

AGENDA

REGULAR MEETING OF THE PLANNING COMMISSION

TUESDAY, DECEMBER 19, 2017
6:00 P.M.

Council Chambers, City Hall
212 S. Vanderhurst Avenue, King City, CA

1. CALL TO ORDER

2. ROLL CALL:

Planning Commission Members: Michael Barbree, Margaret Raschella, Ralph Lee, Vice Chairperson David Mendez, and Chairperson David Nuck

3. FLAG SALUTE

4. PUBLIC COMMENTS

Any person may comment on any item not on the agenda. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD. Action may not be taken on the topic, unless deemed an urgency matter by a majority vote of the Planning Commission. Topics not considered an urgency matter might be referred to City staff and placed on a future agenda, by a majority vote of the Planning Commission.

5. PRESENTATIONS

None

6. CONSENT AGENDA

All matters listed under the Consent Agenda are considered routine and may be approved by one action of the Planning Commission, unless any member of the Planning Commission wishes to remove an item for separate consideration.

- A. Meeting Minutes of December 5, 2017 Planning Commission Meeting
Recommendation: approve and file.

7. PUBLIC HEARINGS

- A. Project Name: MD BioDesigns
Case No.: CUP 2017-007
Applicant: Ron Glantz
Location: 1011 Industrial Way, King City, CA.
Consideration: CUP Case No. 2017-007 Cannabis Cultivation (CA TYPE 2A), Manufacturing Level 2 (TYPE 7); and Distribution (CA TYPE 11) 1011 Industrial Way (APN 026-351-031)

Recommendation: Staff recommends the Planning Commission continue this item to January 16, 2018 based on applicant's request.

**Environmental
Determination:**

The City previously prepared and certified (September 2016) a Mitigated Negative Declaration (MND) for the amendment of the City's Zoning Ordinance and the amendment of the East Ranch Business Park Specific Plan (ERBP Specific Plan) (Ordinances Nos. 2016-728, 2016-729 and 2016-730) to allow new land uses in the Manufacturing Districts (M-1, M-2, M-3) and in the ERBP Specific Plan. Ordinances Nos. 2017-745 and 746 amended the Municipal Code to allow CA Type 7 Manufacturing and CA Type 11 Distribution.

Staff has conducted an Initial Study related to this proposed project (CUP Case No. 2017-010) and has determined the project is fully within the scope of, and consistent with the prior MND. The Adoption of a Finding of Consistency has been recommended, per CEQA Guidelines Section 15162 and has been noticed for Public Review.

B. Project Name: Boutique Unlimited

Case No.: CUP 2016-014

Applicant: Mike Ferguson

Location: North of 151 Airport Drive, APN 026-521-030

Consideration: CUP CaseNo.2016-014, Medical Cannabis Manufacturing Level 2 (CA TYPE 7) and Distribution (CA TYPE 11):

Recommendation: Staff recommends the Planning Commission: 1) review Conditional Use Permit Application, 2) receive public comment, and 3) adopt the attached Resolution approving Conditional Use Permit Case No. 2016-014.

**Environmental
Determination:**

The City previously prepared and certified (September 2016) a Mitigated Negative Declaration (MND) for the amendment of the City's Zoning Ordinance and the amendment of the East Ranch Business Park Specific Plan (ERBP Specific Plan) (Ordinance Nos. 2016-728, 2016-729 and 2016-730) to allow new land uses in the Manufacturing Districts (M-1, M-2, M-3) and in the ERBP Specific Plan. The Municipal Code was amended in June and August of 2017 to allow Manufacturing Level 2 (CA Type 7 and Distribution (CA Type 11.))

Staff has conducted an Initial Study related to this proposed project (CUP Case No. 2016-008) and has determined the project is fully within the scope of, and consistent with the prior analysis conducted on the MND. The Adoption of a

Finding of Consistency has been recommended per CEQA Guidelines Section 15162 and has been noticed for Public Review.

C. Project Name: Boutique Unlimited: Commercial Cannabis Distribution (CA TYPE 11)

Case No.: CUP 2016-008(b)17

Applicant: Mike Ferguson

Location: 151 Airport Road, APN 026-351-022

Consideration: CUP 2016-008(b)17, Commercial Cannabis Distribution (CA TYPE 11):

Recommendation: Staff recommends the Planning Commission: 1) review Conditional Use Permit Application, 2) receive public comment, and 3) adopt the attached Resolution approving Conditional Use Permit Case No. 2016-008(b)17.

Environmental Determination:

The project qualifies as a Class 32 Categorical Exemption per CEQA Guidelines 15332 (Infill Projects), being surrounded by urban uses and not having significant impacts to traffic, noise, air quality or water quality.

8. NON-PUBLIC HEARINGS

A. Project Name: Mee Memorial Hospital Minor Sign Variance

Case No.: SN 2017-008

Applicant: Nigel Hearne, ASAP Signs

Location: 300 Canal Street, King City, CA 93930

Consideration: Consideration of a minor sign variance application for Mee Memorial Hospital to install a 13 feet high freestanding sign located at 300 Canal Street, King City, CA.

Recommendation: Staff recommends the Planning Commission: 1) review Conditional Use Permit Application, 2) receive public comment, and 3) adopt the attached Resolution approving Conditional Use Permit Case No. 2016-008(b)17.

Environmental Determination:

The project qualifies as a Class 1 Categorical Exemption per CEQA Guidelines 15301 (Existing Facilities)

B. Project Name: ARCO

Case No.: SN 2017-010

Applicant: Steve Locke, Sign Designs

Location: 1302 Broadway Circle, King City

Consideration: A Minor Sign Variance Application for Arco Gas Station to Install a new Cabinet Led Box to Reface the Existing Face of a 15'11" in Height Freestanding Monument Sign Located at 1302 Broadway Circle, King City, CA. 93930

Recommendation: Planning Commission approve Sign Variance Application Case No. SN 2017-010 for ARCO Gas Station to install a 15'11" tall freestanding sign at 1302 Broadway Circle, subject to the attached conditions of approval.

Environmental Determination: The proposed uses are Categorically Exempt, Class 1, Existing Facilities, Section 15301, title 14. California Code of Regulations, CEQA.

9. PLANNING COMMISSIONER REPORTS

10. DIRECTOR'S REPORT

Discussion of upcoming requests to streamline portions of previously approved, Commercial Cannabis related Conditional Use Permits.

11. WRITTEN CORRESPONDENCE

12. ADJOURNMENT

UPCOMING REGULAR MEETINGS

<u>December 2017</u>		
December 18 th	6:00 p.m.	Recreation Commission
December 19 th	6:00 p.m.	Planning Commission
December 26 th	6:00 p.m.	City Council
<u>January 2018</u>		
January 2 nd	6:00 p.m.	Planning Commission (Canceled)
January 8 th	6:00 p.m.	Airport Advisory Committee
January 9 th	6:00 p.m.	City Council
January 15 th	6:00 p.m.	Recreation Commission
January 16 th	6:00 p.m.	Planning Commission
January 23 rd	6:00 p.m.	City Council (Canceled)

ADT: Average daily trips made by vehicles or persons in a 24-hour period

ALUC: Airport Land Use Commission

AMBAG: The Association of Monterey Bay Area Governments. The AMBAG region includes Monterey, San Benito and Santa Cruz Counties, and serves as both a federally designated Metropolitan Planning Organization and Council of Government. AMBAG manages the region's transportation demand model and prepares regional housing, population and employment forecast that are utilized in a variety of regional plans.

APCD: Air Pollution Control District

BMP: Best Management Practice, Bike Master Plan

CAP: Climate Action Plan

CC&Rs: Covenants, Conditions, and Restrictions (private agreements among property owners; the City has no authority to enforce these)

CDBG: Community Development Block Grant (a federal grant program designed to benefit low and moderate income persons)

CEQA: California Environmental Quality Act

CFD: Community Facilities District

COG: A council of government, or regional council, is a public organization encompassing a multi-jurisdictional regional community. It serves the local governments by dealing with issues that cross political boundaries.

CUP: Conditional Use Permit

EIR: Environmental Impact Report

Ex-Parte: Communication between Planning Commissioners and applicants outside of a public meeting

FEMA: Federal Emergency Management Agency

GHG: Greenhouse gas

HOME: Home Investment Partnership Act (a federal program to assist housing for low and moderate income households)

HCP: Habitat Conservation Plan

HCD: State Department of Housing & Community Development

HUD: U.S. Department of Housing and Urban Development

LAFCO: Local Agency Formation Commission

LID: Low Impact Development (measures to reduce rainwater runoff impacts)

LLA: Landscaping and Lighting District

LOS: Level of Service (a measurement of traffic efficiency used by Caltrans)

MIMTC: A multimodal transit center includes a combination of alternative modes of transportation so people do not have to only rely on vehicles.

MOU: Memorandum of Understanding

MND: Mitigated Negative Declaration

MPO: A metropolitan planning organization is a federally mandated and federally funded transportation policy-making organization, such as AMBAG, that is made up of representatives from local government to help implement transportation projects and projects.

Neg Dec: Negative Declaration (a CEQA statement that a project will not have a significant effect on the environment)

NEPA: National Environmental Policy Act

SOI: Sphere of Influence.

TAMC: The Transportation Agency for Monterey County develops and maintains a multimodal transportation system for Monterey County. TAMC consists of local officials from each Monterey city (12 cities) and five (5) county supervisorial districts, and ex-officio members from six (6) public agencies.

TOT: Transient Occupancy Tax

Variance: A form of relief from zoning development regulations based on physical constraints of a property that prevents development of the same type of buildings allowed on other properties within the same zone and in the same neighborhood

VMT: Vehicle Miles Traveled

Planning Commission Minutes

December 5, 2017

1. Call to Order

Chairperson Nuck called the regular meeting of the Planning Commission of the City of King to order at 6:01 p.m.

2. Pledge of Allegiance

Chairperson Nuck led the Commission and audience in the Pledge of Allegiance.

3. Roll Call

Chairperson David Nuck X Vice Chair David Mendez X
 Michael Barbree X Margaret Raschella X Ralph Lee X

Staff present: Community Development, Director Doreen Liberto; Principal Planner, Scott Bruce; Assistant Planner, Maricruz Aguilar-Navarro; Admin. Asst./Deputy City Clerk, Erica Sonne.

4. Public Comments

None

5. Presentations

None

6. Consent Calendar

All matters listed on the Consent Calendar are considered routine and may be approved by one action of the Planning Commission, unless any member of the Planning Commission wishes to remove an item for separate consideration.

A. Approval of Minutes: November 7, 2017

Action: Motion made by Commissioner Raschella to approve minutes of November 7, 2017. Seconded by Commissioner Mendez. Motion carried 5-0.

7. Public Hearing Items

- | | | |
|----|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. | Project: | King City Farms, LLC |
| | Case No.: | CUP 2017-010 |
| | Applicant: | Brandon Gesicki |
| | Location: | 325 Airport Road., King City, CA. |
| | Consideration: | CUP 2017-010 Cannabis Cultivation (CA TYPE 3B), Cannabis Nursery (CA TYPE 4), Manufacturing (TYPE 7); and Transportation/Distribution (CA TYPE 11) 325 Airport Drive (APN 026-351-016) |
| | Recommendation: | Staff recommends the Planning Commission: 1) review Conditional Use Permit Application, 2) receive public comment; and 3) adopt the attached Resolution approving Conditional Use Permit 2017-010. |

**Environmental
Determination:**

The City previously prepared and certified (September 2016) a Mitigated Negative Declaration (MND) for the amendment of the City's Zoning Ordinance and the amendment of the East Ranch Business Park Specific Plan (ERBP Specific Plan) (Ordinances Nos. 2016-728, 2016-729 and 2016-730) to allow new land uses in the Manufacturing Districts (M-1, M-2, M-3) and in the ERBP Specific Plan. Ordinances Nos. 2017-745 and 746 amended the Municipal Code to allow CA Type 7 Manufacturing and CA Type 11 Distribution.

Staff has conducted an Initial Study related to this proposed project (CUP 2017-010) and has determined the project is fully within the scope of the prior analysis by the MND. The Adoption of a Finding of Consistency has been recommended per CEQA Guidelines Section 15162 and has been noticed for Public Review.

Principal Planner, Scott Bruce introduced this item going over his power point.

Chair Nuck opened the public hearing,

Brandon Gesicki, stated that this project shows all levels in house. He introduced Shawn Dougherty, who introduced the team.

Chair Nuck closed the public hearing.

Action: Motion made by Commissioner Barbree to adopt the attached Resolution approving Conditional Use Permit 2017-010. Seconded by Commissioner Lee. Motion carried 5-0.

- B. Project: MD BioDesigns
- Case No.: CUP 2017-008
- Applicant: Ron Glantz
- Location: 1000 Industrial Way, APN 026-351-024
- Consideration: CUP 2017-008, Medical Cannabis Manufacturing Level 2 (CA TYPE 7)
- Recommendation: Staff recommends the Planning Commission: 1) review Conditional Use Permit Application, 2) receive public comment; and 3) adopt the attached Resolution approving Conditional Use Permit Case No. 2017-008.

**Environmental
Determination:**

The City previously prepared and certified (September 2016) a Mitigated Negative Declaration (MND) for the amendment of the City's Zoning Ordinance and the amendment of the East Ranch Business Park Specific Plan (ERBP Specific Plan) (Ordinance Nos. 2016-728, 2016-729 and 2016-730) to allow new land uses in the Manufacturing Districts (M-1, M-2, M-3) and in the ERBP Specific Plan. The Municipal Code was amended in June and August of 2017 to allow Manufacturing Level 2 (CA Type 7 and Distribution (CA Type 11.)

Staff has conducted an Initial Study related to this proposed project (CUP Case No. 2016-008) and has determined the project is fully within the scope of the prior analysis by the MND. The Adoption of a Finding of Consistency has been recommended per CEQA Guidelines Section 15162 and has been noticed for Public Review.

Principal Planner, Scott Bruce introduced this item going thru his power point.

Chair Nuck opened the public hearing,

Brandon Gesicki, stated that this is a bunch of doctors that want to make the best medical cannabis possible. This is the first stage of a larger project down the road. Mr. Gesicki introduced the four doctors from Los Angeles.

Commissioner Barbree asked if the Wilber-Ellis pesticides will be a problem.

Mr. Gesicki stated that they could however the clean rooms will help keep them from being a problem.

Chair Nuck closed the public hearing.

Commissioner Barbree wanted to know about he application stating age 18 instead of 21. Scott Bruce stated that it is age 21 it was a typo.

Action: Motion made by Commissioner Raschella to adopt the attached Resolution approving Conditional Use Permit 2017-008. Seconded by Commissioner Barbree. Motion carried 5-0.

8. Non-Public Hearing Items –

None

9. Regular Business- None

10. Planning Commission Report –

11. Director Reports- January 2, 2018 meeting is canceled.

12. Written Correspondence– None

13. Adjournment

There being no further business, the Planning Commission meeting was adjourned at 6:43 p.m.

David Nuck
Planning Commission Chairperson
City of King

Erica Sonne
Planning Commission Secretary
City of King



Item No. 7(A)

REPORT TO THE PLANNING COMMISSION

DATE: DECEMBER 19, 2017

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO BLANCK, COMMUNITY DEVELOPMENT DIRECTOR;

BY: SCOTT BRUCE, PRINCIPAL PLANNER

**RE: CUP 2017-007, COMMERCIAL CANNABIS CULTIVATION (CA TYPE 2A)
MANUFACTURING LEVEL 2 (CA TYPE 7): 1011 INDUSTRIAL DRIVE APN
026-351-031**

RECOMMENDATION:

Based upon the Applicant's request, Staff recommends that the Planning Commission 1) continue the item to the regularly scheduled meeting of January 16, 2018.

BACKGROUND:

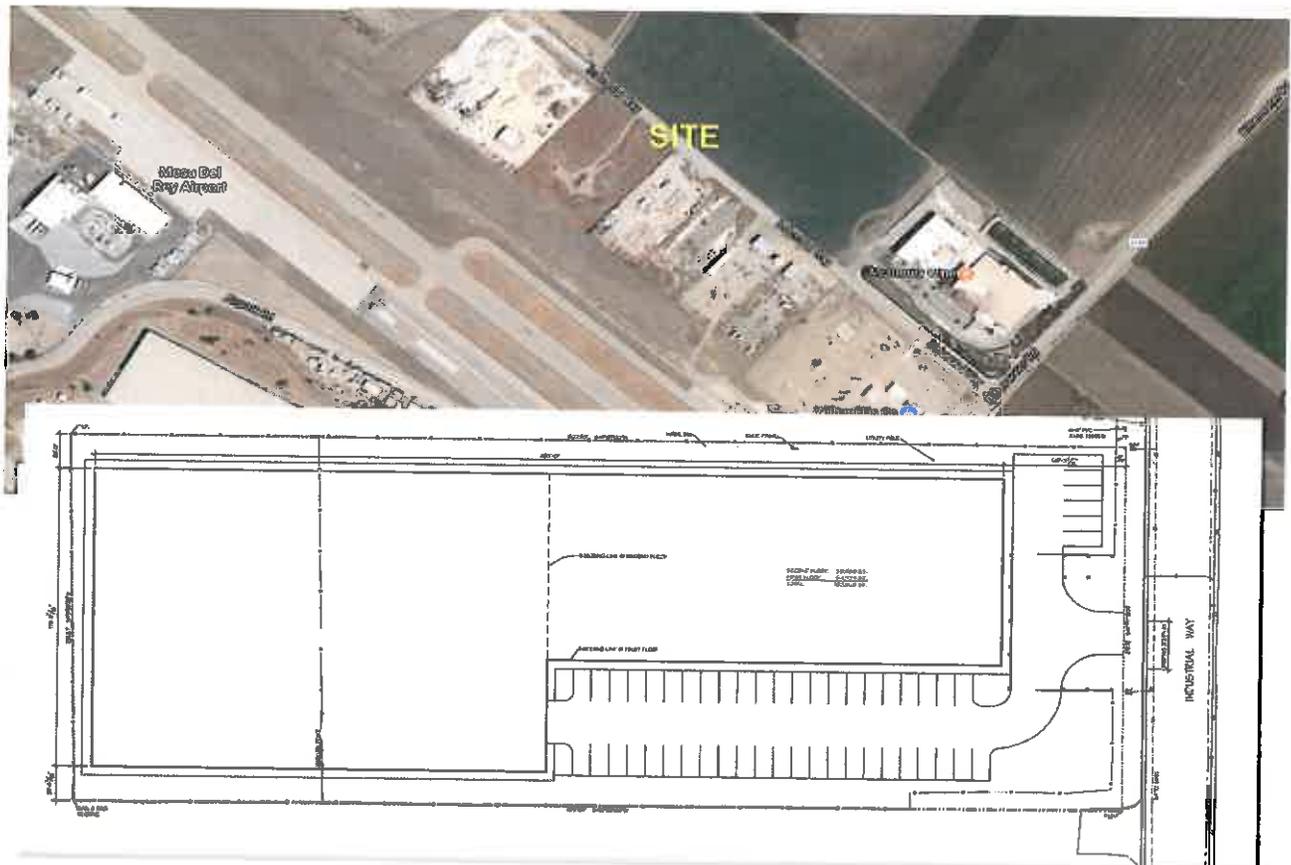
In September 2016 the City Council approved an amendment to the City's Zoning Code and to the East Ranch Business Park (ERBP) Specific Plan, authorizing expansion of land uses related to Medical Cannabis. As a result of that action, Indoor Cultivation under artificial or mixed light, Medical Cannabis Nurseries, Manufacturing and Testing are allowed in the M-1, M-2 and M-3 Districts and in the ERBP. Since that time, the Code has been amended twice (June and August 2017) and a number of Permits have been approved through the CUP and Operations Permits processes. This current application is for new construction at 1011 Industrial Drive for Cannabis Cultivation (CA Type 2) and Level 2 Manufacturing (CA Type 7).

The Planning Commission's primary role in the process is to make a determination regarding the Conditional Use Permit. Community Development Staff has been tasked by the City Manager with reviewing and evaluating the Application for Operating Permit and the Building Department will approve the appropriate building permit.

While not required for the CUP, the Permit Application process provides much information that informs the CUP process and potentially makes the Commission's determination easier and more complete.

As noted above, CUP 2017-007 is a proposal to add to existing development on parcel located on Industrial Drive (APN 026-351-031) as generally depicted in the attached diagram, below. The projected development includes Construction of a 69,000sf facility

(one floor, metal building) on a lot of 2.6 ac in size. The lot is currently vacant and is located on the south side of Industrial Way, north of the Mesa del Rey Regional Airport, in the M-3 AP (Heavy Industrial with Airport Overlay) Zoning District. The proposed indoor uses include multiple Cannabis Cultivation Permit sites (CA type 2A, 10,000 sf maximum, each); Level 2 Manufacturing (CA Type 7) and Distribution (CA Type 11) Parking and landscaping will be part of the new development



DISCUSSION:

Overview:

- Industrial Way is located to the north with Vineyard beyond.
- The Airport is located to the south
- To the east is Industrial Use
- To the west is Industrial Use

Submitted by:


SCOTT BRUCE, PRINCIPAL PLANNER



Item No. 7(B)

REPORT TO THE PLANNING COMMISSION

DATE: DECEMBER 19, 2017

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO BLANCK, AICP, COMMUNITY DEVELOPMENT DIRECTOR;

BY: SCOTT BRUCE, PRINCIPAL PLANNER

RE: CUP 2016-014, CANNABIS CULTIVATION (CA TYPE 3A), CANNABIS NURSERY (CA TYPE 4); MANUFACTURING (TYPE 7); and TRANSPORTATION / DISTRIBUTION (CA TYPE 11). 151 AIRPORT DRIVE (APN 026-521-030)

RECOMMENDATION:

Staff recommends the Planning Commission: 1) review the Conditional Use Permit Application, 2) receive public comment, and 3) adopt the attached Resolution approving Conditional Use Permit Case No. 2016-014.

BACKGROUND:

In September 2016, the City Council (Council) approved an amendment to the City's Zoning Code and to the East Ranch Business Park (ERBPSP), authorizing expansion of land uses related to Medical Cannabis. As a result of that action, Indoor Cultivation under artificial or mixed light, Medical Cannabis Nurseries, Manufacturing and Testing are allowed in the M-1, M-2 and M-3 Districts and in the ERBPSP. Since that time, the Code has been amended twice (June and August 2017) and a number of projects have been processed / permitted through the CUP and Operations Permits processes. This current application is for a new construction to allow Cannabis Cultivation, Manufacturing (Level 2, CA Type 7) and Distribution (CA Type 11).

The Planning Commission's (Commission) primary role in the process is to make a determination regarding the Conditional Use Permit. Community Development Department Staff has been tasked by the City Manager with reviewing and evaluating the Application for Operating Permit and the Building Department will approve the appropriate building permit.

While not required for the CUP, the Permit Application process provides much information that informs the CUP process and potentially makes the Commission's determination easier and more complete.

As noted above, CUP 2016-014 is a proposal to develop a parcel located north of and adjacent to 151 Airport Drive (APN 026-521-030) as generally depicted in the attached diagram, below.



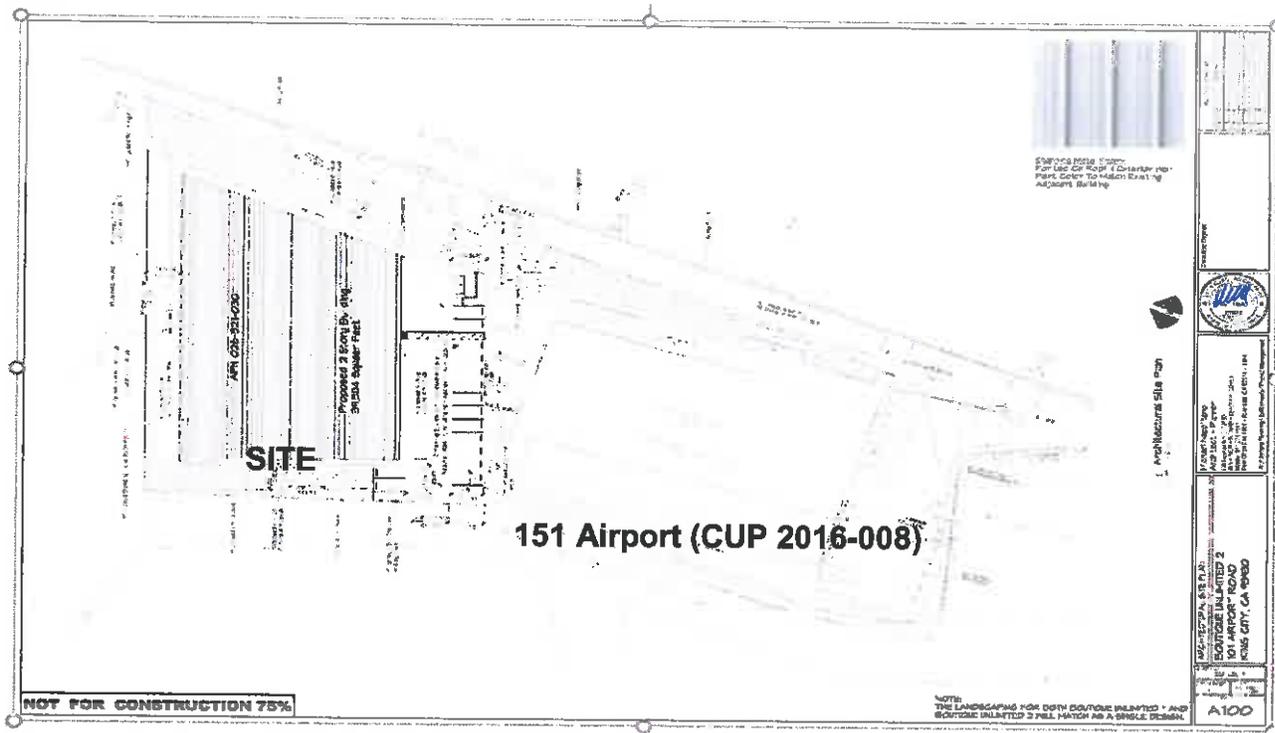
DISCUSSION:

The proposed development is on approximately 1.0 acres, constructing a new two-story building of approximately 41,500 sf with a 20,750 sf footprint. Impervious area will be approximately 24,800 sf (57%) area and landscaping will be approximately 11,450 sf, or 26% of the lot. Turf blocked parking area will be approximately 7,350 sf. The proposed structure will be used for Indoor Cultivation (CA Type 3A) which is grown under artificial light and has a maximum canopy area of 22,000 sf; Level 2 (CA type 7) Manufacturing and Distribution (CA Type 11).

Overview:

The site and the surrounding area are located in the ERBPSP. Airport Drive is located to the north with the industrial use and the Airport Beyond.

- To the south is Industrial Use (proposed for Cannabis in an existing structure).
- To the east is Industrial Use.
- To the west is Industrial Use.



The site is partially developed is generally flat, sitting below Airport Drive. An existing slope bank separates the site from the street. Site access will be from an existing access easement on the west side of the property. One gated access point will be located at the southwest corner of the property. The applicant is proposing a two-story structure with total floor area of approximately 40,000 sf. Uses will include Cannabis Cultivation (CA Type 3A), Level 2 Manufacturing (CA Type 7) and Distribution (CA Type 11). proposes new structures for Nursery (CA Type 4) and Cannabis Cultivation. While total allowed plant canopy space under a future 3B license is limited to 22,000 sf, additional allowed activities include: harvesting, drying, curing and trimming of cannabis.

The on-site Manufacturing process will include the preparation of extracts for uses in items such as tinctures, edibles, topicals and vape cartridges using water, ethanol, butane, carbon dioxide and other consumer safe solvents. On site processing of raw materials from others may occur. The Distribution / Transportation Operation will provide secure transportation services delivering product to these sites and potentially providing it to other California licensed / permitted businesses.

Site Plan:

As noted above, access to this site / frontage will be along the access easement to the west. A new structure of approximately 40,000sf will be constructed. The total impervious area (structures, parking and staging) will be approximately 32,160 sf or 74 % of the site. Pervious area (landscaping) will be approximately 11,448 sf or 26 % of the site.

Parking will be to the south with landscaping to the west and east. The equipment pad (holding mechanical equipment water tanks) will be located on the north side of the structure. The trash enclosure is proposed for the southeast corner of the site. The finished elevation of this site will be lower than the site to the south; a retaining wall of a maximum 6' will separate the two.

Building Setbacks: The building will be set back 40' from the Airport Drive Right of Way. The setback to the south will be 48', to the west will be 20' and to the north will be 20'.

CUP Information:

Architecture:

The proposed structure will be of metal standing seam construction. Colors will be Sherwin Williams: Light Green – SW6162 Ancient Marble and Dark Green – SW7060 Attitude Gray consistent with the structure to the south.

Height: The applicant has requested that the maximum height limited be raised to 38' to the ridge line. This request is based on optimum growing conditions and heat dissipation allowing air to circulate above the lights. Section 17.030.050 of the Municipal Code allows an increase in height with a Use Permit if the building is sprinkled.

The proposed 38' limit would put the ridge line approximately 2' lower than that of the structure to the south. The difference in grade between finished floor and Airport Drive is between 20' and 25' (Airport Drive rises as it moves north).

See Exhibit 5.

Floor Plan and Interior Uses:

As noted above, maximum canopy space (plant tip to plant tip) for the entire structure will be 22,000 sf. Cultivation canopy will be approximately 16,850 sf and Nursery canopy will be approximately 4,875. Any internal runoff will be directed to the City's Sanitary Sewer.

Flower and Dry rooms, Manufacturing, Distribution and Shipping / Receiving will be located on the first floor. Flower Rooms, Vegetation / Staging Room, Mother Room and Propagation Room will be located on the second floor. Please refer to **Exhibit 4** for floor plan / internal uses and **Section G** for room descriptions.

Landscape:

The site will be landscaped per plans as submitted. The primary landscaped areas will be along the west side of the property, Airport Drive with a small area to the northeast. Existing vegetation on the slope bank will remain.

All drainage will be directed to the west, to the landscaped area for percolation. Final drainage calculations are being prepared, final design will be to the satisfaction of the City Engineer.

A SWPPP is being prepared for submittal to the Regional Water Quality Control Board. Ultimate implementation of the CUP Site Plan and of the Operating Permit will be subject to the conditions of Water Board Approval.

Proposed landscaping includes: Carmel Sur and Howard McMinn Manzanita, Century Plant, Torch Aloe, Desert Spoon, Deer Grass, Indian Hawthorne, Coast Rosemary, Blue Glow and Fire and Ice Shrubs, Verde Vista ground cover, Little Gem Magnolia **See Exhibit 6.**

Grading:

The usable area of the site is generally flat, east to west. Grading will be minimal – resulting in the estimated movement of less than 1,000 cubic yards of material.

Access, Parking, Paving:

One gated access point is proposed from the access easement bordering the western side of the site. Parking is located at the southside of the structure. **See Exhibit 3.**

A total of (13) (plus a handicapped space) parking spaces are provided. A minimum of 13 spaces (2 per 3 employees on largest shift but not less than 1 per 3,000 sf of floor area) are required. Employees on site will be a maximum of 16 per shift with three shifts per day.

Signage:

Building signage will be limited to address, on-site (if any) will be limited to directional signage for deliveries and emergency response personnel. Future signage will be approved per King City Municipal Code. **See Exhibit 5**

Security:

The applicant is having a formal Operations and Security Plan prepared. A security firm has been retained to finalize and implement the Security Plan. The Plan provides direction regarding the amount of security personnel to provide safety; locations of cameras and protocols for employees; monitoring of parking areas; product tracking, and safety. The Plan also addresses entrance security. A concept camera location plan has been provided.

The site will be secured with an armed guard.

Fencing: Fencing along Airport Drive will consist of the existing 6' of chain link of fence with slats installed for screening. Two-feet of barbed wire will be placed at the top of the fence for additional security. An 8' wrought iron fence, curve outward in the top 2' will be located along the western property line. The northern and southern boundaries will be fenced with no climb chain link with privacy slats and 2' of barbed wire, angled out.

Exterior Lighting: The parking areas and building exteriors will be illuminated with LED powered lighting placed to eliminate shadows and / or dark areas. Lights will include

building mounted and poles. Lighting will be designed to present spread beyond the property boundaries and / or into the night sky. Poles will not exceed 30' in height.

Cameras: Security cameras with motion sensors and night vision will be mounted on all exterior doors, perimeter fencing and entry gates. Interior motion / night vision cameras will be placed per the Application Package concept. The 24/7 surveillance will be accessible by the City of King Police Department through real time live access feed. A City of King camera will be placed by applicant at the Industrial Way gate. The document also proposes internal security camera locations.

Solid Waste: One locked dumpster location is located in the southeast corner of the parking lot. For Cultivation operations, plant waste will be approximately 120 lbs. of material per day. Manufacturing plant waste will be approximately 70 lbs. per day. Based on this volume, total waste from Cultivation will be between 6 and 8 cubic yards per week. A single dumpster holds 6 cubic yards. **Site Plan Exhibit 3.**

It is proposed that grow room waste material (leaves, plant tissue, loose media, etc.) will be disposed of in a green waste container and removed to local composting or plant waste disposal site, pick-ups will be planned as part of a regular schedule. All non-biodegradable materials (pots, flats, labels, sticky tags) will be disposed of using standard trash containers that will be picked up on a regular schedule.

Utilizing the whole cannabis plant for marketable products, the manufacturing lab will process all leaves, trimmings, and non-viable flowers. This will ensure that all plant material being disposed in waste will have all psychoactive and non-psychoactive cannabis compounds removed. Any plant material that contains substantial levels of psychoactive compounds that is not commercially viable will be mixed with a minimum of 50% refuse waste and disposed of in the standard waste disposal container. The dumpster container storage area will be locked and under video surveillance.

Application Section J.

Water: The Mitigated Negative Declaration (MND) that resulted from the Initial Study prepared during evaluation of the Zone Change estimated water use for Cultivation at 2,640 gallons per day (gpd). Water use for Nurseries was estimated at 6,314 gpd.

Water use as indicated by the applicant for this total project will be approximately 5,159 gallons per day (gpd) for Cultivation. Approximately 3,095 gallons will be reclaimed from dehumidification resulting in total use of approximately 2,064 gallons per day

Manufacturing uses have water use similar to other business/ industrial park uses.

Water (Landscaped Area): The applicant has not yet prepared a detailed landscaping plan with irrigation and detailed water analysis in conformance with the State of California's Department of Water Resources.

Water conservation measures including drip irrigation, weather or moisture based controllers, non-invasive/ climate appropriate species and similar will be employed. Water use for irrigation was not included in the analysis of water use under the previous MND – outdoor / landscaping water is common for all sites in the ERBPSP/M Districts regardless of land use.

On-site plumbing to access future recycled water (purple pipe) in Airport Drive will be required. All on site irrigation for landscape and cultivation will require connection to recycled water at such time as it becomes available.

Power: Cultivation: The applicant estimates 2,470 Amps (480v, 3PH) as the 80% power allocation for lighting and air conditioning (3,200 Amps as the 100% power allocation). A 4,000 Amp upgrade will be required.

Manufacturing Use will be similar to that of Business / Industrial Park office buildings.

Noise: No noise related issues have been identified.

Volatile Substances: Three primary extraction techniques are used: Extraction with n-Butane; Extraction with Ethanol (alcohol); and, Extraction with Carbon Dioxide (CO₂).

LPG Storage and Handling:

An appropriate lockable, ventilated enclosure of metal exterior will be installed for the outside storage of LP-Gas tanks. This will also have vehicle protection via bollards around the storage area as well as restriction of public-access via fencing.

LP-Gas will be stored at least 10' from all building ingress/egress, HVAC intakes, and sidewalks.

If the outside storage and transfer area of LP-Gas is above the maximum allowable quantity of flammable gas, it shall be located a minimum of 25' away from other buildings, building openings, property lines, public streets, and other storage/transfer areas in accordance with NFPA-58.

Ethanol Storage and Handling:

Storage shall be in approved flammable liquid cabinet and stored in amounts limited to the minimum required for operations. If storage volume exceeds the maximum allowable quantity, outside storage will be required with the same vehicle and public restriction and clearance from building openings, HVAC intakes, property lines, and public streets.

CO₂ Storage and Handling:

Liquid CO₂ will be stored and seismically strapped to the wall of the CO₂ extraction room. There will be 50 lbs. cylinders that are used for the manufacturing solvents in this room and transferred by a certified operator that complies with standard operating

procedures. CO2 extractors take one or two standard bottles, which must be secured per Compressed Gas Association (CGA) P-1, "Safe Handling of Compressed Gases."

The applicant has retained Pressure Safety Inspectors, LLC (PSI). They will ensure that Boutique Unlimited 2 is compliant with all police, fire, city, state, etc. requirements. PSI's staff is available to communicate directly with all of those departments to answer any questions

All solvents will be stored in locked and seismically secure locations. Ethanol will be stored in a locked metal cabinet inside the manufacturing lab.

Specific details regarding the amount/type of gases, location of storage and safety precautions will be as identified during the building permit process and will be approved by Police/Fire.

Regulatory Permit Related Information:

The item before the Commission is the consideration of new construction (39,584 sf in two stories) on a vacant lot adjacent to Airport Drive. Uses in the building will include Cultivation, Nursery, Manufacturing (Level 2) and Distribution. A site plan and floor plan has been provided. A separate Operations Permit will be required for each use.

The Nursery process will provide the applicant with plants from their own closely controlled genetic stock. After gaining size / vigor in this environment the plants will move to a Veg / Staging room to gain size and maturity. They'll then be moved to the Flower Room to begin producing.

The Cultivation process includes growing, drying, trimming and packaging Cannabis for shipment to Manufacturers – in this case in-house. Much of the product will go through the manufacturing / oil producing process on-site. Oils, topicals and edibles (not food product) will be prepared.

The Manufacturing Operation will process their Cannabis into extracts for use in tinctures, edibles, topicals, and vape cartridges using water, ethanol, butane, carbon dioxide, and other consumer-safe solvents.

The Distribution / Transportation Operation will provide secure transportation services to and from California licensed / permitted businesses.

Employee Traffic:

There will be three shifts per day. The maximum number of employees on any one shift will be 16. Total number of employees on site per day may reach a maximum of 48.

Standard employee generation rates for an Industrial Use are approximately 61 employees per acre with Business Park rates higher.

Shipping and Transport: Cannabis bud will be transported from the facility in unmarked vehicles tracked via GPS. Transactions will be recorded on a manifest with details regarding the driver, vehicle, weight and / or count of all products. Delivery vehicles will be loaded inside the structure with cars traps and security personnel present. Cameras will be placed to record shipping from the facility.

Once a month, 4 to 6 pallets of Fertilizers and Cultivation Materials for Cultivation and Nursery will be delivered by UPS or Fed-Ex truck or secure delivery services.

An estimated maximum of 12 150 lb. tanks of CO₂, ethanol, butane and similar will be delivered weekly, per the approval of Police and fire. Solvent Pick will remove the used cannisters once per week.

Two to 4 pallets of packaging supply materials will be delivered 1 time per week via commercial van or box truck.

Distribution estimates are one in-bound and one out-bound SUV per week.

Manufacturing volume will depend on the market and has not been estimated.

See Application Sections E and F.

Odor Control: Cultivation: The Odor Control Program will operate in conformance with the requirements of Municipal Code Section 17.03.210 (i). It Includes an exhaust air filtration system with odor control and a system that creates negative air pressure between the facility's interior and exterior. Fans and carbon filters will be used. **See Application Section I.**

Volatile Substances: Three primary extraction techniques are used: Extraction with n-Butane; Extraction with Ethanol (alcohol); and, Extraction with Carbon Dioxide (CO₂). Amount of gases and location of storage will be more clearly defined during the building permit process.

The applicant proposes to construct a lab / extraction room built to NFPA Class 1, Division 1 standards. Closed loop extraction will be used to maximum amount possible. Disposal of volatiles will be to satisfaction of the City's Fire Consultant.

LP-Gas will be used as the solvent for the closed-loop Butane and Propane extraction equipment only in the C1D1 extraction room. All LPG will be recollected in the collection vessel and pressured down before product is removed from the extraction equipment.

Liquid CO₂ will be used as a solvent for the closed-loop CO₂ extraction equipment only in a dedicated CO₂ extraction room. All CO₂ will be recollected in an accumulation vessel to be reused on future extraction operations.

Ethanol alcohol is used as a solvent for post-extraction processing and further product refinement (winterization). This will be introduced to the product that is removed from the LPG and CO2 extraction equipment, inserted into a spark-resistant freezer and rated for flammable liquids, filtered, and further refined by rotary evaporation. Rotary evaporation will take place in a dedicated laboratory fume hood. Rotary evaporation will introduce heat, vacuum, and agitation to evaporate and recapture the ethanol alcohol.

See Application Section G.

Site Security: The entrance to the site is located to the west, accessed from the access easement that borders the western side of the site. The gates will be opened by code or from inside the structure. The facility will be closed to the public and doors and windows will be designed to minimize views into the structure from the outside.

All staff and guests enter through the entry room. Depending on which department they are working in, they will be allowed access to either the locker rooms/showers or to the admin/processing/warehouse. Guests will enter through admin/processing/warehouse

A staffed security room will be located adjacent to the entry at the east side of the structure to ensure that only desired persons are allowed entry into the facility. The room will feature a window that allows security to view the entry room in addition to camera/video support.

Visitors will be accompanied by authorized personnel at all times during their visit. Persons under the age of 21 will not be allowed on site. Cameras will be located in each structure, with placement acceptable to King City Police Department and the City's consultant. **See Application Section H.**

Employee Vetting: No person under 21 years of age will be employed on this site. All applicants will undergo a pre-employment background screening performed by a third party as part of the standard interview/application process. As required by King City, the results of the background check will be sent to the Police Chief of King City, the City's consultant, and BU-2. Only after approval and confirmation of each individual employee by the Police Chief and City Consultant, will BU-2 and the employee be able to proceed with the employment and on-boarding process. Each applicant must sign an employment agreement prior to commencing employment with BU-2. **See Application, Section C.f.**

Employee Training: Each employee will receive an orientation on their first day of work that presents company policies and rules, safety guidelines, and general expectations. The safety training program will include information about the risks of recreational cannabis use, as well as specific safety information pertaining to the facility. For example; safety protocols regarding CO2, HID lighting, high voltage panels, hazardous materials (fertilizers, pesticides, cleaning products, solvents, etc.).

Employees will also receive more individualized training regarding their specific job responsibilities. Each position within each department will have a detailed job description

that will be reviewed and signed by the employee. This document will be filed along with the employee's general employment agreement in the employee's file in the administrative office. **Application Section C.**

Product Diversion and Inventory Control:

BU-2 will address diversion issues in the general employee orientation presentation, and this topic will also be covered in the Company's employee handbook. Included in this program, is the proposed plan for a 160-square foot secure vault used for storage of viable cannabis products. The traceability program will also play a key role in assuring that no material is mishandled or stolen. Guidelines relating to uniforms and acceptable work attire in various departments will be designed in alignment with this program. Prevention of diversion of cannabis and related products will be one of the main focuses of our security program

A major source of inventory control will be the implementation of security protocols and tightly managing staff members entering and exiting the facility. An increased number of security cameras will be installed in all areas in which finished product is being stored or handled. Access to these areas will be extremely limited using access cards. All rooms containing cannabis products will be maintained with key code access. Access will be limited to only certain areas for each employee depending on employee's position.

A regular inventory count schedule will be used to keep a close record of fluctuating inventory. Each individual plant and each batch/lot will be closely tracked and reviewed, and any discrepancy will be thoroughly documented and investigated.

Quality Control: All cultivated and processed material will be tested internally and by a Type 8 laboratory for pesticides, fungus, pests, molds and contaminants. before distribution to a Dispensary. Extracts shall, at a minimum be tested for concentration, potency and purity.

If a product were to be called into question the remaining inventory will be quarantined and all customers notified. All material will be returned.

Source or final products failing to meet the established specifications or any other relevant quality and safety criteria are rejected, disposed of or re-processed.

See Application, Section C.

Compliance with Evolving State and Local Regulations: The applicant's operating procedures will comply with State and local regulations. The applicant engages a team of lawyers, community relations staff and industry advisors to assist with governance, compliance, legal adherence and updates to laws and regulations. In addition, the applicant has executed the City's required Indemnification Agreement.

ENVIRONMENTAL COMPLIANCE:

King City previously prepared and certified (September 2016) a Mitigated Negative Declaration (MND) for the amendment of the City's Zoning Ordinance and the amendment of the East Ranch Business Park Specific Plan (ERBP Specific Plan) (Ordinances 2016-728, 2016-729 and 2016-730) to allow new land uses in the Manufacturing Districts (M-1, M-2, M-3) and in the ERBP Specific Plan. Ordinances 2017-745 and 746 amended the Municipal Code to allow CA Type 7 Manufacturing and CA Type 11 Distribution.

Staff has conducted an Initial Study related to this proposed project (CUP 2016-014) and has determined the project is fully within the scope of the prior analysis by the MND. The Adoption of a Finding of Consistency has been recommended per CEQA Guidelines Section 15162 and has been noticed for Public Review.

ALTERNATIVES:

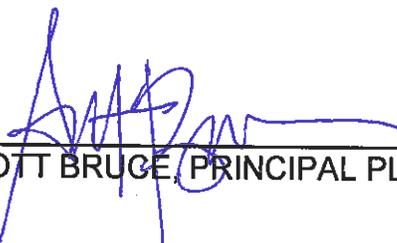
1. Hear the item, invite public comment and approve the item as presented.
2. Deny the item. If the Planning Commission wishes to deny the CUP, the item needs to be continued, directing Staff to return with a Resolution of Denial.
3. Provide alternative direction to Staff.

EXHIBITS:

1. Site Location
2. Site Photos
3. Site Plan
4. Floor Plans
5. Elevations and Exterior
6. Landscape Plans
7. Height Amendment Discussion
8. Conditions of Approval
9. Resolution 2017 – 203
10. Initial Study

Exhibits may be made available for public review at front counter, City of King City Hall, 212, South Vanderhurst, King City, CA

Submitted by:


SCOTT BRUGE, PRINCIPAL PLANNER

Approved by:


DOREEN LIBERTO-BLANCK, AICP, COMMUNITY DEVELOPMENT
DIRECTOR

COA 2016-014
EXHIBIT 1

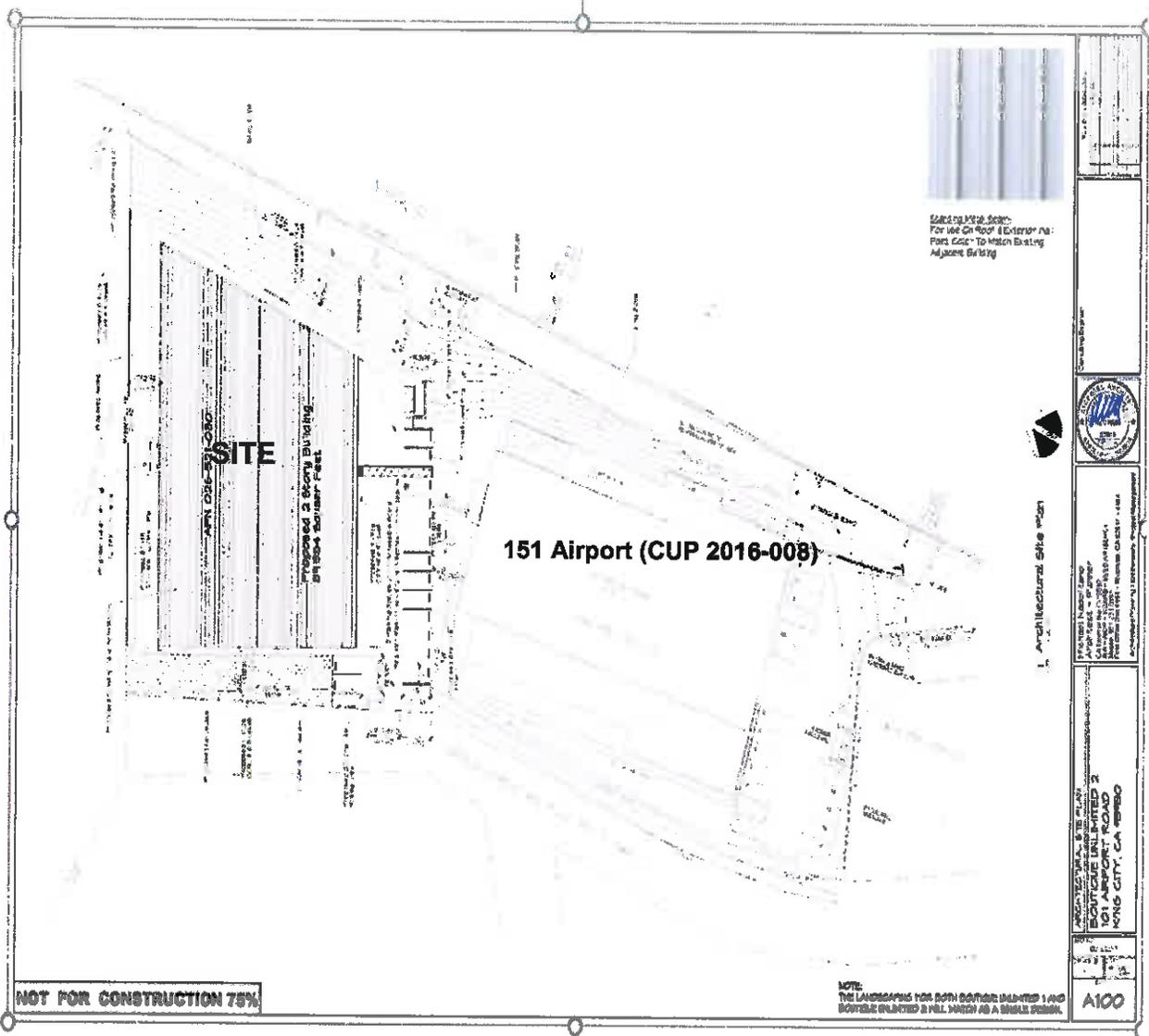


**COA 2016-014
EXHIBIT 2**





COA 2016-014
EXHIBIT 3



NOT FOR CONSTRUCTION 75%

151 Airport (CUP 2016-008)

NOTE:
THE LANDSCAPES FOR BOTH BOWERS UNLIMITED 1 AND
BOWERS UNLIMITED 2 WILL MATCH AS A SINGLE DESIGN.

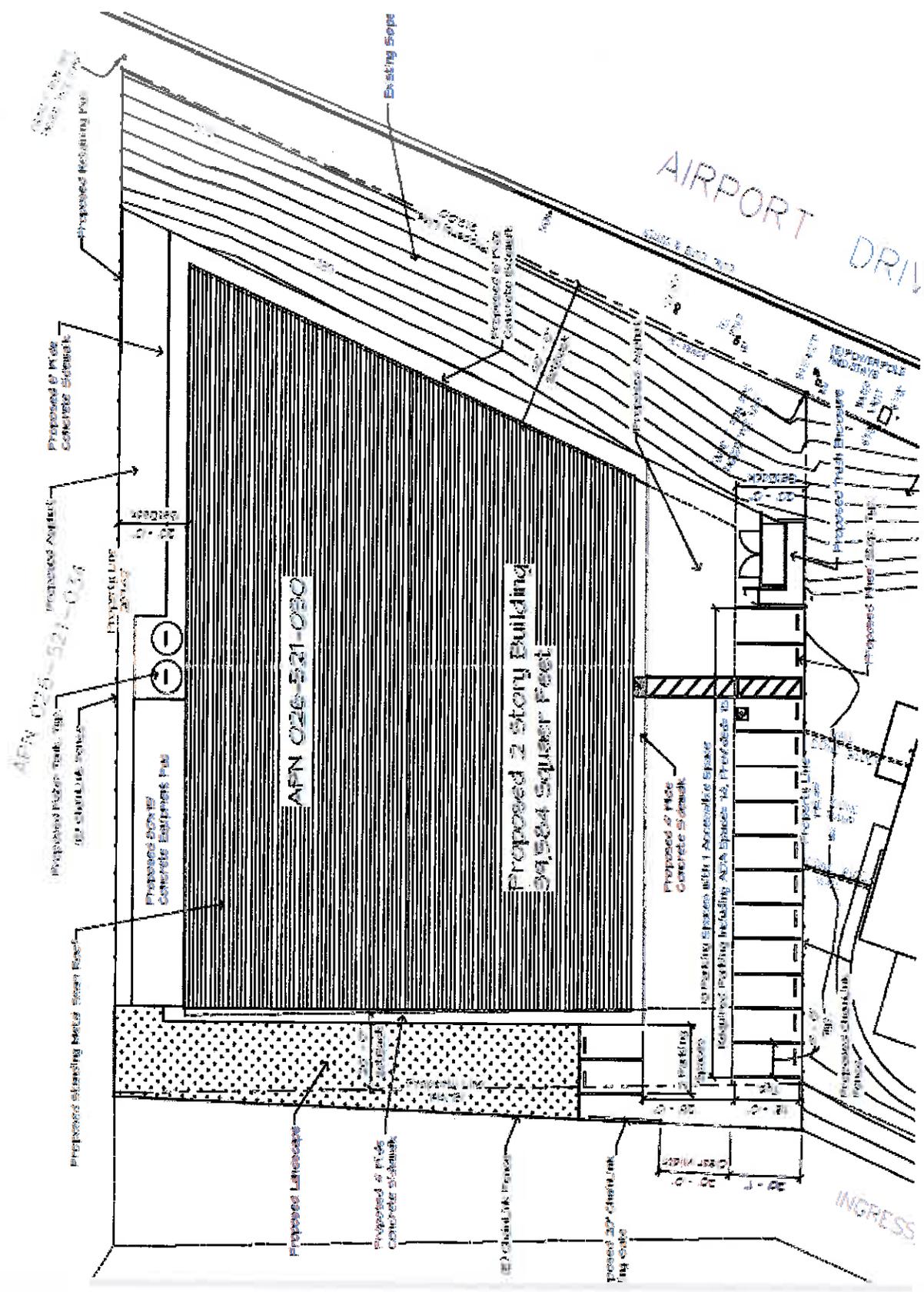
Project No.	151
Sheet No.	1
Date	11/15/15
Scale	AS SHOWN



1. Architectural Site Plan

PROJECT NO. 151
BOWERS UNLIMITED 2
151 AIRPORT ROAD
MUNICIPALITY, CA 95008

DATE: 11/15/15
SCALE: AS SHOWN
A100



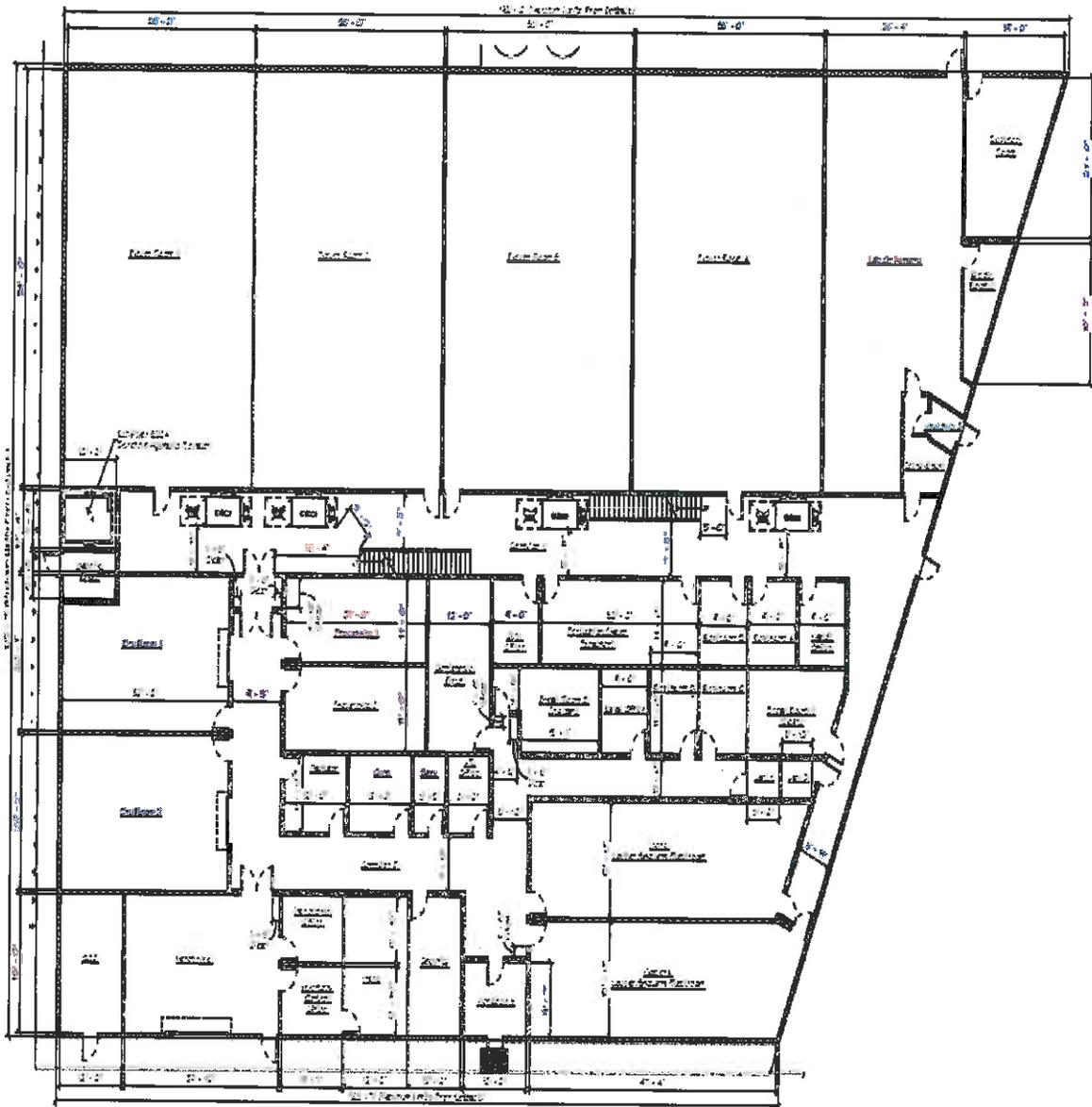
APN 026-521-030

Proposed 2 story Building
39,584 Square Feet

AIRPORT DRIVE

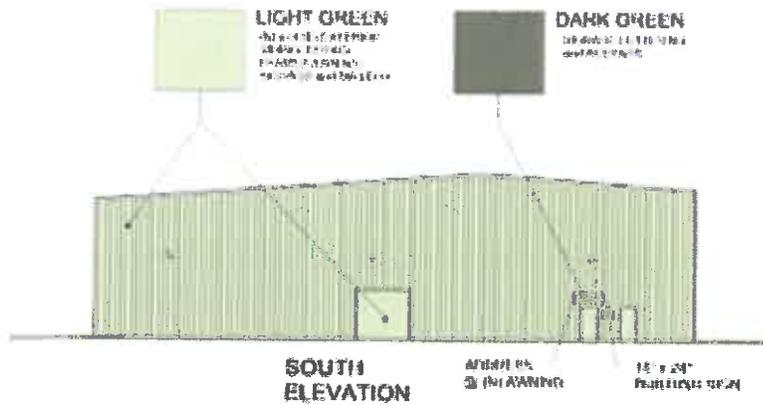
INGRESS

COA 2016-014
EXHIBIT 4



First Floor Plan
10-1-12

CONSTRUCTION 75%

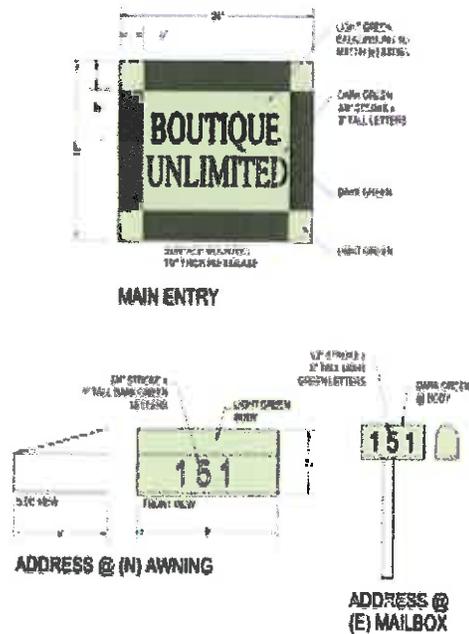


BUILDING COLORS and SIGN PROGRAM

SIGN PROGRAM CONSISTS OF: 1) NEW BUILDING SIGN AFFIXED TO BUILDING AT ENTRY, 2) ADDRESS AT NEW AWNING, AND 3) REPAINTED ADDRESS AT EXISTING MAILBOX OR AIRMOUNT SIGN. NO ADDITIONAL SIGNAGE WILL BE ACCEPTED WITHOUT PRIOR APPROVAL FROM CITY.

A NEW PROJECT for
BOUTIQUE UNLIMITED
 151 AIRPORT DR KING CITY, CA

PG 1 of 2



BUILDING SIGN PROGRAM

BOUTIQUE UNLIMITED
151 Airport Road
Plant Photos



Rhamnus indica "Ballens" - Indian Hawthorne



Rosmarinus Officinalis - Rosemary



Westringia fruticosa "Morning Light" - Coast Rosemary

BOUTIQUE UNLIMITED
151 Airport Road
Plant Photos



Magnolia G. "Little Gem" - Magnolia

BOUTIQUE UNLIMITED
151 Airport Road
Plant Photos



Arctostaphylos "Carmel Star" - Manzanita



Arctostaphylos "Howard McMinn" - Manzanita



Coprosma "Verde Vista" - No Common Name

BOUTIQUE UNLIMITED
151 Airport Road
Plant Photos



Miscanthus Transmorrisonensis - Evergreen Miscanthus



Muhlenbergia Rigens - Deer Grass

**COA 2016-014
EXHIBIT 7**

**BOUTIQUE UNLIMITED, INC.
"BU2"**

Boutique Unlimited 2 (BU2) requests to increase the building height in order to increase the height in the cultivation rooms to 15 feet. This increase would decrease the operational costs of the operation by reducing the demand of the process mechanical HVAC equipment. The largest heat generator in the cultivation environment that needs to be mitigated is the lighting used to grow the crops. The light fixtures are required to be mounted 36"-48" above the plant canopy. Naturally, the heat wants to rise above the fixtures but cannot if they are mounted close to the ceiling.

A taller ceiling would create a larger space of air above the light fixtures for the heat to rise into that would allow for a positive effect of air stratification. If this additional space is reduced above the light fixtures, this heat would reside at or below the light fixture level, resulting in a increased plant canopy temperature, increased demand of air circulation on plant canopy, air conditioning demand being increased to mitigate heat, and grow lamp degradation due to an inefficient operating temperature.

Conclusion: If the heat is allowed to stay above the light fixtures, the heat demand is reduced directly on the plant canopy and resulting in decreased operational costs with HVAC, lamp replacement costs, and encourages uniform crop maturation and value.

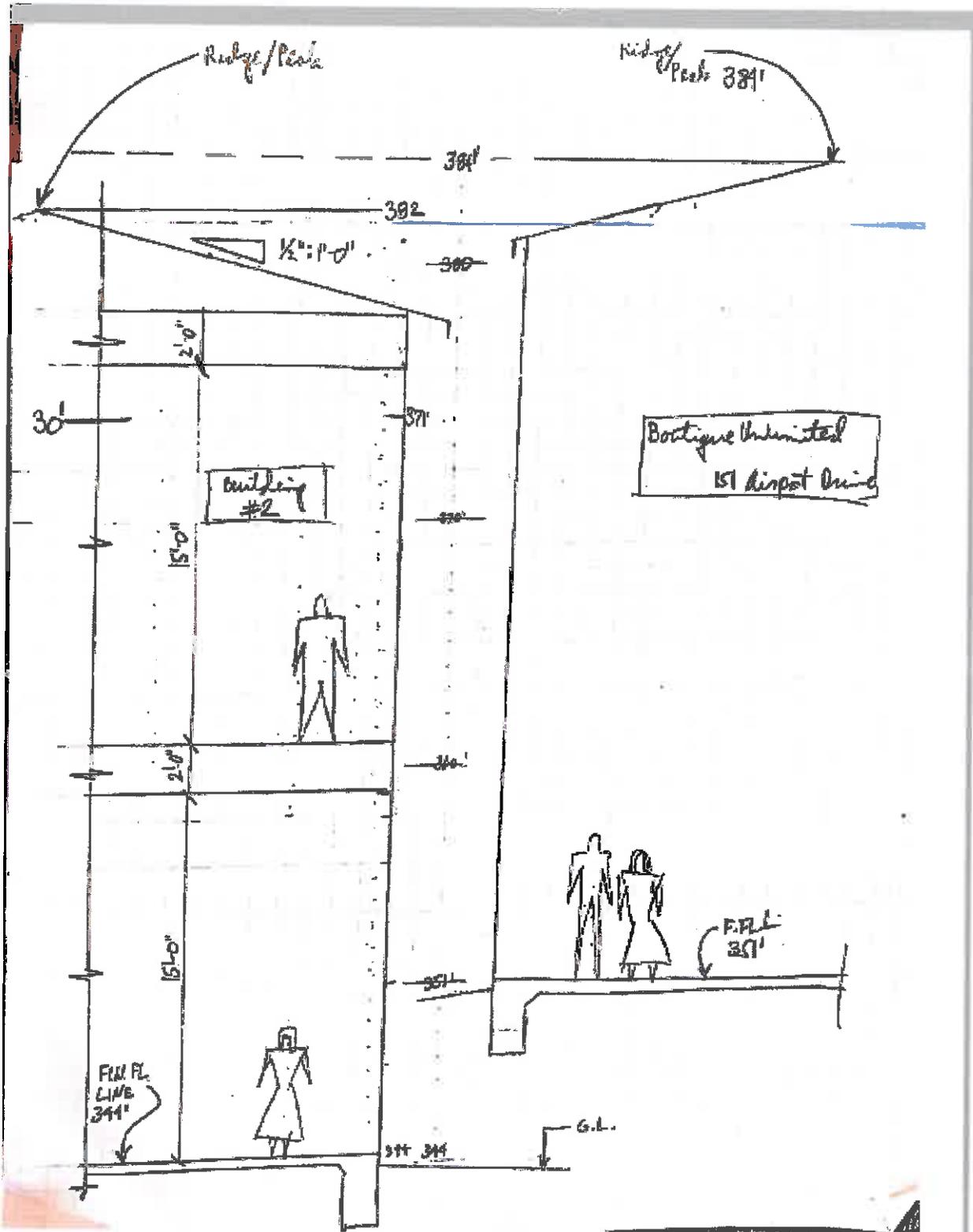




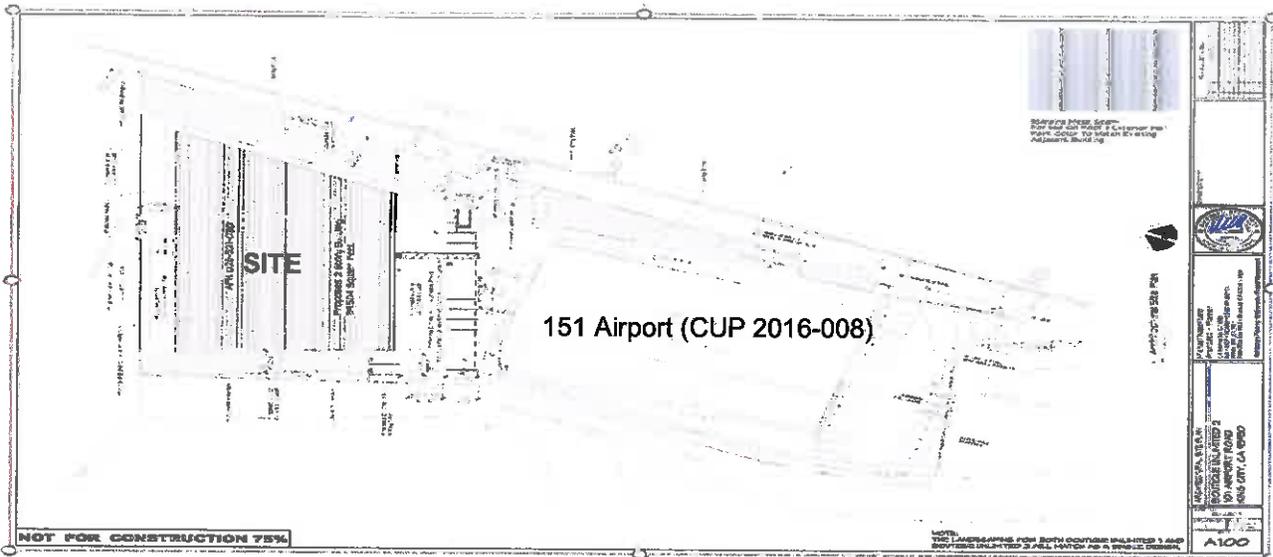
EXHIBIT No. 8

**Case Number: COA 2016 – 014
CONDITIONS OF APPROVAL**

NOTICE TO PROJECT APPLICANT

In accordance with the provisions of Government Code Section 66020(d)(1), the imposition of fees, dedication, reservations or exactions for this project are subject to protest by the project applicant at the time of approval or conditional approval of the development or within 90 days after the date of imposition of fees, dedications, reservation, or exactions imposed on the development project.

This notice does not apply to those fees, dedications, reservations, or exactions which were previously imposed and duly noticed; or, where no notice was previously required under the provisions of Government Code Section 66020(d)(1) in effect before January 1, 1997.



PART A - PROJECT INFORMATION: BOUTIQUE UNLIMITED .

1. Assessor's Parcel No(s): 026-521-030
2. Job Address: 161 Airport Drive
3. Street Location: 161 Airport Drive
4. Existing Zoning: M-1 Light Industrial
5. Planned Land Use: General Plan: LI (Light Industrial);
6. Plan Area: Adjacent to ERBP SP
7. Project Description: CUP 2016-014 is a proposal to develop a parcel at 161 Airport Drive as generally depicted in the attached diagram, below. The site is approximately 1.0 acres, construction will be a new two story building of approximately 41,500 sf with a 20.750 sf footprint. Impervious area will be approximately 32,150 sf (74%) area and landscaping will be approximately 11,450 sf, or 26% of the lot. The proposed structure will be used for Indoor Cultivation (CA Type 3A) which is grown under artificial light and has a maximum canopy area of 22,000 sf; Level 2 (CA type 7) Manufacturing and Distribution (CA Type 11).



PART B – GENERAL CONDITIONS AND REQUIREMENTS

On September 27, 2016 the City Council approved Ordinances 2016- 728, 729 and 730, amending Municipal Section 17.03 of the Zoning Code to allow Medical Cannabis cultivation, nursery, manufacturing and testing uses (Types 2A,2B, 3A,3B, 4, 6 and 8.) The M-1, M-2 and M-3 Districts and the East Ranch Business Park Specific Plan (ERBPSP) were amended at that time to allow the uses in those specific zoning districts

A Mitigated Negative declaration (MND) was also prepared to evaluate potential and cumulative impacts of the proposed use types. It was approved on September 27, 2016 at the time that the change to the Zoning Code was approved. In August 2017 Ordinances 2017- 745 and 746 amended the Municipal Code to allow Manufacturing Level 2 (CA Type 2) and Distribution (CA Type 11).

Staff review of the proposed use and its impacts indicates that the use as proposed is consistent with the evaluation and findings of the previously approved MND with no potentially significant impacts. It is therefore exempt from additional CEQA review per CEQA Guidelines §15332 (infill development projects).

IMPORTANT: PLEASE READ CAREFULLY

Please note that this project may be subject to a variety of discretionary conditions of approval. These include conditions based on adopted City plans and policies, those determined through site plan review and environmental assessment essential to mitigate adverse effects on the environment including the health, safety, and welfare of the community, and recommended conditions for development that are not essential to health, safety, and welfare, but would on the whole enhance the project and its relationship to the neighborhood and environment.

In the event you wish to appeal the Planning Commission's decision or discretionary conditions of approval, you may do so by filing a written appeal with the Clerk. The appeal shall include a statement of your interest in or relationship to the subject property, the decision or action appealed and specific reasons why you believe the decision or action appealed should not be upheld. Your appeal must be filed within 15 days of the Planning Commission's decision. [SLC1] Please refer to City of King Municipal Code Chapter 2.12.050

Approval of this use permit shall be considered null and void in the event of failure by the applicant and/or the authorized representative, architect, engineer, or designer to disclose and delineate all facts and information relating to the subject property and the proposed development including, but not limited to, the following:

1. All existing and proposed improvements including but not limited to buildings and structures, signs and their uses, trees, walls, driveways, outdoor storage, and open land use areas on the subject property and all of the preceding which are located on adjoining property and may encroach on the subject property;
2. All public and private easements, rights-of-way and any actual or potential prescriptive easements or uses of the subject property; and,
3. Existing and proposed grade differentials between the subject property and adjoining property zoned or planned for residential use.

Approval of this use permit may become null and void in the event that development is not completed in accordance with all the conditions and requirements imposed on this use permit and the Zoning Ordinance. This use permit is granted, and the conditions imposed, based upon the Applicant Package provided by the applicant. The Applicant Package is material to the issuance of this use permit. Unless the conditions of approval specifically require operation inconsistent with the Applicant Package, a new or revised use permit is required if the operation of this establishment changes or becomes inconsistent with the Applicant Package. Failure to operate in accordance with the conditions and requirements imposed



may result in revocation of the use permit or any other enforcement remedy available under the law. The City shall not assume responsibility for any deletions or omissions resulting from the use permit review process or for additions or alterations to construction plans not specifically submitted and reviewed and approved pursuant to this use permit or subsequent amendments or revisions. (Include this note on the site plan.)

No uses of land, buildings, or structures other than those specifically approved pursuant to the approved site plan shall be permitted. (Include this note on the site plan.)

Please contact Scott Bruce via email at scottbruce11@gmail.com if you have any questions regarding the conditions of approval (COA).

COMMUNITY DEVELOPMENT DEPARTMENT :

1. **Allowed Use:** Commercial Cannabis Cultivation (CA Type 3A), Nursery (CA Type 4), Manufacturing Level 2 (CA Type 7), Distribution (CA Type 11)
2. **New Construction:** The proposed structure is a two-story 40,000 sf metal structure, accessed from the access easement along the western boundary of the site at one one location. Colors will be Sherwin Williams: Light Green – SW6162 Ancient Marble and Dark Green – SW7060 Attitude Gray consistent with the structure to the south.

Minor interior changes or site changes, which are determined by the Community Development Director / designee to be substantially in conformity with the plans and Application Package as presented may be granted by the Community Development Director / designee. Construction / Development shall conform to Application Package as presented, to the satisfaction of the Community Development Director or designee

3. **Parking:** Parking will conform to the Plan and Application Package as Submitted. New parking and paving area will be installed. Parking shall drain to landscaped areas – post development runoff shall not exceed the existing condition.
4. **Landscaping:** 40' setback shall be along access easement at front of / access to building. Landscaping will conform to plans and Application Package as submitted. Additional detail including water budget to be submitted for Community Development Department approval. Irrigation Plans shall be presented to and approved by Building Official prior to Landscape Installation. The landscaping shall be maintained in a healthy condition in perpetuity.
5. **Lighting:** Security Lighting is proposed to be mounted on the structure and on two poles in the parking area not to exceed 30 feet in height. A lighting plan must be approved before installation. All new outdoor lighting associated with the use shall be hooded and directed so as not to shine on public roads, onto surrounding properties or into the night sky.
6. **Signage:** No signage has been requested at this time with the exception of property address. Any additional signage shall conform to the requirements of Section 17.03 of the City of King Zoning Code. Additional signage may be approved by the Community Development Department and may be submitted to the Planning Commission at the Director's discretion.
7. **Fencing:** New fencing along Airport Drive shall be no climb chain link with screening slats, including 2' of barbed wire at the top. Angle out. Perimeter fences shall be "no climb" chain link, six (6') foot in height with barbed wire, to a maximum of eight (8) feet with vertical slats woven into the chain link. Fencing along access easement to be eight (8') foot wrought iron, curved at the top, angled out.

BUILDING AND SAFETY DEPARTMENT: (No application for Building Permit has been submitted. An application must be submitted after CUP approval and prior to any interior renovations).

Building Plans: All Planning Commission COA shall be imprinted on plans submitted for building permits.

- 1 **Scope of Work Description:** Scope of work shall conform with that found in the CUP / Regulatory



Permit Package

- 2 **Sprinklers:** Building will be improved with sprinklers.

PUBLIC WORKS DEPARTMENT: (The Applicant should contact Octavio Hurtado, Hanna & Brunetti 408-842-2173, ohurtado@hannabrunetti.com,) to discuss the following COA as needed).

- 1 **Scope of Work Description:** Scope of work shall conform with that found in the CUP / Regulatory Permit Package.
- 2 **Sidewalk:** Sidewalk (to match existing / to satisfaction of City Engineer) will be extended along the entire Airport Drive frontage.
- 3 **Drainage:** SWPPP and drainage calculations to be submitted. Final design to satisfaction of City Engineer.
- 4 **Recycled Water Connection:** A connection shall be available at the sidewalk, sufficient to access and utilize the City's recycled "Purple Pipe" system at such time as it is made available. All internal and external irrigation will utilize "Purple Pipe" located in the Airport Drive Right-of-Way.
- 5 **Recycled Water, Water Quality Assessment:** The City may require a future water quality assessment to evaluate mass loading / nutrient balance, based upon the results of regular, ongoing analysis.

REGULATORY PERMIT:

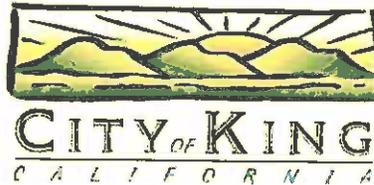
Renovations shall comply with and Operations be subject to full compliance with Section 17.03 of the City of King Zoning Code as amended and the Regulatory Application Package.

- Regulatory Permit:** The Regulatory shall be approved by the City Manager and is in force for the period of one year. It shall be renewed annually. No operations shall occur without a current permit.
- Security Cameras:** Security cameras shall be installed in quantity and location per the Regulatory Application. City of King Police personnel shall have access to the system for real time review. One camera that is part of the City's City wide system shall be installed at the driveway access to the street.
- Security Systems:** Security systems shall be in conformance with those presented in the Application Package, to the satisfaction of the Chief of Police and the City's Consultant.
- Solvents:** The Applicant has indicated that Butane, CO₂ and Ethanol will be used in the extraction process. Volume, storage techniques, deliveries and safety pre-cautions must be to the satisfaction of the City of King Fire and Police Departments in compliance with Section 17.03.270 (a) and (b)
- Solid Waste:** Solid waste disposal shall be in compliance with County of Monterey Health Department and Waste Management, Inc. requirements.
- Odor Control:** Odor shall be controlled per the Regulatory Application Section I and Section 17.03.210 (i) of the City of King Zoning Code. At the beginning of operations City Staff shall inspect for odor not less than once monthly for a period of no less than three months. In the event that compliance has not been achieved, mechanical equipment and the City Code will be reviewed. In the event that compliance is not achieved, Staff shall make a recommendation to City Council per Section 17.03.240 of the City Zoning Code. Odor caused by outdoor dumpsters will be addressed in a similar manner.
- Air Quality:** Venting of Solvents, CO₂ and / or Ethanol / Alcohol shall be in compliance with Monterey County Air Resources Board Standards.
- Pesticides and Fertilizers:** Shall comply with requirements of the Monterey County Agricultural



Commissioner and in substantial conformance with the materials and quantities presented in the Application Package.

- I. **Employee Background Checks:** Employees shall be vetted (background checks) to the satisfaction of the City of King Chief of Police and in compliance with the Regulatory Application Package and Section 17.03.210 (k) of the City's Zoning Code. A third party perform the check, that Party suggested by City's Consultant (HdL) and accepted by Applicant and City of King. Results will be provided to Applicant, HdL and City of King Police Chief. Police Chief to verify.
- J. **Hours of Operation and Employees:** The Applicant has indicated that the facility will be potentially be in operation 24 hours per day. Shifts of a maximum of approximately 16 employees will be on site during this period. Onsite parking will be sufficient to cover overlap periods. No persons under the age of 21 will be allowed on site.
- K. **Work Permits and Fees:** Work Permits shall be issued in conformance with Section 17.03.070 (a). Fees shall be as set by the City Council.
- L. **Indemnification Agreement:** A signed Indemnification Agreement shall be in place prior to Issuance of the Regulatory Permit for each use. Such agreements shall be approved by the City Attorney and conform to the requirements of Section 17.03.160. Said agreements shall prevail over Hold Harmless and Indemnification Clause attached hereto.
- M. **Record Keeping:** Financial and Product Record shall comply with the Regulatory Application Package and the requirements of Section 17.03.180.



HOLD HARMLESS AND INDEMNIFICATION CLAUSE:

The applicant agrees, as part of and in connection with each and all the applications and approvals, to defend, indemnify, and hold harmless the City of King ("**City**") and its elected officials, officers, contractors, consultants (including Earth Design International, Aleshire & Wynder, LLP attorneys; Hanna & Brunetti, Aleshire & Wynder, LLP attorneys), employees and agents (including Earth Design, International, and Hanna & Brunetti) from any and all claim(s), action(s), or proceeding(s) (collectively referred to as "*proceeding*") brought against City or its officers, contractors, consultants, attorneys, employees, or agents (including Earth Design, Inc, Aleshire & Wynder, LLP, and Hanna & Brunetti) to challenge, attack, set aside, void, or annul:

- a. *Any approvals issued in connection with all approvals, actions and applications by City covered by the conditions of approval and/or mitigation measures; and/or*
- b. *Any action and approvals taken to provide related environmental clearance under the California Environmental Quality Act of 1970, as amended ("**CEQA**") by City's advisory agencies, boards or commissions; appeals boards or commissions; Planning Commission, or City Council. The applicant's indemnification is intended to include, but not be limited to, damages, fees and/or costs awarded against or incurred by City, if any, and costs of suit, claim or litigation, including without limitation attorneys' fees and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, City, and/or parties initiating or involved in such proceeding.*

The applicant agrees to indemnify City and its elected officials, officers, contractors, consultants, attorneys, employees and agents (including Earth Design, Inc., Aleshire & Wynder, LLP, Hanna & Brunetti,) for all of City's costs, fees, and damages incurred in enforcing the **indemnification** provisions of this Agreement.

The applicant agrees to defend, indemnify and **hold harmless** City, its elected officials, officers, contractors, consultants (including Earth Design International, Hanna & Brunetti, Aleshire & Wynder, LLP attorneys), attorneys, employees and agents (including Earth Design, Inc., and Hanna & Brunetti) from and for all costs and fees incurred in additional investigation or study of, or for supplementing, redrafting, revising, or amending, any document (including, but not limited to, an environmental impact report, sphere of influence amendment, annexation, pre-zoning, general plan amendment, specific plan, vesting tentative tracts, sign applications, variances, conditional use permits, architectural review, etc.), if made necessary by said proceeding, and if the applicant desires to pursue such City approvals and/or clearances, after initiation of the proceeding and that are conditioned on the approval of these documents.

In the event that the applicant is required to defend City in connection with such proceeding, City shall have and retain the right to approve which approval shall not be unreasonably withheld, conditioned or delayed:

- a. *The counsel selected by applicant to so defend City, which approval shall not be unreasonably withheld, delayed or conditioned;*
- b. *All significant decisions concerning the manner in which the defense is conducted, which approval shall not be unreasonably withheld, delayed or conditioned; and*
- c. *Any and all settlements.*
- d. *Any motions or court documents filed on behalf of the city.*



City shall have and retain the right to have the City attorney defend the City and its staff in connection with such proceeding. City shall also have and retain the right to not participate in the defense, except that City agrees to reasonably cooperate with the applicant in the defense of the proceeding. If City chooses to have counsel of its own defend any proceeding where the applicant has already retained counsel to defend City in such matters, the fees and expenses of the additional counsel selected by City shall be paid by City. Notwithstanding the immediately preceding sentence, if City's Attorney's Office participates in the defense, any and all City Attorney, Staff and consultants' actual and reasonable fees and costs arising from their support of the defense shall be paid by the applicant.

The applicant's defense and indemnification of City set forth herein shall remain in full force and effect throughout all stages of litigation including any and all appeals of any lower court judgments rendered in the proceeding. Notwithstanding the preceding, this obligation to indemnify shall not apply to any claim to the extent arising from the gross negligence or willful misconduct of the indemnified party or of any agent, employee or licensee of the indemnified party.

Conditional Use Condition Agreement:

The conditional use permit is **not** valid until all Conditions of Approval ("*COA*") and mitigated measures imposed by the Planning Commission are signed for and agreed to by the applicant.

I have received a copy of the conditional use permit conditions of approval and mitigated measures and agree with them. I understand that if I do not abide by them the Planning Commission has the authority to revoke my conditional use permit, pursuant to the Municipal Code. (*Reference Municipal Code §17.64.040.*)

Applicant Signature: _____ Date: _____

RESOLUTION NO. 2017- 203

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING,
APPROVING CONDITIONAL USE PERMIT CASE NO. CUP 2016-014

WHEREAS, on **November 13, 2017**, **Boutique Unlimited** submitted application to allow Cannabis Cultivation (CA Type 3B), Nursery (CA Type 4), Manufacturing Level 2 (CA Type 7) and Distribution / Transportation (CA Type 11) in a new structure, located at 325 Airport Drive.

WHEREAS, after numerous discussions, on **December 15, 2017** a formal Letter of Completeness was provided by the City;

WHEREAS, the proposed uses are consistent with the General Plan and are allowed in the M-1 District with the approval of a Conditional Use Permit (**Ordinances 2016-728 and 729, September 27, 2016 2017-745 and 746, August 22, 2017**).

WHEREAS, the proposed project conforms to the requirements of Chapter 17.03 of the City of King Zoning Code;

WHEREAS, an Initial Study was prepared and a Public Notice filed indicating Intent to Find Consistency with the certified Mitigated Negative Declaration (MND) that was prepared to address potential cumulative impacts of the **September 27, 2016** changes to the Zoning Code;

WHEREAS, the project has been evaluated in relation to the previously prepared MND for the amendment of the City's Zoning Ordinance and the amendment of ERBPSP (Ordinances 2016-728, 2016-729 and 2016-730) to allow new land uses in the Manufacturing Districts (M-1, M-2, M-3) and designation the ERBP Specific Plan. An initial study was prepared for the project, which determined that the project is fully within the scope of the prior analysis of the MND, such that the adoption of a Finding of Consistency is warranted;

WHEREAS, all notices have been provided as required by law;

WHEREAS, the Commission has reviewed the staff report, provided an opportunity for public testimony, and considered all other relevant information during the duly noticed public hearing on **December 19, 2017**; and

WHEREAS, after due consideration of the administrative record, the Commission desires to adopt a Finding of Consistency with the MND and approve **CUP No. 2016-014**.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Planning Commission of the City of King as follows:

Section 1: The recitals are true and correct and are incorporated herein as if set forth in full.

Section 2: The City has conducted an initial study of the project and has determined the project is fully within the scope of the prior analysis of the MND. There is no substantial new evidence in the record that this project may have additional significant impacts that were not analyzed in the MND. Additionally, there is no substantial new evidence of potentially significant off-site impacts or cumulative impacts that were not discussed in the MND, and no potentially significant adverse effects peculiar to the project. There are no previously identified significant effects, which as a result of substantial new information which was not known at the time the MND was adopted, determined to have a more severe adverse impact than discussed in the MND. The Commission further finds:

- a. The General Plan Land Use Map designates this area as LI (Light Industrial) and the City Zoning Map designates this area as M-1 (Light Industrial). Ordinance 2016-729 (September 27, 2016) 2017-746 (August 22, 2017) specifically allow the proposed Cannabis Cultivation, Nursery, Manufacture and Distribution / Transportation uses in the Light Industrial District. The subject property is proposed to be developed at an intensity and scale that is permitted in the M-1 District and is compatible with surrounding uses.

- b. The future development of the subject property will not adversely impact existing City service systems or the traffic circulation system that serves the subject property beyond those analyzed by the MND.
- c. There are no unique topographic, soil, or geologic conditions at the site that will be impacted by this project, and no aspects of this project that will result in impacts to air quality, water supply or quality, plant life or animal life beyond those analyzed in the MND.
- d. There are no hazards or hazardous materials at the site or which would be created by the project beyond those analyzed by the MND.
- e. There is no evidence that the site contains any habitats for wildlife, unique, rare, or endangered plants or animals, or historic buildings or resources.
- f. All applicable MND mitigation measures from the MND have been applied to this project.

As this project does not fall within any of the categories identified by CEQA Guidelines section 15162, no subsequent environmental review is required. Therefore, the Planning Commission adopts a Finding of Consistency with the MND

Section 3: The Commission makes the following Findings of Facts:

1. The purpose of the proposed use (Cannabis cultivation and nursery, manufacture cannabis oils and related products, cannabis distribution) is in accordance with the description, process and standards provided in the Application Package as reviewed by Staff and presented at the public hearing.
2. The establishment, operation and maintenance of the use as presented will not be detrimental to the property, improvements, health, safety, morals and general welfare of persons in the surrounding area and / or the City;
3. The proposed use is consistent with the General Plan Land Use Designation (LI) Light Industrial and the Uses and Standards of the M-1 Zoning District.
4. The proposed uses will be contained within new construction of less than 40,000 sf.
5. The new structure will not exceed 38' to the ridge line as approved by the Commission during Public Hearing. No mechanical equipment will be allowed above that height.
6. The entire lot will be fenced – existing fencing will be improved and / or replaced and new screening will be installed. Along Airport Drive and along property lines to the north and south. The lot will be accessed (gated) from one point of entry off of the legally recorded access easement bordering the western boundary of the project site.
7. Landscaping will be installed per the Application Package.
8. Right of way improvements (sidewalk) along the Airport Drive frontage will be performed to the satisfaction of the City Engineer.
9. All processes and interior construction/building improvements, security/operating procedures will be in conformance with the CUP/ Application Package, as submitted and/or as conditioned (See COA's Exhibit 1: Attached) and with City of King Zoning Code Chapter 17.03 (Commercial Cannabis Activity).
10. Power and Water are available and are required to be provided prior to/concurrent with building construction.
11. Evidence of hook up to the City's Sanitary Sewer system must be provided prior to any Operations.

Based on the foregoing and evidence in the administrative record, the Commission determines that the establishment, maintenance or operation of the use applied for will, under the circumstances of the particular case, will not be detrimental to the health, safety morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use. The Commission further determines that the use will not will be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the City. Therefore, the Commission approves Conditional Use Permit Case No. CUP 2016-014.

This resolution was passed and adopted this **19th day of December 2017** by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

DAVID NUCK, CHAIRPERSON

ATTEST: _____
ERICA SONNE DEPUTY CITY CLERK

**INITIAL STUDY CHECK LIST (OCOTBER 31 ,2017)
CUP 2016-014**

A. BACKGROUND INFORMATION

- 1. **Lead Agency:** City of King
- 2. **Project Representative / Owner:** Boutique Unlimited: Mike Ferguson
- 3. **Project Location:** North of and adjacent to 150 Airport Drive

4. Project, Project History and Approved Mitigated Negative Declaration Description:

Project

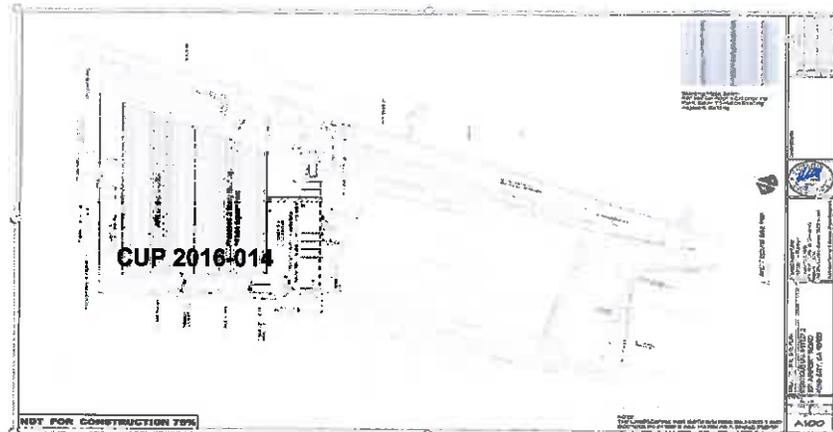
The Applicant has applied for Conditional Use Permit 2016-14 (CUP) to develop a parcel located north of / adjacent to 150 Airport Drive (APN 026-351-030) as generally depicted in the attached diagram, below. The proposed development is on approximately 1.0 acres, constructing a new two story building of approximately 41,500 sf with a 20,750 sf footprint. Impervious area will be approximately 24,800 sf (57%) area and landscaping will be approximately 11,450 sf, or 26% of the lot. Turf blocked parking area will be approximately 7,350 sf. The proposed structure will be used for Indoor Cultivation (CA Type 3A) which is grown under artificial light and has a maximum canopy area of 22,000 sf; Level 2 (CA type 7) Manufacturing and Distribution (CA Type 11).



History

In 2016, the City of King amended the Zoning Code and the East Ranch Business Park Specific Plan to allow Medical Cannabis Uses including Cultivation (CA Types 2A,2B,3A,3B) Nursery (CA Type 4), Manufacturing (CA Type 6) and Testing (CA Type 8). In August 2017 the Zoning Code was amended to allow Manufacturing (CA Type 7) and Distribution (Type 11).

The potential impacts of these uses, their proposed land use and zoning designations, development densities and potential locations were evaluated. As a result of the analysis a Mitigated Negative Declaration was prepared. It was certified on September 26, 2017.



- | | |
|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5. Certified MND Project Description: | The Certified MND Project Description is attached as Exhibit 1. |
| 6. Public Review Period: | 20 Days |
| 7. Other Public Agencies Requiring Approval: | N/A |
| 8. Address Where Written Comments May be Sent: | City of King
Community Development Department
212 South Vandenhurst Avenue
King City, CA 93930 |
| 9. Purpose For Initial Study: | The purpose for the initial study is to determine whether the findings needing to be made pursuant to CEQA Guidelines §15162 (Subsequent EIR and Negative Declaration) can be made in the affirmative. |

10. Proposed Findings:

The City of King is the custodian of the documents and other material that constitute the record of proceedings upon which this decision is based. There was a Mitigated Negative Declaration ("**MND**") certified by the City Council on **September 26, 2017**.

As noted above, the purpose for the initial study is to determine whether the findings needing to be made pursuant to CEQA Guidelines §15162 (Subsequent EIRs / ND's) can be made in the affirmative. The City must determine that on the basis of substantial evidence in the record, one or more of the following *paraphrased* findings does not exist:

1. There are no substantial changes to the proposed project that will require major revisions to the certified MND or increase the severity of previously identified significant effects;
2. There are no substantial changes due to circumstances under which the proposed project is undertaken that require modifications to the certified MND, due to new significant environmental effects or increase in severity of previous impacts; or
3. There is no new information that was not analyzed in the certified MND.

Based on the initial study, the above findings of fact can be made and the Proposed Project will not have the potential to result in significant adverse environmental impacts. All the mitigation measures adopted in 2016 will apply. Therefore, the issues associated with the Proposed Project are adequately addressed in the 2016 certified MND.

1. Aesthetics	9. Land Use/Planning
2. Agricultural Resources	10. Noise
3. Air Quality	11. Population/Housing
4. Biological Resources	12. Public Services
5. Cultural Resources	13. Recreation
6. Geology/Soils	14. Transportation/Circulation
7. Hazards/Hazardous Materials	15. Utility/Service Systems
8. Hydrology/Water Quality	16. Mandatory Findings of Significance

III. ENVIRONMENTAL SETTING

The Proposed Project is located on Airport Drive. The lots along Airport Drive are partially developed with industrial and business uses. The Proposed Project site is currently vacant.

Table 2 Surrounding Land Uses			
North:	Industrial Use	East:	Airport Drive
South:	Industrial (Cannabis) Use	West:	Access Easement with Industrial Use (in ERBP SP) beyond.

C. ENVIRONMENTAL CHECKLIST

The following checklist indicates the potential level of impact and is abbreviated as follows:

Known Significant:	Known significant environmental impacts.
Unknown Potentially Significant:	Unknown potentially significant impacts, which need further review to determine significance level.
Potentially Significant and Mitigable:	Potentially significant impacts which can be mitigated to less than significant levels.
Not Significant:	Impacts that are not considered significant.
Impact Reviewed in Previous Document:	Adequate previous analysis exists regarding the issue; further analysis is not required (§15162 of the State CEQA Guidelines). The following Table includes reference to the Certified MND and identifies potential impacts as noted in that Document.

1. AESTHETICS:						
Would the project:		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
a.	Have a substantial adverse effect on a scenic vista?				X	X
b.	Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within view of a state scenic highway?				X	X
c.	Substantially degrade the existing visual character or quality of the site and its surroundings?			X		X
d.	Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area?			X		X

Aesthetics Discussion:

The Project Proposes an increase to building height from 30' to 35'. Buildings are set back from San Antonio Drive by approximately 60 feet and from Metz Road by approximately 40 feet. A screening fence will be placed at the property line.

2. AGRICULTURAL RESOURCES:					
In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland.					
Would the project:					
	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
a.				X	X
b.				X	X
c.				X	X

Agricultural Resources Discussion: Impacts as discussed in the 2016 certified MND analysis.

3. AIR QUALITY					
Would the project:					
	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
a.				X	X
b.				X	X
c.				X	X
d.				X	X
e.			X		X
f.				X	X
g.				X	X

Air Quality Discussion: Impacts as discussed in the 2016 certified MND analysis.

4. BIOLOGICAL RESOURCES		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:						
a.	Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California department of Fish and Game or U.S. Fish and Wildlife Service?				X	X
b.	Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of fish and Game or U.S. Fish and Wildlife service?				X	X
c.	Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc) through direct removal, filling, hydrological interruption, or other means?				X	X
d.	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X	X
e.	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X	X
f.	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional or state habitat conservation plan?				X	X

Biological Resources Discussion: Impacts as discussed in the 2016 certified MND analysis.

5. CULTURAL RESOURCES		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:						
a.	Cause a substantial adverse change in the significance of a historical resource as defined in CEQA Guidelines §15064.5?			X		X
b.	Cause a substantial adverse change in the significance of an archaeological resource pursuant to CEQA Guidelines §15064.5?			X		X
c.	Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?			X		X
d.	Disturb any human remains, including those interred outside of formal cemeteries?			X		X

Cultural Resources Discussion: Impacts as discussed in the 2016 certified MND analysis.

6. GEOLOGY /SOILS		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant or Not Applicable	Impact Reviewed in Previous Document
Would the project:						
a.	Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:			X		
i)	Rupture of a known earthquake fault, as delineated on the most recent Alquist-Prilo Earthquake Fault Zoning Map issued by the State Geologist for the are or based on other substantial evidence of a known fault? (Refer to Division of Mines and Geology Publication 42)				X	X
ii)	Strong Seismic ground shaking?			X		X
iii)	Seismic-related ground failure, including liquefaction?				X	X
iv)	Landslides?				X	X
b.	Result in substantial erosion or the loss of topsoil?				X	X
c.	Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				X	X
d.	Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X	X
e.	Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X	X

Geology/Soils Discussion: Impacts as discussed in the 2016 certified MND analysis.

7. HAZARDS/HAZARDOUS MATERIALS		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:						
a.	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X	X
b.	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X	X
c.	Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X	X
d.	Be located on a site that is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would create a significant hazard to the public or the environment?			X		X

7. HAZARDS/HAZARDOUS MATERIALS		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:						
e.	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X	X
f.	Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				X	X

Hazards/Hazardous Materials Discussion: Impacts as discussed in the 2016 certified MND analysis.

8. HYDROLOGY/WATER QUALITY		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:						
a.	Violate any water quality standards or waste discharge requirements?				X	X
b.	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X	X
c.	Substantially alter the existing drainage pattern on the site or area, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation on or off-site?				X	X
d.	Substantially alter the existing drainage pattern on the site or area, including through the alteration of the course of a stream or substantially increase the rate or amount of surface runoff in a manner, which would result in flooding on- or off-site?			X		X
e.	Create or contribute runoff water that would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?			X		X
f.	Otherwise substantially degrade water quality?				X	X
g.	Place housing within a 100-year flood hazard area as mapped on a federal flood hazard boundary or flood insurance rate map or other flood hazard delineation map?					X
h.	Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X	X
i.	Inundation by seiche, tsunami, or mudflow?				X	X

Hydrology/Water Discussion: Proposed building coverage and impervious area conform to ERBP SP standards. A SWPPP has been prepared. Impacts as discussed in the 2016 certified MND analysis.

9. LAND USE AND PLANNING	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:					
a. Physically divide an established community?				X	X
b. Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X	X
c. Conflict with any applicable habitat conservation plan or natural community conservation plan?				X	X

Land Use and Planning Discussion: Impacts as discussed in the 2016 certified MND analysis.

10. NOISE	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:					
a. Expose people to, or generate, noise levels exceeding established standards in the local general plan, coastal plan, noise ordinance or other applicable standards of other agencies?				X	X
b. Expose persons to or generate excessive groundborne vibration or groundborne noise levels?				X	X
c. Cause a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				X	X
d. Cause a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				X	X

Noise Discussion: Impacts as discussed in the 2016 certified MND analysis.

11. POPULATION AND HOUSING	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:					
a. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X	X
b. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X	X
c. Induce substantial growth in an area either directly (for example, by proposing new homes and businesses) or indirectly (e.g. through extension of roads or other infrastructure)?				X	X

Populations and Housing Discussion: Impacts as discussed in the 2016 certified MND analysis.

12. PUBLIC SERVICES Would the project result in a substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
a. Fire protection?				X	X
b. Police protection?				X	X
c. Schools?				X	X
d. Parks or other recreational facilities?				X	X
e. Water Service System?				X	X
f. Sewer System?				X	X
g. Other governmental services? (power)				X	X

Public Services Discussion:

Impacts as discussed in the 2016 certified MND analysis.

13. TRANSPORTATION/CIRCULATION Would the project:	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
a. Cause an increase in traffic, which is substantial in relation to the existing traffic load and capacity of the street system (i.e. result in a substantial increase in either the number of vehicle trips, the volume to capacity ration on roads, or congestion at intersections)?				X	X
b. Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?				X	X
c. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?			X		X
d. Substantially increase hazards due to a design feature (e.g. limited sight visibility, sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?				X	X
e. Result in inadequate emergency access?			X		X
f. Result in inadequate parking capacity?			X		X

13. TRANSPORTATION/CIRCULATION	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:					
g. Conflicts with adopted policies supporting alternative transportation (e.g. bus turnouts, bicycle racks)?				X	X

Transportation/Circulation Discussion:

Impacts as discussed in the 2016 certified MND analysis.

14. UTILITIES & SERVICE SYSTEMS	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:					
a. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?			X		X
b. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X	X
c. Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X	X
d. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?			X		X
e. Result in a determination by the wastewater treatment provider, which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X	X
f. Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X	X
g. Comply with federal, state, and local statutes and regulations related to solid waste?				X	X

Utilities & Service Systems Impact Discussion:

Impacts as discussed in the 2016 certified MND analysis.

D. INFORMATION SOURCES:

A. County/City/Federal Departments Consulted:			
<input checked="" type="checkbox"/>	✓ PRC		
B. General Plan			
Land Use Elements			
	Housing Element		Conservation Element
	Circulation Element		Noise Element
	Seismic Safety/Safety Element		Land Use
	Economic Development		
C. Zoning Ordinance & Specific Plan			
<input checked="" type="checkbox"/>	Specific Plan and Zoning		
✓	Title 17, Section 30 Light Industrial District	✓	Title 17, Section 17.03
D. Project Plans			
✓	Site Plans and CUP Submittal		
E. Other Sources of Information			
✓	Field Work/Site Visit		Ag. Preserve Maps
✓	Calculations		Flood Control Maps
		<input checked="" type="checkbox"/>	Other studies, reports (e.g., environmental documents) ✓ Certified MND September 2016
✓	Traffic Study	✓	Topographic maps
	Records		Soils Maps/Reports
	Grading Plans		Plant maps
✓	Elevations/architectural renderings		Archaeological maps and reports
	Published geological maps		(Others)

EXHIBIT 1

III. PROJECT DESCRIPTION

In January, 2016, the City of King (or “City”) approved several modifications to : 1) the General Industrial (“M-1” and “M-2”) zoning designations; 2) the East Ranch Business Park Specific Plan (“ERBP-SP”), and 3) changed the M-1 zoning in the ERBP-SP to Planned Development District (“PD”). These zoning changes allowed, through the approval and issuance of Conditional Use Permits (“CUP’s”), the cultivation of medical cannabis. At that time, the City also prepared an Initial Study (“IS”) and Mitigated Negative Declaration (“MND”) which examined the potential environmental impacts of these proposed actions. The areas zoned M-1 and the ERBP-SP are located in the northeast corner of the City near the Mesa del Rey Airport. The areas zoned M-2 are located east of the airport and near the corner of First Street and Lonoak Road.

Table 1, Zoning Breakdowns, provides a listing of the various zoned parcels noted above.

TABLE 1
ZONING BREAKDOWNS

<u>Parcel</u>	<u>Zoning</u>	<u>Acres</u>	<u>Location</u>
East Ranch Business Park Specific Plan (ERBP-SP)	Specific Plan	107	Northeast corner of the City
Areas Adjacent to ERBP	M-1	20	Adjacent to and northeast Of ERBP
Adjacent to Mesa del Rey Airport	M-2	40	Adjacent to Mesa del Rey Airport
First Street and Lonoak Road	M-2	20	Northeast of the Intersection of First Street And Lonoak Road

These approved zoning modifications establish a mechanism for local level regulation allowing the cultivation of medical cannabis within buildings and/or greenhouse structures at locations approved by the City with a Conditional Use Permit. These approved zoning modifications, which became effective in February 2016, allow the commercial cultivation of medical cannabis on a large scale basis. All other commercial cannabis activity, including but not limited to cultivation (other than cultivation allowed by these zoning regulations) delivery, dispensaries, distribution, manufacturing or transporting (other than to transport cultivated product outside of the jurisdictional boundaries of the City) are strictly prohibited. These approved zoning regulations do not apply to nor allow the personal cultivation and/or use of cannabis nor the sale of such products within the City.

B. Project Characteristics

1. Zoning Code Amendments

Since the approval of the zoning modifications noted above, the City has proposed amendments to various zoning ordinances, including City Ordinance Section 17.03 (general cannabis discussions), Sections 17.30.020 and 17.31.020 governing the M-1 and M-2 zoning designations and the ordinance governing the East Ranch Business Park. These additional zoning code amendments are intended to more specifically design and regulate any proposed facilities associated with medical cannabis cultivation, manufacturing and testing. Listed below are the various categories (or types) of facilities that will require permits from the City.

- Type 2A All Artificial Light Structures, maximum 10,000 s.f.
- Type 2B Mixed Light Structure, maximum 10,000 s.f.
- Type 3A All Artificial Light Structure, maximum 22,000 s.f.
- Type 3B Mixed Light Structure, maximum 22,000 s.f.
- Type 4 Nursery
- Type 6 Manufacturing
- Type 8 Testing

2. Future Development of Medical Cannabis Growing Facilities

The City has not received any development applications at this time for medical cannabis growing facilities. In order to fully assess the potential environmental impacts associated with the proposed zoning code additions/amendments, the City has estimated the nature and extent of additional medical cannabis growing facilities. This estimate of future medical cannabis growing facilities within the City, as listed below, is intended to provide the

basis for the maximum probable (“worst-case”) assessments of potential impacts of the cumulative development of these facilities within this document.

- 4 Type 2A (all artificial light) greenhouse buildings (10,000 square foot plant canopy within a 13,000 square foot structure)
- 13 Type 2B (mixed light) greenhouse buildings (10,000 square foot plant canopy within a 13,000 square foot structure)
- 8 Type 3A (all artificial light) greenhouse buildings (22,000 square foot plant canopy within a 28,000 to 30,000 square foot structure)
- 34 Type 3B (mixed light) greenhouse buildings (22,000 square foot plant canopy within a 28,000 to 30,000 square foot structure)
- 6 Manufacturing Facilities
- 4 Nurseries (25,000 s.f.)
- 4 Security Offices
- 6 Plantonics Stores and Storage Facilities
- 4 Executive and Administrative Offices

(Note: The Type 2A and 3A greenhouse buildings are allowed pursuant to the previously approved (January, 2016) zoning modifications discussed above but are included in order to provide the maximum probable (“worst-case”) assessments of potential project impacts).

Type 2 greenhouse structures will cover a total of 13,000 square feet. Of this total, 10,000 square feet will be devoted to cannabis growing areas. Type 3 greenhouse structures will cover a total of 28,000 to 30,000 square feet. Of this total, 22,000 square feet will be devoted to cannabis growing areas. An additional 3,000 square feet in Type 2 greenhouses and an additional 6,000 to 8,000 square feet in Type 3 structures which will be devoted to the following functions: 1) trimming room, 2) drying room, 3) watering and mixing station, and 4) office space, bathrooms and employee break area. In addition, Type 2 greenhouses will have approximately 9,000 square feet devoted to exterior landscaping and parking while Type 3 greenhouses will have approximately 12,000 to 15,000 square feet devoted to exterior landscaping and parking. The greenhouse buildings will have glass roofs and side walls consisting of solid materials (i.e. brick, metal, wood, etc.) in order to provide security and eliminate a potential attractive nuisance.

Lighting will be provided by natural sunlight and/or artificial lighting. Artificial lighting will utilize energy efficient lighting systems with a finely tuned light spectrum which promotes the highest possible plant production rates. Type 2 greenhouses will have approximately 400 lights while Type 3 greenhouses will have 880 lights and Type 4 nurseries will have 1,000 lights.

Power use is primarily associated with lighting and cooling of the greenhouse structures. It is estimated that the total maximum electrical load for lighting the entire proposed future development of medical cannabis facilities is 53,760 amperes. The total maximum electrical load for air conditioning the entire proposed future development of medical cannabis facilities is 81,468 amperes. This results in a total maximum electrical load for the entire proposed future development of medical cannabis facilities of 135,228 amperes.

It is estimated that future project development will require a total of 193,890 gallons of water per day or 70,769,920 gallons (or 217 acre-feet) per year. This water will be used for cultivation in greenhouses and propagation in nursery facilities. Water demand is estimated to total approximately 20 million gallons (or 62 acre-feet) per year within the first year (2017) of operations and approximately 44 million gallons (or 135.5 acre-feet) by the year 2020. It is estimated that future project development will generate a total of 16,393 gallons (or 16.4 MGD) of wastewater per day or 5,983,528 gallons (or 5.98 MGD) of wastewater per year. This wastewater will contain a variety of nutrients typically found in commercial nursery facilities. Wastewater generation is estimated to total approximately 1.80 million gallons per year within the first year (2017) of operations and approximately 3.78 million gallons per year by the year 2020.

It is estimated that the development of all future medical cannabis growing facilities will generate a total 3,720 vehicle trips per day. Vehicle trip generation is estimated to total 1,114 vehicle trips per day within the first year (2017) of operations and 2,316 vehicle trips per day the year 2020.

This Initial Study/Mitigated Negative Declaration has been prepared in a manner which provides complete and adequate California Environmental Quality Act (CEQA) coverage for all actions and approvals associated with the proposed project as currently described herein. However, this Initial Study/Mitigated Negative Declaration may not be the final environmental document for the proposed project. In the event that future development applications for the commercial cultivation of medical cannabis contain specific design or operational elements not addressed by this Initial Study, additional, more detailed environmental documentation may be necessary at that time. When applications for individual projects are submitted, they will be subject to additional environmental review by the City in order to 1) determine the nature and extent of any potentially significant impacts not addressed in this document and 2) insure that the individual project does not exceed the maximum development levels and cumulative impacts identified in this analysis. These individual projects will be approved by the City through the approval and issuance of Conditional Use Permits (“CUP’s”).



Item No. 7(C)

REPORT TO THE PLANNING COMMISSION

DATE: DECEMBER 19, 2017

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO BLANCK, AICP, COMMUNITY DEVELOPMENT DIRECTOR;

BY: SCOTT BRUCE, PRINCIPAL PLANNER

RE: CUP AMENDMENT 2016-008(b)17, CANNABIS DISTRIBUTION (CA TYPE 11); 151 AIRPORT DRIVE, CITY OF KING

RECOMMENDATION:

Staff recommends that the Planning Commission: 1) review the request for a Conditional Use Permit, 2) receive public comment, and 3) adopt the attached Resolution approving Conditional Use Permit Case No. 2016-008(b)17.

BACKGROUND:

In September 2016, the City Council (Council) approved amendment to the City's Zoning Code and to the East Ranch Business Park (ERBPSP), authorizing expansion of land uses related to Medical Cannabis. As a result of that action Indoor Cultivation under artificial or mixed light, Medical Cannabis Nurseries, Manufacturing and Testing were allowed in the M-1, M-2 and M-3 Districts and in the ERBPSP. In August 2017, the City Council approved changes to the Zoning Code to allow Manufacturing Level 2 (CA Type 7) and Distribution / Transportation (CA Type 11). On May 16, 2017, the Planning Commission approved CUP 2016-008 to allow Cannabis Cultivation (CA Type 3A) on this site. On June 30, 2017, an Operations Permit was approved by the City Manager. Occupancy and Operations may not occur until all the Conditions of Approval (CUP and Operations Permit Approval) have been met.

In October 2017, the CUP Case No. 2016-008(a)17 Amendment added Manufacturing Level 2 (volatiles) (CA Type 7) to the allowed use(s) on this site.

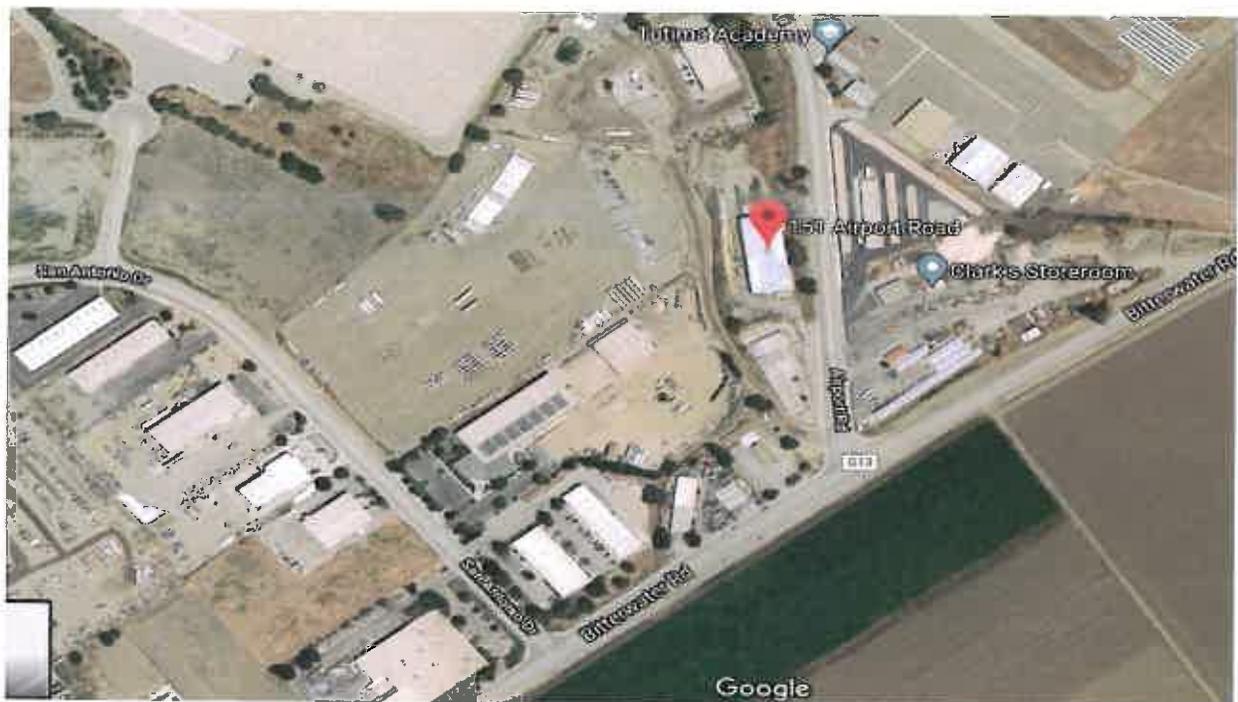
DISCUSSION:

Overview:

The proposed additional use is to be located in a portion of an existing 15,952 sf structure on a 1.08 ac lot (47,192 sf), which is located on the west side of Airport Drive. The building

has been vacant for approximately one year. A second floor (15,572 sf) as well as an addition to the west side of the structure were proposed and approved with the original CUP. The addition has a footprint of approximately 4,800 sf. With a second floor the total area of the new construction is slightly over 9,500 sf. It should be noted that the existing building height is 33 feet – maximum height per the zoning code for the M-1 District is 30 feet. The existing roof will remain.

- The parcel to the north is vacant and also owned by Zayrich Properties, LLC – an Application is in process for cultivation and manufacturing.
- Airport Road bounds the subject parcel on the east.
- The parcel to the south is developed and the structure is vacant.
- Access and utility easement (serving the parcels to the north) bounds the subject parcel on the west. The parcels beyond it are also in the M-1 Zoning District with the East Ranch beyond them



In the October 17, 2017 Amendment, the Applicant proposed to replace approximately 1,900 sf of Cultivation Area (1,356 sf of canopy) with Level 2 Manufacturing, located in the northwest corner of the building on the 1st floor. **See Exhibit 2**

As noted above, currently approved uses are Commercial Cannabis Cultivation, compliant with future State License 3A (indoor, artificial light) and Level 2 Manufacturing compliant with future State License 7. The use requested by this Amendment is Distribution compliant with future State License 11.

The Current Amendment is limited to new Distribution Use in the area, or portion of the area previously designated as Flower Rooms 2,3 and 5 on the previous Floor Plan. A maximum of 6,000 sf will be used for office and product storage. No revisions to exterior or site will occur. Please See Exhibit 2.

CUP Information: *(Baseline information, from CUP 2016-008 and 008(a)). This Amendment occurs completely within the previously approved structure, does not increase floor area and does not impact the exterior or the site.*

Architecture:

The existing structure is a metal structure with the building entry facing south, accessed from Airport Road. It sits below Airport Road: Airport Road rises as it moves north in relation to the building pad. The north base of the structure is approximately 12' feet below Airport road at that point. The existing structure covers 33.8 % of the site, and the building as proposed will cover 43.4% of the site. Total impervious area will be reduced from 40,195 sf (85%) to 32,608 sf (69%). The parking area will not change but landscaping will expand and the loading dock in the rear (north) will be removed.

See Exhibit 1 for photos of the existing structure. The existing materials will not change. The colors to be used are Sherwin Williams: Light Green – SW6162 Ancient Marble and Dark Green – SW7060 Attitude Gray. These colors will be consistent with those of the surrounding area.

Floor Plan and Interior Uses:

The Applicant proposes to add a second floor to interior of the structure (roof line will not change) and to expand the structure to the west. Note that the current height of the structure is 33' at the peak of the ridgeline. The current floor area (15,572) will be expanded to 40,652 sf with the changes as proposed. Approximately 600 sf of the space will be administrative / office space with the remainder including various types of grow spaces, cutting and trimming space, warehousing, fertilizer storage, restrooms and similar. **See Exhibit 4.**

Landscape:

The primary landscaped area is on the west side and north sides of the structure. The bank to the east side of the structure (below Airport Drive) is currently landscaped and will be augmented with new planting to match existing per landscaping plan. New landscaping will be installed at the entry drive and to the west and north.

Landscaping covers 30% of the lot (approximately 14,384sf) Proposed landscaping includes Carmel and Howard McMinn Manzanita, Comprosa "Verde Vista", Evergreen Miscanthus, Deer Grass, Indian Hawthorne, Rosemary, Coast Rosemary and Magnolia trees. **See Exhibit 7.** The Applicant will be required to utilize recycled water if made available to the site in the future when the City upgrades its wastewater treatment plant.

Parking, Paving:

No new access, parking or paving is proposed. The existing parking surface is asphalt and is located along the southern side of the building. One access drive is present to the south side of the structure. Paving will be removed to the west of and north of the structure, a sidewalk will be added to the west side, wrapping around and providing access to the north side.

Signage:

Signage will be limited to an address / street number for identification by emergency response personnel and deliveries, located at the south entry to the building.

Security:

Fencing: The facility will be surrounded on three sides by a non-climbing chain link fence with small square visibility with woven slats for screening and barbed wire tops, not to exceed 8' in height. Gate and fencing at the access drive facing Airport Drive will consist will be screened similarly. The parking / loading area will be gated.

Exterior Lighting: The parking area and building exterior will be illuminated with LED powered lighting placed to eliminate shadows and / or dark areas. Lights will be mounted on the building and on poles. Lighting will be designed to present spread beyond the property boundaries and / or into the night sky. Poles will not exceed thirty (30) feet in height. **See Document, Section H.**

Cameras: Security cameras will be mounted on all exterior doors, and will view all perimeter fencing and entry gates. At least 8 exterior motion sensor / night vision cameras will be placed with at least 11 interior motion / night vision cameras. Camera quantity and location will be to the satisfaction of the City of King and its consultant. The 24/7 surveillance will be accessible by the City of King Police Department through real time live access feed. **See Document, Section H, Exhibit 10.**

Fertilizer and Storage:

The only pesticides to be applied will be those pesticides on an approved chemicals list as supplied by the State Compliance Board and / or Department of Agriculture and be in compliance with the requirements of the Monterey County Department of Environmental Health.

Solvents:

N-Butane, Liquid CO₂ and Ethanol (Ethyl Alcohol) will be used in manufacturing procedures. All solvents will be stored in a locked and seismically secure location. Butane and CO₂ will each have independent storage locations. Ethanol will be stored in a locked

medical cabinet inside of the manufacturing lab. Final quantities, deliveries and safety components must be approved by Fire and Police.

The Applicant has provided the following information regarding the handling and storage of volatiles:

LP-Gas will be used as the solvent for the closed-loop Butane and Propane extraction equipment only in the C1D1 extraction room. All LPG will be recollected in the collection vessel and pressured down before product is removed from the extraction equipment.

Liquid CO2 will be used as a solvent for the closed-loop CO2 extraction equipment only in a C1D2 extraction room. All CO2 will be recollected in the an accumulation vessel to be reused on future extraction operations.

Ethanol alcohol is used as a solvent for post-extraction processing and further product refinement (winterization). This will be introduced to the product that is removed from the LPG and CO2 extraction equipment, inserted into a spark-resistant freezer, filtered, and further refined by rotary evaporation. Rotary evaporation will introduce heat, vacuum, and agitation to evaporate and recapture the ethanol alcohol.

LPG Storage and Handling:

An appropriate lockable, ventilated enclosure of metal exterior will be installed for the outside storage of LP-Gas tanks. This will also have vehicle protection via bollards around the storage area as well as restriction of public-access via fencing.

LP-Gas will be stored at least 10 feet from all building ingress/egress, HVAC intakes, and sidewalks.

If the outside storage and transfer area of LP-Gas is above the maximum allowable quantity of flammable gas, it shall be located a minimum of 25 feet away from other buildings, building openings, property lines, public streets, and other storage/transfer areas.

Ethanol Storage and Handling:

Storage shall be in approved flammable liquid cabinet and stored in amounts limited to the minimum required for operations. If storage volume exceeds the maximum allowable quantity, outside storage will be required with the same vehicle and public restriction and clearance from building openings, HVAC intakes, property lines, and public streets.

CO2 Storage and Handling:

Liquid CO₂ will be stored and anchored in the same CO₂ room as the adjacent cultivation operations. The liquid CO₂ tanks will have a dedicated distribution line that only feeds the CO₂ extractors in the manufacturing area.

Solid Waste:

Cultivation: Daily plant waste will be about 120 lbs. (approximately 8 cubic feet after grinding). Cannabis waste will be ground with a minimum 51% other organic material and includes stems and stalk which do not have a psychoactive profile. The entire plant and the waste material will contain less than 1% cannabinoids. are removed. Dumpsters will be located to the south side of the structure in a concrete block enclosure with locked gates.

Manufacturing: Waste material from Manufacturing is estimated at 1 or 2 cubic yards per week – similar in volume to the existing condition. Any waste (less than 2%) of waste that includes psychoactive cannabinoids will be mixed with other material (more than 50%) to render it unusable. Non-organic materials will be disposed of separately.

Conversation with Waste Management indicate that, currently, there are no State of California regulations for solid waste. **See Document, Section J, Site Plan Section R.**

Water: The Mitigated Negative Declaration (MND) that resulted from the Initial Study prepared during evaluation of the Zone Change estimated water use at 2,640 gallons per day (gpd). Water use as indicated by the Applicant for this project will be 3,888 gpd. However, approximately 2,527 gpd will be provided through reclamation from dehumidification leaving net use of 1,361 gpd, significantly below the estimate from the MND. A drip irrigation method for water / fertilizer will be used.

The October Amendment reduced the amount of water being used by reducing area in Cultivation and replacing it with Manufacturing. This Amendment will further reduce water use – up to 6,000 sf of cultivation area will now be used for cultivation.

Power. The Applicant estimates 2,550 Amps as the 80% power allocation for lighting and air conditioning (3,200 Amps as the 100% power allocation. A 4,000 Amp service upgrade is required for this license. 1,000 watt lights (High Pressure Sodium) will be located every 22 sf. Two cooling towers and pumps are proposed to be placed on existing concrete at the northeast corner of the structure. Towers will be 12' 4" in height. Internal temperature for grow rooms will range between 70 and 78 degrees.

The October Amendment reduced the amount of water being used by reducing area in Cultivation and replacing it with Manufacturing. This Amendment will further reduce power use – up to 6,000 sf of cultivation area will now be used for cultivation.

Regulatory Permit Related Information:

Boutique Unlimited proposes to grow, dry, trim and package Cannabis grown for shipment to Manufacturers – most of them outside the City of King. Those manufacturers will prepare oils, topicals and may prepare food products. The Applicant proposes a “Mother Room” – propagation of new plants will be internal.

The October Amendment added Manufacturing Use. Oils for creams, tinctures, topicals and vapor products will be produced. Some cannabis material from outside cultivators may be processed at this location. This Distribution Amendment converts area to include storage and office space for distribution use.

Shipping and Transport: Cannabis bud and Manufactured products will be transported from the facility in unmarked vehicles ***owned by the Applicant. Note that Distribution will be limited primarily to distribution of Cannabis Product rather than Plants themselves.***

Oils from others for use in the Manufacturing Process may be included. Transactions will be recorded on a manifest with details regarding the driver, vehicle, weight and / or count of all products. Delivery vehicles will be loaded inside the structure with cars traps and security personnel present. Cameras will be placed to record shipping from the facility. ***One Distribution Related trip in and out per day is anticipated. See Document, Section G.***

Odor Control: The Odor Control Program will operate in conformance with the requirements of Municipal Code Section 17.03.210 (i) including an exhaust filtration system and an air filtration system that creates negative air pressure between the interior and exterior building area. Filtered intake air will be passively brought into all Cultivation ***and Manufacturing*** rooms and supplied with a backdraft damper when the exhaust system is powered off. ***This Amendment should have minimal if any impact on odor. See Document, Section I.***

Security, Interior: There will be 1 or 2 armed guards on site at all times. Access to enter the facility and various portions of the facility, including the Manufacturing area, will be controlled by key-card access. All visitors will be required to fill out a questionnaire and sign in at the administrative office. Visitors will be accompanied by Boutique Unlimited personnel at all times during their visit. Persons under the age of 21 will not be allowed on site. Security personnel will monitor employee and guest access and record all visits and access to secure areas by identity. **See Document, Section H.**

Employee Vetting: No person under 21 years of age will be employed on this site. The employee vetting process is being finalized at this time. A third party will receive fingerprints and provide the City of King Police Department with background review. The Department will verify and the employee will sign, under oath, an agreement that verifies the accuracy of the background check and that delineates the responsibilities of and expectations for the employee. All employees will be hired under a 90-day probation period. **See Document, Section C**

This Amendment does not affect the Employee Vetting process.

Employee Training: Initial and on-going training in preventing contamination, grow techniques (including approved pesticide application) and inventory security / control. OSHA and personal protective equipment requirements, documentation, testing, hazard response, chemical handling, labeling documentation and emergency procedures. **See Document, Section J.**

Quality Control: All material will be batch tested by a local laboratory for pesticides, fungus, pests, molds and contaminants. If a product were to be called into question the remaining inventory will be quarantined and all customers notified. All material will be returned.

Manufactured products will be spot checked internally and tested by an independent, licensed Type 8 testing facility.

Items that are part of the distribution effort will have been tested previously.

See Document, Section C.

Compliance with Evolving State and Local Regulations: The Applicant's operating procedures will comply with state and local regulations. The Applicant engages a team of Lawyers, community relations staff and industry advisors to assist with governance, compliance, legal adherence and updates to laws and regulations. **See Document, Section C** In addition, the City requires that an Indemnification Agreement be executed (draft completed, in process). **See Document, Section N.**

ENVIRONMENTAL COMPLIANCE:

On September 27, 2016, the City Council approved Ordinances Nos. 2016-728, 2016-729 and 2016-730, amending Municipal Code Chapter 17.03 of the Zoning Code to allow Medical Cannabis cultivation, nursery, manufacturing and testing uses (Types 2A,2B, 3A,3B, 4, 6 and 8.) The M-1, M-2 and M-3 Districts and the ERBPSP were amended at that time to allow the uses in those specific zoning districts

A Mitigated Negative declaration (MND) was also prepared to evaluate potential and cumulative impacts of the proposed use types. It was adopted on September 27, 2016 at the time that the change to the Zoning Code was approved.

Staff review of the proposed use and its impacts indicates that the use as proposed is consistent with the evaluation and findings of the previously approved MND with no potentially significant impacts. It is therefore exempt from additional CEQA review, per CEQA Guidelines §15332 (Class 32-infill development projects).

ALTERNATIVES:

1. Hear the item, invite public comment and approve the item as presented, with Categorical Exemption as described above.
2. Deny the item. If the Planning Commission wishes to deny the CUP, the item needs to be continued, directing Staff to return with a Resolution of Denial.
3. Provide alternative direction to Staff.

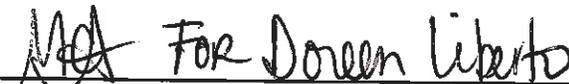
ATTACHMENTS:

1. Site Location and Photo
2. Floor Plan
3. Landscape
4. Camera Locations, Security Lighting
5. Signage
6. Conditions of Approval
7. Resolution No. 2017-204

Submitted by:


SCOTT BRUCE, PRINCIPAL PLANNER

Approved by:


DOREEN LIBERTO-BLANCK, AICP, COMMUNITY DEVELOPMENT
DIRECTOR

COA 2016-008(b)17

EXHIBIT 1



View looking at front (west facing) of building

COA 2016-008(b)17

EXHIBIT 2

BOUTIQUE UNLIMITED, INC.

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REGULATORY PERMIT APPLICATION



- LEGEND**
- ◆ KEYCARD ENTRY DOOR - WITH EXTERIOR SECURITY CAMERA
 - ◆/ KEYCARD ONLY - WITH EXTERIOR SECURITY CAMERA - NO EXTERIOR HANDICAP
 - SECURITY CAMERA LOCATION

 **FIRST FLOOR
SECURITY PLAN**

A NEW PROJECT for
BOUTIQUE UNLIMITED
151 AIRPORT DR KING CITY, CA.

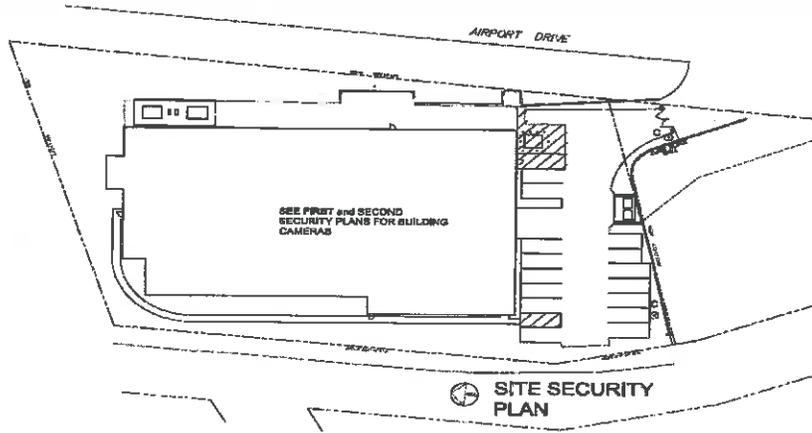
COA 2016-008(b)17

EXHIBIT 4

UNLIMITED, INC.

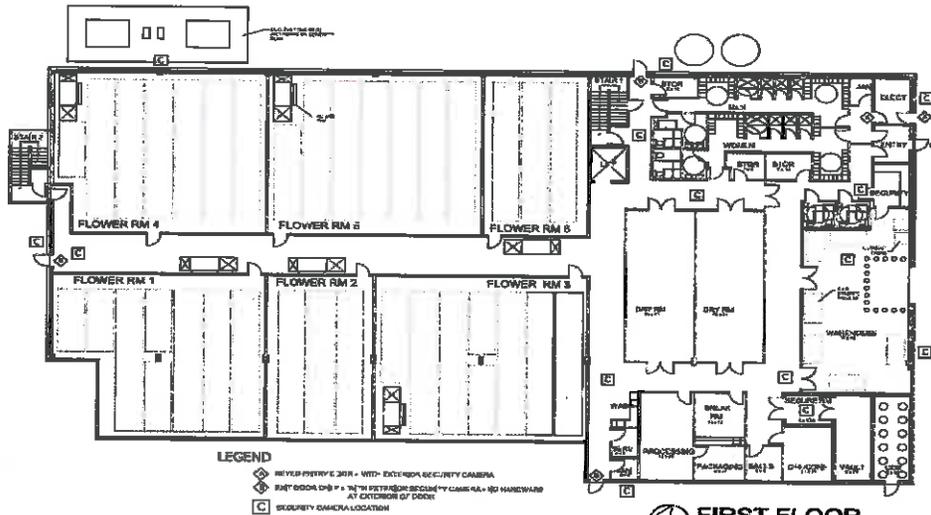
Page 29

REGULATORY PERMIT APPLIC.



A NEW PROJECT for
BOUTIQUE UNLIMITED
151 AIRPORT DR KING CITY, CA.

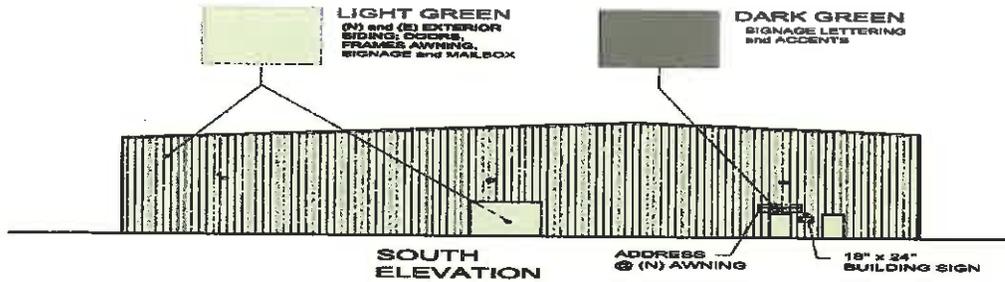
LEGEND
● POLE MTD SECURITY CAMERA
⊙ POLE MTD LED FIXTURE (18)



A NEW PROJECT for
BOUTIQUE UNLIMITED
151 AIRPORT DR KING CITY, CA.

FIRST FLOOR
SECURITY PLAN

EXHIBIT 5



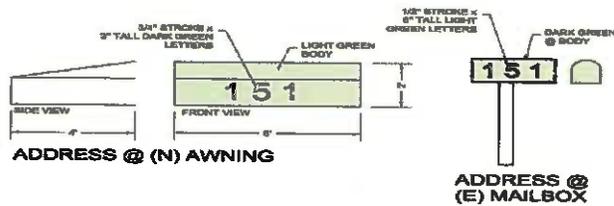
BUILDING COLORS and SIGN PROGRAM

SIGN PROGRAM CONSISTS OF 1) NEW BUILDING SIGN AFFIXED TO BUILDING AT ENTRY; 2) ADDRESS AT NEW AWNING; AND 3) REPAINTED ADDRESS AT EXISTING MAILBOX ON AIRPORT DRIVE. NO ADDITIONAL SIGNAGE WILL BE ADDED WITHOUT PRIOR APPROVAL FROM CITY.

A NEW PROJECT for
BOUTIQUE UNLIMITED
 151 AIRPORT DR KING CITY, CA.



MAIN ENTRY



BUILDING SIGN PROGRAM

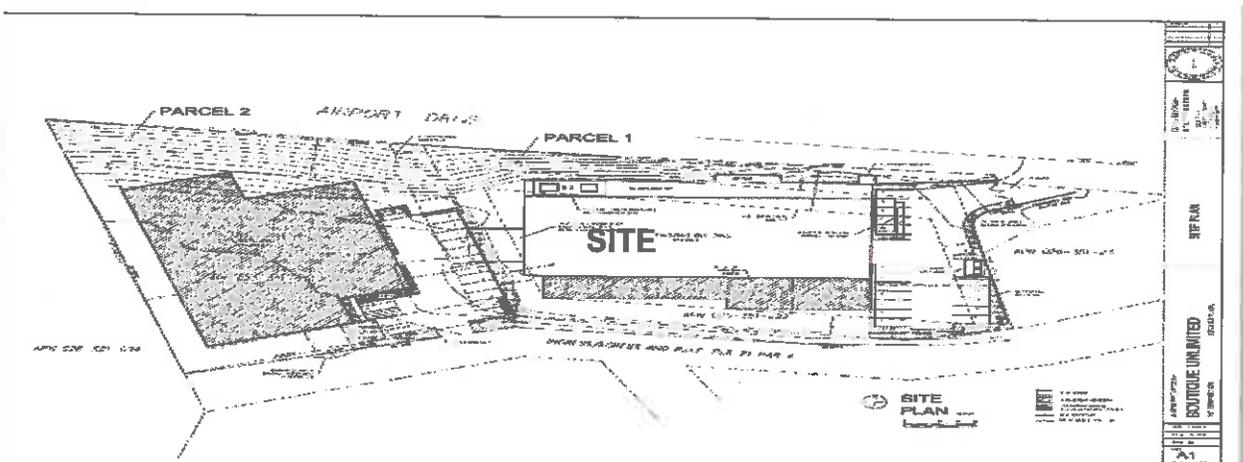
A NEW PROJECT for
BOUTIQUE UNLIMITED
 151 AIRPORT DR KING CITY, CA.



EXHIBIT No. 6

**Case Number: COA 2016-008(b)17
CONDITIONS OF APPROVAL**

NOTICE TO PROJECT APPLICANT



In accordance with the provisions of Government Code Section 66020(d)(1), the imposition of fees, dedication, reservations or exactions for this project are subject to protest by the project applicant at the time of approval or conditional approval of the development or within 90 days after the date of imposition of fees, dedications, reservation, or exactions imposed on the development project.

This notice does not apply to those fees, dedications, reservations, or exactions which were previously imposed and duly noticed; or, where no notice was previously required under the provisions of Government Code Section 66020(d)(1) in effect before January 1, 1997.

PART A - PROJECT INFORMATION: BOUTIQUE UNLIMITED

1. Assessor's Parcel No(s): 026-351-022
2. Job Address: 151 Airport Drive
3. Street Location: 151 Airport Drive
4. Existing Zoning: M-1 Light Industrial
5. Planned Land Use: General Plan: LI (Light Industrial);
6. Plan Area: Adjacent to ERBP SP



7. Project Description:

The proposed use is located in a portion of an existing 15,952 sf structure, on a 1.08 ac lot (47,192 sf), located on the west side of Airport Drive. The building has been vacant for approximately one year. A second floor (15,572 sf) as well as an addition to the west side of the structure were proposed and approved with the original CUP. The addition has a footprint of approximately 4,800 sf. With a second floor the total area of the new construction is slightly over 9,500 sf. It should be noted that the existing building height is 33 feet – maximum height per the zoning code for the M-1 District is 30 feet. The existing roof will remain.

The Applicant proposes to replace approximately 6,000 sf of Cultivation Area with Level 2 Manufacturing, located in the central portion of the building on the 1st floor.

PART B – GENERAL CONDITIONS AND REQUIREMENTS

On September 27, 2016 the City Council approved Ordinances 2016- 728, 729 and 730, amending Municipal Code Section 17.03 of the Zoning Code to allow Medical Cannabis cultivation, nursery, manufacturing and testing uses (Types 2A,2B, 3A,3B, 4, 6 and 8.) The M-1, M-2 and M-3 Districts and the East Ranch Business Park Specific Plan (ERBPSP) were amended at that time to allow the uses in those specific zoning districts

A Mitigated Negative declaration (MND) was also prepared to evaluate potential and cumulative impacts of the proposed use types. It was approved on September 27, 2016 at the time that the change to the Zoning Code was approved.

(Ordinances 2017- 745 and 746 August 22, 2017 allowed Manufacturing (Type 7) and Distribution (Type 11) uses).

Staff review of the proposed use and its impacts indicates that the use as proposed is consistent with the evaluation and findings of the previously approved MND with no potentially significant impacts. It is therefore exempt from additional CEQA review per CEQA Guidelines §15332 (infill development projects).

IMPORTANT: PLEASE READ CAREFULLY

Please note that this project may be subject to a variety of discretionary conditions of approval. These include conditions based on adopted City plans and policies, those determined through site plan review and environmental assessment essential to mitigate adverse effects on the environment including the health, safety, and welfare of the community, and recommended conditions for development that are not essential to health, safety, and welfare, but would on the whole enhance the project and its relationship to the neighborhood and environment.

In the event you wish to appeal the Planning Commission's decision or discretionary conditions of approval, you may do so by filing a written appeal with the City Clerk. The appeal shall include a statement of your interest in or relationship to the subject property, the decision or action appealed and specific reasons why you believe the decision or action appealed should not be upheld. Your appeal must be filed within 15 days of the Planning Commission's decision [SLC:1] Please refer to City of King Municipal Code Chapter 2.12.050

Approval of this use permit shall be considered null and void in the event of failure by the applicant and/or the authorized representative, architect, engineer, or designer to disclose and delineate all facts and information relating to the subject property and the proposed development including, but not limited to, the following:



1. All existing and proposed improvements including but not limited to buildings and structures, signs and their uses, trees, walls, driveways, outdoor storage, and open land use areas on the subject property and all of the preceding which are located on adjoining property and may encroach on the subject property;
2. All public and private easements, rights-of-way and any actual or potential prescriptive easements or uses of the subject property; and,
3. Existing and proposed grade differentials between the subject property and adjoining property zoned or planned for residential use.

Approval of this use permit may become null and void in the event that development is not completed in accordance with all the conditions and requirements imposed on this use permit and the Zoning Ordinance. This use permit is granted, and the conditions imposed, based upon the Applicant Package provided by the applicant. The Applicant Package is material to the issuance of this use permit. Unless the conditions of approval specifically require operation inconsistent with the Applicant Package, a new or revised use permit is required if the operation of this establishment changes or becomes inconsistent with the Applicant Package. Failure to operate in accordance with the conditions and requirements imposed may result in revocation of the use permit or any other enforcement remedy available under the law.

The City shall not assume responsibility for any deletions or omissions resulting from the use permit review process or for additions or alterations to construction plans not specifically submitted and reviewed and approved pursuant to this use permit or subsequent amendments or revisions. (Include this note on the site plan.)

No uses of land, buildings, or structures other than those specifically approved pursuant to the approved site plan shall be permitted. (Include this note on the site plan.)

Please contact Scott Bruce via email at scottbruce11@gmail.com if you have any questions regarding the conditions of approval (COA).

GENERAL CONDITIONS:

1. All Conditions of Approval associated with CUP 2016-008 and 2016-008(a)17 remain in force unless specifically amended herein.
2. Additional information regarding the Distribution process, including product tracking, transfer and storage will be provided to the satisfaction of the Community Development Director and Fire and Police chiefs.
3. Construction / Development shall conform to Application Package as presented, to the satisfaction of the Community Development Director or designee

PART C – SPECIFIC CONDITIONS AND REQUIREMENTS

COMMUNITY DEVELOPMENT DEPARTMENT :

1. **Allowed Use:** Distribution (CA Type 11) Manufacturing in addition to Cannabis Cultivation (CA Type 3A) and Level 2 Manufacturing as previously approved.
2. **Interior Renovation and Exterior:** This amendment is limited to a new use in the previous Flower Rooms 2,3 and 5 in the central portion of the previously approved structure. No more than 6,000 sf of floor area will be now be used for Type 11 Distribution, including storage and office. The Distribution space will be physically separated from the remainder of the facility. No direct entry from outside the structure is permitted. No exterior changes are associated with this Amendment.



3. **Parking:** No amendment.
4. **Landscaping:** No amendment.
5. **Lighting:** No amendment.
6. **Signage:** No amendment.
7. **Fencing:** No amendment.

BUILDING AND SAFETY DEPARTMENT: (No application for Building Permit has been submitted. An application must be submitted after CUP approval and prior to any interior renovations).

Building Plans: All Planning Commission COA shall be imprinted on plans submitted for building permits.

- 1 **Scope of Work Description:** Scope of work shall conform with that found in the CUP / Regulatory Permit Package
- 2 **Sprinklers:** No Amendment

PUBLIC WORKS DEPARTMENT: (The Applicant should contact Octavio Hurtado, Hanna & Brunetti 408-842-2173, ohurtado@hannabrunetti.com.) to discuss the following COA as needed).

- 1 **Scope of Work Description:** Scope of work shall conform with that found in the CUP / Regulatory Permit Package.
- 2 **Sidewalk:** No amendment
- 3 **Driveway Approach Revisions:** No amendment.
- 4 **Irrigation:** No amendment
- 5 **Sanitary Sewer:** No amendment. Connection to City of King Sanitary Sewer system shall be demonstrated to satisfaction of City Engineer prior to site operations.

REGULATORY PERMIT:

Renovations shall comply with and Operations be subject to full compliance with Section 17.03 of the City of King Zoning Code as amended and the Regulatory Application Package.

- A. **Regulatory Permit:** The Regulatory shall be approved by the City Manager and is in force for the period of one year. It shall be renewed annually. No operations shall occur without a current permit.
- B. **Security Cameras:** The previous camera location plan shall be revised to the satisfaction of the Chief of Police and the City's consultant.
- C. **Solid Waste:** Solid waste disposal shall be in compliance with County of Monterey Health Department and Waste Management, Inc. requirements.
- D. **Odor Control:** No Amendment
- E. **Air Quality:** No Amendment. Venting of Solvents, CO2 and / or Ethanol / Alcohol from the structure shall be in compliance with Monterey County Air Resources Board Standards.
- F. **Employee Background Checks:** No Amendment
- G. **Hours of Operation and Employees:** Hours of operation of the structure will remain 24 hours a day, 7 days a week. The maximum number of total employees (48) has not changed nor has the maximum number per shift (16).



H. Work Permits and Fees: No Amendment

- I. Indemnification Agreement:** A signed Indemnification Agreement for this Distribution Operation shall be in place prior to Issuance of the Regulatory Permit. Such agreement shall be approved by the City Attorney and conform to the requirements of Municipal Code Section 17.03.160. Said agreement shall prevail over Hold Harmless and Indemnification Clause attached hereto.
- J. Record Keeping:** Financial and Product Record shall comply with the Regulatory Application Package and the requirements of Municipal Code Section 17.03.180.
- K. Transport and Shipping:** Trips per day are estimated at one in and one out. Activity shall be monitored by Community Development Department, amendment to the CUP may be required at the discretion of the Director / designee if there is, in the Director's / designee's opinion, significant deviation from this estimate. Vehicle loading / unloading shall occur inside the structure as described in the Application Package.



HOLD HARMLESS AND INDEMNIFICATION CLAUSE:

The applicant agrees, as part of and in connection with each and all the applications and approvals, to defend, indemnify, and hold harmless the City of King ("**City**") and its elected officials, officers, contractors, consultants (including Earth Design International, Aleshire & Wynder, LLP attorneys; Hanna & Brunetti, Aleshire & Wynder, LLP attorneys), employees and agents (including Earth Design, Inc., and Hanna & Brunetti) from any and all claim(s), action(s), or proceeding(s) (collectively referred to as "*proceeding*") brought against City or its officers, contractors, consultants, attorneys, employees, or agents (including Earth Design, Inc, Aleshire & Wynder, LLP, and Hanna & Brunetti) to challenge, attack, set aside, void, or annul:

- a. *Any approvals issued in connection with all approvals, actions and applications by City covered by the conditions of approval and/or mitigation measures; and/or*
- b. *Any action and approvals taken to provide related environmental clearance under the California Environmental Quality Act of 1970, as amended ("**CEQA**") by City's advisory agencies, boards or commissions; appeals boards or commissions; Planning Commission, or City Council. The applicant's indemnification is intended to include, but not be limited to, damages, fees and/or costs awarded against or incurred by City, if any, and costs of suit, claim or litigation, including without limitation attorneys' fees and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, City, and/or parties initiating or involved in such proceeding.*

The applicant agrees to indemnify City and its elected officials, officers, contractors, consultants, attorneys, employees and agents (including Earth Design, Inc., Aleshire & Wynder, LLP, Hanna & Brunetti,) for all of City's costs, fees, and damages incurred in enforcing the **indemnification** provisions of this Agreement.

The applicant agrees to defend, indemnify and **hold harmless** City, its elected officials, officers, contractors, consultants (including Earth Design International., Hanna & Brunetti, Aleshire & Wynder, LLP attorneys), attorneys, employees and agents (including Earth Design, Inc., and Hanna & Brunetti) from and for all costs and fees incurred in additional investigation or study of, or for supplementing, redrafting, revising, or amending, any document (including, but not limited to, an environmental impact report, sphere of influence amendment, annexation, pre-zoning, general plan amendment, specific plan, vesting tentative tracts, sign applications, variances, conditional use permits, architectural review, etc.), if made necessary by said proceeding, and if the applicant desires to pursue such City approvals and/or clearances, after initiation of the proceeding and that are conditioned on the approval of these documents.

In the event that the applicant is required to defend City in connection with such proceeding, City shall have and retain the right to approve which approval shall not be unreasonably withheld, conditioned or delayed:

- a. *The counsel selected by applicant to so defend City, which approval shall not be unreasonably withheld, delayed or conditioned;*
- b. *All significant decisions concerning the manner in which the defense is conducted, which approval shall not be unreasonably withheld, delayed or conditioned; and*
- c. *Any and all settlements.*
- d. *Any motions or court documents filed on behalf of the city.*

City shall have and retain the right to have the City attorney defend the City and its staff in connection with such proceeding. City shall also have and retain the right to not participate in the defense, except that City agrees to reasonably cooperate with the applicant in the defense of the proceeding. If City chooses to have counsel of its own defend any proceeding where the applicant has already retained



counsel to defend City in such matters, the fees and expenses of the additional counsel selected by City shall be paid by City. Notwithstanding the immediately preceding sentence, if City's Attorney's Office participates in the defense, any and all City Attorney, Staff and consultants' actual and reasonable fees and costs arising from their support of the defense shall be paid by the applicant.

The applicant's defense and indemnification of City set forth herein shall remain in full force and effect throughout all stages of litigation including any and all appeals of any lower court judgments rendered in the proceeding. Notwithstanding the preceding, this obligation to indemnify shall not apply to any claim to the extent arising from the gross negligence or willful misconduct of the indemnified party or of any agent, employee or licensee of the indemnified party.

Conditional Use Condition Agreement:

The conditional use permit is not valid until all Conditions of Approval ("*COA*") and mitigated measures imposed by the Planning Commission are signed for and agreed to by the applicant.

I have received a copy of the conditional use permit conditions of approval and mitigated measures and agree with them. I understand that if I do not abide by them the Planning Commission has the authority to revoke my conditional use permit, pursuant to the Municipal Code. (*Reference Municipal Code §17.64.040.*)

Applicant Signature: _____ Date: _____

RESOLUTION NO. 2017- 204

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING,
APPROVING CONDITIONAL USE PERMIT CASE NO. CUP 2016-008(b)17

WHEREAS, on **October 23, 2017**, **Boutique Unlimited** submitted an application to amend a previously approved Conditional Use Permit (**CUP 2016-008, May 16, 2017 and CUP 2016-008(a)17, October 17,2017**) to add Distribution (CA Type 11) in an existing structure located at 151 Airport Drive

WHEREAS, on **December 13, 2017** a formal Letter of Completeness was sent to the applicant.

WHEREAS, the proposed use is consistent with the General Plan and is allowed in the M-1 District with the approval of a Conditional Use Permit (**Ordinances 2016-728 and 729, September 27, 2016 2017-745 and 746, August 22, 2017**).

WHEREAS, the proposed project conforms to the requirements of Section 17.03 of the City of King Zoning Code;

WHEREAS, an Initial Study and the resulting Mitigated Negative Declaration (MND) were prepared to address potential cumulative impacts of the **September 27, 2016** changes to the Zoning Code;

WHEREAS, the project has been evaluated in relation to the previously prepared MND. No potentially significant impacts have been identified; no endangered, rare or threatened species are present; approval of the proposed use will not result in significant impacts to traffic, noise, air quality or water; the site can be adequately served by all required utilities and services; none of the exceptions to the exemption under CEQA Guidelines §15300.2 are applicable; and, the Project is Categorically Exempt under CEQA §15332 (Infill Development),

WHEREAS, the Commission has reviewed the staff report, accepted public testimony, and considered all other relevant information during the duly noticed public hearing on **December 19, 2017**;

WHEREAS, the establishment, operation and maintenance of the use as presented will not be detrimental to the property, improvements, health, safety, morals and general welfare of persons in the surrounding area (M-1 District / neighborhood) and / or the City;

WHEREAS, the Commission makes the followings Findings of Facts:

1. The purpose of the proposed use (Cannabis Distribution) is in accordance with the description, process and standards provided in the Application Package as reviewed by Staff and presented at the Public Hearing.
2. The proposed use is consistent with the General Plan Land Use Designation (LI) Light Industrial and the Uses and Standards of the Light Manufacturing (M-1) Zoning District.
3. The proposed use will be replace a maximum of 6,000 square feet of previously approved Cultivation with Distribution, all contained within the previously approved floor area . No new floor area is added.
4. The entire lot will remain fenced – existing fencing will be improved and / or replaced and new screening will be installed.
5. The existing lot will remain accessed at one point of entry. The southern portion of the lot is paved for parking. Total impervious area will decrease by approximately 7,500 sf. the eastern and northern portions of the lot are gravel. No vehicle access to the structure / deliveries will occur in these graveled areas. No new paving or laying of gravel will occur.
6. Existing landscaping will be removed and new landscaping will be installed per the previously approved CUP 2016-008 and 2016-008(a)17 Application Packages.

7. All processes and interior construction / building improvements, security / operating procedures will be in conformance with the CUP / Regulatory Permit Application Package, as submitted and / or as conditioned (See COA's Exhibit 1: Attached) and with City of King Zoning Code section 17.03.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Planning Commission of the City of King adopts a finding of a Class 32 Categorical Exemption per CEQA Guidelines Section 15332 and approves Conditional Use Permit Case No. CUP 2016-008(a)17

This resolution was passed and adopted this **19th day of December, 2017** by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

DAVID NUCK, CHAIRPERSON

ATTEST: _____

ERICA SONNE DEPUTY CITY CLERK



8(A)

REPORT TO THE PLANNING COMMISSION

DATE: DECEMBER 19, 2017

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO, AICP, COMMUNITY DEVELOPMENT DIRECTOR

BY: MARICRUZ AGUILAR, ASSISTANT PLANNER

RE: CONSIDERATION OF A SIGN VARIANCE APPLICATION OF A 13 FEET HIGH FREESTANDING SIGN FOR MEE MEMORIAL HOSPITAL LOCATED 300 CANAL STREET, KING CITY, CA 93930.

RECOMMENDATION:

It is recommended Planning Commission approve Sign Variance Application Case No. SN 2017-008 for Mee Memorial Hospital to install a 13' high freestanding sign at 300 Canal Street, subject to the attached conditions of approval.

PROJECT SUMMARY:

Nigel Hearne, ASAP Signs & Printing (*"Applicant"*) submitted a sign variance application on November 29, 2017.

The proposed sign will replace an existing 13' high pole sign with the following sign design:

- One (1) freestanding double-sided sign containing the following a 5' x 5'.25" lighted box, a 1'.4" x 5'.25" double sided electric message board, and a 4'x 5'.25" double-sided directional lighted box on a concrete base.

The total proposed height of the new sign is 13' (158 inches) in height. The proposed location is to replace the existing pole sign and connect to the existing concrete base and existing internal support pole. The proposed new sign will be placed in the same location as the existing pole sign which sits 8'4" from the curb off from Canal Street.

The proposed variance request is for the following:

VICINITY MAP
N ↑



1. To install a 13' high freestanding sign that replaces the existing 13' high pole sign.
2. To keep the existing 8'4" distance from curb.

The property is situated within the Planned Development ("**PD**") Zoning District and within the Public/Quasi Public ("**PQ**") General Plan Land Use Designation.

DISCUSSION:

Signs are regulated by Chapter 17.55 of the King City Municipal Code. The regulations are intended to appropriately limit placement, type, size, and number of signs allowed within the city and to require proper maintenance of signs. The purposes of the regulations are to avoid traffic safety hazards, promote aesthetic and environmental values of the community, and provide for signs as an effective channel of communication. The recent changes to Chapter 17.55 has a limit of 8' for freestanding signs except within the Highway 101 Freeway corridor. The proposal is a sign replacement submitted for Mee Memorial Hospital ("**Hospital**"). It will replace the existing faded pole sign as shown in **Figure 1**. The original approval of the pole sign at this location was on March 21, 1978.

The existing pole sign is an existing legal non-conforming sign under the new sign ordinance. Per Municipal Code §17.55.040(b)(1)(A), the Planning Commission ("**Commission**") reviews and approves freestanding sign over 8' in height. The applicant has submitted a minor sign variance which may only be approved when deemed to qualify for special consideration based on upon unusual circumstances applicable to that specific business and location, such as poor visibility or location. In the case of the Hospital, the hospital is situated approximately 1,000' away from the Canal Street/Highway 101 exit and the sign situated approximately 1,083' away. The hospital doesn't have much visibility from Canal Street without the use of a lighted sign near the entrances of the Hospital. The existing and proposed signs have a directional arrow for the emergency room. This allows for easier identification when looking for the Hospital in the event of an emergency.



ANALYSIS:

Municipal Code §17.55.040(b)(1)(B) allows the Commission to review request for all variances and may only approve such variances that it deems to qualify for special consideration based upon unusual circumstances applicable to that specific business and location, such as poor visibility or location. In the case of the Hospital the distances from the nearest highway underpass is over 1,000' causing poor visibility of the emergency room.

According to Municipal Code §17.55.040(h), a minor sign variance is a minor deviation from the standards for signs identified in these regulations. A minor sign variance approval requires the Commission to find that, in addition to meeting the findings contained in subsection (d), the site and/or location make adherence to the sign regulations a hardship upon the applicant.

- (1) The minor sign variance will not exceed twenty percent (20%) of the height or sign area allowed under these sign regulations and that the sign(s) is consistent with the building design and any approved comprehensive plan.

Staff Comment: The proposed sign is in keeping with the previous approvals by the Commission since 1978. The Hospital building sits behind the parking lot and there is no visibility of the emergency room without a sign located near the entrance. See **Figure 2**.

- (2) The applicant has established that there are practical difficulties in complying with the provision and proposes to use the property in a reasonable manner consistent with the requirements of this chapter and the Municipal Code. Economic considerations alone do not constitute practical difficulties.

Staff Comment: The Hospital is a critical City facility and needs signs to direct traffic to the emergency room in the event of an emergency.

- (3) The plight of the applicant is due to circumstances unique to the property not created by the applicant, property owner or third party.

Staff Comment: The circumstances of the existing sign date back to 1978. The need to have a sign along Canal Street frontage was to direct traffic looking for the Hospital's emergency room.

- (4) The minor sign variance will not authorize any use that is not allowed in the zoning district where the property is located.

Figure 2



Staff Comment: The sign variance will not authorize any use that is not allowed in the zoning. The Hospital and Emergency Room are existing uses.

- (5) The approval of a minor sign variance does not require public notice.

Staff Comment: No notice was required for this review. However, the public may comment during the Commission deliberations.

- (6) The approval or denial of a minor variance is within the sole discretion of the Commission.

Staff Comment: The Commission will review and make a determination of this minor sign variance application on December 19, 2017.

Municipal Code §17.55.040(d) - Required General Required Findings for All Sign Permit Approvals.

- (1) The approval of a sign permit shall require that the review authority make the following findings, as applicable: (A) the proposed sign(s) comply with the city sign regulations and do not exceed the standards set forth within Municipal Code §17.55.090 (**Table 1**) and §17.55.100 (Standards for specific sign types); and (B) are of the minimum size and height necessary to enable pedestrians and motorists to readily identify the facility or site from a sufficient distance to safely and conveniently access the facility or site.

Staff Comment: The proposed sign complies with the regulations of sign area, sign design, and electronic message board dimensions with the exception of the height of the freestanding sign and the exception of the 10' minimum setback requirement for freestanding signs. The proposed will sit in the existing concrete base where the existing pole sign is located. The proposed sign will connect to the existing electrical that is being used by the existing pole sign. The City Engineer will need to review for line-of-sight distance analysis. (**Reference COA No. 7.**)

- (2) That the colors, design and placement of the sign on the site is appropriate for the location and architectural style of the building.

Staff Comment: The colors and design coordinate with the colors of the Hospital and will be an enhancement to the appearance of the Hospital. The Hospital logo sits centered on the top lighted box and the electronic message board will be used to send notifications to the community of Hospital operations. The lower lighted box will have a directional sign to direct traffic to the emergency room.

- (3) That signs do not unreasonably impair the visibility of existing signs on adjacent properties.

Staff Comment: The signs do not unreasonably impair the visibility of existing signs on adjacent properties. The proposed sign will be similar to the existing sign only replacing a pole sign with a freestanding sign.

- (4) The placement and size of the sign(s) will not impair pedestrian, bicyclist or vehicular safety.

Staff Comment: The City Engineer will review for line-of-sight distance analysis. The applicant will be required to meet any and all conditions set forth with the review by the City Engineer, prior to any issuance of a building permit and the sign location may need to be modified if there are issues with the proposed location. (**Reference COA NO. 7.**)

- (5) The sign is constructed of durable materials and shall be required to be maintained in good condition by the sign applicant or landowner.

Staff Comment: The proposed new sign will be more durable and constructed to last longer than the existing pole sign. The lighted boxes will be easy to replace in the need of maintenance of face change. The proposed will replace a faded sign that is in need of maintenance.

- (6) For signs located in the Historic Downtown area, the Community Development Director ("**Director**") and/or Commission must find that the sign is compatible with the character of the subject and surrounding buildings.

Staff Comment: This sign is not within the Historic Downtown area and therefore this finding does not apply.

- (7) For freestanding freeway-oriented pole signs the approval of a freestanding pole sign permit for a freeway-oriented sign shall require that the Commission find that the use or site cannot be adequately identified by other signs allowed within the site.

Staff Comment: The site is over 1,000' away from the highway. The Hospital is not within 500' of the highway and therefore is not allowed to have a freeway-oriented pole sign. The placement of a 13' freestanding sign is for visibility of the emergency room in the event of an emergency.

The Chief Building Official has examined the sign permit application and based on the review a separate building permit will be required. (**Reference COA No. 6.**)

The City Engineer reviews sign permit applications when freestanding or monument signs are proposed. Review and approval from the City Engineer is required, **prior to issuance of any building permit (Reference COA No. 7.)**

Provision of Address of the Site:

Per Municipal Code §17.55.100(e)(3), to assist emergency responders, freestanding signs shall contain illuminated street address plate and numbers shall be a minimum of 6" in height. Condition of Approval No. 8 was placed to comply with this requirement. **(Reference COA No. 8.)**

ENVIRONMENTAL DETERMINATION:

The proposed uses are Categorically Exempt, Class 1, Existing Facilities, Section 15301, Title 14. California Code of Regulations, CEQA.

COST ANALYSIS:

Development review projects are billed based on time and material. The applicant has submitted a minimum fee per City Fee Schedule and is responsible for payment of processing the Minor Sign Variance. Any additional permits required, such as a building permit or encroachment permit, will be subject to applicable fees.

ALTERNATIVES:

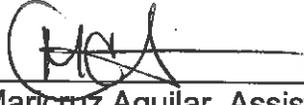
The following alternatives are provided for Planning Commission consideration:

1. Approve the Minor Sign Variance for SN 2017-008;
2. Make recommendations for modification as deemed appropriate by the Planning Commission; or
3. Provide other direction to staff.

Exhibits:

1. Findings of Fact
2. Conditions of Approval
3. Sign Plan Submittals & Sign Renderings

Prepared by: _____


Maricruz Aguilar, Assistant Planner

Approved by: _____

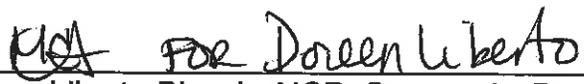

Doreen Liberto-Blanck, AICP, Community Development Director

EXHIBIT 1

Findings of Fact

The purpose for making Findings of Facts to "*bridge the analytical gap between the raw evidence and ultimate decision*". The Municipal Code gives the Planning Commission ("**Commission**") the authority to approve a project so long as the Commission can make certain findings. Written "findings of fact" are required in order to support the decision of the hearing body to approve or deny a project.

Minor Sign Variance Findings

Municipal Code §17.55.040(b)(1)(B) allows the Commission to review request for all variances and may only approve such variances that it deems to qualify for special consideration based upon unusual circumstances applicable to that specific business and location, such as poor visibility or location. In the case of the Hospital the distances from the nearest highway underpass is over 1,000' causing poor visibility of the emergency room.

Municipal Code §17.55.040(h) a minor sign variance is a minor deviation from the standards for signs identified in these regulations. Minor sign variance approval requires the Commission to find that, in addition to meeting the findings contained in subsection (d), the site and/or location make adherence to the sign regulations a hardship upon the applicant.

- (1) The minor sign variance will not exceed twenty percent of the height or sign area allowed under these sign regulations and that the sign(s) is consistent with the building design and any approved comprehensive plan.

The proposed sign is in keeping with the previous approvals by the Planning Commission since 1978. The Hospital building sits behind the parking lot and there is no visibility of the emergency room without a sign located near the entrance. The Hospital is approximately 1,000' from the nearest highway exit off of Canal Street and has poor visibility along Canal Street without signage. The proposed freestanding monument sign will replace an existing pole sign and contain the same directional signage for the entrance to the emergency room in the event of an emergency.

- (2) The applicant has established that there are practical difficulties in complying with the provision and the applicant proposes to use the property in a reasonable manner consistent with the requirements of this chapter and the King City Municipal Code. Economic considerations alone do not constitute practical difficulties.

The Hospital is a critical facility and needs signs to direct traffic to the emergency room in the event of an emergency.

- (3) The plight of the applicant is due to circumstances unique to the property not created by the applicant, property owner or third party.

The circumstances of the existing sign date back to 1978. The need to have a sign along Canal Street frontage was to direct traffic looking for the Hospital's emergency room.

- (4) The minor sign variance will not authorize any use that is not allowed in the zoning district where the property is located.

The sign variance will not authorize any use that is not allowed in the zoning. The Hospital and Emergency Room are existing uses.

- (5) The approval of a minor sign variance does not require public notice.

No notice was required for this review.

- (6) The approval or denial of a minor variance is within the sole discretion of the Commission.

The Commission will review and make a determination of this minor sign variance application on December 19, 2017.

Municipal Code 17.55.040(d) Required General Required Findings for All Sign Permit Approvals.

- (8) The approval of a sign permit shall require that the review authority make the following findings, as applicable: (A) the proposed sign(s) comply with the city sign regulations and do not exceed the standards set forth within Sections 17.55.090 (Table 1) and 17.55.100 (Standards for specific sign types); and (B) are of the minimum size and height necessary to enable pedestrians and motorists to readily identify the facility or site from a sufficient distance to safely and conveniently access the facility or site;

The proposed sign complies with the regulations of sign area, sign design, and electronic message board dimensions with the exception of the height of the freestanding sign and the exception of the 10' minimum setback requirement for freestanding signs. The proposed will sit in the existing concrete base where the existing pole sign is located. The proposed sign will connect to the existing electrical that is being used by the existing pole sign. The City Engineer will need to review for line-of-sight distance analysis. (Reference COA No. 7.)

- (9) That the colors, design and placement of the sign on the site is appropriate for the location and architectural style of the building;

The colors and design coordinate with the colors of the Hospital. The sign will be an enhancement to the appearance of the Hospital. The Hospital logo sits centered on the top lighted box and the electronic message board will be used to send notifications to the community regarding Hospital operations. The lower lighted box will have a directional sign to direct traffic to the emergency room.

- (10) That signs do not unreasonably impair the visibility of existing signs on adjacent properties;

The signs do not unreasonably impair the visibility of existing signs on adjacent properties. The proposed sign will be similar to the existing sign only replacing a pole sign with a freestanding sign.

- (11) The placement and size of the sign(s) will not impair pedestrian, bicyclist or vehicular safety;

The City Engineer will review for line-of-sight distance analysis. The applicant will be required to meet any and all conditions set forth with the review by the City Engineer, prior to any issuance of a building permit. (Reference COA NO. 7.).

- (12) The sign is constructed of durable materials and shall be required to be maintained in good condition by the sign applicant or landowner;

The proposed new sign will be more durable and constructed to last longer than the existing pole sign. The lighted boxes will be easy to replace in the need of maintenance of face change. The proposed will replace a faded sign that is in need of maintenance.

- (13) For signs located in the Historic Downtown area, the Director and/or Commission must find that the sign is compatible with the character of the subject and surrounding buildings;

This sign is not within the Historic Downtown area, and therefore, this finding does not apply.

- (14) For freestanding freeway-oriented pole signs the approval of a freestanding pole sign permit for a freeway-oriented sign shall require that the Commission find that the use or site cannot be adequately identified by other signs allowed within the site.

The site is over 1,000' away from the highway. The Hospital is not within 500' of the highway and therefore is not allowed to have a freeway-oriented pole sign. The placement of a 13' freestanding sign is for visibility of the emergency room in the event of an emergency.

EXHIBIT 2
CONDITIONS OF APPROVAL
SN 2017-008
MINOR SIGN VARIANCE FOR MEE MEMORIAL HOSPITAL
300 CANAL STREET, KING CITY, CA

Community Development Department (The applicant should discuss the following conditions of approval ("**COA**") with Maricruz Aguilar-Navarro, 831-386-5916, if there are any questions):

The following conditions of approval ("**COA**") and requirements do not relieve the applicant or applicant's agents, of any discrepancies, errors or omissions regarding the intended use. Any permit or license of any type issued by any department or officer of the city, issued in conflict with the provisions of the City of King Municipal Code, is declared to be null and void. The following COA shall be included on all documents (e.g., construction plans, building plans). It is the responsibility of the application to verify that the COA are included on said documents.

General Conditions:

1. **Project Description:** SN Case No. SN2017-008 is a request for a minor sign variance permit to allow installation of one (1) freestanding sign 13' in height along the Mee Memorial Hospital Emergency entrance located at 300 Canal Street, King City, CA 93930. The property is located in the Planned Development ("**PD**") Zoning District and Quasi/Public Quasi ("**PQ**") General Plan Land Use Designation, and shall be constructed in accordance with the **Findings of Fact**, and as approved by the Planning Commission on **December 19, 2017**.
2. **Approval Period:** The approval period for this permit shall be in accordance with the approved drawings and sketches and shall be null and void if not used within one (1) year from the date of the approval. The approval shall immediately expire and any building permit issued in reliance thereon shall be deemed cancelled and revoked. Before the expiration of a sign permit, Master Sign Program permit and/or variation, the applicant may apply to the Department for a twelve (12) month extension from the original date of expiration. Only one extension shall be granted by the Director. In response to an extension request, the Director may make minor modifications to the permit and variance or deny the requested extension.

Miscellaneous Conditions:

3. **Changes:** Construction shall be in substantial conformance with the plans and conditions of approval presented to and approved by the Community Development Director ("**Director**") in connection with the project. No conditions, colors, materials or architectural features shall be eliminated, added or modified without the Director's review and action.
4. **Additional Signage:** Additional signage not approved as part of this application will require review and approval of a separate permit, **prior to installation**.

5. **Maintenance and Repair:** In accordance with Municipal Code §17.55.080, Maintenance of Signs. Each sign and supporting hardware, including temporary signs, shall be maintained in good repair and functioning properly at all times. Any repair to a sign shall be of materials and design of equal or better quality as the original sign. A sign that is not properly maintained and is dilapidated shall be deemed a public nuisance, and may be abated in compliance with the Municipal Code. When an existing sign is removed or replaced, all brackets, poles, and other supports that are no longer required shall be removed.
6. **Building Permit: Prior to installation,** a building permit shall be submitted to the Building & Safety Department. Please contact Joe Strasser, CBO at 831.386.5915 for more information on the submittal process and inspections.
7. **Line-of-Sight Distance Analysis:** At the time of building permit submittal, the applicant shall verify conformance with any conditions and/or modifications as deemed appropriate by the City Engineer for the placement of the freestanding sign and the conformance of line-of-sight distance analysis.
8. **Address Numbers:** At the time of building permit submittal, the applicant shall verify that the address numbers placed on the freestanding meet the criteria of Municipal Code §17.55.090(d)(3) and shall be a minimum of 6" in height.
9. **Hold Harmless and Indemnification Clause:** The applicant agrees, as part of and in connection with each and all the applications and approvals, to defend, indemnify, and hold harmless the City of King ("**City**") and its elected officials, officers, contractors, consultants (including Earth Design, Inc., Hanna & Brunetti, Aleshire & Wynder attorneys), employees and agents (including Earth Design, Inc., and Hanna & Brunetti) from any and all claim(s), action(s), or proceeding(s) (collectively referred to as "proceeding") brought against City or its officers, contractors, consultants, attorneys, employees, or agents (including Earth Design, Inc., Aleshire & Wynder, attorneys, and Hanna & Brunetti) to challenge, attack, set aside, void, or annul:

Any approvals issued in connection with all approvals, actions and applications by City covered by the conditions of approval and/or mitigation measures; and/or

Any action and approvals taken to provide related environmental clearance under the California Environmental Quality Act of 1970, as amended ("**CEQA**") by City's advisory agencies, boards or commissions; appeals boards or commissions; Planning Commission, or City Council. The applicant's indemnification is intended to include, but not be limited to, damages, fees and/or costs awarded against or incurred by City, if any, and costs of suit, claim or litigation, including without limitation attorneys' fees and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, City, and/or parties initiating or involved in such proceeding.

The applicant agrees to indemnify City and its elected officials, officers, contractors, consultants, attorneys, employees and agents (including Earth Design, Inc., Hanna & Brunetti, Aleshire & Wynder, attorneys) for all of City's costs, fees, and damages incurred in enforcing the **indemnification** provisions of this Agreement.

The applicant agrees to defend, indemnify and **hold harmless** City, its elected officials, officers, contractors, consultants (including Earth Design, Inc., Hanna & Brunetti, Aleshire & Wynder, attorneys), attorneys, employees and agents (including Earth Design, Inc., and Hanna & Brunetti) from and for all costs and fees incurred in additional investigation or study of, or for supplementing, redrafting, revising, or amending, any document (including, but not limited to, an environmental impact report, sphere of influence amendment, annexation, pre-zoning, general plan amendment, specific plan, vesting tentative tracts, sign applications, variances, conditional use permits, architectural review, etc.), if made necessary by said proceeding, and if the applicant desires to pursue such City approvals and/or clearances, after initiation of the proceeding and that are conditioned on the approval of these documents.

In the event that the applicant is required to defend City in connection with such proceeding, City shall have and retain the right to approve which approval shall not be unreasonably withheld, conditioned or delayed:

- a. The counsel selected by applicant to so defend City, which approval shall not be unreasonably withheld, delayed or conditioned;
- b. All significant decisions concerning the manner in which the defense is conducted, which approval shall not be unreasonably withheld, delayed or conditioned; and
- c. Any and all settlements.

City shall have and retain the right to have the City attorney defend the City and its staff in connection with such proceeding. City shall also have and retain the right to not participate in the defense, except that City agrees to reasonably cooperate with the applicant in the defense of the proceeding. If City chooses to have counsel of its own defend any proceeding where the applicant has already retained counsel to defend City in such matters, the fees and expenses of the additional counsel selected by City shall be paid by City. Notwithstanding the immediately preceding sentence, if City's Attorney's Office participates in the defense, any and all City Attorney, Staff and consultants' actual and reasonable fees and costs arising from their support of the defense shall be paid by the applicant.

The applicant's defense and indemnification of City set forth herein shall remain in full force and effect throughout all stages of litigation including any and all appeals of any lower court judgments rendered in the proceeding. Notwithstanding the preceding, this obligation to indemnify shall not apply to any claim to the extent arising from the gross negligence or willful misconduct of the indemnified party or of any agent, employee or licensee of the indemnified party.

Sign Permit Conditions Agreement:

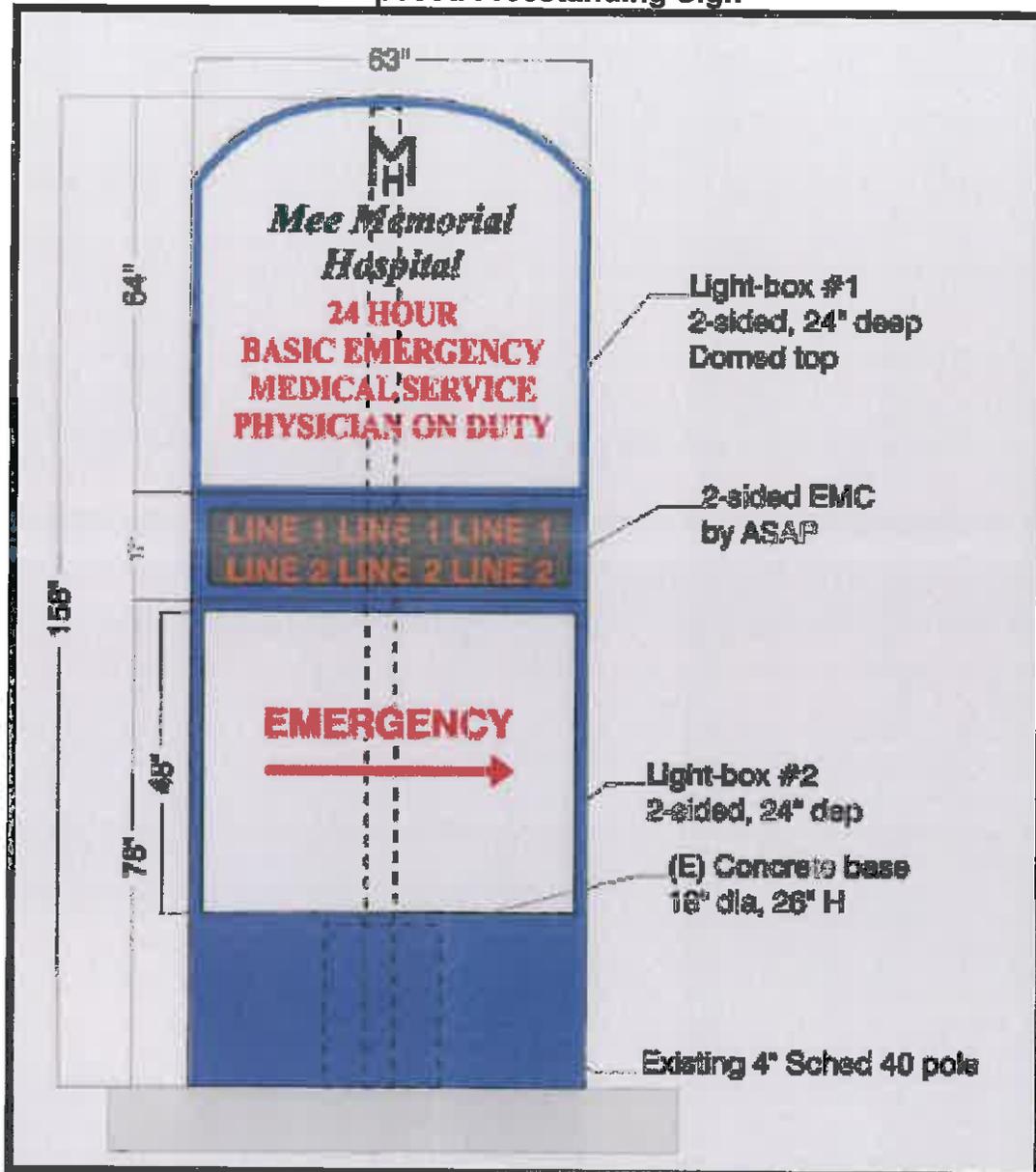
The sign permit is **not** valid until all Conditions of Approval ("*COA*") and mitigated measures imposed by the City are signed for and agreed to by the applicant.

I have received a copy of the sign permit conditions of approval and mitigated measures and agree with them. I understand that if I do not abide by them the Planning Commission has the authority to revoke the permit, pursuant to the Municipal Code. (*Reference Municipal Code §17.55.040.*)

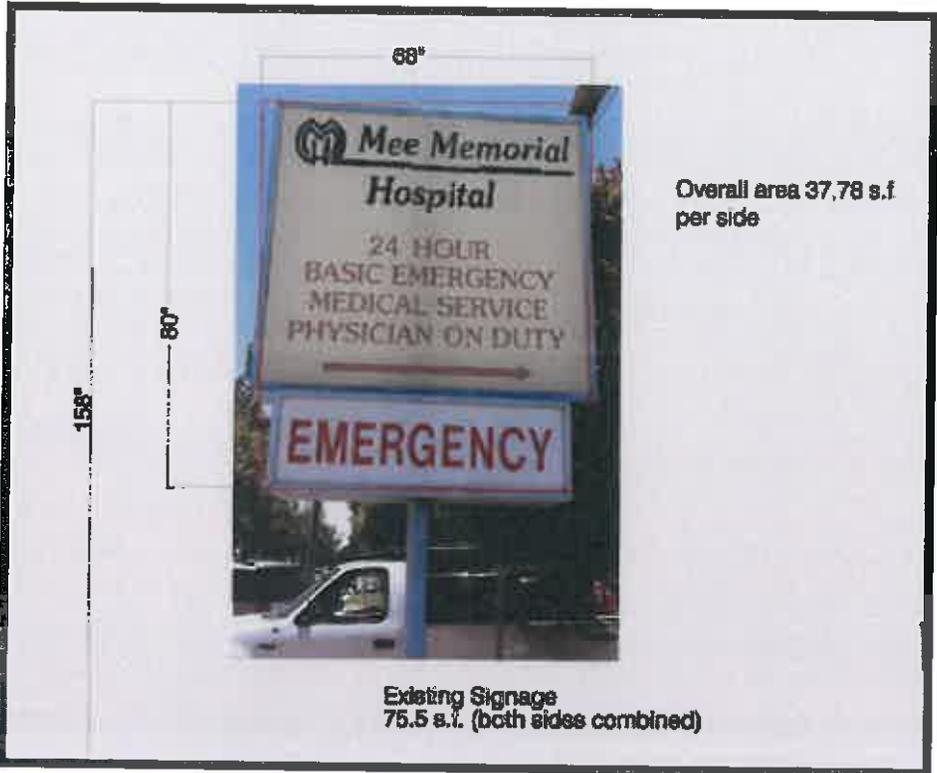
Applicant Signature: _____ Date: _____

EXHIBIT 3
SIGN RENDERINGS

Proposed Freestanding Sign



Existing Pole Sign to be removed



Pole Sign as approved in 1978





ITEM 8(B)

REPORT TO THE PLANNING COMMISSION

DATE: DECEMBER 19, 2017

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO, AICP, COMMUNITY DEVELOPMENT DIRECTOR

BY: MARICRUZ AGUILAR, ASSISTANT PLANNER

RE: CONSIDERATION OF A MINOR SIGN VARIANCE APPLICATION FOR ARCO GAS STATION TO INSTALL A NEW CABINET LED BOX TO REFACE THE EXISTING FACE OF A 15'11" IN HEIGHT FREESTANDING MONUMENT SIGN LOCATED AT 1302 BROADWAY CIRCLE, KING CITY, CA 93930.

RECOMMENDATION:

It is recommended Planning Commission approve Sign Variance Application Case No. SN 2017-010 for ARCO Gas Station to install a 15'11". tall freestanding sign at 1302 Broadway Circle, subject to the attached conditions of approval.

PROJECT SUMMARY:

Steve Locke, Sign Designs ("**Applicant**") submitted a sign variance application on December 12, 2017.

The proposed sign will replace the face of an existing 15'11" high freestanding sign with the following sign design:

The proposed variance request is for the following:

1. To install a face change 15'11" in height freestanding double-sided 75 sq. ft. business identification sign and price sign (precise height indicated as 191 inches) that replaces the face of existing fifteen (15'11") feet in height freestanding sign, 75 sq. ft. business identification signage. The change is primarily a cabinet change on existing sign posts. The proposed would keep the setback which sits ten (10')feet from the sidewalk for clearance of line-of-sight.



The property is situated within Highway Service ("**H-S**") Zoning District and within the Highway Service Commercial ("**HSC**") General Plan Land Use Designation.

DISCUSSION:

Signs are regulated by Chapter 17.55 of the King City Municipal Code. This property is within 500' of the US 101 Freeway corridor and therefore qualifies for a pole sign under Municipal Code §17.55.090 (f) Standards for Signs by Type and Development Characteristics, Freeway Oriented Pole Signs. All pole signs require approval of the Planning Commission. The regulations are intended to appropriately limit placement, type, size, and number of signs allowed within the city and to require proper maintenance of signs. The purpose of the regulations is to avoid traffic safety hazards, promote aesthetic and environmental values of the community, and provide for signs as an effective channel of communication. The proposed is a sign replacement submitted for ARCO is to replace the face of its existing freestanding sign as shown in **Figure 1**. The original approval of the freestanding sign at this location was on May 7, 2002 for Shell Gas Station for a fifteen (15') foot high freestanding sign with a ten (10') foot setback. A re-face of the signs were made for ARCO was in 2007 for the existing ARCO fifteen (15') feet in height freestanding sign. The sign cabinet box is a total of fifteen (15') feet high and sits 11" above ground for a max height of 15'11".

Per Municipal Code §17.55.040(b)(1)(A) Planning Commission ("**Commission**") review and approval for any freestanding sign over eight (8') feet in height is required. There are two pole signs located at the site, including the existing 15'11" tall sign and a separate sixty (60') foot tall pole sign. The applicant has submitted a minor sign variance which may only be approved when deemed to qualify for special consideration based on upon unusual circumstances applicable to that specific business and location, such as poor visibility or location. The code specifies a single pole sign. The Commission will need to determine whether the site warrants a second pole sign.



Figure 2, Location of Sign



ANALYSIS:

Municipal Code §17.55.040(b)(1)(B) allows the Commission to review request for all variances and may only approve such variances that it deems to qualify for special consideration based upon unusual circumstances applicable to that specific business and location, such as poor visibility or location. In the case of the Arco, the sign will serve two purposes, identifying the business for drivers on the adjacent street (Broadway Circle) and providing price signage. It is a face change of existing entrance sign and fuel price sign.

Municipal Code §17.55.040(h) a minor sign variance is a minor deviation from the standards for signs identified in these regulations. Minor sign variance approval requires the Commission to find that, in addition to meeting the findings contained in subsection (d), the site and/or location make adherence to the sign regulations a hardship upon the applicant.

Figure 3 – proposed face change



- (1) The minor sign variance will not exceed twenty percent (20%) of the height or sign area allowed under these sign regulations and that the sign(s) is consistent with the building design and any approved comprehensive plan.

Staff Comment: The proposed sign is in keeping with the previous approvals by the Commission. The sign replaces a previously approved sign. See **Figure 3**.

- (2) The applicant has established that there are practical difficulties in complying with the provision and the applicant proposes to use the property in a reasonable manner consistent with the requirements of this chapter and the King City Municipal Code. Economic considerations alone do not constitute practical difficulties.

Staff Comment: The existing sixty (60') foot tall pole sign is not readily visible for drivers on Broadway Circle. The second sign next to the driveway provides better visibility and will serve purposes of two signs: driveway entrance and fuel price signs.

- (3) The plight of the applicant is due to circumstances unique to the property not created by the applicant, property owner or third party.

Staff Comment: The sign is a face change of an existing permitted pole sign and will not increase sign area.

- (4) The minor sign variance will not authorize any use that is not allowed in the zoning district where the property is located.

Staff Comment: The sign variance will not authorize any use that is not allowed in the zoning. The service station and convenience store are existing uses.

- (5) The approval of a minor sign variance does not require public notice.

Staff Comment: No notice was required for this review. However, the public may comment during the Commission deliberations.

- (6) The approval or denial of a minor variance is within the sole discretion of the Commission.

Staff Comment: The Commission will review and make a determination of this minor sign variance application on December 19, 2017.

Municipal Code §17.55.040(d) Required General Required Findings for All Sign Permit Approvals.

- (1) The approval of a sign permit shall require that the review authority make the following findings, as applicable: (A) the proposed sign(s) comply with the city sign regulations and do not exceed the standards set forth within Municipal Code §17.55.090 (Table 1) and §17.55.100 (Standards for specific sign types); and (B) are of the minimum size and height necessary to enable pedestrians and motorists to readily identify the facility or site from a sufficient distance to safely and conveniently access the facility or site;

Staff Comment: The proposed sign is not an increase in existing approved sign height or sign area. The proposed sign will replace the existing sign face. The proposed sign will attach to the existing sign posts and connect to the existing electrical that is being used by the existing pole sign. The City Engineer will need to review for line-of-sight distance analysis. **(Reference COA No. 7.)**

- (2) That the colors, design and placement of the sign on the site is appropriate for the location and architectural style of the building;

Staff Comment: The colors and design coordinate with the colors of the service station and convenience store and will be an improvement of the existing sign.

- (3) That signs do not unreasonably impair the visibility of existing signs on adjacent properties;

Staff Comment: The signs do not unreasonably impair the visibility of existing signs on adjacent properties. The proposed sign will be similar to the existing sign only replacing the sign face of the existing sign.

- (4) The placement and size of the sign(s) will not impair pedestrian, bicyclist or vehicular safety;

Staff Comment: The City Engineer will review for line-of-sight distance analysis. The applicant will be required to meet any and all conditions set forth with the review by the City Engineer, prior to any issuance of a building permit and the sign location may need to be modified if there are issues with the proposed location. **(Reference COA NO. 7.)**

- (5) The sign is constructed of durable materials and shall be required to be maintained in good condition by the sign applicant or landowner;

Staff Comment: The proposed new sign will be durable and constructed to last. The lighted boxes will be easy to replace in the need of maintenance of face change. The proposed will replace a faded sign that is in need of maintenance.

- (6) For signs located in the Historic Downtown area, the director and/or commission must find that the sign is compatible with the character of the subject and surrounding buildings;

Staff Comment: This sign is not within the Historic Downtown area and therefore this finding does not apply.

- (7) For freestanding freeway-oriented pole signs the approval of a freestanding pole sign permit for a freeway-oriented sign shall require that the commission find that the use or site cannot be adequately identified by other signs allowed within the site.

Staff Comment: The site is within 500 feet of US Highway 101 and therefore qualifies for pole signs. See **Figures 4 and 5** showing existing signs.

Figure 4, Existing Freeway-Oriented Pole Sign (not proposed to be modified)



Figure 5, Existing Entrance and Fuel Price Pole Sign (proposed for new face change)



The Chief Building Official has examined the sign permit application and based on the review a separate building permit will be required. **(Reference COA No. 6.)**

The City Engineer reviews sign permit applications when freestanding or monument signs are proposed. Review and approval from the City Engineer is required prior to issuance of any building permit. **(Reference COA No. 7.)**

Provision of Address of the Site:

Per Municipal Code §17.55.100(e)(3) to assist emergency responders, freestanding signs shall contain illuminated street address plate and numbers shall be a minimum of six (6") inches in height. Condition of Approval No. 8 was placed to comply with this requirement. **(Reference COA No. 8.)**

ENVIRONMENTAL DETERMINATION:

The proposed uses are Categorically Exempt, Class 1, Existing Facilities, Section 15301, Title 14. California Code of Regulations, CEQA.

COST ANALYSIS:

Development Review Projects are based on times and materials. The Applicant has submitted a minimum fee per City Fee Schedule and the Applicant is responsible in payment of processing the Minor Sign Variance. Any additional permits required such as a building permit or encroachment permit will be subject to applicable fees.

ALTERNATIVES:

The following alternatives are provided for Planning Commission consideration:

1. Approve the Minor Sign Variance for SN 2017-010;
2. Make recommendations for modification as deemed appropriate by the Planning Commission; or
3. Provide other direction to staff.

Exhibits:

1. Findings of Fact
2. Conditions of Approval
3. Sign Plan Submittals & Sign Renderings

Prepared by: KCA For Don Funk
Don Funk, Principal Planner and Maricruz Aguilar, Assistant Planner

Approved by: KCA For Doreen Liberto
Doreen Liberto-Blanck, AICP, Community Development Director

EXHIBIT 1

Findings of Fact

The purpose for making Findings of Facts to "*bridge the analytical gap between the raw evidence and ultimate decision*". The Municipal Code gives the Planning Commission ("**Commission**") the authority to approve a project so long as the Commission can make certain findings. Written "findings of fact" are required in order to support the decision of the hearing body to approve or deny a project.

Minor Sign Variance Findings

Municipal Code 17.55.040(b)(1)(B) allows the commission to review request for all variances and may only approve such variances that it deems to qualify for special consideration based upon unusual circumstances applicable to that specific business and location, such as poor visibility or location. In the case of the ARCO sign, the station is within 500 feet of US Highway 101 and therefore qualifies for a pole sign.

Municipal Code §17.55.040(h) a minor sign variance is a minor deviation from the standards for signs identified in these regulations. Minor sign variance approval requires the commission to find that, in addition to meeting the findings contained in subsection (d), the site and/or location make adherence to the sign regulations a hardship upon the applicant.

- (1) The minor sign variance will not exceed twenty percent of the height or sign area allowed under these sign regulations and that the sign(s) is consistent with the building design and any approved comprehensive plan.

The proposed sign is in keeping with the previous approvals by the Planning Commission for the site and will not increase the height or sign area of the existing permitted sign.

- (2) The applicant has established that there are practical difficulties in complying with the provision and the applicant proposes to use the property in a reasonable manner consistent with the requirements of this chapter and the King City Municipal Code. Economic considerations alone do not constitute practical difficulties.

The applicant is not proposing to increase the height or sign area of the existing price sign and entry sign.

- (3) The plight of the applicant is due to circumstances unique to the property not created by the applicant, property owner or third party.

The circumstances of the existing sign date back to its approval in May 7, 2002. The applicant is not proposing to increase the sign height or sign area.

- (4) The minor sign variance will not authorize any use that is not allowed in the zoning district where the property is located.

The sign variance will not authorize any use that is not allowed in the zoning. The service station and convenience store are existing uses.

- (5) The approval of a minor sign variance does not require public notice.

No notice was required for this review.

- (6) The approval or denial of a minor variance is within the sole discretion of the commission.

The commission will review and make a determination of this minor sign variance application on December 19, 2017.

Municipal Code §17.55.040(d) Required General Required Findings for All Sign Permit Approvals.

- (8) The approval of a sign permit shall require that the review authority make the following findings, as applicable: (A) the proposed sign(s) comply with the city sign regulations and do not exceed the standards set forth within Municipal Code §17.55.090 (Table 1) and §17.55.100 (Standards for specific sign types); and (B) are of the minimum size and height necessary to enable pedestrians and motorists to readily identify the facility or site from a sufficient distance to safely and conveniently access the facility or site;

The sign complies with the regulations of sign area and sign design with the exception of the height of the freestanding sign. The proposed sign replaces the existing face on the current entrance/price sign. The proposed sign will attach to existing posts and connect to the existing electrical that is being used by the existing pole sign. The City Engineer will need to review and verify for line-of-sight distance analysis. (Reference COA No. 7.)

- (9) That the colors, design and placement of the sign on the site is appropriate for the location and architectural style of the building;

The colors and design coordinate with the colors of the service station and convenience store.

- (10) That signs do not unreasonably impair the visibility of existing signs on adjacent properties;

The signs do not unreasonably impair the visibility of existing signs on adjacent properties. The proposed sign will be similar to the existing sign only replacing the existing sign face.

- (11) The placement and size of the sign(s) will not impair pedestrian, bicyclist or vehicular safety;

The City Engineer will review for line-of-sight distance analysis. The applicant will be required to meet any and all conditions set forth with the review by the City Engineer, prior to any issuance of a building permit. (Reference COA NO. 7.).

- (12) The sign is constructed of durable materials and shall be required to be maintained in good condition by the sign applicant or landowner;

The proposed new sign will be durable and constructed to last. The lighted boxes will be easy to replace in the need of maintenance of face change.

- (13) For signs located in the Historic Downtown area, the director and/or commission must find that the sign is compatible with the character of the subject and surrounding buildings;

This sign is not within the Historic Downtown area and therefore this finding does not apply.

- (14) For freestanding freeway-oriented pole signs the approval of a freestanding pole sign permit for a freeway-oriented sign shall require that the commission find that the use or site cannot be adequately identified by other signs allowed within the site.

The site is within 500 feet of US Highway 101 and qualifies for a freeway oriented pole sign. The Commission has the discretion to determine that two pole signs are permitted for the site based on the need for visibility for the adjacent Broadway Circle.

EXHIBIT 2
CONDITIONS OF APPROVAL
SN 2017-010
MINOR SIGN VARIANCE FOR ARCO
1302 BROADWAY CIRCLE, KING CITY, CA

Community Development Department (The applicant should discuss the following conditions of approval ("**COA**") with Maricruz Aguilar-Navarro, 831-386-5916, if there are any questions):

The following conditions of approval ("**COA**") and requirements do not relieve the applicant or applicant's agents, of any discrepancies, errors or omissions regarding the intended use. Any permit or license of any type issued by any department or officer of the city, issued in conflict with the provisions of the City of King Municipal Code, is declared to be null and void. The following COA shall be included on all documents (e.g., construction plans, building plans). It is the responsibility of the application to verify that the COA are included on said documents.

General Conditions:

1. **Project Description:** SN Case No. SN2017-010 is a request for a minor sign variance permit to allow modification and face change of one (1) existing freestanding entrance and fuel price sign 15'11" tall along the driveway entrance to the ARCO and AM-PM convenience store at 1302 Broadway Circle, King City, CA 93930. The property is located in the Highway Service ("**H-S**") Zoning District and Highway Service Commercial ("**HA**") General Plan Land Use Designation, and shall be constructed in accordance with the **Findings of Fact**, and as approved by the Planning Commission on **December 19, 2017**.
2. **Approval Period:** The approval period for this permit shall be in accordance with the approved drawings and sketches and shall be null and void if not used within one (1) year from the date of the approval. The approval shall immediately expire and any building permit issued in reliance thereon shall be deemed cancelled and revoked. Before the expiration of a sign permit, Master Sign Program permit and/or variation, the applicant may apply to the Department for a twelve (12) month extension from the original date of expiration. Only one extension shall be granted by the Director. In response to an extension request, the Director may make minor modifications to the permit and variance or deny the requested extension.

Miscellaneous Conditions:

3. **Changes:** Construction shall be in substantial conformance with the plans and conditions of approval presented to and approved by the Community Development Director in connection with the project. No conditions, colors, materials or architectural features shall be eliminated, added or modified without Community Development Director review and action.
4. **Additional Signage:** Additional signage not approved as part of this application will require review and approval of a separate permit, **prior to installation**.

5. **Maintenance and Repair:** In accordance with Municipal Code §17.55.080, Maintenance of Signs. Each sign and supporting hardware, including temporary signs, shall be maintained in good repair and functioning properly at all times. Any repair to a sign shall be of materials and design of equal or better quality as the original sign. A sign that is not properly maintained and is dilapidated shall be deemed a public nuisance, and may be abated in compliance with the Municipal Code. When an existing sign is removed or replaced, all brackets, poles, and other supports that are no longer required shall be removed.
6. **Building Permit:** Prior to installation, a building permit shall be submitted to the Building & Safety Department. Please contact Joe Strasser, CBO at 831.386.5915 for more information on the submittal process and inspections.
7. **Line-of-Sight Distance Analysis:** At the time of building permit submittal, the applicant shall verify conformance with any conditions and/or modifications as deemed appropriate by the City Engineer for the placement of the freestanding sign and the conformance of line-of-sight distance analysis.
8. **Address Numbers:** At the time of building permit submittal, the applicant shall verify that the address numbers placed on the freestanding meet the criteria of Municipal Code Section 17.55.090(d)(3) and shall be a minimum of six (6") inches in height.
9. **Hold Harmless and Indemnification Clause:** The applicant agrees, as part of and in connection with each and all the applications and approvals, to defend, indemnify, and hold harmless the City of King ("**City**") and its elected officials, officers, contractors, consultants (including Earth Design, Inc., Hanna & Brunetti, Aleshire & Wynder attorneys), employees and agents (including Earth Design, Inc., and Hanna & Brunetti) from any and all claim(s), action(s), or proceeding(s) (collectively referred to as "proceeding") brought against City or its officers, contractors, consultants, attorneys, employees, or agents (including Earth Design, Inc., Aleshire & Wynder, attorneys, and Hanna & Brunetti) to challenge, attack, set aside, void, or annul:

Any approvals issued in connection with all approvals, actions and applications by City covered by the conditions of approval and/or mitigation measures; and/or

Any action and approvals taken to provide related environmental clearance under the California Environmental Quality Act of 1970, as amended ("**CEQA**") by City's advisory agencies, boards or commissions; appeals boards or commissions; Planning Commission, or City Council. The applicant's indemnification is intended to include, but not be limited to, damages, fees and/or costs awarded against or incurred by City, if any, and costs of suit, claim or litigation, including without limitation attorneys' fees and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, City, and/or parties initiating or involved in such proceeding.

The applicant agrees to indemnify City and its elected officials, officers, contractors, consultants, attorneys, employees and agents (including Earth Design, Inc., Hanna & Brunetti, Aleshire & Wynder, attorneys) for all of City's costs, fees, and damages incurred in enforcing the **indemnification** provisions of this Agreement.

The applicant agrees to defend, indemnify and **hold harmless** City, its elected officials, officers, contractors, consultants (including Earth Design, Inc., Hanna & Brunetti, Aleshire & Wynder, attorneys), attorneys, employees and agents (including Earth Design, Inc., and Hanna & Brunetti) from and for all costs and fees incurred in additional investigation or study of, or for supplementing, redrafting, revising, or amending, any document (including, but not limited to, an environmental impact report, sphere of influence amendment, annexation, pre-zoning, general plan amendment, specific plan, vesting tentative tracts, sign applications, variances, conditional use permits, architectural review, etc.), if made necessary by said proceeding, and if the applicant desires to pursue such City approvals and/or clearances, after initiation of the proceeding and that are conditioned on the approval of these documents.

In the event that the applicant is required to defend City in connection with such proceeding, City shall have and retain the right to approve which approval shall not be unreasonably withheld, conditioned or delayed:

- a. The counsel selected by applicant to so defend City, which approval shall not be unreasonably withheld, delayed or conditioned;
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- c. Any and all settlements.

City shall have and retain the right to have the City attorney defend the City and its staff in connection with such proceeding. City shall also have and retain the right to not participate in the defense, except that City agrees to reasonably cooperate with the applicant in the defense of the proceeding. If City chooses to have counsel of its own defend any proceeding where the applicant has already retained counsel to defend City in such matters, the fees and expenses of the additional counsel selected by City shall be paid by City. Notwithstanding the immediately preceding sentence, if City's Attorney's Office participates in the defense, any and all City Attorney, Staff and consultants' actual and reasonable fees and costs arising from their support of the defense shall be paid by the applicant.

The applicant's defense and indemnification of City set forth herein shall remain in full force and effect throughout all stages of litigation including any and all appeals of any lower court judgments rendered in the proceeding. Notwithstanding the preceding, this obligation to indemnify shall not apply to any claim to the extent arising from the gross negligence or willful misconduct of the indemnified party or of any agent, employee or licensee of the indemnified party.

Sign Permit Conditions Agreement:

The sign permit is **not** valid until all Conditions of Approval ("**COA**") and mitigated measures imposed by the City are signed for and agreed to by the applicant. I have received a copy of the sign permit conditions of approval and mitigated measures and agree with them. I understand that if I do not abide by them the Planning Commission has the authority to revoke the permit, pursuant to the Municipal Code. (*Reference Municipal Code §17.55.030.*)

Applicant Signature: _____ Date: _____

EXHIBIT 3
SIGN RENDERINGS

Proposed Sign Change

Existing

Proposed



Location of Existing Pole Sign Proposed for Face Change

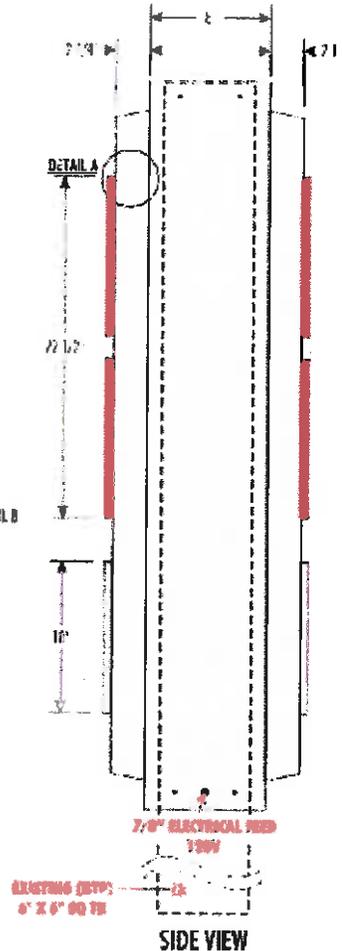


Proposed Arco Portion of Sign
(Top of Entrance Sign)



DISCONNECT SWITCH LOCATED INSIDE OF CABIN

FRONT VIEW



7 1/4" ELECTRICAL WIRE

EXISTING (STP):
6" X 6" 90 TB

SIDE VIEW

Proposed AM-PM and Fuel Price Portion of Sign
 (Bottom of Entrance Sign)

