

Sept 9, 2009

To: Lake County Planning Commissioners Briggs, Bauer, Swetnam, Schoux and Van der Boon
To: Lake County Community Development Director, Rick Coel
To: Lake County Senior Planner, Emily Minton

Re: Cristallago Draft Environmental Impact Report

Dear Mr. Coel:

Thank you for the opportunity to address areas of concern in the Cristallago Final Environmental Impact Report. We have reviewed the FEIR and the responses to our comments submitted 01/09/09. While each question was addressed, we feel that a number of the responses were erroneous, didn't answer the question or didn't provide the data requested. These included:

Comment 18-9: Non-residential Parking

- While the Lake County Zoning Ordinance requires 1 parking space for each hotel room, the FEIR continues to count the number of hotel units/suites at 325, and not the number of hotel bedrooms at 511.

The response did not address this specific issue. We believe the parking listed under the hotel should be increased from 411 spaces to 645 spaces (511 rooms + 128 recreational +2 managers). This would increase the overall non-residential spaces from 748 to 982 parking spaces.

Comment 18-8: Remote parking

- Page III-26 refers to remote parking. "Temporary remote parking (for events) would be utilized... the majority (80%) of parking for commercial uses would be provided at remote locations ... All staff parking will be remote." We asked for clarification on where the remote parking for 560 employees, added seasonal employees, commercial (700+ parking spaces per 80% of above) and overflow events would be located and how that would affect the traffic item above, and how it would interconnect with the proposed development.

The response stated that the location was unknown at this time. We feel - based on the huge amount of parking/traffic associated with this - that the answer is unacceptable.

Comment 18-11 Aesthetics:

- The current general plan contains policies that will eventually limit impacts to scenic viewsheds caused by ridgeline and hilltop development and grading, and require these structures to be subject to design review. Additionally, the current general plan contains a policy that would locate trails along ridgelines. Highway 29 is currently Scenic Highway Eligible. According to Cristallago DEIR (Page IV.B-14), "Most of the ridges of the proposed site will be developed ... impacts ... noticeable and prominent in the scenic vista would be significant." Mitigations referred to in the same paragraph are only ones that could be seen by gated community residents, and thus are not mitigations to the Lake County public. We would request the developers design the project so that hilltops and ridgelines are

undisturbed.

The response states we have not provided a specific concern. We believe an alternative of “designing the project so there is no hilltop/ridgeline building or disturbance” is a viable position.

Comment 18-13: Exclusivity:

Throughout the draft EIR, there are numerous references to amenities for the benefit of residents. It appears - but is not totally clear - that the Lake County public is excluded from access to many of the amenities that the project touts as being beneficial.

The Response 18-13 refers us back to the Project Description for a list of amenities. We have quoted from them:

- ***“The (community) center ... is intended for the use of the property owners but not available to the general public.”***
- ***“The spa is intended to be available primarily for resort guests and residents”***
- ***“Develop a Tuscan themed “destination community” with a full range of amenities in order that the project’s residents may enjoy year-round recreational opportunities ...”***

If this is the case, then mitigations for the project that can be enjoyed only by gated community residents and visitors - particularly open space, trails, parks, etc. - are not adequate. We again request clarification on exactly which amenities would be available to the general Lake County public. Would they have access to parks, trails, open space and if so, how?

Comment 18-16: Economic Benefits

- Most of the economic analysis benefits touted are based on full-buildout at year 2030 and then compared to economic factors of 2006 - this is misleading. For instance, according to the buildout schedule listed in the Appendices, by 2010 only 5% (15) of the resort units will be built, and by 2015, only 28% (93) of the resort units. Thus there will be minimal economic impacts from the resort portion for a number of years.

The response refers to 13-2 which talks about two fire-fighting positions and does not address the comment.

Comment 18-17: Economic Benefits

- Projected spending figures are based on 5% housing vacancy rate, while the Lake County average has been 27%. It is assumed with the current market depression, that this amount will increase due to foreclosures.

The response insists that 5% vacancy is still reasonable. We disagree with this.

Comments 18-18, 18-19 Economic Impacts:

- Projected annual household incomes for the 650 residential units is \$150 to \$200K, with purchase prices on the homes at \$650K to \$800K. We question the economic soundness of the project. What assurances does Lake County have that the project will be implemented as

a unified development - as presented - and not become a paper subdivision or sold off to others. Additionally, the fact there are no pending agreements/contracts with resort operators is troublesome.

- The economic analysis is based on three reports dated 2005-2006 prepared by Economics Research Associates and The Gregory Group (Appx. H, page 1). Footnote 1 questions some of the premises. Since the project scope and the housing/economic market have changed significantly in the last few years, we would like these reports included in the EIR.
- We would like to see a marketing analysis on the feasibility of a resort this size and type, particularly since the report prepared by the Gregory Group recommended a smaller resort size, and included the Marina site as integral to the project.

The responses refer to 18-2, which mentions removal of lakefront access and does not answer any of the questions, nor are the reports requested included.

Comment 18-20: Economic Benefits/Payroll

- We would like to point out that the vast majority of generated jobs are based on the resort portion, which will not occur for a number of years - and at that, they are on the lower end of the pay scale at \$25K per year. According to the Hausrauth Economic Analysis in Appx. H, the projected 110 temporary constructions jobs per year would “benefit the labor market in greater Lake, Mendocino, Sonoma, Napa and Yolo Counties.”

The response states that nowhere in the report were the salaries described so they could not comment on this. But, according to Jim Burns handout/presentation made earlier this year, pg 10 refers to 533 jobs at \$25K per year.

Comments 18-3, 18-5: Traffic

The traffic report does not adequately address traffic issues. The report focuses on “turn-waiting-time” and not the effect that 11,872 trips per day will have on Lakeport and the surrounding area, nor the cumulative amount with other projects. As stated in Table IV.N-5 and N-3, 85% of current trips distributions are at SR29 North and South with a daily volume of 6,782 at these two locations. The Cristallago project alone - at 11,872 trips per day - would represent nearly 2.5 times an increase in traffic.

The response refers back to letters submitted by Caltrans and LCDPW. We would be interested to see if Caltrans, Lake County Department of Public Works and Lakeport Public Works feels the responses to their letters are adequate.

We represent a small portion of the questions generated by the DEIR, and respectfully request that the Planning Commission require complete answers and recirculation of the FEIR.

Sincerely,
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