



August 9, 2004

Larry De Young
P.O. Box 370546
Montara, CA 94037

Re: Harbor Village Project

Dear Mr. De Young,

**ENVIRONMENTAL
SERVICES
AGENCY**

Agricultural
Commissioner/ Scaler of
Weights & Measures

Animal Control

Cooperative Extension

Fire Protection

LAFCo

Library

Parks & Recreation

Planning & Building

This letter is in response to your recent e-mails, including your request for copies of the reports referenced in section 11 of the Development Agreement concerning the Harbor Village project. Due to the inactive status of the Project, the Planning Department did not generate written reports as there was nothing to report. It is my understanding that the Department did periodically consult with the developers' representatives. Once construction activity begins, it is our intention to implement the report requirement under the Agreement.

We would also like to take this opportunity to clarify the Department's position on the status of the Development Agreement. Based upon our review of the project and discussions with County Counsel, we have issued building permits for the initiation of construction of the retail shell portion of the project. We have also received the application for building permits for the hotel and restaurant portions and payment of substantial application fees. We are monitoring the situation, and we intend to keep the County's options open. In response to your concern that the County may wait until the termination of the agreement to take action, no decision has been made to that effect. This is a complicated situation, and like you, we hope that there will be an amicable solution.

Sincerely,

Marcia Raines
Director of Environmental Services

cc: Tom Casey, County Counsel
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