

# EXHIBIT A DISCUSSION

## **A. Project History**

In 1995, the project applicant, September Ranch Partners, applied to the County for a Combined Development Permit (PC95062, September Ranch Partners) consisting of a preliminary Project Review Map, a Vesting Tentative Map to allow the division of an 902 acres creating 100 market rate units, 17 inclusionary housing units, a lot for the existing equestrian facility, and open space. The application was deemed completed on July 13, 1995. In December 1998, the Board of Supervisors certified an EIR for the project and approved a Combined Development Permit consisting of a preliminary Project Review Map, a Vesting Tentative Map to allow the division of an 891-acre parcel creating 94 market rate units, 15 inclusionary housing units, a 20.2 acre lot for the existing equestrian facility (with one employee unit), and 791 acres of open space. The approval was challenged in court by Save Our Peninsula Committee et al, and the Sierra Club et al. The Superior Court of Monterey County (Nos. M42412 and M42485) held that the EIR was legally inadequate under the California Environmental Quality Act (CEQA).

The project applicant September Ranch Partners and James Morgens, real parties in interest, appealed the judgment. In 2001, the 6th District Court of Appeal affirmed the lower court ruling in part and reversed in part. The appellate court found the EIR's analysis of water issues legally inadequate and the EIR's analysis of traffic impacts and mitigation legally adequate. The Court of Appeal decision contained explicit direction regarding the discussion and analysis required for a legally adequate Revised Environmental Impact Report ("REIR"). The Board of Supervisors vacated its December 1998 certification and approval and directed staff to prepare a revised EIR consistent with the court's direction.

In 2002, the County retained an EIR consultant, Michael Brandman and Associates, to prepare the Revised EIR for the project. The draft REIR was released on December 30, 2004 and circulated for public review through February 28, 2005. In response to comments received on the draft REIR, portions of the draft REIR were revised and recirculated in February 2006. The entire sections recirculated were: Section 4.3 (Water Supply and Availability), Section 4.9 (Biological Resources), Appendix C (Hydrogeologic Report), Section 6 (Alternatives to the Proposed Project), and Section 7 (Other CEQA Considerations). In Section 5 (Cumulative Impacts), those portions relating to Water Supply and Biological Resources were recirculated. The comment period for this document was February 15, 2006 to April 3, 2006. The Final Revised EIR was released on or about July 20, 2006.

### ***Recent Public Hearings***

The Subdivision Committee held a duly noticed public hearing on June 8, 2006 to review the technical aspects of the Proposed Project against the staff-recommended 73/22 Alternative. The Committee recommended the staff alternative to the Planning Commission by a vote of 4 to 1.

The Planning Commission held duly noticed public hearings on July 26, 2006, August 9, 2006 and August 16, 2006 to consider the Final REIR and the development proposal. At each of those hearings, written and verbal comments were received from the public on the project regarding water, views, biological resources, traffic, and public trails. Comments made by the Planning Commission and the public at those meetings have been addressed through modifications and additions to the conditions and to the Findings & Evidence. The changes are reflected in the

Findings and Conditions, 20, 33, 110, 124 and 166 (**Exhibit B-1**). Minor changes were made in Conditions 1, 3, 12, 24, 36, 45, 92, 96, 99, 100, 109, 132-146, 148, 149, 151, 175, 177-179 and 191 to provide clarification and to correct inconsistencies (**Exhibit B-1**). At the August 16<sup>th</sup> hearing, the Planning Commission, by a vote of 6 to 2, recommended that the Board of Supervisors certify the Final REIR, approve the staff-recommended 73/22 Alternative project, and adopt the Mitigation Monitoring and Reporting Program. The applicant indicated to the Planning Commission that he could agree to their recommendation and to the conditions of approval with the recommended changes proposed by the Planning Commission.

## **B. Project Site**

The project site is located in Carmel Valley, 2.5 miles east of Highway 1 on the north side of Carmel Valley Road. The property is bounded on the south by Brookdale Drive and a residential subdivision, on the west by the senior community of Del Mesa Carmel and the Roach Canyon open space area, on the east and northeast by Canada Woods (Tehama) and Canada Woods North subdivisions, respectively, and on the northwest by Jack's Peak County Park. The Proposed Project encompasses four Assessor's parcels.

The project site is a predominately south facing slope divided by several small canyons that traverse from north to south. The terrain is hilly, with elevations ranging from 70-feet above sea level to 968 feet above sea level. Onsite vegetation consists primarily of Monterey pines, coastal live oaks, coastal sage scrub and grasslands. An equestrian facility occupies the flat terraces that front on Carmel Valley Road. The facilities include a barn with box stalls, hay storage, a tack room and office, outdoor fenced stalls, training ring, training arena and fenced pasture areas. One residential unit that serves as employee housing is also on the project site.

A Monterey shale quarry ceased operations over thirty years ago on the southwestern portion of the property and near the entrance to Roach Canyon. Also evident are a few concrete slabs denoting the site of a former concrete ready-mix batch plant that ceased operations around the same time.

Graded trails cross the property providing access to the western and eastern portions of the site. There are currently five locations that provide access to Carmel Valley Road.

## **C. Project Description**

The project proposed by the applicant ("Proposed Project") consists of the subdivision of 891 acres into 94 market rate residential lots, 15 units of inclusionary housing, a 20.2 acre lot for an equestrian facility, and 791 acres of open space. Other elements include a potable water distribution system, water tanks for fire suppression, drainage system, internal road system, common open space, tract sales office and security gate. Site improvements would require approximately 100,000 cubic yards of grading and removal of 3,582 trees.

The County has identified and analyzed several alternatives in the REIR that would avoid or lessen some of the significant and less-than-significant impacts associated with the Proposed Project. In addition, the County has identified options for individual project components that may address concerns raised to date by the public and county staff in their review of the REIR and Proposed Project.

CEQA encourages public agencies to consider changes or incorporate alterations to a project that avoid or substantially lessen the significant environmental effects identified in the EIR. Lead

Agencies are similarly required to consider alternatives that avoid or substantially lessen one or more of the significant effects. Public Resources Code Section 21002 states "...public agencies should not approve projects as proposed if there are feasible alternatives or feasible mitigation measures which would substantially lessen the significant environmental effects of such projects ..."

Although staff believes that the Proposed Project is consistent with County policies and results in no significant unavoidable impacts, staff is recommending the 73/22 Alternative ("Alternative") for approval. This Alternative is described in Section 6.7 of the Recirculated Portion of the REIR (February 2006). This Alternative would:

- Further reduce the amount of tree removal and site grading;
- Further reduce water consumption;
- Further reduce traffic impacts;
- Address concerns expressed by the public regarding views of the inclusionary housing from Carmel Valley Road;
- Address concerns expressed by the public regarding proximity of housing to Jack's Peak Park, by eliminating 10 lots from the northeast side of the project.
- Make a significant contribution to meeting the goals of the County and the State of California in the provision of affordable housing

Components of the Alternative that distinguish it from the Proposed Project are as follows:

- 73 market rate lots, 22 inclusionary lots and one equestrian facility parcel;
- The inclusionary housing would be reconfigured to three different locations on the property. Four units will be shifted to the southwest from the originally proposed site. Twelve units are sited to the middle of the property. Six units are sited to the west side of the property by replacing market rate lots, designated as 64 and 65 in the Proposed Project.
- A group of lots, designated as 46-58, 83-85, and 102 in the Proposed Project, would not be developed and would be designated as permanent open space contiguous to Jack's Peak Park.
- A group of lots, designated as 31-35 in the Proposed Project, would be merged into one lot.
- Two lots, designated as 70 & 71 in the Proposed Project, would be merged into one lot.
- Three market rate lots will be located in the original inclusionary housing site.

The Alternative consists of the subdivision of 891 acres into 95 lots, a lot for the existing equestrian facility, and 810 acres of open space. Other elements include a potable water distribution system, water tanks for fire suppression and water system, drainage system, internal road system, common open space, a temporary tract sales office and security gatehouse. Site improvements would require up to 97,000 cubic yards of grading and removal of 2,283 trees.

### ***Permits Required***

The Alternative Project would require approval of a Combined Development Permit that includes:

- Subdivision of 891 acres into 73 market-rate and 22 inclusionary lots; a 20.2-acre existing equestrian facility (Lot 101); 536.4 acres of common open space (Parcels A, C, & D); 273.6 acres of private open space (scenic easement); and 6.9 acres of open space reserved for future public facilities (Parcel B);
- Use Permit for the public/commercial use of the 20.2-acre equestrian facility;

- Use Permit for an on-site water system including new wells, back-up wells, booster pumps, water tanks and piping for fire suppression;
- Use Permit for removal of a maximum of 819 protected oak trees;
- Administrative Permit for up to 97,000 cubic yards of grading in a “S” (Site Plan Review) Overlay Zoning District for subdivision infrastructure;
- Use Permit to allow development on slopes greater than 30 percent for inclusionary housing on Lots 5 through 11 and subdivision infrastructure and improvements; and
- Administrative permit for inclusionary housing, equestrian center caretaker unit/public office, a temporary tract sales office, and security gatehouse

Other agency approvals include:

- Creation of a new water distribution system and final determination of water availability under Rule 22 of the Monterey Peninsula Water Management District (MPWMD)
- NPDES Permit;
- Annexation to the Carmel Valley Fire Protection District; and
- Annexation to the Carmel Area Wastewater District

If the Board were to approve the Proposed Project rather than the Alternative, the Use Permits required would be the same with some changes to tree removal counts, grading amounts, and development on slopes greater than 30%. The remainder of the discussion in Exhibit A is directed toward the 73/22 Alternative with some comparisons to the Proposed Project.

### ***Zoning/Phasing***

The northern portion of the property, which contains 494 acres, is zoned RDR/10-D-S-RAZ (Rural Density Residential, 10 acres per unit with Design Control, Site Plan Review, and Residential Allocation Zoning District Overlays); the southern portion is zoned LDR/2.5-D-S-RAZ (Low Density Residential, 2.5 acres per unit with Design Control, Site Plan Review, and Residential Allocation Zoning District Overlays). Development of the site under the Carmel Valley Master Plan (CVMP) would allow for a maximum of 208 units. Development under the slope density formula allows for a maximum of 269 units. Therefore, the proposed density of 95 units is less than the maximum density of 208 units allowed.

Approximately 587 residential units remain that are subject to the Carmel Valley Master Plan quota program. September Ranch would reduce this by 95 units. Because the project site has a Residential Allocation Zoning District Overlay, the project would be phased up to a maximum of 25 lots developed per year, again, consistent with CVMP policy. Inclusionary units would not be subject to the phasing requirement, but would be subtracted from the overall residential units remaining in the quota program.

All of the lots would be subject to design review and site plan review. Development envelopes and building envelopes are designated on each residential lot. Conditions of approval have been recommended to ensure that final building envelopes are located on slopes of less than 30% and avoid ridgeline development.

### ***Traffic/Circulation***

Access to Carmel Valley Road is currently provided at five locations serving key areas in the property frontage. The project will upgrade and extend the existing roadway network to create access to the residential lots. Access to the property would be via a main entrance at the Carmel Valley Road/Brookdale Drive intersection. The applicant will be required to install a traffic

signal at this intersection. The existing entrance at the equestrian center would be limited to emergency vehicle access. Emergency access will be provided on the existing ranch roads to Jack's Peak Park. There will public access to Parcel C, donated to the Monterey County Parks Department, which will provide pedestrian and non-motorized access to Roach Canyon and subsequently to Jack's Peak Park.

Channelization would be required for both the eastbound and westbound approaches to the project entry point. Conditions of approval from the Department of Public Works require the applicant to bond these improvements prior to recording the final map and to install these improvements prior to the issuance of building permits for any unit in the subdivision.

Upgrading of the roads would result in up to 97,000 cubic yards of grading with portions of the roadway on slopes in excess of 30 percent. The building envelopes on each market-rate parcel avoid areas of slopes in excess of 30 percent.

### ***Water Supply***

The property is located within the Carmel River watershed and is served by on-site wells. In 1995, the State Water Resources Control Board issued Order No. 95-10, which found that California American Water Company (Cal-Am), the primary water supplier to the area, had diverted excess water from the Carmel River without a valid basis of right. Cal-Am was ordered to substantially limit its diversions. The Monterey Peninsula Water Management District requested that the September Ranch property develop a mutual water supply company and not connect to the Cal-Am system.

The project will require potable water for the 73 market-rate lots and 22 inclusionary units, as well as for the existing equestrian center facility and caretaker unit. Irrigation of the pastures will cease upon filing of the first final map. The estimated annual usage for the project is 54.39 AFY, including allowances for system losses (up to 7% of potable use) and waste from water treatment (up to 15% of potable water use).

The County's independent hydrologist has indicated that the September Ranch Groundwater Basin or September Ranch Aquifer is a small and nearly closed basin bound almost entirely by Monterey Shale.

### ***Wastewater***

The applicant originally proposed to construct and operate an onsite wastewater treatment facility located on the southeastern portion of the project site and had set aside Parcel B as a potential location. However, since the issuance of the Notice of Preparation for the REIR, the Monterey County Environmental Health Services Division informed staff that they were no longer supportive of new on-site treatment systems. The applicant accordingly initiated discussions with the Carmel Area Wastewater District (CAWD). CAWD has indicated that they have sufficient capacity and would provide service to the subdivision. It is anticipated that flows directed to CAWD from the Project will provide some supplementary tertiary treated water to the Carmel River Lagoon during periods that will benefit steelhead.

### ***Drainage and Stormwater Runoff***

A registered civil engineer has designed a drainage plan for detaining runoff and sediment for the Project. Stormwater will be collected and stored in seven detention basins, located throughout the

site. Existing drainage facilities located along and underneath Carmel Valley Road will be upgraded to accommodate the anticipated increase in runoff. Conditions from the Water Resources Agency require the applicant to construct, operate and maintain detention basins to accommodate a 100-year storm event and release the flows at pre-development, 10-year storm levels. Ongoing maintenance of the facilities will be provided by the Homeowner's Association.

### ***Existing Structures***

The existing equestrian facility/barn and residential unit will remain on the property. The applicant had initially considered demolition of these structures, although this had not been included in the project application. Subsequently, based upon public comment and review by a historian retained by the County, it was determined that these were likely to be designated as historic structures. These facilities will be conditioned accordingly, and future use will be consistent with any such designation. The applicant intends to continue to operate the equestrian facility which will be open to the public. Trails on the property will be utilized by customers of the facility as well as property owners in the subdivision.

### ***Parks/Access to Jacks Peak Park***

The applicant will be required to provide a tot lot to serve the inclusionary units. The open space and trail system on the property will provide additional open space/recreational opportunities. The applicant has offered to dedicate a park parcel (Parcel C) at the base of Roach Canyon to Monterey County Parks and Recreation Department as well as a trail easement from that entry point to Jack's Peak Park. The project has been conditioned to require that within 6 months of acceptance of the Irrevocable Offer to Dedicate, the applicant will construct the trail improvements to Monterey County standards. Access to Jack's Peak Park from properties proposed at the northern portion of the property will be limited to the Parks Department trail easement or emergency evacuation along the existing ranch roads.

### ***Inclusionary Housing***

With the Proposed Project, 15 units of inclusionary housing would be built at the eastern end of the property. These would be clustered, detached for sale units. The units could be single or double story, but with a 24-foot height limit to address visibility from Carmel Valley Road. Access would be through the main entrance. However, the applicant has also proposed options for alternative layouts of the inclusionary housing that was presented in the Recirculated Chapters of the REIR that would provide better opportunity for reducing visibility from the Carmel Valley Road and adjacent properties. In the 73/22 Alternative, the inclusionary housing would be reconfigured to three different locations on the property. Four units will be shifted to the southwest from the originally proposed site. Twelve units are sited to the middle of the property. Six units are sited to the west side of the property by replacing market rate lots, designated as 64 and 65 in the Proposed Project. These locations provide better opportunity for reducing visibility from the Carmel Valley Road and adjacent properties.

## **D. Project Analysis**

### ***Biological Resources***

The Proposed Project would result in disturbance for clearing and grading of less than 80 acres, or nine percent, of the site for creation of building sites and infrastructure. Site disturbance will be limited through the creation of building and development envelopes and scenic/conservation

easements. Approximately 34.90 acres of Monterey pine/coast live oak forest habitat will be directly impacted. This equates to six percent (890 out of 15,200) of oaks on the site and four percent (2,692 out of 66,540) of pines that occur on the site. The 73/22 Alternative would reduce the total number of acres disturbed by clearing and grading. Tree removal would be reduced to 819 oaks (5.3%) and 1,464 (2.2%) pines. Since the area eliminated from proposed development is part of contiguous forest habitat, there would also be important ecosystem benefits from this alternative.

Mitigation includes conservation easements on individual parcels, the preservation of habitat on open space parcels, and a tree replacement plan (Mitigation Measures 4.9-2 through 4.9-6). Impacts would be reduced to a level that is less than significant. Impacts to coastal sage scrub, grasslands, and special status species are also mitigated to a less than significant level through a combination of directed mitigation measures, avoidance and dedication of open space.

### ***Visual Resources***

Carmel Valley is a scenic area. The portion of the project along Carmel Valley Road is primarily flat and includes view of the existing equestrian center and views of the southwest frontal slopes. The portion of the project proposed for residential development is generally screened from Carmel Valley Road by vegetation and steep topography near the road. This was affirmed by the EIR consultant's visual analysis.

During the site visit conducted by the Planning Commission on March 16, 2005, at the LUAC meeting on March 21, 2005, and in public comment on the REIR, concerns were raised regarding the visibility of the proposed 15 unit inclusionary home component of the Proposed Project. Staff conducted a visual analysis of this component and concluded that the visual impacts were not significant. As a safeguard, staff met with the applicant to determine the viability of modifying the design to address the concerns raised about visual impact.

Changes to project design are encouraged under CEQA to address potential impacts. The applicant and County considered changes to the layout of the site as well as alternate locations. The analysis of alternate locations indicated that the inclusionary homes could be either more fully screened or totally relocated from the Carmel Valley Road viewshed. An alternative layout and location for inclusionary housing is accordingly included in the 73/22 Alternative that staff recommends for consideration by the Board of Supervisors. The visual analysis is provided in Section 6 of the Recirculated Chapters of the REIR (February 2006).

### ***Historic Resources***

As part of the staff work related to the preparation of the Responses to Comments document, a historian was retained by the County to review the potential historic structures at the Equestrian Center. Although the county's consultant did not conduct a formal Phase 1 historic analysis, the consultant determined that these structures were likely to be designated as historic. These facilities have been conditioned accordingly, and future use will be consistent with any such designation. The applicant had initially considered demolition of these structures, although this had not been included in the project application. Subsequently, the applicant indicated that he intended to retain these structures without structural modification. The applicant intends to continue to operate the equestrian facility which will be open to the public. The gatehouse design and temporary tract sales office will also be appropriately conditioned to be compatible with the existing structures.

## ***Wastewater***

The applicant originally proposed to construct and operate an onsite wastewater treatment facility located on the southeastern portion of the project site and had set aside Parcel B as a potential location. However, since the issuance of the Notice of Preparation for the REIR, the Monterey County Environmental Health Services Division informed staff that they were no longer supportive of new on-site treatment systems. The applicant accordingly initiated discussions with the Carmel Area Wastewater District (CAWD). CAWD has indicated that they have sufficient capacity and would provide service to the subdivision. It is anticipated that flows directed to CAWD from the Project will provide some supplementary tertiary treated water to the Carmel River Lagoon during periods that will benefit steelhead.

The REIR addressed both an on-site and off-site option. It now appears that the off-site option is feasible. This option for the wastewater component of the project is presented in Section 2.1 of the Recirculated Chapters. The project has been conditioned accordingly by the Environmental Health Division and the Public Works Department.

## ***Water Supply***

The subject of water supply and availability has been exhaustively analyzed and considered as part of the review of this project.

The draft REIR, Recirculated Chapters (Chapter 4.3), and accompanying Hydrogeologic Report (Appendix C) are responsive to the issues raised by the Court of Appeal in *Save our Peninsula Committee v. Monterey County Bd. of Supervisors* (2001) 87 Cal. App.4<sup>th</sup> 99. The EIR consultant team prepared a hydrological report to a) assess the long-term water supply for the project; b) prepare a water balance for the project; c) determine where September Ranch's water rights fit in the hierarchy of relevant water rights; and d) to determine the potential environmental impact of diversions for September Ranch on nearby water supplies.

The water consumption baseline determination was an issue raised in the September Ranch litigation. The REIR assumes that the environmental baseline for water usage is three (3) acre-feet per year (AFY). The three (3) AFY calculation is based on water usage for a single residence (.5AFY) and the amount of water applied for 50 horses (45 gallons per day/2.5 AFY). Current consumption on September Ranch is approximately 99 AFY due to the equestrian uses and irrigation of the pasture.

The Alternative Project water demand is estimated at 54.39 AFY. This is based on projected average water use of .5 AFY for market-rate single family residences and .231 AFY per unit for inclusionary housing. Total housing demand including landscaping is 41.58 AFY with 3 AFY for the equestrian center, up to 3.12 AFY for system losses and up to 6.69 AFY for water treatment waste. As a Planning condition of approval, irrigation of pastures will cease upon approval of the first final map of the project.

There were questions raised regarding the validity of the water use assumptions utilized in the REIR. County staff reviewed records from several subdivisions in unincorporated County and confirmed that these assumptions were in a reasonable range of accuracy. Cal-Am reports an average water use of about 220 gallons per day (0.25 AFY) for the Carmel Valley. Nevertheless, staff is proposing enforceable conditions that will restrict water fixture unit counts as the subdivision develops to ensure that future water consumption is consistent with these estimates. There is also a comparable mitigation measure in the FEIR. Additional conditions address

landscaping requirements and site use restrictions.

In order to address questions raised by the Court of Appeal related to whether September Ranch Partners hold overlying or riparian rights, the County retained Downey Brand LLP to perform an independent review of the water rights of September Ranch. (Refer to REIR pages 4.3-1 through 4.3-10 for a summary of the conclusions and a detailed analysis of effects on senior water rights). Kennedy/Jenks, the county's EIR hydrology consultant, evaluated demand on the Carmel Valley Aquifer based on water pumping and water rights data and concluded that the exercise of water rights by September Ranch will not result in injury to water rights that are more senior to, or of the same priority as, September Ranch.

The Kennedy/Jenks Consultants' hydrogeologic report examines the characteristics of the September Ranch Aquifer (SRA) and its relationship to the Carmel Valley Aquifer (CVA) and concludes that the SRA is an aquifer with a finite storage and in limited communication with the adjacent CVA. (Refer to REIR pages 4.3-11 through 4.3-33 of the Recirculated Chapters).

Kennedy/Jenks Consultants also concludes based upon a historical record of variable rainfall that, even in the driest years, there would be sufficient rainfall and recharge to ensure sufficient water is stored within the SRA to meet project demand, i.e. there is a long term sustainable water supply.

Finally, both Kennedy/Jenks Consultants and Entrix, Inc. examined the potential for impacts to species in the Carmel River during different weather cycles that could occur as a result of reduced flow to the river from the minimal exchange between SRA and CVA. Their examination indicates that the difference in river flow is too minimal to be measured and will have no impact on steelhead and the red-legged frog. Further, Kennedy/Jenks analysis indicates that cumulative impacts due to foreseeable water use within the relevant area of the CVA are less than significant (Refer to REIR pages 4.9-13 through 4.9-18 of the Recirculated Chapters).

### **Scoring**

With the original project submittal, the Citizen's Subdivision Evaluation Committee ("CSEC") had given the Preliminary Project Review Map an overall passing score, but with a failing score for the Water/Hydrology category. The Board of Supervisors modified the Water/Hydrology score to a passing score by adoption of Resolution 98-500. Since that approval has been vacated, staff is recommending that the Board of Supervisors approve an overall passing score for all categories with modifications to the score in three categories based on current information.

For the Proposed Project and the Alternative, staff requests modification of the scores given by the CSEC for the following categories: Water/Hydrology, Cultural Resources and Hazards. For the category of Water/Hydrology, the CSEC assigned an average score of 36 out of 85. Staff is recommending that the Board modify the score to 45 out of 85 because Question 14a states that the project should score 20 points if the package sewage treatment plant needed for this subdivision is designed to provide reclaimed water for landscape irrigation. The project will connect to the Carmel Area Wastewater District which provides reclaimed water for landscape irrigation. Also, Question 15a states that the project should score 20 points if a new source of water other than that from existing public purveyors or wells penetrating and drawing from the Carmel River Aquifer, including proven aquifers. Finally, Question 15c states that the project should score 5 points if the project design minimizes landscaping and the water system includes metering. Conditions of approval have been incorporated to minimize landscaping and require metering of the water system connections.

For the category of Cultural Resources, the CSEC assigned an average score of 0 out of 10. Staff is recommending that the Board modify the score to 10 out of 10 because Question 29b states that a project should score 10 points if historical site or buildings are to be protected. Conditions of approval have been incorporated to protect the potential historic structures.

For the category of Hazards, the CSEC assigned an average score of 23 out of 60. Staff is recommending that the Board modify the score to 25 out of 30 because Questions 32a and 32b are not applicable to the project because no portion of the project is within the floodway of the Carmel River. Questions 33b and 33c state that a project should score 5 points if the design shows alternate access routes in and out of the subdivision and 20 points if the local fire agency has incorporated their recommendations into the subdivision proposal. Conditions of approval from the Carmel Valley Fire Protection District have been incorporated to address access on the project site.

### ***Traffic/Circulation***

There are currently several site access points on the property. The Proposed Project and the 73/22 Alternative are reducing these to one access point consistent with Carmel Valley Master Plan Policy 39.2.5.1. Emergency ingress and egress will be provided at the equestrian center driveway and to Jack's Peak Regional Park on existing ranch roads, consistent with Carmel Valley Fire Protection District requirements.

A Traffic Impact Analysis was performed in October 2004 for the Proposed Project by TJKM Consultants (the county's EIR Consultant Team). The analysis evaluated Carmel Valley Road, Los Laureles Grade, State Route 1 and Carmel Rancho Boulevard as well as nine (9) intersections in the project study area. The Proposed Project will result in an increase in traffic generation within the project area of approximately 1,053 daily vehicle trips; 83 of these will occur during the AM peak hour and 111 will occur during the PM peak hour. Mitigation for these impacts includes payment of a pro-rata fair share traffic impact fee toward Highway 1 improvements, payment of TAMC Regional Development Impact Fee, overlap phasing techniques and installation of additional lanes at appropriate intersections. The 73/22 Alternative will result in fewer overall daily trips as well as fewer peak hour trips.

The Traffic Analysis also identified a potential issue with sight distance for travelers on Carmel Valley Road in the vicinity of the project. Mitigation would include signalization of the Carmel Valley Road/Brookdale Drive intersection and warning signs. Other conditions include road modifications/channelization on Carmel Valley Road. These roadway improvements are identified in the Carmel Valley Master Plan Traffic Improvement list. Finally, mitigation measures from the Department of Public Works require the applicant to bond these improvements prior to recording the final map and to install these improvements prior to the issuance of building permits for any unit in the subdivision.

### ***Affordable Housing***

The inclusionary housing requirements applicable at the time the September Ranch Project application was deemed complete require the equivalent of 15% inclusionary housing. Carmel Valley Master Plan policy 27.3.6 requires that the housing be on site. The Proposed Project is consistent with this requirement. The applicant was requested to determine if there were locations on the property that could accommodate the inclusionary housing that are better screened from public views and would better integrate the inclusionary housing with the market-

rate housing. In the 73/22 Alternative, 22 units of inclusionary housing are proposed in three locations. This Alternative would equate to a 30% affordable housing contribution from the Project. The units would be deed-restricted.

The Board of Supervisors has stressed the importance of support for providing additional affordable housing in the unincorporated area of the County and has been providing support for projects whose applicants are willing to provide more than the required amount of housing. Carmel Valley is one of the areas identified by the Board to be targeted for increasing the amount of affordable housing to improve the jobs-housing balance in this area of the County. In addition, the State Legislature has made the provision of affordable housing one of the highest priorities of the State.

Accordingly, consistent with the recommendation of the Subdivision Committee and the Planning Commission, staff believes that 73/22 Alternative is preferable to the Proposed Project and other alternatives because, in addition to further reducing several resource impacts, it maximizes the provision of affordable housing.