

SECTION 3 PROJECT DESCRIPTION

3.1 OVERVIEW OF THE PROJECT

The revised project proposes the construction of a 341-unit mixed use “ecoresort” with a residential component on the site which is designed with the intention of improving the site ecosystem’s functionality, biodiversity and community. The project site was previously used for sand mining by Lonestar Industries and is currently remains degraded from 60 years of sand mining. The site has a gross area of 39.04 acres, of which approximately 32 acres lie above the mean high tide line. The resort would include the following uses: (1) a 161-room hotel; (2) 46 visitor-serving condominium units (rental pool) located south of the reception area; (3) 42 visitor-serving condominium units (rental pool) located north of the reception area; (4) 92 residential condominium units; (5) auxiliary facilities including a restaurant, conference facilities and rooms and wellness spa; and (6) open space, public access and parking, trails, and habitat and dune restoration. The amount of development analyzed in the 1998 MBS FEIR, the reduced amount of development approved by Sand City on the site, and the reduced amount of development currently proposed on the site is shown in Table 3.1-1.

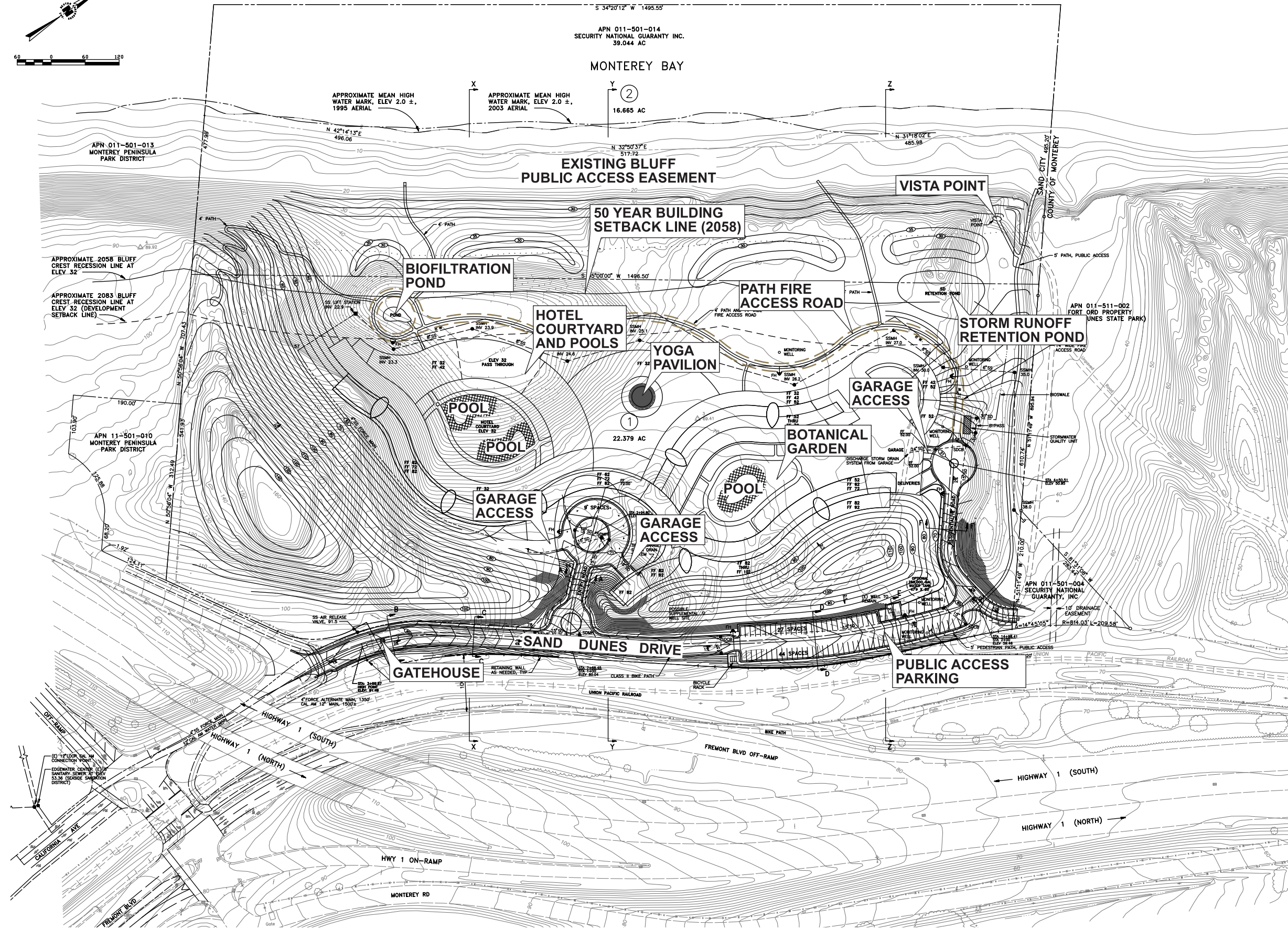
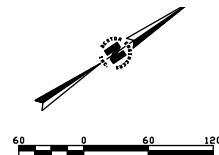
Unit Type	Analyzed Development 1998 MBS FEIR	Approved Project Development	Proposed Revised Project Development
Hotel Room	228 rooms	217 rooms	161 rooms
Vacation Ownership Resort Unit	132 units	100 units	0 units
Visitor-Serving Condominium Unit (rental pool)	76 units	45 units	88 units
Residential Condominium Unit	161 units	133 units	92 units
Total	597 units	495 units	341 units

3.2 CURRENT SITE DESCRIPTION

The project site consists principally of disturbed bare sand and dunes that remain from a sand mining operation by Lone Star/Pacific Cement Aggregates which occurred for 60 years, until the end of 1986.

Approximately 1,495 linear feet of the Monterey Bay shoreline borders the site to the west.

The parcel’s existing topography is extremely irregular as a result of intensive sand mining activities that left a sand pit with a depth of 7.5 feet mean sea level (MSL) in the southern half of the site and a sand dune, 161 feet above MSL, located in the southern corner of the site (refer to Figure 4). Historically, the sand dunes on this site were part of a contiguous system of dunes beginning just south of the site and stretching north along the shoreline for approximately ten miles to the mouth of the Salinas River. A bluff, rising from 20 to 50 feet MSL, separates the beach from the northern portion of the site.



Source: Bestor Engineers, Inc. October 2008.

CONCEPTUAL SITE PLAN

FIGURE 4

3.3 PROPOSED REVISED PROJECT

3.3.1 Site Preparation

Of the site's 32 acres above the mean high tide line, 28.3 acres would be modified by grading, excavation, and recontouring, including rehabilitation and stabilization of the sand dunes impacted by sand mining. The beach area below 20 feet MSL and the area along the northern property line of the site set aside for buckwheat protection would not be subject to any grading, which will assist in avoiding any potential sensitive species in those areas.

The remainder of the site will be recontoured for construction of the proposed buildings and infrastructure, the restored and stabilized sand dunes, and the restored coastal habitat, as shown in Figure 4. At project completion, the maximum elevation on the site would be 145 feet above MSL at the southeast corner of the site, which would be recontoured for dune stabilization. The highest sand dune on the site currently is 161 feet MSL. Another sand dune would reach 105 feet MSL on the northeast portion of the project site, replacing an existing sand dune which is approximately 126 feet above MSL. Dunes at the northeast corner of the site would be slightly modified to conform to the elevation of dunes north of the site, on the State Parks' property, in order to re-establish a contiguous system of dunes in this area.

Although the revised project would still require substantial grading to recontour the site, the revised project has been modified to reduce the required off-haul of sand to approximately 420,000 cubic yards. The excess sand results from (1) moving the project back to the 75-year setback line (using conservative global warming and sea level rise estimates) which exceeds the LCP requirement; and (2) locating the garages under the structures in conformance with the LCP policy of encouraging underground parking. This modification addresses concerns that the previous design called for hauling 880,000 cubic yards of sand off-site by substantially reducing that number for the revised project.

3.3.2 Revised Project Design

The design objective of the revised Monterey Bay Shores ecoresort is to utilize an ecologically innovative approach to the built environment and to coastal development, which integrates an understanding of the site conditions and site capacity into an ecological design that sets high standards in sustainability. Dune topography, plant assemblages and ecological functions would be restored on the site to counteract decades of degradation due to mining operations. The modified Monterey Bay Shores ecoresort would include development of a 161-room hotel, 46 visitor-serving residential condominium units (rental pool) located south of the reception area, 42 visitor-serving condominium units (rental pool) located north of the reception area, and 92 residential condominium units. Auxiliary facilities proposed include a restaurant and bar, wellness spa, and conference and meeting rooms. The project also includes open space, public access trails, and dune and habitat restoration areas. The proposed development would be located centrally on the project site (subject to an increased setback from the mean high tide line) and oriented toward Monterey Bay.

The physical conditions that influenced the layout of the project include the required shoreline setback requirements and goals, the topography of the site, dune stabilization and restoration requirements and goals, and the locations of sensitive dune habitat and habitat restoration goals. In addition, the site design took into account the land use regulations and policies set forth by the City of Sand City and the City's Local Coastal Program Land Use Plan certified by the California Coastal Commission (including amendments to the LCP), which require the provision of public access to the

shoreline and public recreation opportunities, open space, establishment of dune stabilization and habitat restoration areas, limitations on the height of the structures, and protection of specific views of Monterey Bay.

The revised project emphasizes visitor-serving uses, as those are a priority in the certified LCP. The ecoresort is also consistent with the LCP policies which encourage facilities that provide services to address a range of visitor needs and in a way that is consistent with preserving and enhancing the natural coastal resources.

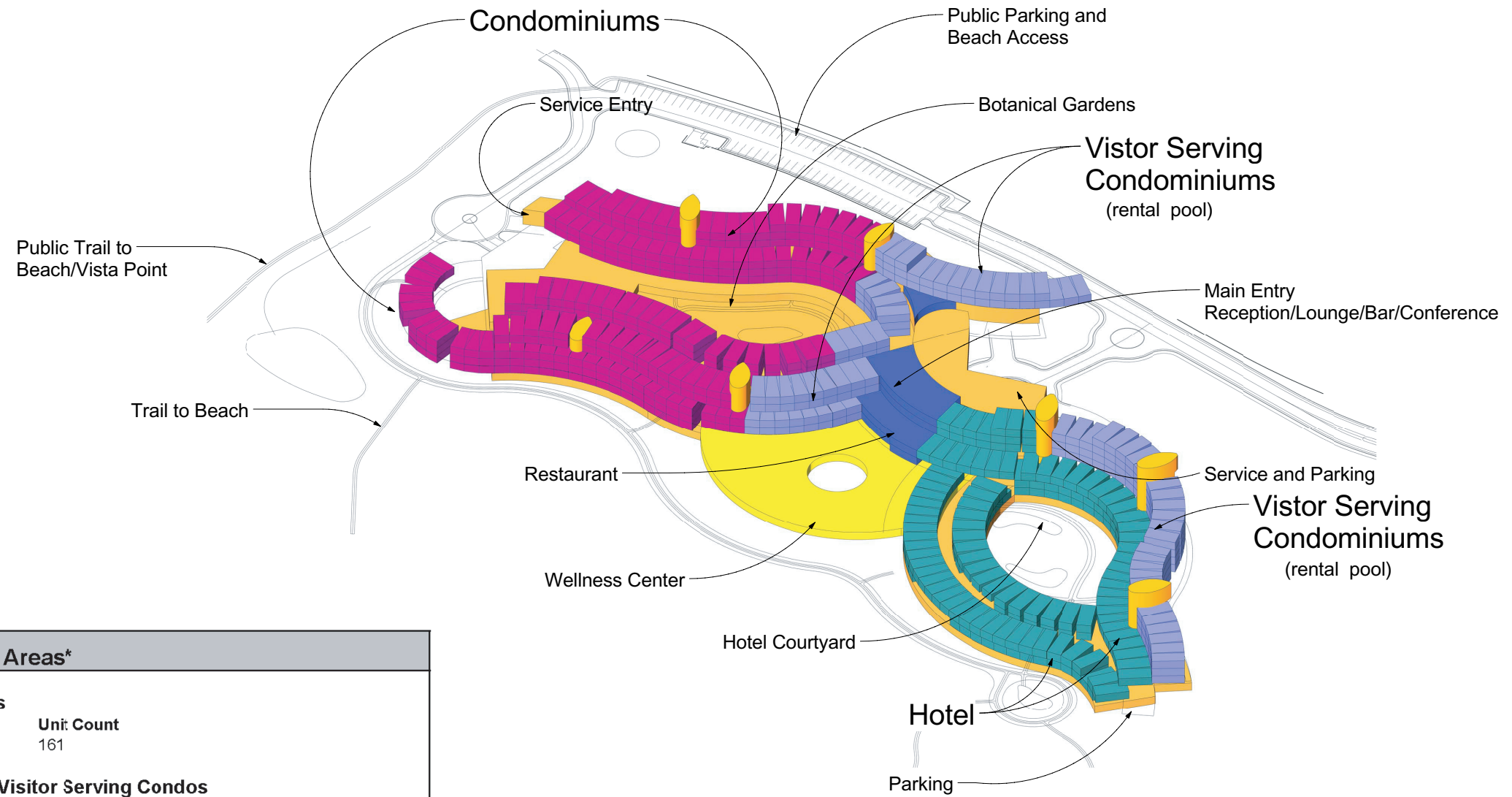
Building and Facility Layout

The proposed development would be built “into the dunes” on the site in order to mimic the dune environment, reduce the project’s impacts to views of the site and of the Monterey Bay, and reduce noise impacts to the project, all of which are consistent with the policies of the LCP. The resort architectural forms are intended to conform to the topography, shore orientation and scale of natural dune formations. The proposed hotel, resort, and condominium units all would be integrated into what appears as one building. The proposed buildings on the site would be constructed in a stepped fashion to fit the dune topography (refer to Figures 4, 5, and 7). The main entry and reception area would be at the elevation of 62 feet above MSL providing access both to the residential portion on the north and hotel/resort portion on the south of the building. The highest building elevation, a living roof, would not exceed 112 feet above MSL. The residential units including visitor serving residential units would be located on the northern end of the proposed buildings and the hotel/resort units would be located in the central and southern portions of the proposed buildings (refer to Figure 5).

Location of Uses

The proposed lowest elevation of the resort buildings would be located at 32 feet above MSL and would be developed with the wellness center, described below. In general, the hotel and rental pool condominium units would be located south of the reception area and the residential and visitor-serving residential condominiums would be located north of the reception area. In each section there may be intermixing of the unit types at different elevations. The reception area would be at the elevation of 62 feet above MSL and would serve as an access passageway to the restaurant and conference rooms, which would be at the elevation of 52 feet above MSL, and the wellness spa, and the guest and living areas to the south and north, which would be at the elevation of 32 feet above MSL.

The proposed wellness center/spa would be located in the center of the resort at an elevation of 32 feet above MSL, and include a yoga pavilion in the center of the spa as well as workshop areas. To the south of the wellness space would be situated the 161 hotel rooms and the visitor-serving condominium rental pool units as well as the hotel court yard, pools, and the guests gathering places. The units would be stepped up to match the dune topography in separate buildings from 32 feet to 92 feet above MSL. The residential condominiums and the visitor-serving condominiums would be located to the north of the wellness spa starting at an elevation of 32 feet above MSL and would be stepped up to match the dune topography also in separate buildings to 102 feet above MSL elevation. The residential section would have its own courtyard with botanical gardens and a pool situated in the center. Access from both ends of the resort to the reception, restaurant, conference rooms, and meeting rooms could be accomplished by using the atrium gardens or walkways on top of the living roofs. Delivery truck access would be next to the residential access on the north side.



Program Areas*	
Hotel Units	
Modules	Unit Count
161	161
Hotel and Visitor Serving Condos	
Modules	Unit Count
166	88
Residential Units	
Modules	Unit Count
284	92
Wellness Center	
Area	Description
40000sf	Level 32' Wellness Center and Spa
Service and Amenities	
Area	Description
4906sf	Level 32' Meeting Rooms
6022sf	Level 42' Restaurant/Meeting Rooms
3971sf	Level 62' Retail/Restaurant-Bar/Reception Lobby
7300sf	Level 62' Conference/Meeting Rooms

PROGRAM KEY

- Hotel Units
- Visitor Serving Residential
- Residential Units
- Wellness Center
- Parking

*Units may be mixed -LCP Amendment No. 2-97

Source: BSA Architects, October 2008.

LAYOUT OF BUILDING AND FACILITY USES

FIGURE 5

Each of the buildings located at an elevation of 62 feet above MSL provide for vertical circulation, daylighting and ventilation towers.

A small biofiltration pond is located on the east side of the parking garages. A retention pond would be located between the residential complex and the public trail to the beach (refer to Figure 4).

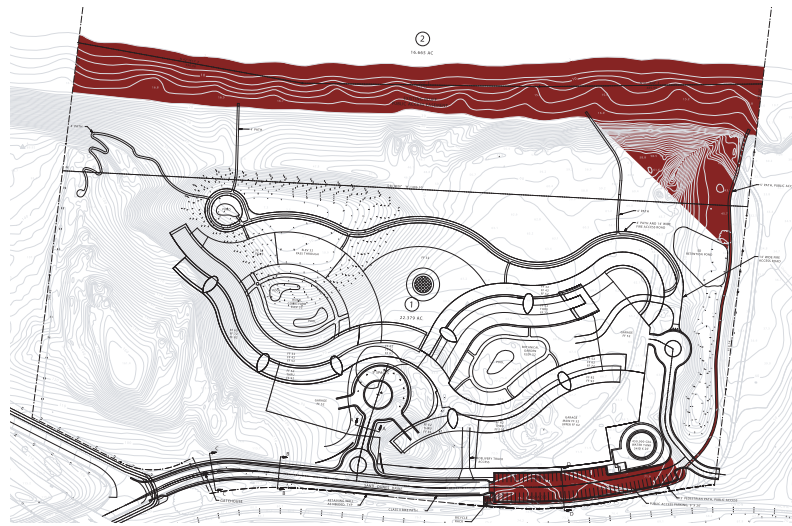
Site Access and Parking

Vehicular access to the project site would be provided from an extension of Sand Dunes Drive. The main entrance to the proposed building would be located approximately 436 feet from the current terminus of California Avenue. The main entrance would provide access to the building lobby and two underground parking garages, one located to the south and one to the north. A second parking garage access, as well as delivery truck access, would be provided on the north end of the site (refer to Figure 4). Sand Dunes Drive would be extended approximately 780 feet at which point it would become a private access driveway (except for the public parking spaces which will be open during the day).

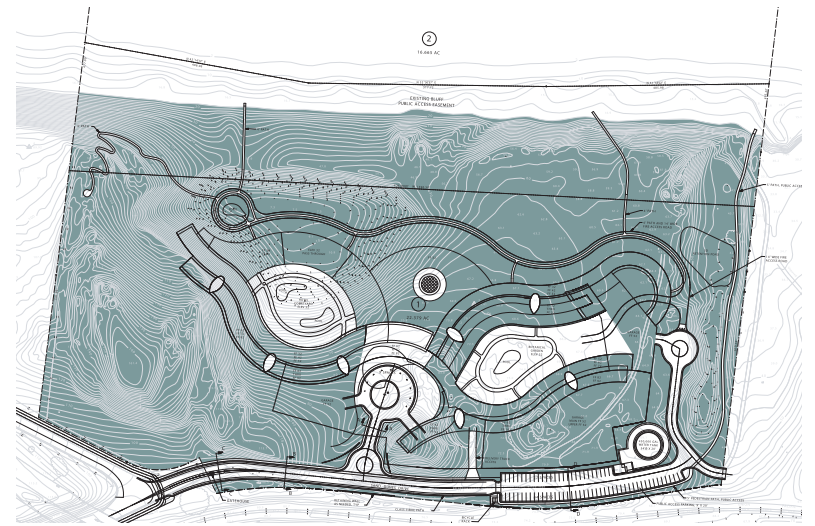
The proposed underground parking garage on the southeast portion of the site would be located behind and below the hotel and visitor-serving condominium units. This parking garage would provide approximately 220 parking spaces for the proposed development. The second, larger parking garage would be located on the northeastern portion of the site. This 473-space parking garage would be two levels and located below the residential and visitor-serving condominiums. Nine additional parking spaces would be located along the roundabout at the main entry to the building. An additional 70 public parking spaces would be located along the private driveway on the northeast side of the project site. The revised project was designed, consistent with the LCP, with roads and pathways that conform to the natural contours of the site. The revised project also provides maximum covered and underground parking, which fulfills the LCP policy of encouraging a layout that buffers parking from Monterey Bay.

Public Access

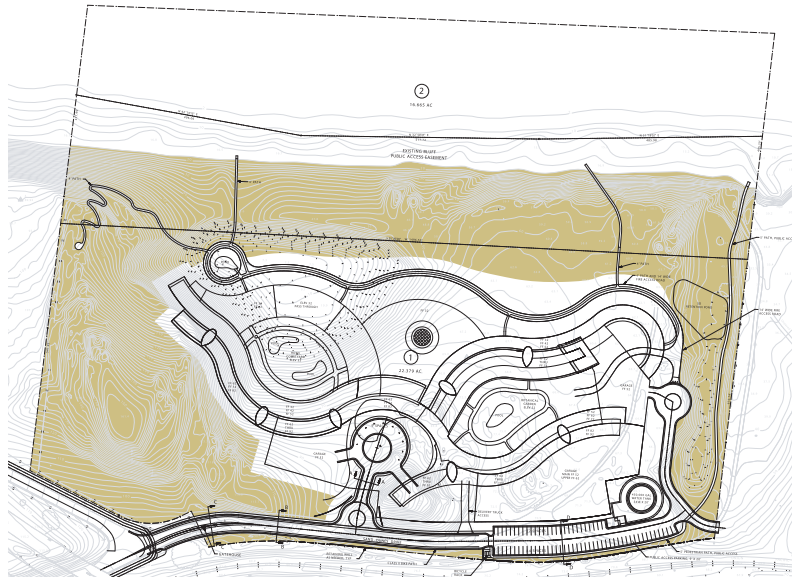
A public access easement is proposed over the private driveway and parking areas on the east portion of the site (refer to Figure 6). A public access pathway, with a vista point, would be provided from the parking areas to the beach. Access ways are designed away from the large dune areas that are proposed for stabilization and/or restoration. Pathways would be created to avoid and protect restored vegetation. A public easement would cover the entire beach area below 20 feet MSL to ensure lateral access along the coast on dry sand. Vertical access to the shore has been provided at three locations on the site to prevent crowding and overuse of coastal resources on the site. All public access would be coordinated and controlled, based on recommendations of a retained on-site biologist, to avoid or minimize impacts to plover nesting areas during the plover nesting season (refer to *Section 4.4 Biological Resources*). A gate operated by the resort would be located on Sand Dunes Drive and would be open to the public during daylight hours, as required by a deed restriction on the property. The revised project includes parking for public access at a rate of ten (10) percent above the total parking provided for the resort development (refer to *Section 4.15 Transportation*). The public parking areas are largely screened from public viewpoints by landscaping and dune restoration. A bike path is also proposed along the eastern property boundary of the site adjacent to the Sand Dunes Drive extension, which would connect to the regional bike path.



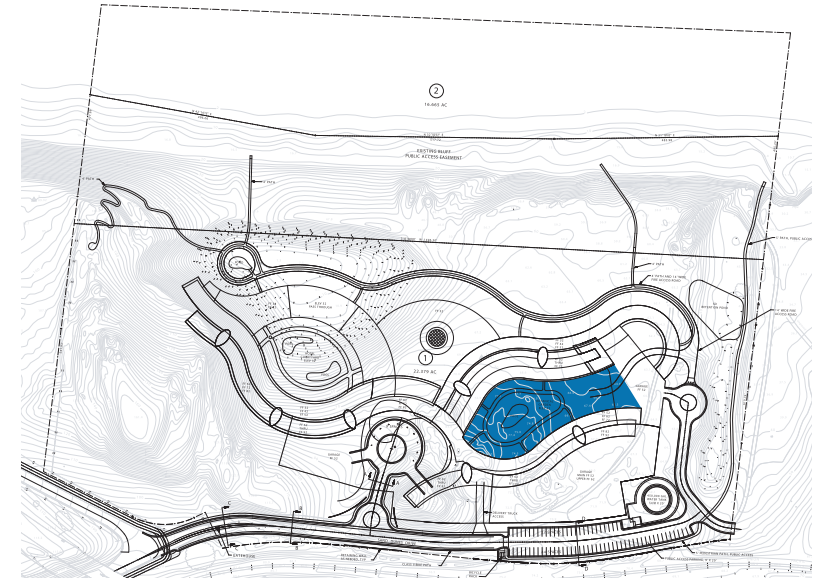
Public Access Easement 5.69 Acres



Habitat Restoration 23.22 Acres



Conservation Easement 13.85 Acres



Botanic Garden 0.92 Acres

The project proposes a 5.69-acre public access easement on the site that would connect the public parking area at the northeast corner of the site with the beach and vista point through a trail located along the northern property line. A 13.85-acre conservation easement would surround the proposed buildings on the site. Visitors would be allowed within some areas of the conservation easement associated with public access, subject to restrictions needed to protect potential plover nesting or other sensitive species.

Utilities and Infrastructure

The proposed project would obtain utility services from the Seaside County Sanitation District, California American (Cal-Am) Water Company, Pacific Gas & Electric and other service providers.

Sanitary Sewer

An eight-inch sanitary sewer line would be located along the ocean side of the proposed project and would connect with a sewage lift station in the southwest portion of the project site. The lift station would connect with a four-inch sanitary sewer force main through the project site out to the Sand Dunes Drive extension. The sanitary sewer line would be extended in California Avenue to an existing six-inch main sewer line at the Edgewater Shopping Center.

“Graywater”¹ would be treated on-site and reused in toilets and irrigation. The project would use a combination of mechanical and biological waste treatment systems to treat and reuse wastewater within the site. The systems would combine aerobic and anaerobic technologies such as advanced fixed media, microbacteria digestion, hydroponics, and constructed wetlands in order to meet the requirements of State Health Regulations (Title 22 of the California Code of Regulations) for re-use. Surplus graywater would be discharged to bioswales after being treated.

Water Supply and Service

Water service would be provided for the revised project by the local water utility, Cal-Am Water Company (Cal-Am), through the pumping of groundwater from the Seaside Groundwater Basin. Cal-Am would provide water service through an operation and maintenance agreement with the property owner. Cal-Am is seeking approval from the California Public Utilities Commission to have the project site annexed into Cal-Am’s service area. Once the project site is annexed into the Cal-Am service area, water lines would be extended from the Edgewater Shopping Center to the project site and the project site’s groundwater allocation (as adjudicated) would be pumped from Cal-Am’s existing Peralta wells through a subsequent operating agreement. The arrangement with Cal Am is being implemented to minimize impacts to the Seaside Groundwater Basin by making the groundwater withdrawal further inland.

The proposed use of groundwater is consistent with the current management plan for the Seaside Groundwater Basin. In 2006, the Monterey County Superior Court issued a final, binding judgment and decision (Appendix A) that (1) adjudicated the legal entitlements to water within the basin; (2) imposed a “physical solution,” which is a term in water law referring to a court-imposed management plan to monitor and manage the groundwater for long-term sustainability; and (3) established a “watermaster” to develop, modify and implement the groundwater management plan. In implementing the “physical solution,” the court considered and balanced uses and projected uses,

¹ Graywater is wastewater from kitchens, baths, and laundry facilities that can be reused or recycled with minimal or no treatment for landscape irrigation and other non-potable uses.

as well as impacts on the basin, in order to address and remedy any exceedance of the natural safe yield. Specifically, the judgment states “the physical solution set forth by this judgment is intended to ultimately reduce the drawdown of the aquifer to the level of the natural safe yield.”

In the adjudication, the court confirmed that the current owner of the property, Security National Guaranty, Inc., is entitled to 149 acre-feet of groundwater per year from the basin. Under the judgment, Security National Guaranty, Inc. has priority rights to use its legal entitlement of water. Thus, in the event that groundwater levels decline or are otherwise impacted for any reason and withdrawal reductions are mandated, non-priority users must reduce their use of the groundwater as needed, down to zero, before any of Security National Guaranty Inc.’s 149-acre feet of water can be reduced. Specifically, the judgment provides that Security National Guaranty Inc. has “a prior and paramount right over those Parties Producing under the Standard Production Allocation to produce the amount set forth in Table 2 (149 acre-feet annually) in perpetuity, and said Alternative Production shall not be subject to any reductions under Section III.B.2 or at such times as the Watermaster determines to reduce the Operating Yield...”. Since Security National Guaranty Inc. has the described priority protection in the court’s judgment, Security National Guaranty, Inc. has a secure, long-term supply of water for the project that is unlikely to be reduced even if the groundwater basin is subject to substantially reduced withdrawal.

The applicant also would be required to apply for a water distribution permit from the Monterey Peninsula Water Management District.

In the event the site is not annexed into Cal-Am’s service area, the project would enter into an operating and maintenance agreement with Cal-Am (or another licensed operator) to service the project by pumping groundwater from the owner’s existing on-site well in accordance with the Monterey County Superior Court judgment, as described above, which gives Security National Guaranty, Inc. a priority right to its 149-acre feet for annual production. The project would include an optional 250,000 gallon water tank at the northeast corner of the site for storage and fire suppression purposes. The court-imposed physical solution presently balances the rights and uses of non-priority and priority users of the Seaside Groundwater Basin.

Potable water would be used for drinking water and the restaurant on-site as well as showers, laundry, spa, and pool uses. Rain water would be collected in cisterns located in the parking garage and retention ponds and used to supplement on-site water use for all non-potable uses including showers, toilets, laundry, spa, and swimming pool(s).

Gas and Electric, Cable, Telephone and Internet Service (Dry Utilities)

Gas and electric service would be provided to the site by Pacific Gas & Electric (PG&E). Currently PG&E’s electric service is provided through overhead lines in the project area. The project proposes that dry utilities to be installed underground in joint utility trenches throughout the site as allowed under local building codes.

The revised project would utilize cutting-edge energy demand reducing technologies as well as incorporate on-site alternative energy sources in order to reduce overall energy use, decrease fossil fuel use, and decrease the project’s carbon footprint. The resort has integrated a design process that ensures that the resort’s orientation to the sun and wind creates optimal energy efficiency. The resort will use extensive passive systems and natural ventilation to cut dependence on mechanical systems. The project has been designed to optimize daylighting to reduce the need for internal lights. The project proposes to generate electricity on the site using solar photovoltaic panels and high-

efficiency ground-mounted horizontal-axis wind turbines. Geothermal heat pumps would provide heating and cooling for the resort. The proposed system would eliminate the need for boilers, cooling towers, and other mechanical systems.

The south facing sloping roofs of the buildings would include solar photovoltaic panels that connect together. Passive solar hot water heating would also be used by the project and would be provided using evacuated solar tube collectors mounted on the green living roof. The low profile, horizontal mounted, wind turbines would rest on the living green roofs in selected areas. The wind turbines harness the kinetic energy from the wind to create electrical power. The turbines are noise and vibration free, and are designed to be safe for birds through the use of protective enclosures around the slow-moving blades. The design also harnesses multi-directional and gusting winds. Geothermal heat pumps used for the project would be energy efficient and use the ground as a heat source and heat sink, eliminating the need for conventional boilers and cooling towers mounted on the roof.

Storm Drainage

The revised project proposes to capture stormwater for on-site use and allow infiltration on the site. The revised project includes cisterns and two retention ponds, one located on the northwest portion of the site and one located on the east portion of the site adjacent to Sand Dunes Drive. A bioswale would be located adjacent to the retention pond on the northwest portion of the site. Storm drainage lines ranging from 12 inches to 24 inches would be located throughout the site. Since the project is designed to avoid stormwater runoff, the project would not connect with off-site storm drainage lines and would not discharge stormwater from the site. These storm drainage lines instead would be directed to the retention ponds and cisterns on-site.

Architectural Design

The project proposes a modern, sustainable design that would meet or exceed the requirements of the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) Platinum rating, which is the highest rating in the LEED program (refer to Figure 7). The proposed building would maximize energy efficiency, generate renewable wind and solar electricity, and reduce energy needs through the use of daylighting and natural ventilation. No potable water would be used for landscape irrigation as described above, which would reduce the water demand of the resort during the life of the project. "Living green roofs" would be used throughout the project to contribute to the total restored habitat and minimize impervious surfaces on the site. The living green roofs also provide greater insulation than traditional roofs which would increase the energy efficiency of the resort and reduce the revised project's carbon footprint. Low and non-volatile organic compound (VOC) emitting materials and sustainable materials (comprised of local and regional products) would be used in the proposed building. Biofiltration through interior living walls would also further reduce VOC levels in the interior environment by more than 50 percent.



Source: BSA Architects, 7/108.

PROPOSED BUILDING DESIGN

FIGURE 7