

Chapter 1  
**Introduction**

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This chapter summarizes the historical background to the Pebble Beach Company Project (proposed project), provides a brief overview of the proposed project, identifies the intent and scope of this Draft Environmental Impact Report (EIR), describes the environmental impact review requirements that must be met prior to project approval, and outlines the organization of this document.

## 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 1994, and the Del Monte Forest Preservation and Development Plan (DMF PDP) in 2002 (which was consistent with the “Measure A” initiative approved by Monterey County voters in 2000).

## Pebble Beach Lot Program

In 1992, PBC submitted applications, including the Del Monte Forest Area Land Use Plan (LUP) amendments and zoning changes, to build out the remaining vacant land in the Pebble Beach area of Del Monte Forest (Pebble Beach Lot Program). The Pebble Beach Lot Program proposed 403 residential units on 685 acres, including a 34-unit Planned Unit Development (PUD); 53 low-cost housing units; an 18-hole golf course, clubhouse, and related facilities; and expansion of an existing driving range.

## Refined Alternative 2

In response to public/agency input and concern regarding the intensity of the proposed development and the effect on the Monterey pine forest and other resources, PBC submitted three additional applications with design changes to the original project proposal. These changes reduced the total number of proposed housing units to 364, relocated some housing units to different areas, and moved the golf course location from Area PQR to Area MNOUV. The new location of the golf course required relocating the existing Equestrian Center to the Sawmill Gulch site near the city of Pacific Grove. This revised proposal became known as Refined Alternative 2.

Both the Pebble Beach Lot Program and Refined Alternative 2 were analyzed in a Final EIR in 1997. The project permits and Final EIR were brought before the Monterey County Standard Subdivision Committee in spring of 1999. A staff recommendation of certification of the Final EIR and “approval” of Refined Alternative 2 was made to the Monterey County Planning Commission in June 1999. However, by August 1999, PBC was under new ownership, the project application was withdrawn, and the Final EIR was never certified.

## Del Monte Forest Preservation and Development Plan

The DMF PDP was a subsequent project which was represented on county-wide ballot in November 2000 as “Measure A” (The Del Monte Forest Plan: Forest Preservation and Development

1 Limitations). Measure A was supported by 63.5% of Monterey County voters. Measure A included  
2 proposed changes to the Del Monte Forest Local Coastal Program (LCP), including the LUP and  
3 zoning designations and policies, and identified areas within Del Monte Forest for preservation.<sup>1</sup>

4 Measure A included five overall proposed changes to the LCP:

- 5 • Increase forest open space by approximately 217 acres.
- 6 • Increase designated recreational open space by approximately 220 acres.
- 7 • Decrease the residential unit development potential allowed under the LCP's land use  
8 designations by 856 lots within 7 planning areas, with a decrease in density from medium to  
9 low, subject to other resource policies in the plan.
- 10 • Increase potential visitor-serving use by removing limitations on the number of visitor-serving  
11 units allowed at two locations in Del Monte Forest, and the designation of an additional 4-acre  
12 area for visitor-serving commercial use.
- 13 • Remove the Resource Constraint Overlay from much of the PBC-owned property in Del Monte  
14 Forest in response to a finding that the subject resource constraints had been relieved.

15 The DMF PDP included the following elements:

- 16 • New development at several locations in Del Monte Forest:
  - 17 ○ Construction of a new 18-hole golf course with clubhouse and 11 visitor-serving suites on  
18 the existing Pebble Beach Equestrian Center site and adjacent undeveloped lands (Area  
19 MNOUV).
  - 20 ○ Relocation of the existing Equestrian Center to the Sawmill Gulch borrow site with  
21 construction of clubhouse, dormitory building, arena, barns, and replacement employee  
22 housing.
  - 23 ○ Construction of 91 visitor-serving units, additional meeting space, a new underground  
24 parking lot and reconfigured surface parking lot, and a new driving range/golf instruction  
25 facility for the Inn at Spanish Bay.
  - 26 ○ Construction of 63 visitor-serving units (58 new and 5 replacement), additional meeting and  
27 hospitality space, and new underground parking structure at The Lodge at Pebble Beach.
  - 28 ○ Creation of 33 residential lots in various locations.
  - 29 ○ Construction of 12 employee-housing units near Spanish Bay and 48 employee-housing  
30 units at the Pebble Beach Company Corporation Yard.
- 31 • Proposed road, infrastructure, and trail improvements:
  - 32 ○ Improvements to the State Route (SR) 1/SR 68/17-Mile Drive interchange.
  - 33 ○ Abandonment, realignment, and improvements to certain internal roadways within Del  
34 Monte Forest.
  - 35 ○ Sanitary sewer, potable water, joint utilities, and reclaimed water line extensions within and  
36 without project development sites.

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<sup>1</sup> Amendments to LCPs require approval of both the local jurisdiction and the California Coastal Commission (CCC). As a local referendum, Measure A represented local jurisdiction approval of the amendments of the LCP. However, the CCC denied Measure A in 2007. Thus the Measure A changes never took effect.

- 1           ○ Relocation of existing hiking/equestrian trail segments and construction of new trail
- 2           segments, for a net increase of 3.6 miles of new trails.
- 3           ● Dedication of conservation easements for the preservation and conservation of certain areas:
- 4           ○ Dedication of conservation easements for the preservation of approximately 436 acres and
- 5           conservation of 56 acres within Del Monte Forest.
- 6           ○ Resource management of the preservation and conservation areas, as well as an additional
- 7           32 acres of preservation/conservation areas within development site boundaries.
- 8           ● Permit/conservation easement amendments:
- 9           ○ Requests to amend certain conditions of a prior Monterey County use permit related to the
- 10          original Spanish Bay Resort development and the use of the Sawmill Gulch site.
- 11          ○ Potential amendment of conservation easements on the Sawmill Gulch site.

12          The DMF PDP was analyzed in a Final EIR that was certified by the County of Monterey Board of  
 13          Supervisors and approved by Monterey County in March 2005. Measure A was analyzed in a  
 14          separate environmental analysis prepared in 2005; as a voter initiative, Measure A was not subject  
 15          to review under the California Environmental Quality Act (CEQA).

16          The project approval was subsequently appealed to the California Coastal Commission (CCC) and the  
 17          project EIR was legally challenged. Measure A was denied by the CCC in June 2007. As a result, the  
 18          project appeals were never considered by the CCC, and the legal challenge to the EIR was  
 19          withdrawn. Subsequently, the PBC and CCC staff worked on a compromise project, which has  
 20          resulted in the current proposed project.

## 21          **Comparison of Prior Projects to the Current Proposed Project**

22          Compared to the Pebble Beach Lot Program, the Refined Alternative 2, and the DMF PDP, the project  
 23          proposes less area for new development and more area for preservation. Three major prior  
 24          development proposals (new golf course in Area MNOUV, relocation of the Equestrian Center to the  
 25          Sawmill Gulch site, and new driving range at The Inn at Spanish Bay) have been eliminated. Relative  
 26          to the DMF PDP, the proposed project would increase the number of single-family residential lots  
 27          from 33 to 90 (or 100 with the Area M Spyglass Hill Option 2, New Residential Lots).

28          However, buildout in Del Monte Forest would be less with the proposed project. The proposed  
 29          project would result in buildout in Del Monte Forest of 195 to 205 units (including 90 to 100  
 30          residential units with the proposed project, 96 units on existing vacant lots and 9 units in  
 31          subdivisions outside the project area) compared to 284 units with the DMF PDP (33 single-family  
 32          dwelling units and 60 employee housing units with that project, plus 144 units on existing vacant  
 33          lots and 47 units in non-project subdivisions). Also compared to the DMF PDP, the proposed project  
 34          would increase the number of visitor-serving units in Del Monte Forest under one option (Area M  
 35          Spyglass Hill Option 1, New Resort Hotel) and decrease the number of visitor-serving units under  
 36          another option (Area M Spyglass Hill Option 2, New Residential Lots) and would dedicate larger  
 37          areas for preservation. A comparison of the proposed project with previously proposed projects is  
 38          provided in Table 1-1.

1 **Table 1-1. Comparison of Proposed Project with Previously Proposed Projects**

<b>Land Use</b>	<b>1992 Pebble Beach Lot Program</b>	<b>1994 Refined Alternative 2</b>	<b>2000 Del Monte Forest Preservation and Development Plan</b>	<b>2010 Proposed Project (Pebble Beach Company Project)</b>
Golf Course/Driving Range	New golf course and driving range in Area PQR	New golf course in Area MNOUV	New golf course in Area MNOUV New driving range at The Inn at Spanish Bay	No new golf course No new driving range at The Inn at Spanish Bay Relocation of Pebble Beach driving range from Area V to Collins Field
Equestrian Center	In existing location	Relocated to Sawmill Site	Relocated to Sawmill Site	In existing location
Visitor-Serving Guest Units	0	0	160 new units	95 new units <sup>a</sup>
Visitor-Serving Meeting Space	0	0	~17,790 square feet (sf)	~13,815 sf <sup>b</sup>
Residential Units/Lots	403 new units	364 new units	33 new lots	90 new lots
<b>Area M Spyglass Hill</b>				
Option 1, New Resort Hotel				100 new units 28,797 sf <sup>c</sup>
Option 2, New Residential Lots				10 new lots
Employee Housing Units	0	0	60 units	0
Inclusionary Housing Units <sup>d</sup>	53 (included in 403 total above)	48 (included in 364 total above)	14 (included in employee housing total)	Applicant pay in-lieu fee
Preservation <sup>e</sup>	25 acres <sup>h</sup>	254 acres <sup>i</sup>	436 acres	627 acres <sup>e</sup>
Conservation <sup>f</sup>	52 acres <sup>h</sup>	31 acres <sup>i</sup>	56 acres	8 acres
Resource Management Areas <sup>g</sup>	204 acres <sup>h</sup>	114 acres <sup>i</sup>	32 acres	0 acres
All habitat areas	281 acres	399 acres	524 acres	635 acres

Source:

Monterey County 2005, Pebble Beach Company 2011.

Notes:

- <sup>a</sup> Includes an additional 40 units at The Inn at Spanish Bay and 55 units at The Lodge at Pebble Beach (20 units Colton Building, 35 Fairway One). There are already 5 units at Fairway One. Additional guest units would be located in Area M Spyglass Hill under Option 1 (see separate row).
- <sup>b</sup> Includes an additional 5,000 sf at The Lodge at Pebble Beach (2,100 sf meeting and 2,900 sf support/circulation) and 8,815 sf at The Inn at Spanish Bay (4,660 sf meeting space and 4,155 sf support/circulation).
- <sup>c</sup> Includes a 6,677 sf restaurant/lounge, 5,120 sf meeting space, and 17,000 sf spa/fitness center.
- <sup>d</sup> The amount of inclusionary housing required depends on the amount of market-rate housing being developed (Monterey County Inclusionary Housing Ordinance requires 20%). The proposed project includes 90 market-rate units under Option 1 (requiring 18 inclusionary units) and 100 market-rate units under Option 2 (requiring 20 inclusionary units); however, the applicant instead proposes to pay an in-lieu fee.
- <sup>e</sup> *Preservation* is defined as areas not within development site boundaries to be managed for the sole purpose of preservation of natural resources. Project totals do not include the HHNHA, which was previously dedicated by the applicant in relation to implementation of the Del Monte Forest LUP and permit conditions for the original Spanish Bay resort project.

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<b>Land Use</b>	<b>1992 Pebble Beach Lot Program</b>	<b>1994 Refined Alternative 2</b>	<b>2000 Del Monte Forest Preservation and Development Plan</b>	<b>2010 Proposed Project (Pebble Beach Company Project)</b>
<p><sup>f</sup> <i>Conservation</i> is defined as areas within development site boundaries that are separable from development and can be managed for natural resources.</p> <p><sup>g</sup> <i>Resource management areas</i> are defined as areas within development site boundaries that are not separable from development, but that would be managed for natural resources and for adjacent land use purposes.</p> <p><sup>h</sup> The 2005 Final EIR (Monterey County 2005) did not use same categorization as this document. Preservation areas are in Area B and part of Area J. Total includes all areas identified in prior EIR as “open space forest” areas. Other areas for 1995 Lot Program are interspersed within proposed residential or golf course development and would thus meet this document’s definition of conservation or resource management areas. Categorization was based on prior development layout.</p> <p><sup>i</sup> The 2005 EIR did not use same categorization as this document. Preservation areas are in Area B, part of Area J, and PQR. Total includes all areas identified in prior EIR as “open space forest” areas. Other areas for Refined Alternative 2 are interspersed within proposed residential or golf course development and would thus meet this document’s definition of conservation or resource management areas. Categorization was based on prior development layout.</p>				

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# 1 Project Overview

2 The title of the proposed project is the Pebble Beach Company Project. The proposed project would  
3 be located in Monterey County's unincorporated Del Monte Forest area. Del Monte Forest is located  
4 on California's Pacific Coast and is bounded by the Pacific Ocean to the west and the cities of Pacific  
5 Grove, Monterey, and Carmel-by-the-Sea to the north, east, and south, respectively (see Figure 2-1 in  
6 Chapter 2, Project Description).

7 PBC (the applicant) submitted applications for the proposed project on August 30, 2010. The  
8 Monterey County Planning Department determined the application to be complete on April 22,  
9 2011.

10 The proposed project includes the following elements: renovation and expansion of visitor-serving  
11 uses; creation of 90 single-family residential lots; road, infrastructure, and trail improvements; and  
12 preservation of large undeveloped tracts of forested open space. Project development would include  
13 the following:

- 14 • Construction of 60 visitor-serving units (55 new and 5 replacement units), additional meeting  
15 and hospitality space, and new surface and underground parking at The Lodge at Pebble Beach.
- 16 • Construction of 40 new visitor-serving units, additional meeting and hospitality space, and new  
17 surface parking at The Inn at Spanish Bay.
- 18 • Relocation of the Pebble Beach Driving Range from Area V to Collins Field.
- 19 • Reconstruction of the Equestrian Center at its existing location.
- 20 • Construction of a new resort hotel (100 visitor-serving units, restaurant, meeting facility, and  
21 spa) or 10 new residential lots at Spyglass Hill.
- 22 • Creation of 90 residential lots at various locations within or adjacent to existing developed  
23 areas.

24 Roadway improvements would include improvements to the SR 1/SR 68/17-Mile Drive interchange  
25 and the Congress Road/17-Mile Drive, Congress Road/Lopez Road, Sunridge Road/Lopez Road, and  
26 Portola Road/Stevenson Drive intersections. Infrastructure improvements would include sanitary  
27 sewer, potable water, and reclaimed water line extensions within and outside of project  
28 development sites. Trail improvements include relocation of existing trail segments and creation of  
29 new trail segments, for a net increase of approximately 2.4 miles of new trails.

30 The proposed project would formally preserve 627 acres of Monterey pine forest and other native  
31 habitats. Combined with an additional 8 acres of conservation area for smaller buffer areas and  
32 setbacks around development areas and along roadways, there would be a total of 635 acres of  
33 dedicated Monterey pine forest and other native habitat. Preservation of these lands is proposed to  
34 be accomplished through amendments to the LCP to change land uses and densities and through  
35 dedication of conservation easements to the Del Monte Forest Foundation.

36 A detailed description of the project is provided in Chapter 2, Project Description.

# 1 Environmental Review Process

## 2 Public Involvement and Scoping

3 One of the purposes of CEQA is to establish opportunities for the public to review and comment on  
4 projects that might affect the environment. CEQA provides public participation through:

- 5 • Publication of the Notice of Preparation (NOP).
- 6 • Project scoping.
- 7 • Public review of environmental documents.
- 8 • Public hearing.

## 9 Notice of Preparation

10 The purpose of the NOP is to solicit participation from responsible and coordinating federal, state,  
11 and local agencies and from the public in determining the scope of an EIR. The scoping process for  
12 this EIR was formally initiated April 7, 2011, with submission of the NOP to the California State  
13 Clearinghouse in compliance with CEQA. In addition, a notification letter was distributed to  
14 interested agencies, organizations, and members of the public. Comments were provided by a  
15 number of agencies, organizations, and members of the public. Comments are on file at the  
16 Monterey County Planning Department offices in Salinas, California. A copy of the NOP is included in  
17 Appendix A.

## 18 Project Scoping

19 Scoping refers to the process used to assist the Lead Agency in determining the focus and content of  
20 an EIR. Scoping solicits input on the potential topics to be addressed in an EIR, the range of project  
21 alternatives, and possible mitigation measures. Scoping is also helpful in establishing methods of  
22 assessment and in selecting the environmental effects to be considered in detail. Tools used in  
23 scoping of this EIR included informal stakeholder and interagency consultation, a public scoping  
24 meeting, and publication of the project NOP.

25 A public scoping meeting was held on April 27, 2011, at the Pebble Beach Community Services  
26 District Board Room in Pebble Beach. Approximately 45 people attended the meeting, including a  
27 number of regulatory representatives. The scoping meeting provided an opportunity for attendees  
28 to comment on environmental issues of concern and the alternatives that should be discussed in the  
29 EIR. Participants also provided written comments at, and subsequent to, the scoping meeting.  
30 Written comments are on file in the Monterey County Planning Department offices in Salinas and  
31 included in Appendix A.

32 The key environmental issues raised in the scoping comments include:

- 33 • Concerns regarding the potential impacts on biological resources in sensitive areas, including  
34 Huckleberry Hill Natural Habitat Area (HHNHA) and Indian Village, from adjacent development.
- 35 • Concerns regarding invasive nonnative plant species, fuel management in open space areas, and  
36 application of open space management plans.
- 37 • Concerns regarding impacts on the Carmel Bay Area of Special Biological Significance.



- 1       • Concerns regarding impacts on neighboring residences from new development, increased
- 2       traffic, and traffic pattern changes.
- 3       • Comments on the data and approach used in the traffic impact analysis.
- 4       • Request to consider a roundabout design option at the SR 68/SR 1 off-ramp and alternative
- 5       interior roads near the SR 1 gate.
- 6       • Request to consider an underground parking structure instead of a surface parking lot at The
- 7       Inn at Spanish Bay.

## 8       **Purpose of EIR**

## 9       **Intent and Scope of the EIR**

### 10      **Intent**

11       This Draft EIR has been prepared in accordance with CEQA, which requires all state and local  
12       government agencies to consider the environmental consequences of projects over which they have  
13       discretionary authority before taking action on those projects (California Public Resources Code  
14       Section 21000 et seq.).

15       The intent of this Draft EIR is to:

- 16       • Identify potential direct, indirect, and cumulative environmental impacts associated with the
- 17       proposed project.
- 18       • Describe feasible mitigation measures intended to lessen or avoid potentially significant project
- 19       impacts or reduce them to a less-than-significant level.
- 20       • Disclose potential project impacts and proposed mitigation measures for public review and
- 21       comment.
- 22       • Discuss potential alternatives to the proposed project that avoid or reduce identified significant
- 23       project impacts.

24       This Draft EIR is also intended to supply the information necessary to support related permit  
25       application and review processes.

### 26      **Scope**

27       This Draft EIR evaluates the potential impacts of the proposed project in relation to:

- 28       • Aesthetics.
- 29       • Air quality.
- 30       • Biological resources (including sensitive habitats, special-status plants and wildlife, and forest
- 31       resources).
- 32       • Climate change (including greenhouse gas emissions).
- 33       • Cultural and paleontological resources.
- 34       • Geology, seismicity, and soils (including hazardous materials).

- 1 • Hydrology and water quality.
- 2 • Land use and recreation.
- 3 • Noise and vibration.
- 4 • Public services and utilities.
- 5 • Transportation and circulation.
- 6 • Water supply and demand.

7 This Draft EIR also analyzes:

- 8 • Significant unavoidable impacts.
- 9 • Significant irreversible changes in the environment.
- 10 • Growth inducement.
- 11 • Cumulative impacts.
- 12 • Alternatives to the proposed project.

13 This Draft EIR does not evaluate the following topics because there would be no impacts on the  
14 resource area or the potential impacts were determined to be less than significant.

15 **Agricultural Resources.** There are no farmlands within or near the project area that would be  
16 affected by the proposed project. The nearest farmland in the County is located in Carmel Valley,  
17 approximately 2 miles southeast of Del Monte Forest and in the Salinas Valley approximately 12  
18 miles northeast of Del Monte Forest. Therefore, there would be no impact.

19 **Population and Housing.** The proposed project would result in the development of up to 90 to 100  
20 residential lot subdivisions for single-family homes, which could generate 190 to 211 new residents.  
21 This assumes that each single family residence has 2.11 occupants, consistent with 2010 U.S. Census  
22 data average for the Del Monte Forest census-designated place. As described at the beginning of  
23 Chapter 3, Environmental Setting, Impacts, and Mitigation Measures, under Analysis of Cumulative  
24 Impacts, the existing LUP would allow development of up to 1,030 additional residential dwelling  
25 units (equivalent population of 2,173 persons). As a result, the currently applicable LUP anticipated  
26 a far greater amount of population and housing development than anticipated with the proposed  
27 project. The proposed project would lower the long-term buildout potential compared to full  
28 buildout under the existing LUP. Therefore, the impact would be less than significant.

29 **Mineral Resources.** The proposed project would not be located within a significant mineral, oil, or  
30 gas resource area as defined by the County and the state (Monterey County 2005). The primary  
31 mineral commodities currently mined in Monterey County are sand, gravel, and petroleum. There  
32 are several former quarries in Del Monte Forest including at the Corporation Yard, at Sawmill Gulch,  
33 and in Area M. None of these sites are currently mined. The Sawmill Gulch and Corporation Yard  
34 quarry are being reclaimed, and the Area M quarry has been used for staging for special events and  
35 other purposes other than mining. The proposed project would not result in the loss of availability  
36 of known mineral resources of regional or statewide importance. Therefore, there would be no  
37 impact.

# 1 EIR Organization

2 This Draft EIR includes two volumes.

3 Volume I—Draft Environmental Impact Report (this volume) contains the analyses and conclusions  
4 of the Draft EIR. Following this chapter are:

- 5 • Chapter 2, Project Description, which describes the proposed project in detail.
- 6 • Chapter 3, Environmental Setting, Impacts, and Mitigation Measures, which discusses various  
7 resources potentially affected by the proposed project, as outlined under Scope, above, and  
8 identifies the impacts and mitigation measures, including cumulative impacts.
- 9 • Chapter 4, Other CEQA-Required Analyses, which provides a discussion of significant  
10 environmental impacts that cannot be avoided, significant irreversible environmental changes,  
11 and growth-inducing impacts.
- 12 • Chapter 5, Alternatives, which describes the various alternatives considered and either  
13 dismissed from further analysis or analyzed in this document.
- 14 • Chapter 6, Report Preparation, which provides a list of preparers of and contributors to the EIR.
- 15 • Chapter 7, References Cited, which provides a bibliography of source material.

16 Volume II—Appendices to the Draft Environmental Impact Report, contains additional detail  
17 supporting the analyses in Volume I.  
18