



**CITY OF PACIFIC GROVE**  
300 Forest Avenue, Pacific Grove, California 93950

**AGENDA REPORT**

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Ben Harvey, City Manager

**MEETING DATE:** January 11, 2017

**SUBJECT:** Project Bella/Domain Hospitality Status Update

**CEQA:** This action does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378.

**RECOMMENDATION**

Status update report; no action required.

**DISCUSSION**

The City Council was last provided a status update regarding Project Bella/Domaine Hospitality at its regularly scheduled meeting of September 21, 2016. With the November 2016 City Council election now passed bringing two new City Council Members, as well as recent community questions pertaining to Project Bella and/or the project developer, Domaine Hospitality, it is now appropriate to provide the City Council with a project status update.

As of September 30, 2016, Domaine Hospitality is current with all monies owed the City for project-related expenses, including environmental review, and special election costs. The City does not have an agreement with Domaine Hospitality for Local Coastal Plan (LCP) reimbursement, and therefore the City is not owed any money by Domaine Hospitality for LCP-related expenses.

Both Domaine Hospitality and the City remain mutually interested in renegotiating the reimbursement agreement that governs the City-incurred costs for environmental review that will be reimbursed by Domaine Hospitality for Project Bella and a portion of the work completed on the LCP. The reimbursement agreement will be renegotiated, and brought back to the City Council for review/approval, prior to any additional project work being performed. The City is waiting for the Domaine Hospitality team to indicate its readiness in order for agreement renegotiation meetings to commence.

Once renegotiations are complete, the City will require a project application, project description, and/or project plans from Domaine Hospitality for Project Bella. At this point, the City has not received any of these items. Until any of these items are received, no reimbursable

environmental review work from City-hired consultants, and/or City staff time, will be expended upon the project.

The City is neither a partner, nor a landlord, with Domaine Hospitality and/or for Project Bella. Like any project application submitted, it is the City's duty to receive, review and consider the anticipated application for Project Bella on its merits for compliance with all applicable laws.

Additional status update reports will be provided to the City Council based upon project activity.

**OPTIONS**

Not applicable; status report with no action required.

**FISCAL IMPACT**

There is no fiscal impact for receiving this status update report.

RESPECTFULLY SUBMITTED:



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Ben Harvey  
City Manager