

ATTACHMENT NO. 1
LCPA DISCUSSION
w/attached LUP Summary Table

PLN100138 – Pebble Beach Company

Board of Supervisors
January 24, 2012

ATTACHMENT NO. 1
LOCAL COASTAL PROGRAM AMENDMENT DISCUSSION
PLN100138

A. INTRODUCTION

Location and Setting

The proposed Local Coastal Program Amendment (LCPA) encompasses the Monterey County's unincorporated Del Monte Forest area. The approximately 5,300 acre Del Monte Forest area is located on California's Pacific Coast and is bounded by the Pacific Ocean to the west and the cities of Pacific Grove, Monterey, and Carmel-by-the-Sea to the north, east, and south, respectively (see Location Map at **Attachment No. 7** of this staff report). The Del Monte Forest includes residential areas, three resort hotels (The Lodge at Pebble Beach, The Inn at Spanish Bay, and Casa Palmero), a small commercial center (at The Lodge at Pebble Beach), seven 18-hole golf courses including clubhouses, one 9-hole executive golf course, the SFB Morse Botanical Reserve and Huckleberry Hill Natural Habitat Area (HHNHA), Forest Lake Reservoir, Robert Louis Stevenson School, Pebble Beach Equestrian Center, trails, and roads. Pebble Beach Company (PBC) offices, the Pebble Beach Community Services District (PBCSD), and local offices of the California Department of Forestry and Fire Protection (CAL FIRE) are also located within the Del Monte Forest.

Background

PBC has submitted previous applications for development and preservation of its land within Del Monte Forest, including the Pebble Beach Lot Program in 1992, Refined Alternative 2 in 1996, and the Del Monte Forest Preservation and Development Plan in 2002 (which was consistent with the "Measure A" initiative approved by Monterey County voters in 2000). After the California Coastal Commission (CCC) denied the Measure A LCPA in 2007, PBC and CCC staff met to discuss feasible development alternatives within the Del Monte Forest. These discussions resulted in the DMF Agreement (see **Attachment No. 5** of this staff report), which is the basis for the proposed LCPA and development proposal, also known as the Pebble Beach Company Concept Plan (Concept Plan). Although discussed relative to the LCPA, the development proposal is not before the Board of Supervisors at this time. The LCP amendments are required to establish the regulatory framework for the Concept Plan, consisting of the build-out development and preservation of the remaining undeveloped Pebble Beach Company properties located within the Del Monte Forest.

B. CEQA & LOCAL COASTAL PROGRAM AMENDMENT PROCEDURE

As an amendment to a Local Coastal Program (LCP), it is statutorily exempt pursuant to Public Resources Code Section 21080.9 and CEQA Guidelines Section 15265 (Adoption of Coastal Plans and Programs). Per Public Resources Code Section 21080.9 and CEQA Guidelines Section 15265, CEQA does not apply to activities and approvals pursuant to the California Coastal Act by any local government necessary for the preparation and adoption of a local coastal program. This section shifts the burden of CEQA compliance from the local agency to the California Coastal Commission (CCC).

CEQA Guidelines Section 15251(f) identifies the CCC as a certified regulatory program which meets the requirements of Public Resources Code Section 21080.5 involving the preparation, approval, and certification of local coastal programs. As such, the CCC staff report that will be prepared for the LCP Amendment qualifies as a functional equivalent environmental review document with regard to CEQA. The County is required to provide the CCC with materials sufficient for a thorough and complete review of the LCPA. The Draft Environmental Impact Report (EIR) prepared for the development proposal provides the CCC staff with the technical background information they require to analyze the proposed LCP Amendment. Therefore, the County is not required to take formal CEQA action on the proposed LCP Amendment.

Per State law and the Monterey County Coastal Implementation Plan (CIP), staff set the proposed LCPA for public hearing before the Planning Commission after completion of the Draft EIR, in order for the Planning Commission to make a recommendation to the Board on the LCPA. **Attachment No. 6** of this staff report (CIP, Part 6, Appendix 13, Local Coastal Program Amendment Procedures) outlines the steps for the processing, review, and recommendation of proposed LCP amendments. The Planning Commission conducted a duly noticed public hearing on December 14, 2011, and by a vote of 9 to 1 recommended the Board of Supervisors adopt a resolution of intent to amend the text, policies, and figures of the Del Monte Forest Land Use Plan and the Coastal Implementation Plan, Parts 1 and 5, including land use re-designations and zoning reclassifications at multiple locations throughout the Del Monte Forest, Coastal Zone (see **Attachment No. 4** of this staff report).

C. DESCRIPTION AND ANALYSIS OF PROPOSED LCPA

Proposed Amendments

The proposed LCPA would include amendments to the Del Monte Forest Land Use Plan (LUP) to amend, delete, and add text to policies of the LUP and to amend, delete, and add text to the regulations of the Coastal Implementation Plan (CIP, Part 1 and 5). The main purposes of the LCP amendments are as follows:

- To allow the Concept Plan to be implemented if the project is approved. The policies and regulations balance remaining development adjacent to or within existing developed areas while requiring preservation of large intact contiguous areas of forest and other sensitive habitat areas. Since the Concept Plan affects the entire Del Monte Forest area, County and CCC staffs reviewed the entire DMF LCP. The proposed changes reflect a bilateral staff effort to update the DMF LCP as needed, while deferring more substantive issues to the upcoming Periodic Review.
- To update the LCP to reflect the changes in conditions in the Del Monte Forest since the original adoption of the LCP in the 1980s, and to correct errors and inconsistencies within the Del Monte Forest portions of the LCP. The updates to the text to reflect current conditions include, but are not limited to, ESHA, forest resources, hazards, scenic and visual resources, cultural resources, land use & development, circulation, water & wastewater, housing, and public access.
- To focus the LUP as a policy document, while moving implementing detail into the CIP.

The key changes in the proposed LUP relative to the Concept Plan are as follows:

- The proposed amendment to the Del Monte Forest LCP would reclassify the land use designations and zoning classifications at multiple locations. These changes would accommodate the Concept Plan, if the project is subsequently approved. The

proposed LCPA would amend the LUP figures, including changes to Land Use Designations on LUP Figures 5 and 6a through 6g(2), and would also amend Sections 20-10 and 20-16 of the zoning maps of the Monterey County CIP (Title 20 of the Monterey County Code). Amendments to Section 20-10 of the zoning maps would rezone multiple locations, including The Inn and Links at Spanish Bay, Areas B, C, F-2, J, K, L, F-1, F-3, I-1, and the Pebble Beach Corporation Yard. Amendments to Section 20-16 of the zoning maps would rezone multiple locations, including The Lodge at Pebble Beach, the Beach and Tennis Club, Collins Field, the Collins Residence parcels, and Areas M, I-2, U, V, G, H, N, O, and PQR.

- Provides project-specific development standards, including setback/buffer requirements, for the Concept Plan development areas related to policies concerning ESHA, wetlands, dunes, streams, and riparian corridors.
- Provides that residential lots in the Concept Plan shall not be further subdivided and shall be so restricted by deed restrictions and B-6 zoning upon their initial subdivision.
- Provides that easements over all preservation areas shown on the Concept Plan shall be dedicated to the DMFF in perpetuity through Open Space Conservation easements. This requirement would be facilitated by land use re-designations and rezoning classifications, and would add approximately 635 acres of new preservation and open space within the DMF.
- Removes the resource constraint overlays for the Concept Plan development areas due to changes in circumstances from the time period in which the overlays were applied to the zoning and land use maps. The B-8 (building site) overlay was applied at a time in which water supply and sewer capacity were constraints to development and when highway capacity and circulation solutions had not been agreed upon and adopted. PBC subsequently constructed a water reclamation facility and is currently in possession of a water entitlement. The wastewater collection and treatment system subsequently was expanded, resulting in adequate capacity for sewage disposal. Traffic solutions, both inside Del Monte Forest and for adjacent portions of Highway 68 have been agreed upon and adopted.

The key changes in the proposed LUP that are not exclusively related to the Concept Plan include the following:

- Chapter 1, Introduction. The introduction, background, and history would be revised and streamlined to delete material no longer relevant to the LCP and to update the description of the relationships between the LCP and the California Coastal Act.
- Chapter 2, Resource Management Element. This chapter would be revised and updated to reflect current conditions. A major change is proposed to allow for exceptions to ESHA and other resource policies, but only for Concept Plan development areas. Another major proposed change would require the identification and delineation of Environmentally Sensitive Habitat Areas (ESHAs) to be based on current physical conditions and current evaluation of sensitivity, whereas the existing LCP defines ESHA in terms of a defined list of habitats. Other changes include moving technical detail to the CIP concerning tree removal requirements and grading, the addition of new policies seeking to minimize shoreline armoring and bluff protection, and a number of other changes.
- Chapter 3, Land Use and Development Element. This chapter would be revised and updated to reflect current conditions, and to accommodate the Concept Plan. The

most substantive change to this chapter is to add the Concept Plan as a specifically allowed development in the Del Monte Forest, subject to required discretionary permits, including exceptions to certain ESHA and other requirements. The Concept Plan includes provisions for Pebble Beach Company to dedicate and preserve most of its undeveloped land, and to accommodate development and redevelopment of a limited number of other areas, some of which include certain natural resources. Other key changes include amending the zoning code to limit parcels to only one accessory unit, to amend site coverage in the Pescadero watershed, to prohibit golf courses in residentially-designated areas, and to prohibit development at the Sawmill Gulch quarry area. Key process changes include deletion of Table A (which showed allowable units by planning area) in favor of the Concept Plan and county zoning outside the Concept Plan areas, the addition of a reference to PBC's water entitlement as providing water supply, deletion of a reference to site-specific access requirements and the Del Monte Forest Open Space Management Plan (OSAC Plan) in the LUP (see Chapter 5 and 7 discussion below), and other clarifications.

- Chapter 4. Land Use Support Elements. This chapter is proposed to be updated to reflect current circulation, water, and wastewater conditions, and to streamline policies. Key changes include language describing the status of water supply relative to PBC's water entitlement, existing wastewater treatment capacities, new policies requiring proof of adequate long-term sustainable water supply and wastewater treatment capacity for new development, deletion of a low priority for water and wastewater capacity for residential use, deletion of obsolete water allocation language and Table B, new policies concerning Carmel Bay water quality and new development, and other clarifications and modifications.
- Chapter 5. Public Access. This chapter is proposed to be updated to reflect current status of access improvements and to clarify policies. One key change in this chapter is to eliminate the existing reference to site-specific access improvements (which have been completed), access recommendations, and design in favor of a new public access management plan (required as part of the Concept Plan). The new plan will establish the requirements for protection and maintenance of existing public access and the expansion of new public access, where appropriate. The new plan must be approved by the County and the Coastal Commission. The purpose of creating a new plan is that the prior plan is out of date, does not reflect all the access improvements installed in the last 20 years, and does not reflect the new access included in the Concept Plan.
- Chapter 6. Implementation and Administration. This chapter was updated to reflect current practices in implementing the LCP. References to the OSAC Plan and site-specific shoreline public access design criteria were deleted (see Chapter 5 and 7 discussion above and below).
- Chapter 7. Del Monte Forest Open Space Management Plan. This chapter would be removed in favor of policies in the LUP that provide for forest protection and in favor of an implementation plan to be developed outside the LUP (making the LUP document more of a policy document and leaving technical detail to other documents). The existing OSAC Plan will be used as a key resource for development of a new forest management plan that will be prepared with the participation of the same interested groups (e.g., County, CCC, PBCSD, PBC, OSAC, DMFF, CNPS, etc.) that originally helped to develop the OSAC Plan.

- Appendix A, List of Environmentally Sensitive Habitats. Appendix A is proposed to be deleted because the proposed change to ESHA identification and delineation would no longer be based on a specific list of habitats (see the discussion of proposed changes to Chapter 2).
- Appendix B, Site-Specific Access Recommendations. As described in the discussion of proposed changes to Chapter 5, the existing site-specific access recommendations are proposed to be deleted because they have been completed and a new access plan will be developed to manage public access going forward.
- Updates to and the addition of new LUP Figures.
- CIP, Part 1, Chapters 20.12.and 20.14, Regulations for Medium and Low Density Residential Zoning Districts. Deletion of text regarding golf courses to correspond to changes in the LUP.
- CIP, Part 5, Chapter 20.147, Regulations for Development in the Del Monte Forest Land Use Plan Area. Additions, deletions, and amendments to the text to correspond to amendments in the LUP, including regulations to establish the regulatory framework for the Concept Plan as new Section 20.147.095 in the CIP. The Concept Plan regulations would establish certain specific standards concerning ESHA, wetlands, dunes, streams, riparian corridors, and their related setbacks/buffers for Concept Plan areas, provided that certain criteria are met.

Refer to the **LUP Summary Table** attached to this exhibit for a more detailed review of the proposed changes to the LUP.

Proposed Preservation Areas

There are currently 685 acres of undeveloped open space that is formally preserved (either in fee title or easement) through the Del Monte Forest Foundation (DMFF) in the Del Monte Forest. PBC proposes to formally dedicate or preserve an additional 627 acres of undeveloped areas, comprised of Monterey pine forest and other native habitat, through the DMFF in the Del Monte Forest. Additionally, PBC proposes conservation easements for approximately 8 acres that comprise smaller buffer areas and setbacks around development sites. Preservation of these lands is proposed to be accomplished through amendments to the LCP to change land uses and densities, dedication of conservation easements to the DMFF, and management of the newly dedicated lands by PBC for the benefit of biological resources.

Land Use, Density, and Rezoning

The proposed LUP and CIP changes would mean that the Concept Plan is consistent with the LUP and CIP. For changes to the LUP and CIP that are unrelated to the Concept Plan, these changes are not expected to increase development potential in areas outside the Concept Plan in the Del Monte Forest or lessen protection of environmental resources, and are more likely to result in reduction of environmental impact overall compared to the policies in the existing LUP. The key changes in the proposed CIP are similar in intent and scale to those proposed for the LUP, and would correspond to amendments in the LUP.

Overall, the build-out potential for residential units would be significantly reduced. Per the current LUP, potential build-out of the remaining DMF properties could result in the development of approximately 891 units (current LUP Table A). The proposed LCPA would reduce this potential build-out on PBC properties identified in Table A to 86 units, a reduction of 805 units (this number does not include the proposed lots at the Corporation Yard or the Collins

residence parcels, which would increase the total number of units to 100). Also, the potential developable acreage would be reduced from 550 acres to approximately 90 acres, a reduction of 460 acres. This would be in addition to approximately 105 units that could be developed on existing, undeveloped legal lots in the Del Monte Forest not owned by the Pebble Beach Company.

The current LUP contains no provision for new visitor-serving units. The LCPA would allow an increase to the build-out potential by increasing the total number of allowed guestrooms within the DMF area. The Lodge at Pebble Beach, Fairway One, The Inn at Spanish Bay, and Casa Palmero currently have 161 guestrooms, 5 guestrooms, 269 guestrooms, and 24 guestrooms, respectively, for a total of 459 guestrooms. The current LUP allows a total of 460 guestrooms. The proposed LCPA would allow this total to be expanded by 240 new guestrooms, for a revised build-out total of 700. The Concept Plan proposes to place 195 new visitor-serving units at The Lodge (55), The Inn (40), and a new hotel at Spyglass Hill (100). The increase would expand options for visitor-serving accommodations and improve accessibility to services for residents, guests, and visitors to the Del Monte Forest.

Inclusionary housing

While the Coastal Act encourages the protection of existing, and the provision of new, affordable housing opportunities for persons and families of low and moderate income levels within the coastal zone, the Coastal Act does not require the LCP to include housing policies and programs. Hence, the current DMF LCP and the LUP as proposed to be amended state generally that one of the County's objectives is to increase the overall availability of low and moderate income housing in both the coastal and inland regions. In addition, the DMF LUP Housing Key Policy as proposed in the LCPA states: "Housing opportunities for persons and families of low to moderate income should be protected and provided, both within the Forest and in outlying areas, as a function of new development within the Forest." The County does apply Chapter 18.40, the County's inclusionary housing ordinance, in both the inland area and Coastal Zone.

With respect to this issue, any potential option to address inclusionary housing (e.g.; on-site, off-site, in-lieu fee, etc.) would fit within the policy framework of the proposed LCPA. Therefore, staff recommends this issue be deferred to consideration of the discretionary permits for the development proposal. This would also allow the Housing Advisory Committee to consider and make a recommendation on the PBC proposal.

D. CONSISTENCY ANALYSIS OF THE PROPOSED LCPA WITH THE COASTAL ACT

The relevant analysis for the proposed LCPA is the consistency of the LCP with the Coastal Act. The standard of review for the LUP Amendment is the Coastal Act itself. The standard of review for proposed modifications to the CIP/Title 20 is that they must be consistent with and adequate to carry out the policies of the LUP. In general, Coastal Act policies set broad statewide directions that are generally refined by local government LUP policies, giving local guidance regarding the kinds, locations, and intensities of coastal development. Typically, CIP and zoning standards then further refine the policies through regulations to implement the LUP.

The proposed Concept Plan has been designed so that its implementation is consistent with the proposed LCP Amendment. The proposed Concept Plan is not consistent with the existing LUP

and CIP. Among other elements, the proposed development would be inconsistent with current LCP provisions related to biological resources and potentially with certain policies related to forest resources. In addition, as noted above, the current LCP does not allow additional visitor-serving units at The Lodge at Pebble Beach or The Inn at Spanish Bay and designates most of the proposed preservation areas for residential development. Therefore, upon approval and certification of an amended LCP, the Concept Plan could then be considered. Without amendment to the LCP, a review of the Concept Plan against the existing LCP would be inconsistent.

Overall, the proposed LCP Amendment is more protective of the natural, cultural, and visual resources of Del Monte Forest than the existing LCP, specifically with regard to the buildout of remaining undeveloped properties. The LCP Amendment formally preserves large undeveloped tracts of forested open space previously planned for residential development; provides management prescriptions to the preserve areas to enhance habitat/resource values; preserves and enhances public access and recreation opportunities; enhances visitor-serving uses; and ensures a planned and balanced approach to development (visitor-serving commercial, recreation, and residential) and preservation within the Del Monte Forest.

The following provides a consistency analysis of the DMF LCP Amendment with the Coastal Act:

- Coastal Act, Chapter 3, Article 2, Public Access: “Development does not interfere with the public’s access to the sea.” Consistent: Proposed LUP access policies provide equal or greater protection for continued public access to the sea or access areas than the existing LUP policies. The development sites are not located along the shoreline and would not block any access to the shoreline. The visitor-serving facilities will allow more visitors to visit and stay within Del Monte Forest. Additional trails are being provided within Del Monte Forest to allow more outdoor use of the existing and planned open space areas.
- Coastal Act, Chapter 3, Article 3, Recreation: “Coastal areas suited for recreation shall be protected.” Consistent: The proposed LUP Amendment includes land use map changes that increase the amount of land designated for preservation and open space recreational use by approximately 635 acres. Implementation of the proposed project would retain and enhance existing recreational uses (e.g. equestrian center, trails, and golf courses). Also see the discussion above for consistency with Article 2.
- Coastal Act, Chapter 3, Article 4, Marine Environment: “Marine resources shall be maintained, enhanced and restored.” Consistent: LUP policies relative to the protection of marine resources are not significantly affected by the proposed project or amendments, which update the policies with language related to today’s standards related to the protection of water quality. The Concept Plan reduces the potential development footprint within the Del Monte Forest marine environment and focuses potential development in areas where forest resources are currently degraded.
- Coastal Act, Chapter 3, Article 5, Land Resources: “Environmentally sensitive habitat shall be protected.” Partially Inconsistent: The proposed project would concentrate existing residential development potential and new visitor-serving development adjacent to existing developed areas of Del Monte Forest that are able to accommodate such development in a manner that would reduce impacts to ESHA. It would still allow some non-resource-dependent development in ESHA, but on balance is protective of resources (see Conflict Resolution discussion below). The proposed LCP Amendment

is designed to establish the regulatory framework for the proposed Concept Plan, but it also includes clarification and amplification of policies that protect environmentally sensitive habitat areas (ESHA) and includes the permanent preservation and conservation of approximately 635 acres of ESHA (e.g., Monterey pine forest habitat and remnant sand dune habitat).

- Coastal Act, Chapter 3, Article 6, Development: “New development shall be located within or near existing developed areas. Scenic resources are to be preserved.”
Consistent: The proposed LCP Amendment reduces overall development potential and density allowed by the current LCP within Del Monte Forest by re-designating residentially designated land to open space and preservation, and enhancing LUP policies relative to the protection of scenic and visual resources. The proposed project ensures a planned and balanced approach to development (visitor-serving commercial, recreation, and residential) and preservation within Del Monte Forest, specifically with regard to the buildout of remaining undeveloped properties.

Conflict Resolution

Where conflicts between different parts of the Coastal Act occur in application to a local coastal plan, the Coastal Act (Public Resources Code Section 30007.5) directs that such conflicts be resolved in a manner that is, on balance, most protective of significant resources: “The Legislature further finds and recognizes that conflicts may occur between one or more policies of the division. The Legislature therefore declares that in carrying out the provisions of this division such conflicts be resolved in a manner which on balance is the most protective of significant coastal resources. In this context, the Legislature declares that broader policies which, for example, serve to concentrate development in close proximity to urban and employment centers may be more protective, overall, than specific wildlife habitat and other similar resource policies.”

The County views the LCP Amendment and the proposed project as balanced under the Coastal Act conflict resolution section requirements, which results in an overall determination of consistent. On balance, the preservation and conservation of 635 acres of contiguous forest and dune areas added to existing forest and dune preservation areas, and relocating potential development to areas where habitat has been degraded would be more protective of coastal resources than would be development under the existing LCP.

E. SUMMARY OF TECHNICAL ANALYSIS AND CONCLUSIONS OF SIGNIFICANT IMPACTS FROM THE DRAFT EIR

Requirement per CEQA and LCP Amendment Procedures

The Draft Environmental Impact Report (EIR) prepared for the Pebble Beach Concept Plan provides the County and Coastal Commission staff with the technical background information needed to review the proposed LCP Amendment. The initiation of an LCP Amendment is statutorily exempt pursuant to Public Resources Code Section 21080.9 and CEQA Guidelines Section 15265 (Adoption of Coastal Plans and Programs). Therefore, the County is not required to take formal CEQA action on the proposed LCP Amendment. (See also Section B above.)

Summary of Resource Impacts

The impacts of the proposed Concept Plan, identified mitigation, and significance conclusions are discussed in detail in Chapter 3 of the Draft EIR. Following is a brief discussion of

significant impacts by resource topic, followed by a list of the significant and unavoidable impacts.

Significant Impacts

Aesthetics. The proposed Concept Plan project would change certain portions of existing views within Del Monte Forest. It would degrade the views where new development is visible from 17-Mile Drive (including views of residential development in Area F-2 and the Corporation Yard), and it would degrade the visual character and quality and introduce light and glare at some development sites. These impacts would be less than significant with implementation of the mitigation measures.

Biological Resources. The proposed Concept Plan project would result in loss of sensitive habitat (e.g., Monterey pine forest and small areas of seasonal wetlands), special-status plants (e.g., Yadon's piperia and other species) and special-status wildlife habitat (e.g., California red-legged frog and other species). Monterey pine forest is affected by most project elements, but the primary effects are due to residential development. Impacts on plants, wildlife, and seasonal wetlands and other waters are also primarily due to residential development. The impacts would be less than significant with implementation of the mitigation measures; however, the project would still result in a net reduction in the acreage of Monterey pine forest and of Yadon's piperia habitat and other biological resources, even with mitigation.

Climate Change. The proposed Concept Plan project would generate GHG emissions and contribute to cumulative greenhouse gas impacts. The impacts would be less than significant with implementation of the mitigation measures.

Cultural Resources. The proposed Concept Plan project would not result in degradation of known significant cultural or paleontological resources, but it could disrupt undiscovered cultural and paleontological resources. The impacts would be less than significant with implementation of the mitigation measures.

Geology, Seismicity, and Soils. The proposed Concept Plan project could result in exposure of structures and people to seismic hazards, unstable soils, and hazardous materials and could increase erosion and sedimentation. The impacts would be less than significant with implementation of the mitigation measures.

Hydrology and Water Quality. The proposed Concept Plan project would result in alteration of drainage patterns, increased impervious surfaces and stormwater runoff, and water quality degradation from construction and sedimentation and contaminants in stormwater. The impacts would be less than significant with implementation of the mitigation measures.

Land Use and Recreation. The proposed Concept Plan project could result in incompatible land uses where residential use in Area U is proposed adjacent to the existing equestrian center. The proposed project could result in some inconsistencies with the land use designations and zoning contained within the existing LCP; however, these inconsistencies would be resolved by the LCP Amendment, once certified by the CCC. The impacts would

be less than significant with implementation of the mitigation measures and conditions of approval.

Noise and Vibration. The proposed Concept Plan project would result in increased noise and vibration during construction. Additionally, the ventilation equipment for the underground parking structures would generate operational noise. Traffic noise increases would not be significant. Noise impacts overall would be less than significant with implementation of the mitigation measures.

Public Services and Utilities. The proposed Concept Plan project would expose people and structures to risk of wildland fire where proposed residential development is adjacent to undeveloped open space, most notably the Corporation Yard. The impacts would be less than significant with implementation of the mitigation measures.

Significant and Unavoidable Impacts

Impacts determined to be significant and unavoidable include the following: air quality, traffic, and water supply impacts. Mitigation has been identified to reduce impacts, but not to a less than significant level.

Air Quality. The proposed Concept Plan project would result in increased emissions of priority pollutants and dust during construction and operation, as well as exposure of new sensitive receptors (residents in Area U) to odor from operation of the Equestrian Center. All but one of the impacts would be less than significant with implementation of the mitigation measures. Impact AQ-C1, which identifies a short-term increase in PM10 emissions due to grading and construction, would not be reduced to a less-than-significant level.

Transportation and Circulation (Traffic). The proposed Concept Plan project would result in construction-related traffic that would temporarily increase traffic volumes that would affect Level of Service (LOS) and intersection operations. The proposed Concept Plan project would also add substantial traffic to certain intersections along SR 68 or SR 1 to decrease from acceptable levels of service to unacceptable levels or to worsen existing unacceptable levels of service, would add traffic to regional highway sections that are projected to operate at unacceptable levels of service, and would add traffic to a SR 68 highway ramp projected to operate at an unacceptable level of service. Implementation of mitigation measures would reduce identified significant impacts, but impacts related to construction traffic and impacts related to certain roadways outside the Del Monte Forest where mitigation is payment of fair-share impact fees would remain significant after mitigation.

Water Supply and Demand.

The proposed Concept Plan project would generate demand for water and would represent an increase in water use above the 2011 baseline. Given the current uncertain nature of regional water supplies, the additional project water demand could intensify water supply shortfalls and possible rationing starting in 2017 if the Regional Water Supply Project or its equivalent is not built by then. Local water infrastructure is included to serve the proposed Concept Plan, and existing supply infrastructure outside the project area is adequate to serve the project through 2016. The Regional Project (or its equivalent) will need to be built by 2017 to serve existing demand and the increase in demand from the Concept Plan, and regional

water supply infrastructure and operations will have secondary environmental impacts. In addition, the project's water demand would directly or indirectly contribute to the need for new regional water supply infrastructure. Therefore, this is a potentially significant and unavoidable impact.

E. TIMELINE & KEY DATES

Staff anticipates the following delivery and public hearing schedule for matters regarding the LCPA and development proposal:

- ✓ December 14, 2011: Planning Commission public hearing on LCPA with recommendation to Board of Supervisors
- ✓ January 9, 2012: DEIR public comment period closed
- ✓ January 24, 2012: Board of Supervisors hearing on LCPA
- February 3, 2012: County staff submits LCPA to CCC
- February 23, 2012: County staff review of proposed subdivisions
- March 14, 2012: Housing Advisory Committee review of development proposal with recommendation to the Planning Commission
- April 4, 2012: Final EIR (FEIR) delivered to Planning Commission and Board of Supervisors
- April 11, 2012: CCC hearing on LCPA
- April 25, 2012: Planning Commission public hearing on Combined Development Permit (CDP) with recommendation to Board of Supervisors on FEIR and CDP
- May 1, 2012: Board of Supervisors public hearing on final adoption of LCPA following CCC certification
- May 15, 2012: Board of Supervisors public hearing on certification of FEIR and CDP