



DEPARTMENT OF PLANNING AND BUILDING

THIS IS A NEW PROJECT REFERRAL

DATE: 9/8/2010

TO: _____

FROM: Steve McMasters, Development Review

PROJECT DESCRIPTION: S030011U TRACT 2527 MISSION GARDENS- 60 unit planned development on a 50.55 acre site located in San Miguel. APNs: 021-355-001, 002 and 021-361-002.

Reconsideration

Return this letter with your comments attached no later than: 14 days from receipt of this referral. By 9/29/2010 please.

PART 1 - IS THE ATTACHED INFORMATION ADEQUATE TO COMPLETE YOUR REVIEW?

- YES (Please go on to PART II.)
- NO (Call me ASAP to discuss what else you need. We have only 10 days in which we must obtain comments from outside agencies.)

PART II - ARE THERE SIGNIFICANT CONCERNS, PROBLEMS OR IMPACTS IN YOUR AREA OF REVIEW?

- YES (Please describe impacts, along with recommended mitigation measures to reduce the impacts to less-than-significant levels, and attach to this letter)
- NO (Please go on to PART III)

PART III - INDICATE YOUR RECOMMENDATION FOR FINAL ACTION.

Please attach any conditions of approval you recommend to be incorporated into the project's approval, or state reasons for recommending denial.

IF YOU HAVE "NO COMMENT," PLEASE SO INDICATE, OR CALL.

Date

Name

Phone

GENERAL APPLICATION FORM

San Luis Obispo County Department of Planning and Building

APPLICATION TYPE - CHECK ALL THAT APPLY

- Public Lot
- Receiving Site
- Reversion to Acreage
- Voluntary Merger
- Lot Line Adjustment
- Sending Site
- Reconsideration
By Board of Supervisors
- Certificate of Compliance
- Parcel map
- Road Abandonment
- Condominium (new or conversion)
- Tract map
- Road Name

APPLICANT INFORMATION Check box for contact person assigned to this project

Landowner Name Coast National Bank c/o Gwen Pelfrey Daytime Phone 805-541-0400
 Mailing Address 500 Marsh Street, San Luis Obispo, CA Zip Code 93401
 Email Address: gpelfrey@coastnationalbank.com

Applicant Name _____ Daytime Phone _____
 Mailing Address _____ Zip Code _____
 Email Address: _____

Agent Name Oasis Associates, Inc. c/o C.M. Florence, AICP Daytime Phone 805-541-4509
 Mailing Address 3427 Miguelito Court, San Luis Obispo, CA Zip Code 93401
 Email Address: cmf@oasisassoc.com

021-355-001

021-355-002

PROPERTY INFORMATION

Total Size of Site: 50.55 acres Assessor Parcel Number(s): 021-361-002

Legal Description: _____

Address of the project (if known): San Miguel, CA 93451

Directions to the site (including gate codes) - describe first with name of road providing primary access to the site, then nearest roads, landmarks, etc.: Take Highway 101 North, exit at Mission Street, project is located on the right hand side of the road.

Describe current uses, existing structures, and other improvements and vegetation on the property:

There is an existing residence on the property.

PROPOSED PROJECT

Describe the proposed project (incl. size of all proposed parcels): A reconsideration by the Board of Supervisors of Vesting Tentative Tract Map 2527, Conditional Use Permit S030011U and the related Conditions of Approval.

LEGAL DECLARATION

I, the owner of record of this property, have completed this form accurately and declare that all statements here are true. I do hereby grant official representatives of the county authorization to inspect the subject property.

Property owner signature - Gwen Pelfrey Date Sept 3, 2010

FOR STAFF USE ONLY

Minimum Parcel Size: _____ sq. feet acres by PAS? by Ordinance?



PROJECT STATEMENT/SUPPLEMENT
to the application for a reconsideration of

MISSION GARDENS ESTATES

Vesting Tentative Tract Map 2527 & Conditional Use Permit/SO30011U
San Miguel, California

03 September 2010

A. Applicant: Coast National Bank ("Bank")
Ms. Gwen Pelfrey, President & Chief Operating Officer
Mr. Charlie Fruit, Executive Vice President & Special Assets Manager
500 Marsh Street
San Luis Obispo, CA 93401
805.541.0400

B. Representative: Oasis Associates, Inc.
C.M. Florence, AICP
3427 Miguelito Court
San Luis Obispo, CA 93401
805.541.4509

C. Project Description

Mission Gardens Estates ("Project") consists of a vesting tentative tract map that allowed a cluster subdivision to subdivide three existing parcels totaling 50.55 acres into the following:

- Fifty eight (58) residential parcels ranging in size from 5,360 square feet (SF) to 12,500 SF;
- One (1) residential parcel of 4.75 acres;
- One (1) 11.16 acre open space parcel with a 6,000 SF building envelope;
- One (1) 20.22 acre non-buildable open space parcel; and
- A 2.43-acre remainder lot.

D. Property History

During the summer of 2003, before or around the time the application for this project was submitted, an owner of project applicant Mission Gardens Estates, Inc. illegally graded the project site. The illegal grading extended onto an adjacent property owned by the Diocese of Monterey, disturbing cultural resources on the adjacent property in the process. The individual responsible for the grading was charged with a misdemeanor and fined. Sometime later, an environmental impact report ("EIR") was prepared to address the project. The EIR also discussed the on-site and off-site grading related impacts, despite the fact that the disturbed Diocese of Monterey property was not part of the project. On November 10, 2005, the Planning Commission reviewed and approved the project subject to certain conditions of approval, some of which were intended to mitigate for the illegal grading. Mission Gardens Estates, Inc. filed an appeal of that action based on its disagreement with those conditions. Under appeal, the Board of Supervisors approved the project on April 4, 2006 based upon findings and conditions for both the tract map and a conditional use permit.

Mission Gardens Estates, Inc. was a borrower of the Bank. The Bank previously was the first priority perfected, secured lender/beneficiary under its recorded deed of trust(s) against the subject property. On June 17, 2009, the Bank took title to the subject property by foreclosure and has since been conducting additional due diligence to determine the economic viability of maintaining the entitlement and ultimately, offering the project to a capable residential developer who would be responsible for recording the final map, completing the improvements and building the residential units.

Based upon their analysis, the Bank has determined that, as conditioned, the project is not economically viable and is requesting a reconsideration of specific conditions of approval.

E. Basis of the Reconsideration

The Bank accepts that the mitigation measures and related conditions of approval were developed through the environmental impact report ("EIR") prepared for the project that was ultimately certified by the Board of Supervisors. The Bank also understands that requested changes to the mitigation measures are governed by the California Environmental Quality Act ("CEQA") Guidelines § 15162 – 15164, with reference to a subsequent, supplement or addendum to an EIR. The Bank is not proposing substantial, or for that matter, even minor changes to the project itself that would have a significant effect on the environment.

CEQA provides for a Lead Agency to determine if a mitigation measure is feasible, as that term is used in the Guidelines. See 14 Cal Code Regs §15364. Feasible.¹ Therefore, on behalf of the Bank, we are requesting a reconsideration of the tract conditions of approval and related mitigation measures 46.a., 46.c.1. and 46.c.2. based upon economic infeasibility. A detailed discussion of the specific request is provided below. In support of the conclusion that implementation of these specific measures are economically infeasible to bring the project to fruition, the Bank has prepared the itemized costs associated with the project in a detailed disclosure (i.e., pro forma) regarding its project-related financial matters. This documentation will be submitted under confidential cover.

F. Items for Reconsideration

The Bank is requesting elimination and/or modification of the following Tract 2527 conditions of approval. Each condition is presented in its entirety. The proposed modifications are noted in "track changes". Comments related to the proposed modifications are noted in Section G. Comments to Requested Condition Modifications.

Fees

21. **Prior to recordation of final map**, the applicant shall pay all applicable ~~Quimby and Building~~ Division Fees.

Tract 2527 Condition of Approval ("COA") number 46 is presented below in its entirety. To reiterate, the proposed modifications are noted in "track changes". These modifications also apply to Conditional Use Permit COA 25 a. and 25 c.1. and c.2. For reference only, these conditions of approval are related to the following mitigation measures E-1, E-2 and E-3.

¹ "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors.

Cultural Resources

46. Prior to approval of tract improvement plans, the applicant shall provide funding for the County of San Luis Obispo to retain an cultural resource management firm with demonstrated expertise in Mission era structures and resources to provide the following:
- a. Perform a subsurface investigation of the "remainder" lot south of the Diocese property, and within the proposed right-of-way [Emergency Access Road (Future Tract 2710 'N' Street Extension)] on Lot 1 in order to confirm the presence of and evaluate any potentially significant cultural resources associated with neophyte quadrangle in any the area potentially affected by proposed future road or access development.
 - b. Consult with Diocese of Monterey to permit discuss stabilization and other protective measures to the east side of the neophyte quadrangle in order to conserve the last remaining above ground remnant of the north wall of the facility.
 - c. ~~1. Develop estimates for the cost of archaeologically excavating the impacted area of 31 neophyte rooms (equaling approximately 1,054 square meters) on the Diocese property as an offset for the impact that occurred due to the unauthorized grading of the Diocese properties and the project site. The total estimated volume of material destroyed and subject to mitigation is 105.4 cubic meters. A payment program shall be instituted, phased with the recordation of the tract, that provides for the equivalent of excavation of 100% of the disturbed volume. Monies shall be paid by the project applicant with credit in the amount of \$35,000 for funds utilized for prior testing during the EIR evaluation. Credit shall not be given for those studies that evaluated resources or impacts on the project site (TR2527). These funds shall be held in trust by the California Mission Studied Association, California Missions Foundation or a comparable non-profit organization to be used for historical or archaeological studies, or restoration activities of resources or site associated with San Miguel Mission. Preference of use of the funds shall be given to studies of resources related to Native America culture at the Mission. The program, payment phasing and fund administering organization shall be approved by the County of San Luis Obispo in consultation with the State of California, Office of Historic Preservation and representatives of the Salinan Tribe, OR~~

~~2. If access to the property containing the remains of the neophyte quarters is granted, a comprehensive mitigation package shall be developed to compensate for the impacts that occurred due to the unauthorized grading of the Diocese properties. The mitigation package shall include (with the permission of the Diocese of Monterey): the use of geophysical testing to map and study the remaining portions of the neophyte quarters, and test excavations in areas that will provide information on the resources associated with the neophyte quarters as approved by the Environmental Coordinator. Any remaining funds not utilized for geophysical testing or test excavations shall be held in trust and used and administered as indicated in 46(c)(1) above. The total cost of the mitigation package shall equal \$900,000 with credit for past testing and indicated in 46(c)(1) above.~~
 - d. Develop a detailed research design for an archaeological investigation of the brick and tile kiln. Upon the completion of the additional research, the applicant shall fund the construction and placement of a model of the neophyte quarters and kiln for interpretation purposes. Construction and placement of the model shall occur only if there is prior

agreement by an appropriate institution to accept the model for interpretation purposes. Acceptable institutions include: Mission San Miguel, County of San Luis Obispo (Rios-Caledonia Adobe), County Historical Society, School District or a local San Miguel historical group with exhibit area.

- e. Prepare and assemble the appropriate application and supporting documentation and process the nomination for placement of the cultural resources uncarthed and still in place within and adjacent to the Mission Garden Estates site for inclusion in the California Register of Historical Resources.
- f. Prepare informational material appropriate for distribution at the Mission and elsewhere which presents photographs showing the Mission at different stages of its construction and alterations.
- g. Provide a monitoring plan that shall include at a minimum:
 - 1) List of personnel involved in the monitoring activities, including a Native American representative;
 - 2) Description of how the monitoring shall occur;
 - 3) Description of frequency of monitoring (e.g. full-time, part-time, spot checking);
 - 4) Description of what resources are expected to be encountered;
 - 5) Description of circumstances that would result in the halting of work at the project site (e.g. What are considered "significant" archaeological resources);
 - 6) Description of procedures for halting work on the site and notification procedures and;
 - 7) Description of monitoring reporting procedures."

Safety

~~57. Prior to approval of the final map, plans for both the proposed primary and secondary, emergency only access routes shall be submitted to and reviewed by the Union Pacific Railroad in order to insure that any required gates, warning signs, signage or other related safety measures are incorporated into the final design of both proposed access routes.~~

G. Comments to Requested Conditions of Approval ("COA") Modifications

COA 21. The Parkland Fee or Quimby Fee (Title 21 §21.09.010) is based on the estimated average cost for developing one acre of parkland in the County. This fee requires either dedication of new parkland or the payment of in-lieu fees. In this circumstance, the Quimby fee was calculated at \$55,560 (60 residential lots x \$926). The approved project includes a non-buildable open space parcel equaling 20.22 acres. The Bank suggests that the 20+ acres of dedicated open space represents more than the project's fair share provision of parkland, and therefore the request to eliminate the in-lieu fee.

COA 46.a. The modifications to this condition request a slightly narrower scope to better reflect the project and the sequence of development and construction activities. Lot 1, a residential parcel consisting of 4.75 acres, is planned only for an extension of 'N' Street. There are two (2) existing structures on site. No additional structures are planned for this parcel at this time. The modified language to this condition would simply limit the subsurface archaeological work effort to the proposed alignment of the 'N' Street right-of-way (i.e., the area potentially affected by the proposed future road or access).

COA 46.b. The ability to compel another party, in this case the Diocese of Monterey ("Diocese"), to permit stabilization and other protective measures to the east side of the neophyte quadrangle is not an

action that the Bank may be able to pursue successfully. It is more appropriate for the Bank to work collaboratively with the Diocese and discuss their disposition, strategy and potential plan of action, should the Diocese consider entering into this type of discourse.

COA 46.c. The Bank is respectfully requesting deletion of this condition in its entirety. While it could be argued that the architect of this unfortunate circumstance is the grader and that his action and County's reaction should ride not with the land, this is not the basis of the Bank's request for reconsideration.

Rather, it is from an economic, community benefit and countywide housing perspective that the Bank seeks relief from this onerous condition. This request is also based upon the Bank's collaborative effort with the Diocese of Monterey and the People's Self Help Housing Corporation ("PSHH"). From an economic feasibility perspective, the Bank was in early discussions with PSHH to determine their interest in pursuing the project. Concurrently, the Bank was reaching out to the Diocese since condition of approval 46.c. was predominately focused on the subsurface excavation of the Mission San Miguel property.

In December 2009, Sheryl Flores, PSHH's Housing Development Director sent correspondence to John Fowler, Provincial Executive Liaison for the Bishop of Monterey confirming PSHH's interest in acquiring the 58 single family lots in the project for development of mutual self-help housing, a home ownership opportunity for low-income households. See attached correspondence from Sheryl Flores to John Fowler.

From an historical perspective, in spring 2008, PSHH had sent a letter to the former property owner, Gordon Marshall/Mission Garden Estates, Inc. indicating that PSHH could pay a set amount (\$100,000) per finished lot. The letter goes on to express PSHH's concern regarding the "huge obstacle" of the \$900,000 archaeological mitigation fee that renders the project economically infeasible to produce housing for low-income households. PSHH suggests that perhaps the Diocese would consider an alternative mitigation measure that "might allow for the development of low-income housing and benefit the community of San Miguel and the Diocese more than vacant land setting idle".

In February 2010, Thomas J. Riordan, Vicar for Temporalities and Administration for the Diocese of Monterey, sent correspondence to the Bank's representative in response to PSHH's expressed interest in the subject property. Vicar Riordan wrote "In accordance with Catholic Social Teachings, the Roman Catholic Bishop of Monterey is interested in assisting the poor obtain housing. Because of this, we are happy to see low-income housing be available at the site of the former "Mission Gardens" property."

The Vicar continues, "The Roman Catholic Bishop of Monterey has no control over the fine levied against the property, but it is in favor allowing the fine to be re-adjusted or removed (emphasis added) to make it possible for the low income units to be built on the former "Mission Gardens" site." See attached correspondence from Vicar Riordan to Coast National Bank.

From a countywide housing perspective, the Bank submits that with the elimination of the mitigation fee, the project can begin to fulfill the goals and policy objectives as stated in the Housing Element for

2009 – 2014. Based upon the Housing Community Development and the Regional Housing Numbers Plan, the County's share of very low – above moderate housing equals 1,295 units. In addition, the Housing Element clearly describes implementation programs to achieve these goals. For example, Program HE 1.B states to “continue and track existing development incentives”. The stated purpose of this program is to acknowledge that incentives have financial values that improve the financial feasibility for the development of affordable housing. Program HE 1.C refers to the reduction and/or deferral of fees for affordable housing developments.

The Bank contends that enabling language exists not only in CEQA, but embedded in the County's Housing Element to seriously contemplate this reconsideration request with the desired result of adding housing that would otherwise not be created without the “incentive”.

COA 57. The deletion of this condition reflects a changed circumstance that eliminates the need for secondary emergency access, as this is now being provided through the adjacent Tract 2527. The original condition required access through a private road – Estrella Road. Discussions with the Union Pacific Railroad (“UPRR”) concluded that they would require that the private road become a public right-of-way. With the reclassification, UPRR would require a minimum of two (2) existing crossings be closed.

H. Conclusion

The safety and soundness of our small financial institutions (i.e., our local community banks) is dependent on their ability to be profitable and add to their capital base. Given these unfortunate and extremely challenging economic times, their ability to conduct “normal” business has been negatively impacted and severely diminished. Coast National Bank's involvement with the Mission Gardens Estates project is a case in point. Small community financial institutions care about the people in their community. We need our local government to care equally about the health of our community banks.

Coast National Bank together with People's Self Help Housing and the Diocese of Monterey has developed a strategy to balance a number of important goals and objectives. We need the Board of Supervisors to grant the reconsideration request and become part of the solution. An approval would reflect the County's support of our community banks, an acknowledgement of the need to provide housing for all income levels in an area with available resources, and certainly recognition that we desperately need jobs. We believe that this is a reasonable, balanced and positive approach to an unfortunate set of circumstances.

I. Attachments

1. Correspondence from Coast National Bank to the Board of Supervisors, September 3, 2010
2. Pro Forma – Under Confidential Cover
 - a. Preface to the Pro Forma
 - b. Notes to the Pro Forma
 - c. Pro Forma to Complete Finished Lots
3. Correspondence from S. Flores, PSHH to J. Fowler, December 22, 2009
4. Correspondence from Diocese of Monterey to Coast National Bank, February 24, 2010
5. Summary of Legal Principles Regarding Prior Illegal Activities and the California Environmental Quality Act, September 3, 2010



September 3, 2010

Board of Supervisors
San Luis Obispo County
Monterey Street
San Luis Obispo, CA 93408

RE: Mission Gardens Estates Vesting Tentative Tract Map 2725 & Conditional Use Permit
San Miguel, CA

Honorable Members of the Board,

As you are aware, the banking industry has been severely impacted by the worst recession since the Great Depression. The losses experienced on the somewhat aptly named "toxic assets" have seriously eroded bank earnings and capital nationwide. Our local community banks are no exception; many are no longer profitable.

In October of 2005, Coast National Bank (Bank) funded a land acquisition and development loan to Mission Gardens Estates, LLC. Unfortunately, the owners did not disclose the fact that they had engaged in illegal grading of the property in 2003. The Bank learned about this issue sometime after the owners filed an appeal of the proposed map condition(s) that was ultimately heard by the Board of Supervisors in February 2006. The former project owners tried but were ultimately unable to obtain financing or sell the project due, in part, to the \$900,000 mitigation fee the County levied against the project/map to compensate for the illegal grading. The Bank eventually acquired title by foreclosure in June 2009.

The Bank and its consultants have studied the project's financial feasibility. The pro forma identifies the relevant costs to complete the map by building out finished lots; the summary has been provided to County legal staff for your review. The project is not economically viable with the \$900,000 mitigation fee in place. As demonstrated by the data, even with a waiver of the \$900,000 fee, the project is marginally feasible even for a non-profit affordable housing builder using grants and subsidized loan programs.

People's Self Help Housing Corp (PSHHC) has expressed interest in purchasing finished lots (only) in this subdivision based on current appraised value or \$100,000, per lot, whichever is lower. However there are two key conditions affecting the project's financial feasibility and therefore PSHHC's interest in pursuing the project. The Bank negotiated an agreement with the San Miguel Community Services District (SMCSD) to "grandfather in" the old water and sewer fees which will reduce project costs by more than \$600,000. Based on the agreement with the SMCSD, PSHHC must be in a position to secure building permits and pay those fees by April 4, 2012 to recognize this savings. The second issue is obtaining relief from the cultural resources mitigation fee which will add \$15,000 in costs per lot. Essentially, this fee, if not waived, will defeat the effort to build affordable workforce housing.

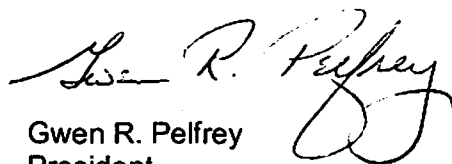
Coast National Bank
September 3, 2010

The Bank respectfully requests that the County rescind the \$900,000 mitigation fee and also waive the Quimby fees on this project. We believe this action will ultimately benefit the County and our local citizenry by creating much needed employment, providing affordable workforce housing units and generating additional fee and tax revenues. Unfortunately, the alternative is that this map will expire and no completion fees of any kind will be paid. In all likelihood it will take another decade for any new project to be processed, approved and built in this location.

The Bank certainly appreciates the County's motives for levying the cultural resources mitigation fee at the time it was imposed, given the circumstances. However, the parties that caused the problem have suffered the loss of their development project and are no longer involved in the project. At this juncture, we believe it is in the best interest of all concerned to find a workable solution to allow this development to be built as affordable workforce housing for the community of San Miguel.

We thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Gwen R. Pelfrey". The signature is written in black ink and is positioned to the right of the typed name.

Gwen R. Pelfrey
President
Chief Operating Officer

PROJECT PRO FORMA

- **Preface to the Pro Forma**
- **Notes to the Pro Forma**
- **Pro Forma to Complete Finished Lots**

FINANCIAL DATA TO BE SUBMITTED UNDER CONFIDENTIAL COVER
PURSUANT TO PUBLIC RESOURCES CODE § 21160 AND GOVERNMENT
CODE §§ 6254.7(d) AND 6255.



Peoples' Self-Help Housing Corporation

December 22, 2009

Mr. John Fowler
Provincial Executive Liaison
c/o Ms. Carolyn Bell
951 Palm Street
San Luis Obispo CA 93401
Sent via email: johnslocpa@sbcglobal.net

Re: Mission Gardens Estates, San Miguel

Dear Mr. Fowler:

This letter is written to confirm our interest in acquiring the 58 single family lots in the Mission Garden Estates subdivision for the development of mutual self-help housing, a home ownership opportunity for low-income households.

Although you are somewhat familiar with our non-profit organization and our mutual self-help program, you may want to check out our website at www.pshhc.org to see some of our latest endeavors. Through our mutual self-help program, over 1000 families have built their own homes in San Luis Obispo, Santa Barbara and Ventura counties. Approximately 40% of these families were very low income and the remaining 60% were low-income. The combination of subsidized government mortgages and the cost savings resulting from the family's sweat equity enables low-income families to become home owners with affordable mortgage payments from 24% to 33% of their household incomes. Peoples' Self-Help Housing Corp has also developed and manages over 1200 rental units for predominately very low-income households, seniors and other special needs populations and provides many services such as educational and health programs at our developments.

In May 2008, we sent a Letter of Intent to Purchase to the prior owner, Gordon Marshall indicating that we could pay \$100,000 per finished lot for the property provided certain requirements were met, among them a requirement that the purchase price be supported by an appraisal ordered by the lender of our choice. Subsequently, the value of residential land has dropped significantly and we have no idea of the properties current value.

We have consistently indicated that we are only interested in purchasing finished lots in a recorded Tract Map as the costs to complete the lots may likely exceed their value upon completion of the lots, especially in a falling market.

It is our understanding that subsequent to Coast National Bank's acquisition of the property, bank staff and Carol Florence of Oasis Associates, Inc. have worked to clarify and negotiate many components of the development process to reduce the development costs so that the project may be economically feasible. One huge obstacle that remains is the \$900,000 archaeological mitigation fee which adds approximately \$15,000 to the cost of each lot.

Carol has indicated to us that the Diocese may be willing to consider an alternative mitigation measure that might allow for the development of low-income housing and benefit the community of San Miguel and the Diocese more than vacant land setting idle. We welcome the opportunity to explore the options that may be available.



3533 Empleo Street
San Luis Obispo, CA 93401
Tel: (805) 781-3088
Fax: (805) 544-1901
E-mail: admin@pshhc.org
www.pshhc.org



A United Way Agency

26 E. Victoria Street
Santa Barbara, CA 93101
Tel: (805) 962-5152
Fax: (805) 962-8152
E-mail: sboffice@pshhc.org
www.pshhc.org



December 23, 2009

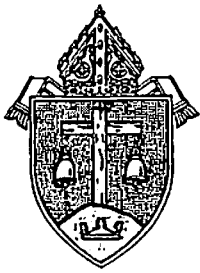
We hope that you are enjoying a wonderful Christmas Season and that 2010 will bring more favorable economic times to the church and to the community of San Miguel.

Sincerely,



Sheryl Flores
Housing Development Director

Cc: C.M Florence, Oasis Associates, Inc.
G. Pelfrey & C. Fruit, Coast National Bank



DIocese OF MONTEREY

Pastoral Office

831-373-4345
FAX 831-373-1175

Diocese@dioceseofmonterey.org
www.dioceseofmonterey.org

February 24, 2010

Coast National Bank
C/O C.M. Florence, AICP
Oasis Associates, Inc.
3427 Miguelito Court
San Luis Obispo, CA 93401

RE: Mission Gardens Property

Dear Ms. Florence:

I am writing to you today regarding the property located across the street from Mission San Miguel which was formerly owned by Gordon Marshall and his partners. As you know, in 2003, Mr. Marshall illegally graded property owned by the Roman Catholic Bishop of Monterey which is adjacent to his property. As a result of the illegal grading, a fine was levied against Mr. Marshall and the project. We understand that Peoples' Self Help Housing is interested in acquiring the property from Coast National Bank and that the fact that the administrative fine is attached to the property is making it difficult for it to acquire the property.

We understand that Peoples' Self Help Housing assists very low income people in obtaining home ownership. In accordance with Catholic Social Teachings, the Roman Catholic Bishop of Monterey is interested in assisting the poor obtain housing. Because of this, we are happy to see low income housing be available at the site of the former "Mission Gardens" property.

The Roman Catholic Bishop of Monterey has no control over the fine levied against the property, but it is in favor allowing the fine to be re-adjusted or removed to make it possible for the low income units to be built on the former "Mission Gardens" site.

If you have any questions, please contact me at the phone number above.

Very truly yours,

Thomas H. Riordan
Vicar for Temporalities and Administration

TOWN OF
SAN MIGUEL

SAN MIGUEL LOT

MISSION STREET

MISSION STREET

SOUTHERN PACIFIC RAILROAD
S. P. R.

LOT 3 7
(NOT A PART)

REMAINDER
SECTION 20

SECTION 17

REMAINDER
SECTION 18
LOT 3 8
(NOT A PART)

TRACT 237

SECTION 19

SECTION 16

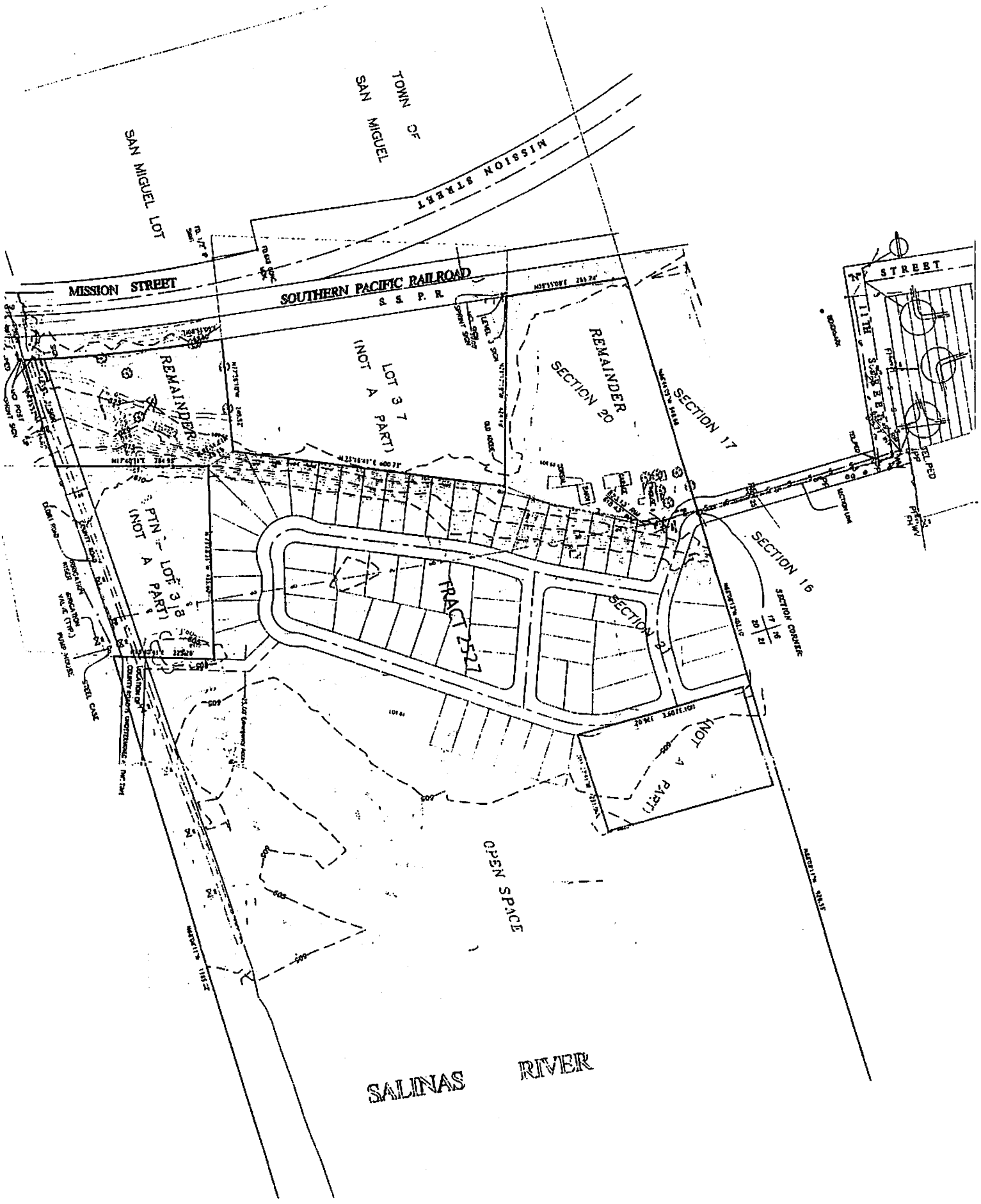
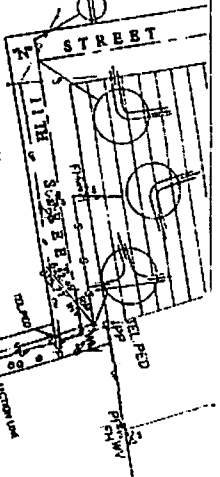
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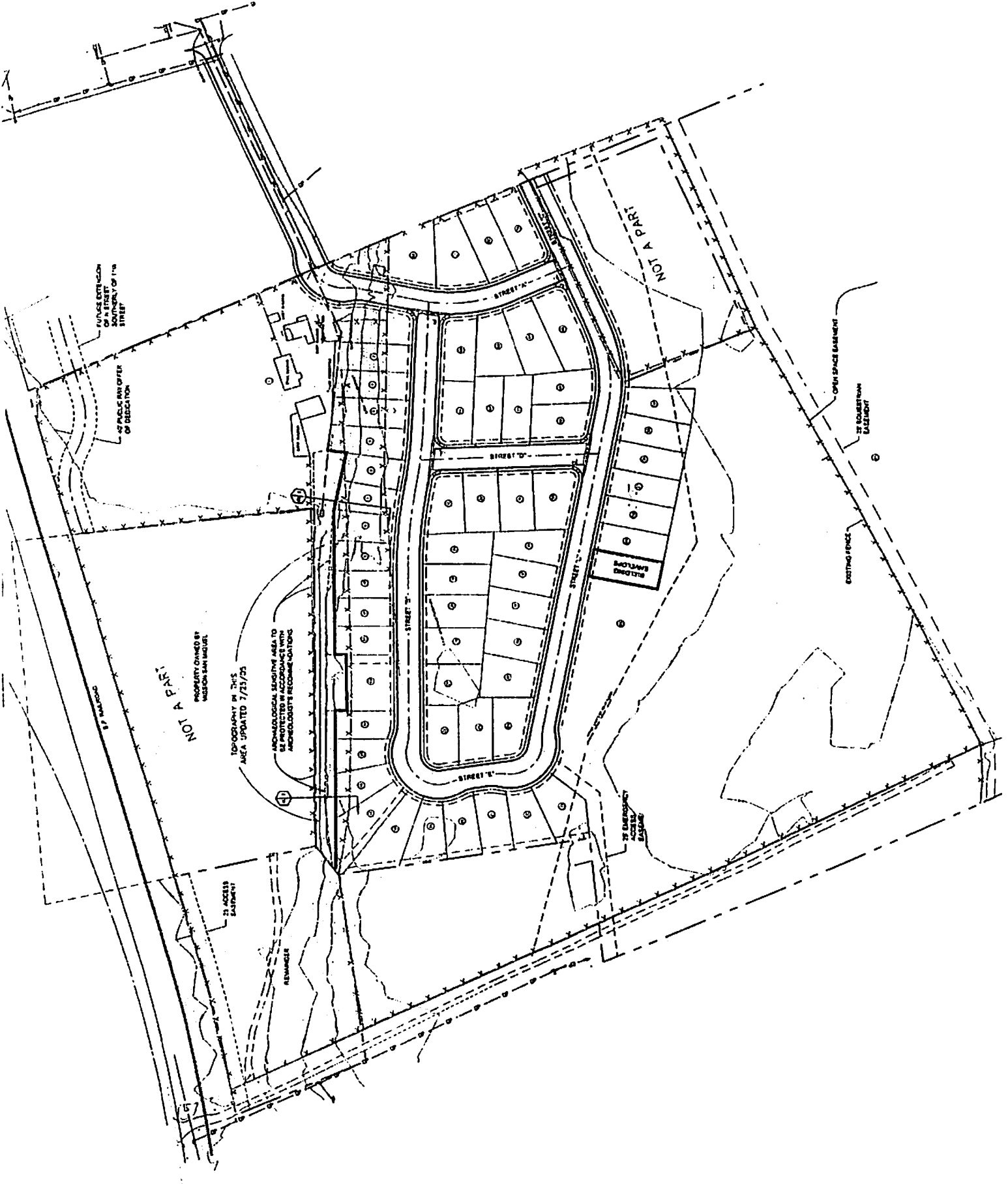
(NOT A PART)

OPEN SPACE

SALINAS RIVER

STREET





FUTURE EXTENSION OF A STREET SOUTHERLY OF THE STREET

AS PAVED MAY DIFFER OF DEDICATION

NOT A PART

PROPERTY OWNED BY MASON SANITARIUM

TOPOGRAPHY IN THIS AREA UPDATED 7/13/05

ARCHAEOLOGICAL SENSITIVE AREA TO BE PROTECTED IN ACCORDANCE WITH ANTHROPOLOGIST'S RECOMMENDATIONS

25' ACCESS BASINMENT

REINFORCEMENT

STREET 'E'

STREET 'D'

STREET 'C'

STREET 'B'

STREET 'A'

25' EMERGENCY ACCESS BASINMENT

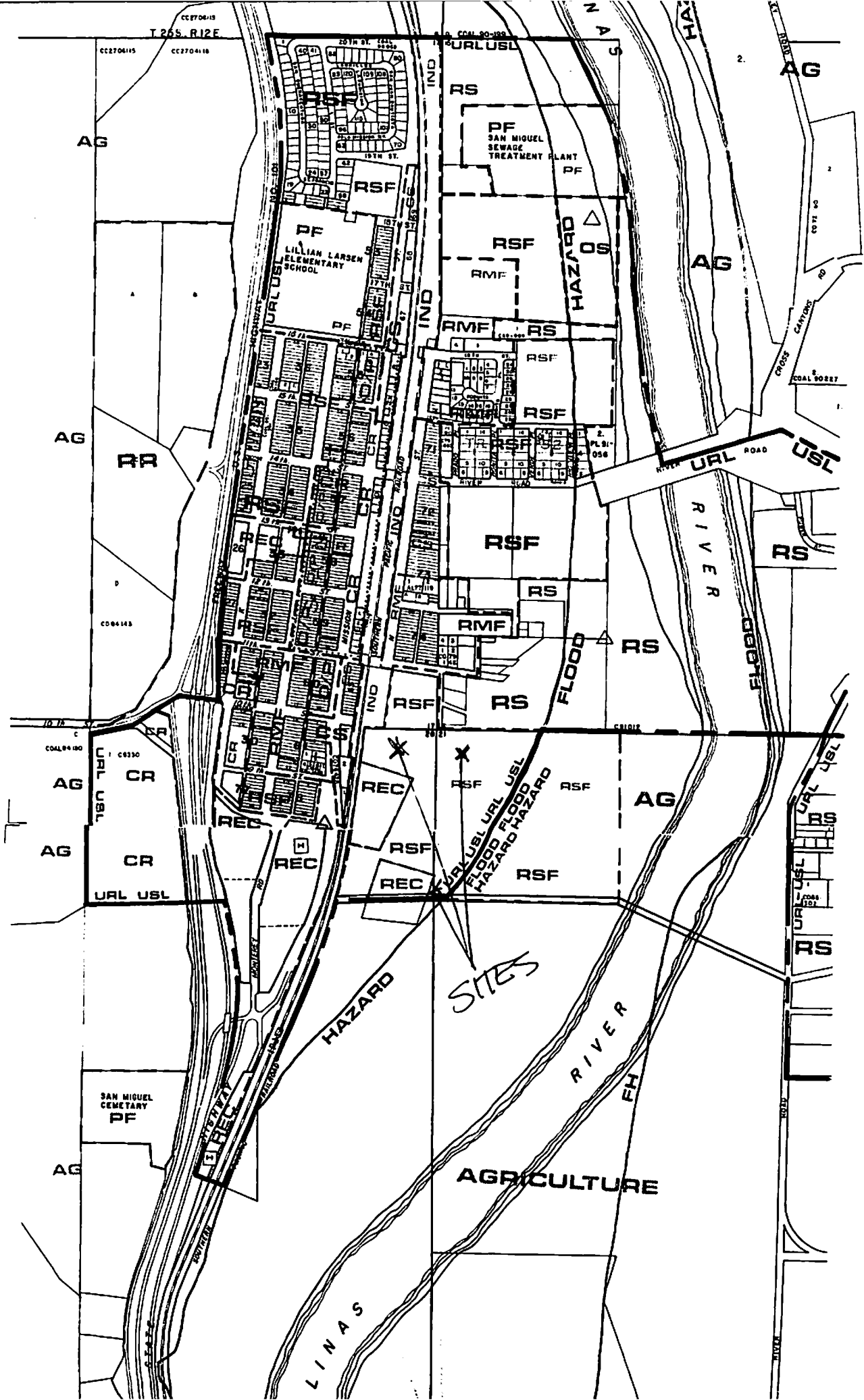
EXISTING BUILDING

EXISTING FENCE

OPEN SPACE BASINMENT

25' EXISTING BASINMENT

NOT A PART



T. 26 S. R. 12 E.

CC270415 CC270416

COAL 90-100

URL USL

AG

AG

RS

PF
SAN MIGUEL
SEWAGE
TREATMENT PLANT

RSF

PF
LILLIAN LARSEN
ELEMENTARY
SCHOOL

RSF

HAZARD

AG

RMF

RMF

RS

RSF

RSF

RSF

AG

RR

URL ROAD

RS

RSF

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RSF

REC

RSF

SAN MIGUEL
CEMETARY
PF

AG

AGRICULTURE

LINAS

RIVER

FH

SITES

HAZARD

URL USL

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Parcel Summary Report For Parcel # 021-361-003

9/8/2010
1:36:29PM

San Luis Obispo County Department of Planning and Building

County Government Center

San Luis Obispo, California 93408

Telephone: (805) 781-5600

People Information

Role Name and Address

OWN COAST NATIONAL BANK
500 MARSH ST SLO CA 93401-3955

Address Information

Status Address
P 00000 11TH ST SMIG

Lot Information:

| <u>Tract / Township</u> | <u>Block / Range</u> | <u>Section</u> | <u>Community:</u> | <u>Plan/Area:</u> | <u>Lue 1:</u> | <u>Lue 2:</u> | <u>Lue 3:</u> | <u>Lot:</u> | <u>Flags:</u> | <u>Misc</u> |
|-----------------------------|--------------------------|----------------|-------------------|-------------------|---------------|---------------|---------------|-------------|---------------|-------------|
| T25S | R12E | 21P | San Miguel | Salinas | RSF | | | U | | |

Parcel Information

Status Description
Active TN SAN MIGUEL T25S R12E PTN SEC 21

Notes

Tax Districts

SAN MIGUEL ELEM. SCHOOL
PASO ROBLES JT(27,40) (SB1537) UNIFIED SCHOOL
SAN LUIS OBISPO JT(27,40) COMM. COLLEGE
AREA NO. 21 COUNTY SERVICE
SAN MIGUEL COMM. SERVICE
SAN MIGUEL CEMETERY
NO. 01 ROAD-CO/SUPVR

Case Information

Case Number: Case Status:



Parcel Summary Report For Parcel # 021-361-003

9/8/2010
1:36:30PM

San Luis Obispo County Department of Planning and Building

County Government Center

San Luis Obispo, California 93408

Telephone: (805) 781-5600

C5722 FNL Primary Parcel

Description:

4880 CY STOCKPILE FOR 12MONTHS

C7460 FNL Primary Parcel

Description:

ELECTRICAL FOR AG WELL- 100 AMP/ 25 HP

S030011U PTX Primary Parcel

Description:

60 UNIT PLANNED DEVELOPMENT SFD

SUB2005-00265 APV Related Parcel

Description:

REQUEST FOR 5 ROAD NAMES:

WIMER WAY-A STREET

MAKEWE AVE-B STREET

SOKA WAY-C STREET

CHIC LANE-D STREET

CATALA WAY-E STREET