CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE 725 FRONT STREET, SUITE 300 SANTA CRUZ, CA 95060 PHONE: (831) 427-4863 FAX: (831) 427-4877 WEB: WWW.COASTAL.CA.GOV



May 15, 2014

Ed Ghandour Security National Guaranty 505 Montgomery Street, 11th Floor San Francisco, CA 94111

Subject: Construction Activity Prior to Issuance of the Coastal Development Permit (CDP)

Dear Mr. Ghandour

We have been made aware of construction activity occurring on your property at California Avenue Extension in the City of Sand City. This construction activity raises concerns regarding compliance with the terms of CDP approval A-3-SNC-98-114 with respect to the protection of sensitive natural resources. Photographs taken from the site on May 7th, 2014 show the presence of a large drilling rig on the central upper bluff portion of the site in areas identified in the submitted Habitat Protection Plan (HPP) as containing federally-listed plant species, and also in the general location of an identified Western snowy plover nest site. Please be advised that at this time although the Commission has approved your project, the approval was subject to terms and conditions and we are still awaiting your signed Notice of Intent (NOI) agreeing to those terms. Such exploratory drilling may not occur on the site until we have received a signed NOI. Other development may not take place on the site until the CDP has been issued.

Additionally, the terms and conditions of the permit (see Special Condition 2d) require among other things that a biological monitor of your choice and approved by the Executive Director, be present during all construction activities, including exploratory drilling, to ensure that sensitive natural resources are appropriately protected. Section 4.4.7 of the submitted HPP indicates that the biological monitor will monitor construction activities to assist in avoiding the "take" of sensitive species and will have the authority to stop work in the event sensitive species are encountered. The biological monitor may also require additional mitigation measures, such as temporary fencing, to ensure resources are protected and construction activities do not encroach into habitat areas. Other requirements (Special Condition 2e) specifically include pre-construction surveys for sensitive species, including but not limited to Western snowy plover and Smith's blue butterfly. If such species are present within the project area, consultation with the California Department of Wildlife, the U.S. Fish & Wildlife Service, and the Executive Director is required to implement mitigation measures consistent with the HPP and any other agency requirements. Weekly reports are also required to be submitted to the Executive Director per Special Condition 2d. We have not been provided the name or names of potential monitors, and are concerned that the ongoing pre-construction activities may compromise the natural resources on the site.



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Accordingly, all work on the site must immediate terminate and all equipment must be removed from the dunes area. No work or development of any kind may re-commence until we have received a signed NOI, an authorized biological monitor has been selected, and pre-construction survey has been prepared by the approved biological monitor to ensure that all dune habitats and natural resources are appropriately protected. Please forward the name or names of potential biological monitor candidates for Executive Director review and approval. Please also provide a report on the current condition of the affected dune areas including with respect to the disposition of identified sensitive plant species and existing plover nest in the central portion of the site.

If you have any questions or would like to discuss this matter further, please contact me at the address and phone number above.

Regards,
Mile Wat

Mike Watson

Coastal Planner, Central Coast District Office

cc: Steve Kaufmann, Applicant's Attorney

Charles Pooler, City of Sand City

