have been made, or are proposed, with regard to traffic, water service, and waste discharge requirements that would make it possible to remove the constraints overlays related to these public infrastructure requirements.

Thank you for the opportunity to comment on the NOP. With the clarifications described herein, we expect that the DEIR document will provide a sufficient level of detail to allow for a careful analysis of the project for Coastal Act and LCP policy conformance issues. We look forward to reviewing the draft EIR and will provide additional substantive comments at that time.

If you have any questions, please do not hesitate to call me at (831) 427-4893.

Sincerely,



Kelly Cuffe
Coastal Planner

Cc: Jim Colangelo, Assistant Admin. Officer, Monterey County Planning and Building Department

Jeff Main, Supervising Planner, Monterey County Planning and Building Department
Adrienne Grover, Esq., Acting County Counsel, Monterey County
Dave Potter, District 5 Supervisor, Monterey County Board of Supervisors
Allen Williams, Carmel Development Company (Representative for Pebble Beach Co.)
Tony Lombardo, Esq., Lombardo & Gilles (Attorney for Pebble Beach Company)

Attachments:

1. November 21, 2000 Correspondence from Tami Grove to Annette Chaplin, Monterey County Land Use Programs Director on Local Coastal Program Amendment Submittals.
2. March 30, 2001 Correspondence from Tami Grove to Scott Hennessy, Planning Director, on Del Monte Forest LCP Submittal
3. October 23, 2000 Correspondence from Tami Grove to Monterey County Board of Supervisors on Pebble Beach Company Proposed Initiative (i.e., Measure A)
4. October 28, 1999 Correspondence from Tami Grove to Bill Phillips, Monterey County Planning Director on Pebble Beach Lot Program.
5. May 19, 1999 Correspondence from Tami Grove to Bill Phillips, Monterey County Planning Director on Pebble Beach Lot Program