

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE  
725 FRONT STREET, SUITE 300  
SAN CRUZ, CA 95060  
427-4863

W15f



RECORD PACKET COPY

Filed: 12/17/00  
49th day: 2/4/01  
180th day: 6/15/01  
Staff: RH  
Staff report: 12/17/00  
Hearing date: 1/10/01

COASTAL DEVELOPMENT PERMIT APPLICATION

Application number .....3-00-136

Applicant.....Lauri Virkkunen

Project location.....East Side Of Camino Real (between 7th & 8th Avenues), Carmel (Monterey County).

Project description.....Demolition of existing 900 s.f. house and detached 200 sq. ft. carport, to facilitate construction of a new two-story 1599 sq. ft. residence with detached carport, on a 4000 sq.ft. lot (APN 010-262-019).

File documents.....City of Carmel-by-the-Sea: DS 99-47/RE 99-34, approved on February 9, 2000.

Staff recommendation ...Approval with Conditions

**I. Summary:** The proposed project is located within the City of Carmel-by-the-Sea. Carmel is a very popular visitor destination, as much for the style, scale, and rich history of its residential, commercial, and civic architecture, as for its renowned shopping area, forest canopy and white sand beach. Carmel is especially notable for the character of both public and private development within the context of its native pine forest. In particular, as a primarily residential community, Carmel's predominantly small scale, well-crafted homes play a key role in defining the special character of the City.

Applicant proposes to demolish an existing residential structure, and to replace it with a new residence on the same site. Pursuant to Categorical Exclusion E-77-13, a coastal development permit is required for the demolition portion of the project (but not the new construction). There is a concern that the existing pattern of such demolitions and rebuilding may prejudice the ability of the City to complete its Local Coastal Program (LCP) in a manner that would be in conformance with Coastal Act policies. In particular, the LCP will need policies that respect and protect the keystone elements of Carmel's special character—the beach, the forest canopy, the compact scale and design of its built environment, the context and integrity of its historic resources. At the same time, the LCP will also need to provide reasonable standards for restoration, additions, or where warranted, replacement. These policies will be determined through a community process that the City expects will culminate with the completion of an LCP Land Use Plan by April, 2001.

In this case, while the project will result in a significant change (a 77% increase in building scale and two stories in place of the existing one), there are similarly sized structures close by, and the

new structure will still not exceed 1800 sq.ft. (the prevailing maximum for the typical 4000 sq.ft. lot in Carmel). No removal of significant native trees would be required. The existing c. 1922 house does exhibit some of the small-scale characteristics associated with the traditional Carmel Cottage style and/or represents a potential historic resource.

The cumulative effect of such demolitions raises concerns with respect to the overall protection of the City's special character. This concern is being addressed in part through the City's existing review process for tree removal, historic resources, and design review. Further refinements to these processes are expected from the LCP completion effort now underway.

Pending LCP completion, additional mitigation—in the form of a relocation/salvage condition—is warranted in this case, because of the existing building's cottage character and/or its potential as a historic resource. Therefore, while the proposed demolition will result in a change of character, as conditioned such change will not be substantial enough to undermine the effort to complete a certifiable LCP within the timeframe projected by the City. Accordingly, as conditioned to provide for reuse or salvage of the existing structure to the extent feasible, the project is consistent with the policies of Chapter 3 of the Coastal Act and will not prejudice the City's ability to complete its Local Coastal Program.

## II. Staff Recommendation on Coastal Development Permit

The staff recommends that the Commission, after public hearing, **approve** the proposed project subject to the standard and special conditions below. Staff recommends a **YES** vote on the motion below. A yes vote results in approval of the project as modified by the conditions below. The motion passes only by affirmative vote of a majority of the Commissioners present.

***Motion:** I move that the Commission approve Coastal Development Permit Number 3-00-136 subject to the conditions below and that the Commission adopt the following resolution:*

***Approval with Conditions.** The Commission hereby grants a permit for the proposed development, as modified by the conditions below, on the grounds that the modified development is consistent with the requirements of Chapter 3 of the California Coastal Act of 1976 (Coastal Act), will not prejudice the ability of the City of Carmel to prepare a local coastal program conforming to Chapter 3 of the Coastal Act, and will not have any significant adverse effects on the environment within the meaning of the California Environmental Quality Act (CEQA).*

### III. Conditions of Approval

#### A. STANDARD CONDITIONS

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1. **Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration.** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. **Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
4. **Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
5. **Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

#### B. SPECIAL CONDITION

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1. **Relocation or Salvage.** PRIOR TO COMMENCEMENT OF REMOVAL OR DEMOLITION OF THE EXISTING STRUCTURE, permittee shall submit, for review and approval by the Executive Director, the following measures to implement relocation or salvage:
  - a. Documentation that arrangements have been made to move the existing building to another location within the City; or,
  - b. If relocation is not feasible, then documentation of the structure shall be completed in accordance with the Secretary of Interior's (HABS) standards; and, a materials salvage plan shall be prepared. Such plan shall provide for identification, recovery and reuse of all significant exterior architectural elements of the existing building that can be feasibly incorporated in new construction on or off site. To the extent salvageable materials exceed on-site needs, they may be sold, exchanged or donated for use elsewhere (with preference for recipients proposing reuse within Carmel). The plan shall specify that salvageable materials not used on site, sold or exchanged shall be offered without charge, provided recipient may be required to bear the cost of removal. Unsound, decayed, or toxic materials (e.g., asbestos shingles) need not be included in the salvage plan. The plan shall include a written commitment by permittee to implement the plan.

Relocation shall not be deemed infeasible unless: 1) a Licensed Historical Architect, Licensed Historical Contractor, or equivalent qualified expert has determined that relocation of the structure would not be feasible, or if feasible, would not result in worthwhile preservation of building's architectural character; or, 2) it has been noticed by appropriate means as available for relocation, at no cost to recipient, and no one has come forward with a *bona fide* proposal to move the existing structure within a reasonable time frame (i.e., within 60 days from date of first publication and posting of availability notice). Such notice of availability shall be in the form of a public notice or advertisement in at least two local newspapers of general circulation (at least once a week for four weeks), as well as by posting on the site and by other means as appropriate.

Submitted salvage plans shall be accompanied by a summary of all measures taken to encourage relocation, copies of posted notice, text of published notices/advertisements, and evidence of publication, along with a summary of results from this publicity, a list of relocation offers (if any) that were made and an explanation of why they were not or could not be accepted.

Nothing in this condition is intended to limit permittee's right to sell the structure or salvaged portions thereof; nor is permittee required to pay for moving costs, whether the structure is sold or donated.

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## **IV. Recommended Findings and Declarations**

The Commission finds and declares as follows:

### **A. Project Location and Description**

The project site is a standard 4,000 sq.ft. rectangular lot, on the east side of Camino Real between 7<sup>th</sup> and 8<sup>th</sup> Avenues, about 4 blocks inland from the beach, in the west-central part of the City of Carmel-by-the-Sea (see Exhibit A). The lot has an existing 900 sq. ft. one-story single family residence, proposed for demolition. A large Monterey cypress is located near the front edge of the lot, and will be retained.

According to the City staff report, the small residence slated for demolition was constructed in 1922. A historic evaluation report was prepared (Jones & Stokes, April 2000); it concluded that the existing house is not a significant historic resource. The City's conditions of approval require several measures to protect the existing native tree(s), which will be retained.

## **B. LCP History and Status**

The entire City of Carmel falls within the coastal zone, but the City does not yet have a certified LCP. Approximately twenty years ago, the City submitted the Land Use Plan (LUP) portion of its LCP for review by the Coastal Commission. On April 1, 1981, the Commission certified part of the LUP as submitted and part of the LUP subject to suggested modifications regarding beach-fronting property. The City resubmitted an amended LUP that addressed the beach-fronting properties provisions, but that omitted the previously certified portion of the document protecting significant buildings within the City. On April 27, 1984, the Commission certified the amended LUP with suggested modifications to reinstate provisions for protecting significant structures. However, the City never accepted the Commission's suggested modifications and so the LUP certification expired.

The LCP zoning or Implementation Plan (IP) was certified by the Commission subject to suggested modifications on April 27, 1984. However, the City did not accept the suggested modifications and so the IP, too, was never certified.

Predating the City's LCP planning efforts, the Commission in 1977 authorized a broad-ranging categorical exclusion covering most of the area of the City of Carmel (Categorical Exclusion E-77-13). E-77-13 excludes from coastal permitting requirements most types of development not located along the beach and beach frontage of the City; not excluded, however, are demolitions such as that proposed in this case.

The City is currently working on a new LCP submittal (both LUP and IP), funded in part by an LCP completion grant awarded by the Commission. According to City representatives, the Land Use Plan is expected to be submitted for Commission review in April 2001, with the Implementation Plan submittal expected by December 2001.

This current City effort is focused on protecting the significant coastal resources found in Carmel, including the spectacular public beach and recreational amenities along the City's shoreline, the urban forest that uniquely identifies Carmel as "the City within the trees," the substantial riparian and habitat areas (such as Mission Trails Nature Preserve and Pescadero Canyon), and the unique community and visual character of Carmel as exhibited by the style, scale, and rich history of its residential, commercial, and civic architecture. Taken as a whole, these resources combine to form the special character of Carmel; a character that comprises a significant coastal resource worthy of protection in its own right.

## **C. Standard of Review**

Unless and until the Commission has certified any future City LCP submittals, the Commission retains coastal permitting authority over non-excluded development within the City. As a result, although the City's current ordinances and policies can provide context and guidance, the standard of review for this application is the Coastal Act.

## D. Coastal Development Permit Determination

### 1. Community Character

Sections 30253 and 30251 of the Coastal Act address the issue of preserving the community character of special communities such as Carmel:

*Section 30253(5). New development shall where appropriate, protect special communities and neighborhoods which, because of their unique characteristics, are popular visitor destination points for recreational uses.*

*Section 30251. The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality on visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.*

The Coastal Act defines special coastal communities in terms of their unique characteristics that make them attractive to the visitor. The City of Carmel is a very popular visitor destination as much for the style, scale, and rich history of its residential, commercial, and civic architecture, as for its renowned shopping area and white sand beach. Carmel is made special, in part, by the character of development within City limits.

In particular, as a primarily residential community, the web of residential development in Carmel plays a key role in defining the special character of the City. Carmel is distinctly recognized for its many small, well-crafted cottages. These modest, sometimes quaint residences are associated with the era in which Carmel was known for its resident artists and writers, and functioned as a retreat for university professors and other notables. These little homes were nestled into the native Monterey pine/Coast live oak forest, on a grid of streets that was executed in a way that yielded to trees more than to engineering expediency. This was the context for Carmel's community life and its built character.

**Particulars for this project:** In this case, the parcel is currently developed with a single family dwelling. The existing home on the site appears from the street to be an attractive cottage-style structure, modest in profile, with period window character. In scale and design, it resembles a typical Carmel cottage. However, according to applicant, the structure is not presently habitable, is termite-ridden, and lacks a foundation. See Exhibit B, attached, for photograph of the existing structure.

Commission staff has no information to indicate that the structure is listed on any roster of historical or architecturally important structures in the City—and, upon the basis of the Jones & Stokes report, would not be eligible for such listing. Nonetheless, the existing cottage exhibits certain character values, the cumulative loss of which is a concern.

The area is developed at urban densities and with urban services in an area able to accommodate the replacement of the existing house with a new one. All utilities are connected to the existing house on this site. There are adequate public services for the proposed new house. The proposed demolition will not open the way to new development that would be growth inducing or lead to compromise of an existing urban-rural boundary. Parking is adequate. Additionally, the proposed new house meets City requirements for maximum height, floor area, coverage, and yard setbacks.

**Mitigation, through Relocation or Salvage:** The structure proposed for demolition, through cottage-style architecture or historical attributes, or both, evokes the Carmel character. (See attached Exhibit B for illustration of the existing structure, and Exhibit C for site plan and elevations of the replacement structure.) The loss of the existing structure can be mitigated, in part, through relocation elsewhere within Carmel.

Suitable sites for relocation are relatively scarce within Carmel. While the supply of relocation-worthy structures is likely to substantially outpace the availability of receiver sites within City limits, such relocations from time to time are in fact accomplished in Carmel. A recent example is the Door House, which at its new location will serve as a guest unit. Even though its original specific context is changed, a certain level of mitigation is achieved because the relocated structure is retained within its overall community context.

The likelihood of a successful relocation can be improved by publicizing the availability of the structure that is proposed for demolition. And, in those instances where relocation is not feasible or no qualified recipients come forward, at least parts of the structure can nonetheless be salvaged and eventually incorporated in other structures in Carmel<sup>1</sup>.

At present, there is no formal relocation or salvage program in Carmel. Informal and commercial

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<sup>1</sup> What if the permit is conditioned to require that the building be offered for relocation or salvage, but there are no takers for reuse within Carmel? The usual demolition expedient is destruction and removal to the nearest landfill. The Coastal Act contains no specific direction regarding structural relocation or salvage of existing buildings. Nonetheless, relocation and salvage would support other Statewide public policy efforts to provide affordable housing, conserve valuable materials, avoid placing unnecessary materials into the wastestream and minimize energy consumption. Therefore, while the purpose of such a condition would clearly be to protect Carmel's character, the public offering and thoughtful disposition of the structure would also serve the broader public interest-- whether or not relocation is achieved within Carmel in any given instance.

channels are already available in the region (e.g., Carmel has at least one shop [Off the Wall] that specializes in salvaged architectural details, and Capitola has the Recycled Lumber Company). There is discussion of a regional program for the Monterey Peninsula area, which would facilitate not only the reuse of structures in Carmel but also support existing programs such as that already in place in the neighbor city of Pacific Grove.

**Conclusion:** Therefore, considering existing and future avenues for relocating or recycling older buildings, such measures appear appropriate and feasible. To the extent that salvaged materials will find their way back into new construction in Carmel, the requirement to prepare a relocation/salvage plan will provide a limited form of mitigation for impacts on Carmel's community character. Accordingly, relocation—or failing that, salvage—will provide for reasonable conformance with Coastal Act Sections 30251 and 30253(5), and will help to avoid prejudice to the City's efforts to prepare an LCP that conforms with Coastal Act policies. This permit is conditioned accordingly.

## 2. Potential for Prejudice to LCP Planning Efforts

Section 30604 of the Coastal Act states in part that a coastal development permit shall be granted if the Commission finds that the development will not prejudice the local government's ability to prepare a Local Coastal Program (LCP) in conformity with the applicable resource protection policies of the Coastal Act. More specifically, Section 30604(a) of the Coastal Act states:

*Prior to certification of the local coastal program, a coastal development permit shall be issued if the issuing agency, or the commission on appeal, finds that the proposed development is in conformity with Chapter 3 (commencing with Section 30200) and that the permitted development will not prejudice the ability of the local government to prepare a local coastal program that is in conformity with Chapter 3 (commencing with Section 30200). A denial of a coastal development permit on grounds it would prejudice the ability of the local government to prepare a local coastal program that is in conformity with Chapter 3 (commencing with Section 30200) shall be accompanied by a specific finding which sets forth the basis for that conclusion.*

As previously described, the City is currently working on a new LUP submittal. A community planning process is now underway to determine, among other things, the basis for defining Carmel's community character and ways to protect and preserve this character consistent with the Coastal Act.

Each residential demolition results in a significant change to the character of the lot upon which it is situated. In some cases, an existing structure—because of virtues such as architectural style or historical associations—constitutes a significant component of the City's special character all by itself. More commonly, the structure only contributes to the overall impression on the visitor. Thus, the proposed project also affects community character on a cumulative basis. In other words, the effect of this particular demolition/rebuild must be evaluated within the context of the larger pattern of demolition and rebuild in Carmel.

**Development trends:** Over time, Carmel has been changing as its older housing and commercial stock makes way for new developments, usually larger in size and scale. As such, the period



since 1990 can be examined to provide a meaningful sample for understanding the change issue in Carmel.

Since 1990, there have been 177 development proposals in Carmel. Of these, 145 projects (or over 80%) involve some form of demolition, rebuilding and/or substantial alteration of residential housing stock in Carmel. This comes out to roughly 13 such residentially related projects per year since 1990; nearly all of these have been approved. Other than the three year period from 1992 – 1994 when a total of 13 applications were received, the number of development proposals in Carmel has been fairly constant until 2000. However, in the year 2000 alone, the Commission has received 44 applications as of October. Of these 44 applications received in the year 2000, 33 involved some form of demolition, rebuilding and/or substantial alteration of residential structures; 17 of the 33 have already been approved this year and 16 remain pending. More applications are arriving—the current average is approximately 3 per month.

Clearly the trend for demolition/rebuild/substantial remodel has been magnified in current years as demand for Carmel properties has outstripped the limited supply represented by the approximately 3,200 parcels within the City limits. However, at the expected rate of approximately 3 demolition applications per month, the cumulative amount of overall change by the target submittal date for the Land Use Plan (April 2001), will be relatively limited. Accordingly, the cumulative adverse effect on community character will, for the short term, continue to be insignificant.

In the event the Commission receives more than the expected number of applications that it has been averaging most recently, the Commission can evaluate such a changed circumstance and revise its approach accordingly.

**Summary:** Reliance on the City's own forestry, design review and historical resource protection procedures, together with monitoring of the application rate trends by Commission staff and the relocation/salvage condition attached to this permit, will be adequate for addressing the mandate of Coastal Act Section 30253 to protect community character (at least for the limited time until the LCP is completed). Therefore, while the proposed demolition will result in a change of character, as conditioned for relocation or salvage such change is not substantial enough to undermine the efforts to complete a certifiable LCP within the timeframe projected by the City. Accordingly, approval of the proposed project will not prejudice the ability of the City to complete its LCP in accordance with Coastal Act requirements.

### **3. California Environmental Quality Act (CEQA)**

Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with coastal development permit applications showing the application to be consistent with any applicable requirements of CEQA. Section 21080.5(d)(2)(i) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment.





The City found the project to be Categorical Exempt. The Coastal Commission's review and analysis of land use proposals has been certified by the Secretary of Resources as being the functional equivalent of environmental review under CEQA. This report has examined the relevant issues in connection with the environmental impacts of this proposal. The Commission finds that, for the reasons stated above, the proposed project as conditioned will not have any significant adverse effects on the environment within the meaning of CEQA.

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# CARMEL-BY-THE-SEA OFFICIAL ZONING MAP

MUNICIPAL CODE SECTION 1390.0  
(CORRECTED TO 1/1/64)

## LEGEND

-  ZONES C-1, C-2, A-1
  -  SERVICE STATION OVERLAY ZONE
  -  ZONES P (PARKS AND PARKING);  
ZONES A-1, A-2 (THEATRICAL  
OR CULTURAL CENTER)
  -  AREA NOT EXCLUDABLE  
BY LAW OR NOT REQUESTED  
FOR EXCLUSION
- (AREAS NOT MARKED ARE ZONED R-1)

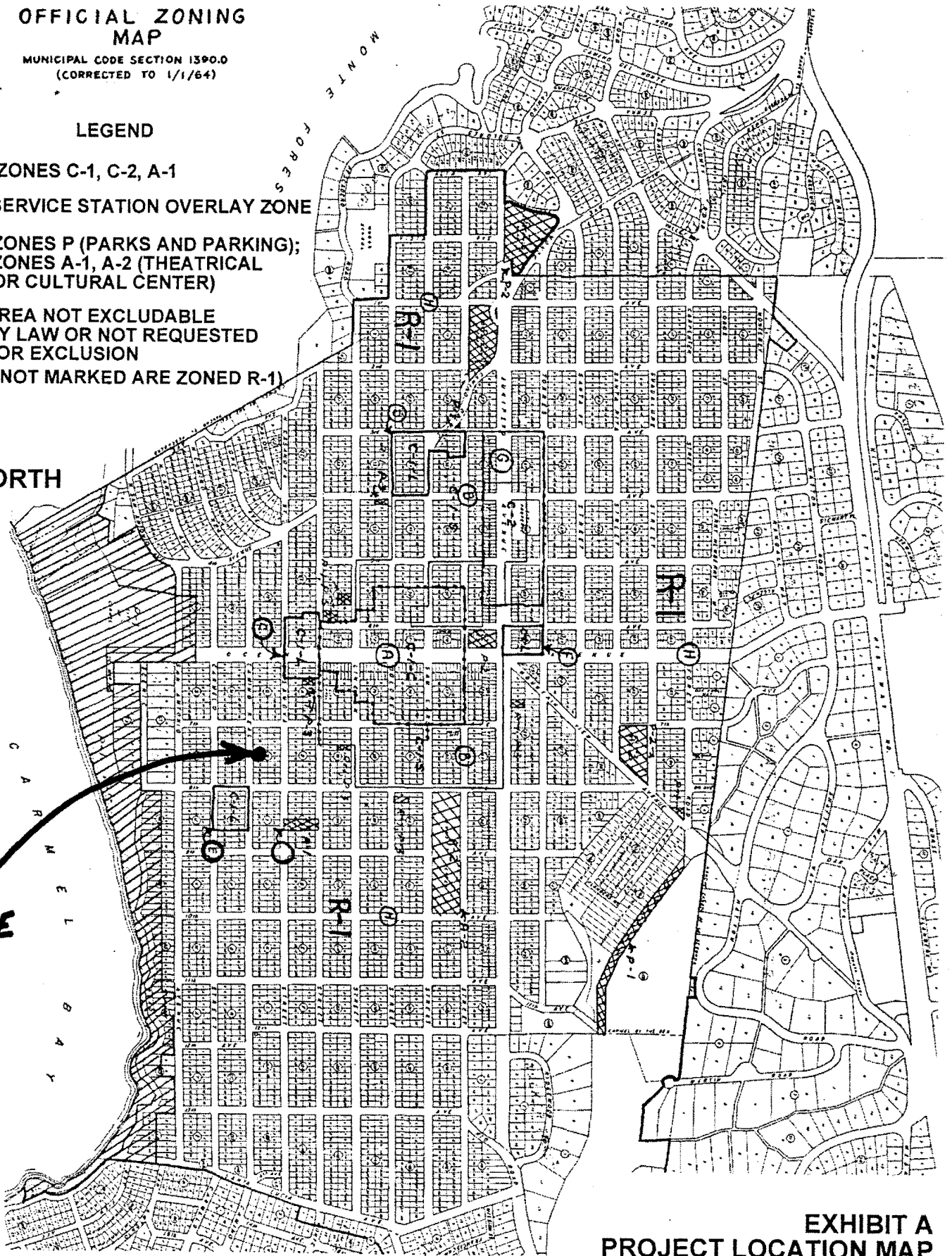


EXHIBIT A  
PROJECT LOCATION MAP  
**3-00-136 VIRKKUNEN**

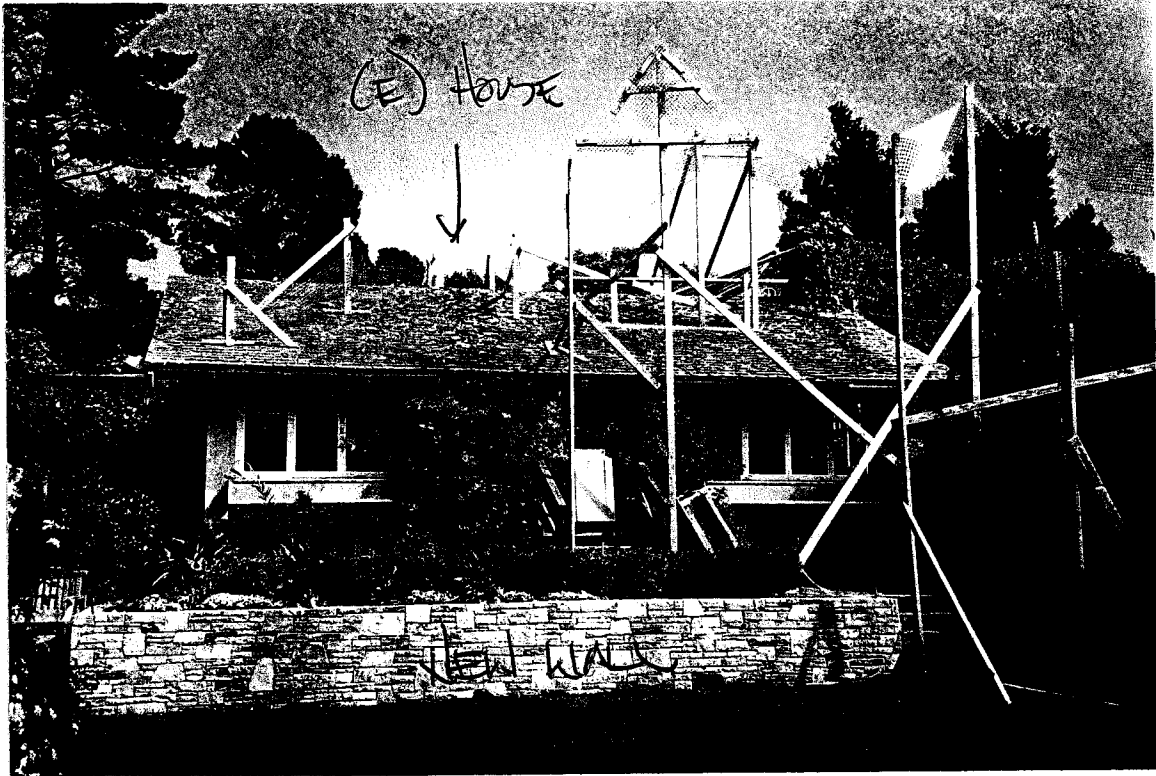


EXHIBIT NO. B

APPLICATION NO.  
3-00-136

PHOTO: EXIST. HOUSE

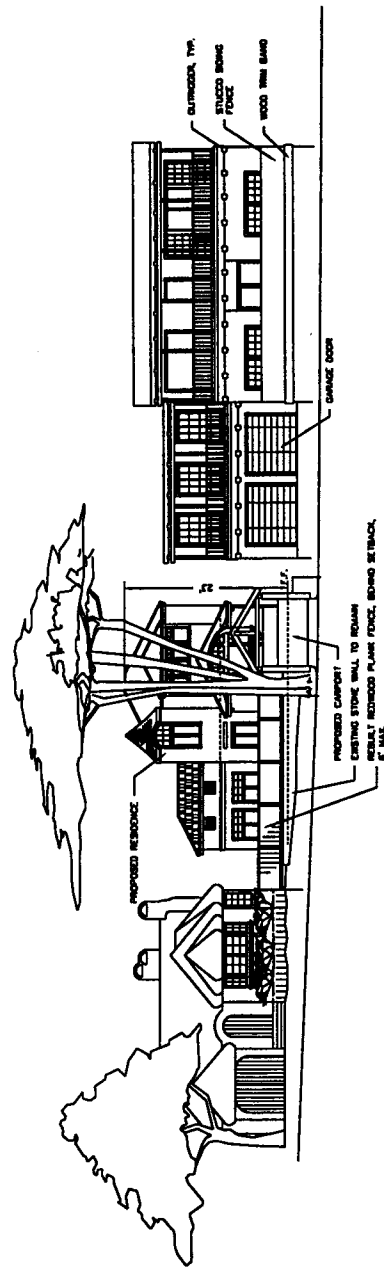
REVISION	NO.	

JOB NAME: VIRKKUNEN RESIDENCE  
 Camino Real & Between 7th & 8th  
 Carmel, CA

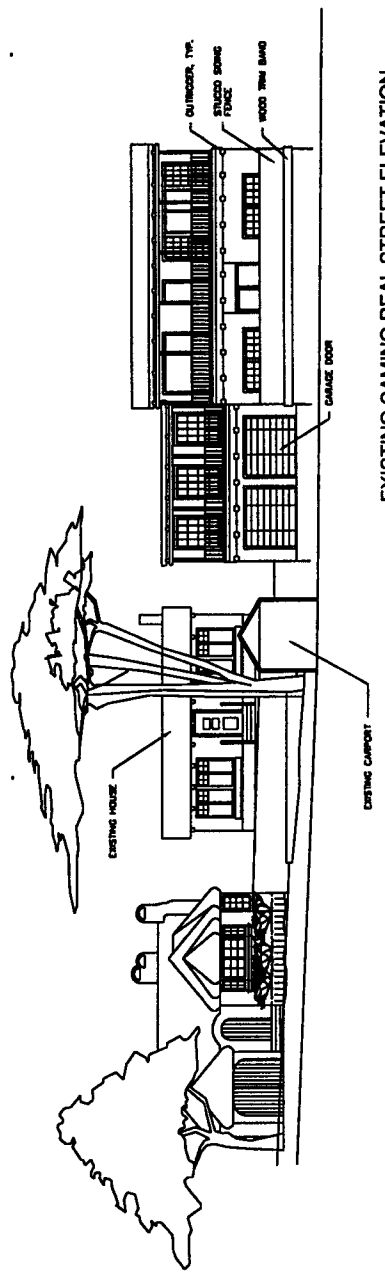


ERIC MILLER, ARCHITECT  
 157 GRAND AVENUE 100 PACIFIC GROVE, CA 93950  
 (831) 372-0410 FAX (831) 372-7940

ARCHITECT  
 SHEET TIME: STREET ELEVATION  
 DATE: 2-24-00  
 DRAWN: A.L.G.  
 JOB NO.: 136  
 SHEET NO.: 1  
 TOTAL SHEETS: 2  
 A-1.2



PROPOSED CAMINO REAL STREET ELEVATION



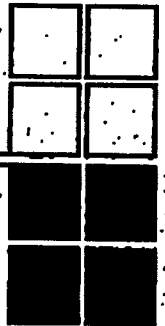
EXISTING CAMINO REAL STREET ELEVATION

EXHIBIT NO. C  
 APPLICATION NO. 3-00-136  
 VIRKKUNEN: COMPARISON, EXISTING vs. PROPOSED  
 California Coastal Commission

Attn: Lee Otter / White Member  
FAX: 831 427 4877

**ERIC MILLER, AIA ARCHITECT**

157 GRAND SUITE #106, PACIFIC GROVE, CA 93950 (831) 372-0410 FAX (831) 372-7840



November 13, 2000

Lee Otter  
California Coastal Commission  
725 Front St., Suite 300  
Santa Cruz, CA 95060

Re: Virkkunen Demolition  
Ap.#: 3-00-136  
Camino Real, 7<sup>th</sup> / 8<sup>th</sup>  
Carmel, CA

Dear Lee:

We are aware of a changing wind in regards to how the Coastal Commission is viewing proposed redevelopment, particularly demolitions, in the City of Carmel. Our office received a packet last week, W11 Coastal Development Review & LCP Completion/Protection, detailing the ongoing concerns and discussions between the Coastal Commission and the City. Of obvious concern to us is how all of this will affect our proposed residence for the Virkkunen family. The implication seems to be that all permits-in-process may be tabled until at least April, if not December, of 2001. In an effort to ameliorate this extended timeline as it may apply to our project, I'd like to give you a rundown on the unique circumstances surrounding this particular case.

Lauri Virkkunen owns 2 contiguous residential properties in Carmel. One, a house completed in the late 80's that he and his family have resided in continuously for 10 years, the other, a house built in 1922, in an advanced state of disrepair, that has not been inhabited for at least 10 years. Mr. Virkkunen contracted with our office in late fall of 1998 to design a new house for the older property that would serve as an adjunct residence for his 2 growing daughters, as well as a guesthouse for relatives from Finland who come to visit for extended periods of time.

We submitted our initial package to the Carmel Planning department in July of 1999. There commenced a staff review which was not completed, for reasons that remain obscure, until the end of the year. Initially scheduled for a January 2000 hearing with the Planning Commission, our office continued the application when it became clear that a neighbor was not pleased with the proposed design. With modest modifications, we resubmitted for a March review wherein we received positive commentary from the Commission but no decision. A member of the Carmel Historical Society felt, despite the property in question having been found to be non-historic in a prior survey, that further analysis should be undertaken. Particularly as there was a transcription error in

p. 1 of 2

EXHIBIT NO. D
APPLICATION NO. 3-00-136
CORRESPONDENCE

the paperwork of the initial application, she expressed concern of whether the appropriate property had been reviewed.

We immediately initiated a historic evaluation for the property, prepared by Jones & Stokes of Sacramento, CA. Then began a frustrating series of meetings between the Historic Review Board, ourselves, and the City of Carmel. The first H.R.B. meeting concluded with the project being continued do to this member of the Carmel Historic Society stating with absolute certainty, but no substantiation, that the property was more historic than indicated in the evaluation report. In the second meeting the evaluation for the property, prepared by Jones & Stokes, was called into question by the Carmel Historic Society due to minor discrepancies in two other reports Jones & Stokes had prepared for other properties. In one case the error was a misspelling of an ex-mayors name. Again, the project was continued. Finally on July 17, 2000, after twice re-reviewing all information relevant to the project based on the apparently subjective opinion of one member of the public, the H.R.B. approved the evaluation report (identical in every respect to the first report completed in April), the proposed project, and the demolition. This set the stage for a final appearance before the Planning Commission on August 23<sup>rd</sup>, during which we obtained Planning Approval from the City of Carmel. At which point, of course, the project was forwarded to your agency.

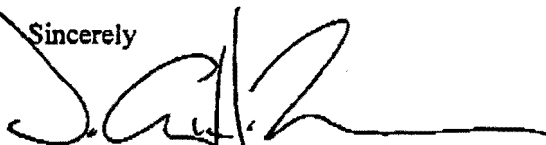
It is our belief that this project should have been in your hands many months earlier.

We feel very strongly that the singular ambience of Carmel, as defined by its architecture and sense of community, justifies protection and continuation by strong means. Indeed, our success as a local design firm demands that we work with great sensitivity within the vernaculars established by our predecessors. We hold ourselves accountable to very high standards as we desire, and believe, that in 50 years some of our houses will be among those finding protection through similar agencies.

However, we feel very strongly that in this case there has been a miscarriage of the review process. Our client is a committed, full-time member of the community. He has been diligent about meeting all requirements and suggestions put forth by the city, his neighbors, his community, yet his project has moved through the process with remarkable sloth. His daughters continue to grow up. As a result, 2 years after beginning the project we finally achieve City Planning approval and find ourselves deposited in an unfavorable milieu with the Coastal Commission

It is our hope you'll be able to assist us in moving this project through the final hurdle and obtain a demolition permit. Please call if I can offer any additional insight into the situation.

Sincerely



J. Craig Holdren Project Manager  
For Eric Miller AIA

p. 2 of 2  
**EXHIBIT D**  
**3-00-136**

