



American Golf



January 9, 2013

Mr. Elmer Penaranda  
City of San Leandro  
Community Development Department  
Planning Services Division  
835 E. 14<sup>th</sup> Street  
San Leandro, CA 94577

Re: **Proposed 16-Unit Residential Development Adjacent to Monarch Bay Golf Course/  
San Leandro Golf Course (the "Proposed Development")**

Dear Mr. Elmer:

As you know, American Golf Corporation ("AGC") is the lessee under that certain Lease Agreement dated November 15, 1997 entered into with the City of San Leandro ("City") for the operation of Monarch Bay Golf Course/San Leandro Golf Facility (the "Golf Course").

AGC is in receipt of certain documents relating to the Proposed Development along the southeasterly portion of the Golf Course. Based on the information known to AGC at this time, we wish to bring your attention to the following concerns we have that must be addressed. If additional information about the Proposed Development is presented to us, we reserve the opportunity to provide additional comments.

- **Boundary Fence:** Currently, a chain link fence with barb wire ranging from the height of 5½ to 18 feet is located on the property line that separates the Golf Course from the Proposed Development area. Based on photos of the Proposed Development, it appears that the developer is requesting to remove the existing fence and replacing it with a wooden fence of a much lower height. The removal of the existing fence will create potential security and trespassing issues for the Golf Course. Therefore, any replacement fence must be of similar height to the existing fencing for purposes of safety and security of the Golf Course and the Proposed Development.
- **Normal Golf Course Operations:** Living on or adjacent to a golf course certainly has its benefits, including open spaces and improved property values. However, the developer and the future homeowners must also assume certain risks and conditions associated with developing and living next to a golf course and must accept such risks and conditions. At a minimum, the developer for the Proposed Development must be required to record CC&Rs and Golf Play Easement against the title of the residential lots prior to sale advising future homeowners of the risks and conditions outlined below and releasing the Golf Course from any claim or liability associated with them. We would be happy to provide examples of CC&R language and a form Golf Play Easement for this purpose.
  - **Errant Golf Balls:** There are risks that errant golf balls may be over, across and upon the Proposed Development area and may cause damage or injury. As part of the Proposed Development, the developer, at its costs and expense, should be evaluating the risks and where necessary put measures in place to reduce the risks.



### American Golf™

- Noise: Noise related to the normal and customary maintenance and operation of the Golf Course, including without limitation, the operation of mowing and spraying equipment and the use of any amplified system from the pro shop from early morning until late evening.
- Maintenance Building: The customary activities conducted from the maintenance building located in near proximity to the Proposed Development area during early morning hours, including without limitation, washing of maintenance equipment.
- Overspray: Potential overspray of herbicide, fungicides, pesticides, fertilizers due to wind factor, over portions of the Proposed Development area.
- View Impairment and Tree Maintenance: The Golf Course has no obligation to preserve any view over and across the Golf Course property from the Proposed Development. The Golf Course has no obligation to prune or thin trees or other landscaping, and has the right to add trees and other landscaping from time to time. In fact, a portion of the Golf Course is indigenous habitat for monarch butterflies, and therefore, that area must exist in its current natural state and is not subject to routine maintenance. In addition, the Golf Course has the right to change or add improvements to the Golf Course that may affect the view of the Golf Course from the Proposed Development area.
- Other Incidental Activities: The Golf Course has the right to conduct acts that are incidental to Golf Course operation and any related activities conducted on the Golf Course property, including without limitation, the operation of lighting for the driving range and golf practice facilities during hours of darkness, the creation of usual and common noise levels associated with the activities of the Golf Course and the restaurant and banquet operations conducted from the clubhouse of the Golf Course during early morning until late evening.
- **Surface Water Runoff:** AGC must have assurance that adequate drainage facilities would be built to handle the surface water runoff from the Proposed Development such that no runoff from the Proposed Development would be diverted onto the Golf Course property.

AGC looks forward to working with the City in this regard. If you wish to schedule a walkthrough with me to discuss these matters, please feel free to contact me so that we can arrange a mutually convenient time to meet. Thank you.

Sincerely,

AMERICAN GOLF CORPORATION

A handwritten signature in blue ink, appearing to read "Jeff Perry".

Jeff Perry  
Regional Director

cc: Debbie Pollart  
Keith Brown  
Christine Chong  
Brandon O'Neill  
David Sams