

AGENDA

REGULAR MEETING OF THE PLANNING COMMISSION

TUESDAY, FEBRUARY 6, 2018
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. SELECTION of CHAIR AND VICE CHAIR

Selection of a Chairperson and Vice Chairperson by a vote of the committee for a period of a year. Per Municipal Code §2.12.020 Appointment, at the first meeting of each calendar year, the committee shall elect a chairperson and a vice chairperson within its membership, who shall serve until the first meeting of the following year. A chairperson and vice chairperson may be elected for successive terms, without restriction as to number.

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 January 16, 2018 Planning Commission Meeting
Recommendation: approve and file.

7. PUBLIC HEARINGS

- A. Project Name: Proposed All-Temp Refrigeration Warehouse
Case No.: CUP 2017-011, AR 2017-004 and LM 2017-002
Applicant: Tom Willoughby, All-Temp Refrigeration
Location: 740 S. First Street (APN: 235-092-042-005-000), and (APN: 235-042-004-000), King City, CA. 93930
Consideration: Approval of Conditional Use Permit Case No. CUP2017-011, Architectural Review Case No. AR2017-004, And Lot Merger Case No. LM2017-002 For the Construction of a New 5,000 Square Foot Office and Related Storage of

Equipment for Heating and Air Conditioning Contractor Services At 740 S. First Street, King City, Ca 93930.

Recommendation: Staff recommends the Planning Commission conduct the public hearing and adopt Resolution No. 2018-207 which approves Cases No. CUP2017-011, AR2017-004 and LM2017-002 for the construction of a 5,000 square foot office and storage for a heating and air-conditioning contractor's office, a lot merger of two (2) parcels into one (1) parcel, with recommended changes to the architectural appearance of the building, based on the findings of fact and subject to the Conditions of Approval

Environmental Determination: Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Class 32 In-Fill Development Projects, Categorical Exemption set forth in CEQA Guidelines, section 15332 as this project involves development of within the city limits on a project site of no more than five acres substantially surrounded by urban uses. The site is adequately serviced by all required utilities and public services. The project is consistent with the general plan designation and zoning regulations. The project site has no value as habitat for endangered, rare or threatened species. The applicant will be required to provide street, gutter, curb sidewalk and other public improvements as identified for South First Street. Site drainage will be required to meet the City's and Central Coast Regional Water Quality Control Board standards. The project would not result in significant effects related to traffic, noise, air quality or water quality.

B. Project Name: Boutique Unlimited: Operations Phasing
Case No.: CUP 2016-014(a) 18
Applicant: Boutique Unlimited: Mike Ferguson
Location: 161 Airport Drive, King City, CA. 93930
Consideration: CUP Amendment Case No.2016-014(a) 18; Phased Operations – 161 Airport Drive (APN 026-521-030).

Recommendation: Staff recommends the Planning Commission 1) review request for Conditional Use Permit, 2) receive public comment; and 3) adopt the attached Resolution approving Conditional Use Permit 2016-014(a)18.

Environmental Determination: 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. Level 2 Manufacturing CA (Type 2) and Distribution were allowed in August 2017, (Ordinances 2017-745 and 746).

During the review and decision-making process related to

CUP 2016-014, the City of King conducted an Initial Study (IS) of the project, determined that the project was fully within the scope of the prior analysis by the MND and provided public notice. On December 19, 2017 the Planning Commission made a Finding of Consistency with the MND per CEQA Guidelines Section 15162. This proposed Amendment does not add uses or increase development size, intensity or location and is therefore consistent and in accord with the Commission's Finding.

- C.** **Project Name:** Boutique Unlimited: Commercial Cannabis Nursery (TYPE 4) and Operations Phasing
- Case No.:** CUP 2016-008(c)18 (Third Amendment to CUP 2016-008)
- Applicant:** Boutique Unlimited: Mike Ferguson
- Location:** 151 Airport Road, APN 026-351-022
- Consideration:** CUP Amendment 2016-008(c)18; Nursery Operations (CA Type 4), Phased Operations; 151 Airport Drive, City of King.
- Recommendation:** Staff recommends the Planning Commission 1) review request for Conditional Use Permit, 2) receive public comment; 3) adopt the attached Resolution approving Conditional Use Permit 2016-008(c)18.
- 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.
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- D.** **Project Name:** Elite Molecular, LLC: Parking Area and Drainage Revisions
- Case No.:** CUP 2017-009(a)18
- Applicant:** Elite Molecular: David Bonvillain
- Location:** 101 Airport Drive
- Consideration:** CUP Amendment 2017-009(a)18; Parking Lot Revisions-101 Airport Drive, City of King; APN 026-351-023
- Recommendation:** Staff recommends the Planning Commission 1) review Conditional Use Permit; 2) receive public comment; and 3) adopt Resolution approving Conditional Use Permit 2017-009(a)18
- 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.

E. Project Name: Elite Molecular, LLC: Phase 1 Use
Case No.: CUP 2017-009(b)18
Applicant: Elite Molecular: David Bonvillain
Location: 101 Airport Drive, King City, CA 93930
Consideration: CUP Amendment 2017-009(b)18: Phased Operations-101 Airport Drive, City of King, APN 026-351-023
Recommendation: Staff recommends the Planning Commission 1) review request for Conditional Use Permit, 2) receive public comment, and 3) adopt the attached Resolution approving Conditional Use Permit 2017-009(b)18

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.

F. Project Name: King City Farms, LLC: Operations Phasing
Case No.: CUP 2017-010(a)18
Applicant: King City Farms, LLC: Brandon Gesicki
Location: 325 Airport Drive,
Consideration: CUP 2017-010(a)18; Phased Operations – 325 Airport Drive (APN 226-351-016)
Recommendation: Staff recommends the Planning Commission 1) review request for Conditional Use Permit, 2) receive public comment; and 3) adopt the attached Resolution approving Conditional Use Permit 2017-010(a)18.

Environmental Determination: 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. The Zoning Ordinance was amended to allow Level two Manufacturing (CA Type 7) and Distribution (CA Type 11) in August, 2017.

During the review and decision-making process related to CUP 2017-010, the City of King conducted an initial study(IS) of the project, determined that the project was fully within the scope of the prior analysis by the MND and provided public notice. On December 05, 2017 the Planning Commission made a Finding of Consistency per CEQA Guidelines Section 15162. This proposed Amendment does not add uses or increase development size, intensity or location and is therefore consistent and in accord with the Commission's Finding.

8. NON-PUBLIC HEARINGS

None

9. PLANNING COMMISSIONER REPORTS

10. DIRECTOR'S REPORT –

11. WRITTEN CORRESPONDENCE

12. ADJOURNMENT

UPCOMING REGULAR MEETINGS

| <u>February 2018</u> | | |
|---------------------------|-----------|----------------------------|
| February 6 th | 6:00 p.m. | Planning Commission |
| February 12 th | 6:00 p.m. | Airport Advisory Committee |
| February 13 th | 6:00 p.m. | City Council |
| February 19 th | 6:00 p.m. | Recreation Commission |
| February 20 th | 6:00 p.m. | Planning Commission |
| February 27 th | 6:00 p.m. | City Council |

| <u>March 2018</u> | | |
|------------------------|-----------|----------------------------|
| March 6 th | 6:00 p.m. | Planning Commission |
| March 12 th | 6:00 p.m. | Airport Advisory Committee |
| March 13 th | 6:00 p.m. | City Council |
| March 19 th | 6:00 p.m. | Recreation Commission |
| March 20 th | 6:00 p.m. | Planning Commission |
| March 27 th | 6:00 p.m. | City Council |

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)

MMTC: 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

January 16, 2018

1. Call to Order

Chairperson Nuck called the regular meeting of the Planning Commission of the City of King to order at 6:03 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 A

Michael Barbree X Margaret Raschella X Ralph Lee X

Action: Motion made by Commissioner Raschella to excuse Commissioner Mendez. Seconded by Commissioner Barbree. Motion carried 4-0.

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

Selection of Chair and Vice Chair continued to next meeting by a vote by Barbree and second by Raschella

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: December 19, 2017

Action: Motion made by Commissioner Raschella to approve minutes of December 19, 2017 with corrections. Seconded by Commissioner Barbree. Motion carried 4-0.

7. Public Hearing Items

- | | |
|------------------|---|
| A. Project Name: | Sun Street Center |
| Case No.: | CUP 2017-016, AR 2017-005 and VAR 2017-005 |
| Applicant: | Anna Foglia, Sun Street Centers |
| Location: | 637 Broadway Street (APN: 026-092-013-000), 641 Broadway Street and 119 S. Mildred Avenue (APN: 026-092-014-000), King City, CA. 93930 |
| Consideration: | CUP Case No. 2017-016, AR2017-005, and VAR2017-005 for the inpatient and outpatient services proposed for Sun Street Center at 637 Broadway St, 641 Broadway St., and 119 S. Mildred Ave. |
| Recommendation: | Staff recommends the Planning Commission adopt Resolution 2018-206 approving CUP2017-016, AR2017-005 and VAR2017- |

005 for Sun Street Center to operate inpatient and outpatient services and remodel and occupy the existing facilities located on 637 Broadway St., 641 Broadway St., and 119 S. Mildred Ave., King City CA. 93930

**Environmental
Determination:**

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Class 1 Categorical Exemption set forth in CEQA Guidelines, section 15301 as this project involves change of operation of existing structures and involves no expansion to existing facilities. The proposed use is similar in character to the previous uses which involved retail, residential and motel uses. The proposed will only involve tenant improvements to the interior of the existing facilities and façade improvements including new paint, awnings, signs, fence, landscaping and re-stripping of the existing parking lot.

Chair Nuck recused himself and left the room because he lives within the 300ft. Commissioner Barbree took over the meeting.

Community Development Director, Doreen Liberto introduced this item with a PowerPoint presentation. Applicant Anna Fogel for the Sunstreet Center further introduced this item with a PowerPoint presentation.

Planning Commissioners had questions. Will it be local people? 65% of the beds will be. Are these facilities across from schools? Only one other one is. How is the release from the sobering center? They are driven to a center or their house.

Tricia Bergeron feels that this program is a necessity as when she had her problem 19 years ago she had to move to Salinas to get her treatment. Treatment Centers are a public need. She strongly urges the Planning Commission to approve this project.

Chris Lopez, Chief of Staff to Monterey County Supervisor Simon Salinas, stated this project is something that the community wanted and they made it happen just need the Planning Commissions support.

Commissioner Barbree opened the public hearing, seeing no one come forward, Commissioner Barbree closed the public hearing.

Action: Motion made by Commissioner Raschella to adopt Resolution 2018-206 approving CUP2017-016, AR2017-005 and VAR2017-005 for Sun Street Center to operate inpatient and outpatient services and remodel and occupy the existing facilities located on 637 Broadway St., 641 Broadway St., and 119 S. Mildred Ave., King City CA. 93930. Seconded by Commissioner Lee. Motion carried 3-0.

Chair Nuck returned to the meeting 6:33p.m.

- B. Project Name: Komfort Court
- Case No.: VAR 2017-004
- Applicant: Joseph Murray, Property Owner
- Location: 935 Broadway Street, King City, CA 93930
- Consideration: VAR Case No. 2017-004 Variance Request for an eight (8') foot high fence along the frontage of 935 Broadway St.
- Recommendation: Staff recommends the Planning Commission adopt Resolution 2018-205 approving a Variance Permit for the construction of an eight (8') foot high fence along the front-yard setback of Komfort

Court located at 935 Broadway St, subject to the conditions of approval.

**Environmental
Determination:**

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Categorical Exemption set forth in CEQA Guidelines, section 15301 as this involves replacement of a fence which will not result in any expansion of use or capacity of the Komfort Court Mobile-Home Park. Furthermore, Staff has determined that none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, section 15300.2 apply to this project.

Asst. Planner, Maricruz Aguilar-Navarro introduced this item with a PowerPoint.

Chair Nuck opened the public hearing,

Joe Murray, applicant, would like to do this project to make an improvement to Broadway.

Chair Nuck closed the public hearing.

Action: Motion made by Commissioner Lee to adopt Resolution 2018-205 approving a Variance Permit for the construction of an eight (8') foot high fence along the front-yard setback of Komfort Court located at 935 Broadway St, subject to the conditions of approval. Seconded by Commissioner Barbree Motion carried 3-0. (Commissioner Raschella abstained)

- C. 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 indefinitely 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.

Principal Planner, Scott Bruce introduced this item.

Chair Nuck opened the public hearing, seeing no one come forward, Chair Nuck closed the public hearing.

Action: Motion made by Commissioner Barbree to continue indefinitely based on applicant's request. Seconded by Commissioner Raschella. Motion carried 4-0.

- D. Project Name: Boutique Unlimited: Operations Phasing
- Case No.: CUP 2016-014(a) 18
- Applicant: Boutique Unlimited: Mike Ferguson
- Location: 161 Airport Drive, King City, CA. 93930
- Consideration: CUP Case No.2016-014(a) 18, Amendment to a previously approved CUP that allowed development of a vacant parcel of 1.0 acre in size. The approved development will construct a two-story building of approximately 41,500 sf with a 20,750-sf footprint. The structure will be used for Indoor Cannabis Cultivation (CA Type 3A), Nursery (CA Type 4), Level 2 Manufacturing (CA type 7) Manufacturing and Distribution (CA Type 11).

This Amendment would identify a streamlined program to begin limited operations in temporary structures. It also would describe the scope of proposed streamlined operations, a time limit for their streamlined operation and the Conditions of Approval for their initiation and ongoing use. No expansion of the approved development is proposed.

- Recommendation: Staff recommends the Planning Commission 1) review Conditional Use Permit Application for Phased Operations, 2) receive public comment; 3) provide Staff with comment and direction; and 4) continue action on the Amendment (CUP 2016-014(a)18) to February 6, 2018.

- Environmental Determination: 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. Level 2 Manufacturing CA (Type 2) and Distribution were allowed in August 2017, (Ordinances 2017-745 and 746).

During the review and decision-making process related to CUP 2016-014, the City of King conducted an Initial Study (IS) of the project, determined that the project was fully within the scope of the prior analysis by the MND and provided public notice. On December 19, 2017 the Planning Commission made a of a Finding of Consistency with the MND per CEQA Guidelines Section 15162. This proposed Amendment does not add uses or increase development size, intensity or location and is therefore consistent and in accord with the Commission's Finding.

Principal Planner, Scott Bruce introduced this item going thru his power point. He is seeking direction from the Planning Commission for the COA's for the next meeting.

Existing 1 Acre Site – Vacant
Accessed From Access Easement
New Two Story Structure To Be Built (Approx. 41,500sf With 20,750 Sf Footprint)
Impervious Area 74%
Landscaping 26 %
Request For Height Increase To 38'
Airport Drive Improvements
Wrought Iron Along West (Front), Chain Link With Slats Around Perimeter

PURPOSE:

Allow Cultivation (Type 3A) Nursery (Type 4), Manufacturing Level Two (Type 7) Distribution (CA Type 11)

Modular container spaces housed within a temporary fenced area (50' x 62')(chain link) with a metal roof. The spaces include:

- one pre-fab modular manufacturing / extraction pod (12'x40')
 - one secure storage container for manufactured product (10'x40')
 - one container for distribution storage and packaging (10'x40')
 - one office / security modular space (15'x40') located outside the temporary fenced area
- How will Phase 1 and ultimate construction coordinate?

Define Materials for outside structure?

Sewer?

Timing for site improvements- Building permits are to expire late December.

Chair Nuck opened the public hearing,

Mike Ferguson Site Manager for the project, would like to move forward and maintain the relationship with current customers. Rough grading plan would like to move forward with. Building plans are far off. Sewer should have engineering plans in the next couple of weeks. Foot print of the building is set and the parking space is set. Temporary modular' s will have a pitched roof, 25 foot high. They would use metal siding like similar building around. In the interim there will be no landscaping. Operating Phase 1 up to a year or 14 months. Power is a critical. Construction build out will be further out.

Josh Rich explained that there are not construction loans however they have secured private loans for BU1 and he is working on BU2. That is why they want to have the temporary modular to do distribution.

Planning Commission would like to see sidewalks put in at the same time the fencing is done.

Chair Nuck closed the public hearing.

Chair Nuck would like to see landscaping moved along as much as possible.

Action: Motion made by Commissioner Barbree directing staff to come up with COA's, prepare a resolution and continue action on the Amendment (CUP 2016-014(a)18) to February 6, 2018. Seconded by Commissioner Raschella. Motion carried 4-0.

| | |
|------------------|---|
| E. Project Name: | Boutique Unlimited: Commercial Cannabis Nursery (TYPE 4) and Operations Phasing |
| Case No.: | CUP 2016-008(c)18 (Third Amendment to CUP 2016-008) |
| Applicant: | Boutique Unlimited: Mike Ferguson |
| Location: | 151 Airport Road, APN 026-351-022 |

Consideration: CUP 2016-008(c)18, Amendment to a previously approved CUP that approved renovation of an existing 15,592 square foot structure. The previously approved uses are Cannabis Cultivation (CA Type 3A), Level 2 Manufacturing (CA type 7), Distribution (CA Type 11). Previous approval allows a second floor of 15,572 sf to be added inside the existing space. It also allows expansion to the west to include an additional 9,508 square feet of floor area in two stories.

This Amendment would allow Nursery Use (CA Type 4) Use, without changing the size, the exterior of the structure or the site. It would also identify a streamlined program to begin limited operations. This Amendment describes the scope of proposed phased operations, a time limit for their streamlined operation and the Conditions of Approval for their initiation and ongoing use.

Recommendation: Staff recommends the Planning Commission 1) review Conditional Use Permit Application for Phased Operations, 2) receive public comment; 3) provide Staff with comment and direction; and 4) continue action on the Amendment (CUP 2016-008(c)18) to February 6, 2018.

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.

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

THE PHASE 1 DEVELOPMENT PROPOSAL IS AS FOLLOWS:

Locate one secure shipping container inside the existing structure for storing product related to Distribution Operations

Locate one modular pod for manufacturing inside the existing structure

Locate one secure shipping container inside the existing structure for storing product related to Manufacturing Operations.

Use the existing modular office located at the south face of the structure for administrative functions related to Distribution and Manufacturing uses

Sewer / Septic

Fire / Safety during Phase 1 Use and during transition to Buildout

Right of Way Improvements

Fencing

Internal Security Plan

Phase 1 Development

Utilize Existing Modular Unit on South Façade for Distribution Use

Ensure Access into Building Directly from Modular

Pull SUV Into Building, Unload – Move to Modular Unit from Inside. Inventory/Checking of Product Packaging Must Be Done Under Cameras

Cup Must Be Amended to Specifically Relate Permit Area to Use

TIMING FOR SITE IMPROVEMENTS

ROW

Landscape

BUILDING PERMITS and CONSTRUCTION

Timing

Duration of Phase 1 configuration

Another Phase anticipated to allow pods / containers ?

Construction and Operations in same space

Chair Nuck opened the public hearing,

Attorney spoke and wanted to walk out with an amended permit tonight.

Mr. Bruce stated that they can not amend the CUP tonight. They can do a site plan for them to apply for their permit.

Commissioner Barbree made a motion. Seconded by Commissioner Raschella. Motion Carried 4-0.

Chair Nuck closed the public hearing.

Action: Motion made by Commissioner Barbree giving direction to staff to work closely with the applicant to do a site plan to get to the state for their permit, to work on amended COA's for manufacturing and distribution and to continue action on the Amendment (CUP 2016-008(c)18) to February 6, 2018. Seconded by Commissioner Raschella. Motion carried 4-0.

- F. Project Name: Elite Molecular, LLC: Parking Area and Drainage Revisions
- Case No.: CUP 2017-009(a)18
- Applicant: Elite Molecular: David Bonvillain
- Location: 101 Airport Drive
- Consideration: CUP 2017-009(a)18, Amendment to a previously approved CUP that approved renovation of an existing 10,500 square foot structure to include re-construction of the northern portion of the structure (2,800 sf). The footprint of the existing structure does not expand.
- This Amendment would amend the proposed parking lot configuration, paving type, and site drainage. The proposed Amendment is based on new information regarding the existing parking lot condition in regard to amount and type of permeable area.
- Recommendation: Staff recommends the Planning Commission 1) review Conditional Use Permit Application for Phased Operations, 2) receive public comment; 3) provide Staff with comment and direction; and 4) continue action on the Amendment (CUP 2017-009(a)18) to February 6, 2018.
- 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.

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

Chair Nuck opened the public hearing, seeing no one come forward, Chair Nuck closed the public hearing.

Action: Motion made by Commissioner Raschella directing staff to come up with COA's, prepare a resolution and to continue action on the Amendment (CUP 2017-009(a)18) to February 6, 2018. Seconded by Commissioner Barbree. Motion carried 4-0.

- G. Project Name: King City Cultivation: Operations Phasing
- Case No.: CUP 2017-010(a)18
- Applicant: King City Farms, LLC: Brandon Gesicki

Location: 325 Airport Drive,

Consideration: Amendment to a previously approved CUP that allowed the Applicant to expand development on a partially developed parcel. The site is approximately 2.06 acres, approved development includes approximately 20,000 sf of new greenhouse structures for Cultivation (CA Type 3B) and a new addition (2,000 sf) onto the existing 3,000 sf structure for Level 2 Manufacturing (CA Type 7) and Distribution (CA Type 11) Uses. New parking, landscaping and fencing will be part of the project.

This Amendment would identify a phased program to begin limited operations in the existing structure and in one temporary manufactured structure on an existing concrete pad. It also would describe the scope of proposed streamlined operations, a time limit for their streamlined operation and the Conditions of Approval for their initiation and ongoing use. No expansion of the approved development is proposed.

Recommendation: Staff recommends the Planning Commission 1) review Conditional Use Permit Application for Phased Operations, 2) receive public comment; 3) provide Staff with comment and direction; and 4) continue action on the Amendment (CUP 2017-010(a)18) to February 6, 2018.

Environmental Determination:

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. The Zoning Ordinance was amended to allow Level two Manufacturing (CA Type 7) and Distribution (CA Type 11) in August, 2017.

During the review and decision-making process related to CUP 2017-010, the City of King conducted an initial study (IS) of the project, determined that the project was fully within the scope of the prior analysis by the MND and provided public notice. On December 05, 2017 the Planning Commission made a Finding of Consistency per CEQA Guidelines Section 15162. This proposed Amendment does not add uses or increase development size, intensity or location and is therefore consistent and in accord with the Commission's Finding.

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

Right of Way Improvements
Make-up of Fencing and Landscaping along Airport Drive
Fencing Around Entire Site
Internal Security Plan
Fire / Safety during Phase 1 Use and during transition to Buildout
Interim Dumpster Location

TIMING FOR SITE IMPROVEMENTS

ROW
Landscape

BUILDING PERMITS and CONSTRUCTION

Will Site Plan change
Timing for submission
Target date for Buildout
Transitory Period – Operations and Construction on same lot, in same structure
Duration of Phase 1 configuration

Chair Nuck opened the public hearing,

Brandon Gesicki, stated they are in the process of getting these items complete and would like to get this going. They need an updated site plan to apply for their temporary permits. They would like to work with Scott on them.

Commissioner Barbree asked about the build out.
Brandon Gesicki explained the process.

Chair Nuck closed the public hearing.

Action: Motion made by Commissioner Barbree directing staff to come up with COA's, prepare a resolution and further direct staff to work with the applicant to update the site plan and continue action on the Amendment (CUP 2017-010(a)18) to February 6, 2018. Seconded by Commissioner Raschella. Motion carried 4-0.

8. Non-Public Hearing Items –

None

9. Regular Business- None

10. Planning Commission Report –

11. Director Reports- None

12. Written Correspondence– None

13. Adjournment

There being no further business, the Planning Commission meeting was adjourned at 8:22 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: FEBRUARY 6, 2018

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO, AICP, COMMUNITY DEVELOPMENT DIRECTOR

BY: DONALD J. FUNK, PRINCIPAL PLANNER

RE: CONSIDERATION OF CONDITIONAL USE PERMIT CASE NO. CUP2017-011, ARCHITECTURAL REVIEW CASE NO. AR2017-004, AND LOT MERGER CASE NO. LM2017-002 FOR THE CONSTRUCTION OF A NEW 5,000 SQUARE FOOT OFFICE AND RELATED STORAGE OF EQUIPMENT FOR HEATING AND AIR CONDITIONING CONTRACTOR SERVICES AT 740 S. FIRST STREET, KING CITY, CA 93930.

RECOMMENDATION:

It is recommended that the Planning Commission conduct the public hearing and adopt Resolution No. 2018-207 which approves Cases No. CUP2017-011, AR2017-004 and LM2017-002 for the construction of a 5,000 square foot office and storage for a heating and air-conditioning contractor's office, a lot merger of two (2) parcels into one (1) parcel, with recommended changes to the architectural appearance of the building, based on the findings of fact and subject to the Conditions of Approval (*Reference Exhibit 2 and 4.*)

BACKGROUND:

On **August 3, 2017**, Tom Willoughby ("*Applicant*") submitted an application for the following permits:

- Conditional Use Permit (Case No. CUP2017-011)
- Architectural Review (Case No. AR2017-004)
- Lot Merger (Case No. LM2017-002)

The applications were deemed incomplete on **August 31, 2017**. Staff has been working with the applicant and his representative, Wesley Beebe, Architect on corrections and revisions to the site plans a total of four (4) sets of revisions throughout the time period from September 26, 2017 to November 29, 2017 were reviewed. The last revision was submitted on January 22, 2018 (*Exhibit 1/Figure2*).

The Applicant proposes to merge two parcels located at 740 South First Street, southwest of the intersection of South First Street and Lonoak Road and to construct a new 4,880 square foot heating and air-conditioning equipment storage and 120 square foot office on the vacant 0.67 acre site. The lot merger would eliminate the parcel boundary that divides parcels APN235-042-004 and APN235-042-005. The two parcels being merged are approximately 0.572 acres and 0.099 acres. The address is 740 S. First Street, King City, CA 93930. The property is zoned Highway Service ("**H-S**") and has a General Plan Land Use Designation of Highway Service Commercial ("**HSC**").

The property was formerly occupied by a propane company office. The former buildings were removed and the site is now vacant. It is adjacent to the former Queen Motel site and current older residential mobile home park. The site is within the First Street Corridor Master Plan area and is envisioned to be the entry to the City and to the southern entrance of Pinnacles National Park. The First Street Corridor Master Plan envisioned the area for a commercial center providing services for residents and visitors. The following Objectives are recommendations for the future development of the corridor:

First Street Corridor Master Plan:

- 1.a Create an attractive gateway or place marker at the entrance to First Street and the Historic downtown to increase identity and generate a sense of destination.
- 1b. Visually showcasing a diverse cultural heritage and history, First Street will become a memorable corridor.
- 2b. Encourage mixed uses to promote economic opportunities, a sense of community and walkability.
- 2c. Encourage new developments to implement innovative building design and material use.
- 5g. Utilize materials and landscaping strategies that reduce water runoff and require low water inputs.

General Plan:

General Plan Objective 3.3 Objective/Commercial Character: Ensure that Commercial Development maintain or enhance the environmental quality of the area, and the City's existing character.

Policy 3.3.1: Commercial developments shall be designed and screened in an attractive manner and thereafter maintained so as to visually integrate the entire development with the surrounding environment and land uses.

The proposed warehouse and office is a modified metal "Butler Building" and is proposed to provide heating and air-conditioning maintenance, services and

operations. The proposed contractor's office and heating and air-conditioning equipment storage use is not specifically identified under the zoning criteria for the H-S Zone. The Commission is being requested to determine that the proposed use is similar in nature to those uses listed in the Zone. The H-S Zone, while not identifying a heating and air conditioning business, does specify the following

17.26.030 Uses permitted subject to obtaining conditional use permit.

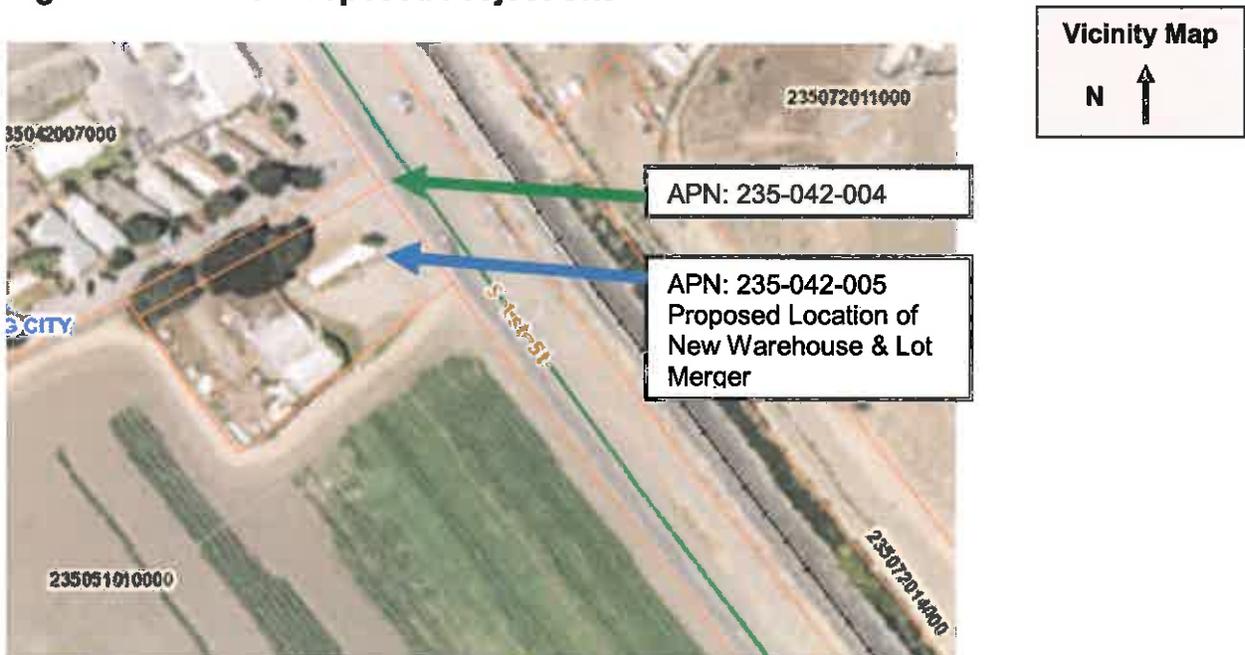
(9) Unclassified uses, including:

(i) Plant nurseries, car wash and building materials entirely within a building;

The proposed business will provide equipment used in the construction of buildings and may be similar in nature to a "building materials" business.

The project, located within the First Street Corridor Master Plan area, includes a conditional use permit and an architectural review permit. The proposed building will have two roll-up doors facing the south elevation, metal roof and metal siding. The Applicant, in an effort to create an appearance that is unlike industrial complexes, proposes to add rock veneer on the office frontage and extending along the east elevation. The project also involves installation of a fenced outdoor storage area for storage of service vehicles and trailers/equipment along the northwest sides of the building. The proposed project includes new fencing, new landscaping along the frontage and parking lot areas, new trash enclosure, landscaping screening along South First Street and exterior lighting. Proposed hours of operation are 8:00 a.m. to 5:00 p.m.

Figure 1: Aerial of Proposed Project Site



DISCUSSION:

Analysis

The request is for approval of a warehouse for a contractor services operation is not a specified listed use in the Highway Service ("**H-S**") Zoning District. Per Municipal Code §17.26.030(9)(i): Unclassified uses including plant nurseries, car washes and building materials entirely within a building, require a conditional use permit. The H-S zone does allow the Planning Commission to make the findings for other similar uses no more objectionable than those allowed in the H-S zone.

The proposed uses at the 24,829 square foot, 0.57 acre site include:

Storage area (not sales or office): 4,880 sq. ft.

Office: 120 sq. ft.

Total Proposed

Contractor's Office and

Equipment Storage Building: 5,000 sq. ft.

Parking Lot 9,000 sq. ft.

Landscaping shown 2,699 sq. ft.

Minimum Landscaping required 4,966 sq. ft.

Trash Enclosures 120 sq. ft.

Architectural Review Analysis

The Planning Commission will act as the architectural review committee ("**ARC**"), pursuant to Municipal Code Section 17.30.120. The Applicant is requesting to construct a prefabricated 5,000 square foot metal building. It will have metal siding, metal roof and rock veneer along the frontage of the office.

The building will be visible from South First Street, a major entryway to the City and to Pinnacles National Park. Landscaping and building appearance is very important as part of the Commission's decision.

Proposed improvements include:

The maximum allowable building height is thirty (30') feet. The proposed building is twenty-three (23') feet in height. The building will comply with maximum height standards. In order to create an appearance that more closely resembles visitor serving structures, staff recommends increasing roof slope to a minimum 4 in 12, adding corner pilasters or other exterior treatment (rock, decorative block or stucco) on the front corners of the building and modifying the colors of the metal roof and siding similar to **Figure 6**.

Lot Coverage

The minimum building site area required in the H-S Zone for all other uses not listed is six-thousand (6,000) square feet. The total area of the project site is 24,829 square feet 0.57 acres. The proposed building is 5,000 square feet, twenty (20%) percent of total lot. Maximum lot coverage permitted is fifty (50%) percent (about 12,415 square feet) of the total lot area. Therefore, the proposed total lot coverage is less than maximum allowable coverage.

It is estimated that only approximately half of the site will be comprised of impermeable surfaces. Provisions to meet the State Regional Water Quality Control Board ("**RWQCB**") standards for runoff will need to be made in the drainage design.

Setbacks

Minimum front setback required is 10 feet. The proposed warehouse is setback approximately 20 feet from the front property line (South First Street Right-of-Way).

Minimum rear setback required is 20 feet. The proposal is for over 50 foot rear setback

Minimum interior side yard required is 10 feet. The proposal is 10 feet.

Fencing

The proposed includes a block wall along the front landscape area and chain link fence along the side property line. The property to the north is developed with an older mobile home park. The side of the property that is adjacent to the residential use of the trailer park at 702 S. First Street would require a buffer since it's

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residential use. A condition of approval is recommended to have this side of the fence built as a view-obscuring fence with a compact evergreen hedge six feet in height to meet the code standards of Municipal Code §17.26.130. **(Reference COA No. 27.)**

Driveways and Parking

There is a proposed driveway access from South First Street. All sidewalk and public access shall be reviewed and approved by City Engineer. **(Reference COA No. 11.)**

Landscaping Requirements

Per Municipal Code §17.26.130 Architectural elevations, site plans and landscaping approval. Landscaping plans shall be submitted by the applicant and approved by the planning commission prior to the issuance of any building permit. Minimum landscaping required shall be twenty percent (20%) of the land area landscaped with suitable plants, trees and shrubs. All parking and service areas, including driveways, when located adjacent to residential districts shall be screened and separated from such property by a solid wall, view-obscuring fence and compact evergreen hedge six feet in height, except as provided elsewhere in the code.

The proposed landscaping as shown is only proposing 2,699 square feet which is eleven percent (11%) and does not meet the code requirement. The project is conditioned to return with a final landscaping plan with the minimum twenty percent (20%) which would be 4,966 square feet. **(Reference COA No. 9.)**

The site is not adjacent to residential district, however, the site is adjacent to a residential use trailer park. A condition has been placed to install a view-obscuring fence and compact evergreen hedge six feet in height to help screen the area. **(Reference COA No. 27.)**

Drainage

The project will be required to meet all applicable stormwater regulations of the RWQCB and the City Municipal Code Section 17.56.100. All new projects are required to meet the standards for drainage and pollution control.

The project will be required to meet State and Federal drainage and erosion standards, keeping drainage from the building on-site in a manner that will permit percolation into the ground water and reduction of stormwater flows. The site lends itself to use of bioretention basins or similar methods of maintaining drainage on-

site. Since the site is less than one (1) acre in area, construction and grading would not require a Stormwater Pollution Prevention Plan (“**SWPPP**”) protocols for grading and construction during rainfall events. Drainage plans, including on-site bioretention basins or similar holding basins will require engineered plans and would require the review and approval by the City Engineer.

The goals of City and RWQCB standards are to reduce water pollution and sediment by measures that improve water infiltration and reduce runoff. The drainage and pollution control measures will require review of the City Engineer and RWQCB. Those measures will be required to include grading, construction and future drainage impacts of the improvements. (**Reference COA No. 14.**)

Signage

Signs shall be done under a separate permit process. No signs are proposed as part of this review. However, staff recommends a sign be placed along the frontage of the building to help soften the metal siding and industrial appearance. Said sign would be required to comply with the Sign Regulations and will require an application, exhibits and a separate sign permit. (**Reference COA No. 6.**)

Lighting

The Project security lighting should be designed to not glare into public areas. (**Reference COA No. 8.**)

Trash Enclosures

The applicant proposes a trash enclosure that will screen trash cans and receptacles. All trash containers need to be stored within the trash enclosure and screened from public view. (**Reference COA No. 10.**)

Sidewalk/Curb & Gutter

The applicant proposes sidewalk improvements on the site plan as shown on **Exhibit 1/Figure 2**. All right-of-way public improvements shall meet ADA standards and be reviewed and approved by the City Engineer. (**Reference COA No. 13.**)

SURROUNDING USES:

Table 1 provides an overview of the adjacent zoning and land use.

| Table 1 | | | |
|--|---------------------------------|---------------|---------------------------------|
| Adjacent Zoning/Existing Land Use | | | |
| North: | H-S (Zoning) Residential Use | East: | A (zoning) AG (land use) |
| West: | H-S (zoning) Vacant Land Use | South: | H-S (zoning) Vacant Land Use |

MUNICIPAL CODE REQUIREMENTS:

Conditional Use Permit Requirements

Table 2 Development Standards for Proposed Project

| Table 2 | | |
|---|---|------------------------------------|
| | Development Standards | Requirements Met? |
| Maximum Building Height Allowable | <i>30'</i> | Yes |
| | <i>Two Stories Max</i> | 23' |
| | <i>Front: 10'</i> | 20' |
| Minimum Setbacks | <i>Side: 10'</i> | 10' |
| | <i>Rear: 20'</i> | 50'+ |
| Minimum Landscaping | <i>20% Minimum</i> | |
| Minimum Off-Street Parking For Similar Use | Off-street parking: | |
| | <i>1 space per 200 square feet of sales floor area and 1 space per 1000 square feet of remaining gross floor area: 5,000 sq. ft. Building with 11 parking spaces is limited to a maximum of</i> | 11 parking spaces proposed. |

| | | |
|-------------------------|---|---|
| | <i>1,400 sq. ft. of commercial retail space and 3,600 square feet of non-retail interior storage.</i> | |
| Fences/Walls | | |
| Signage | <i>No new signs being proposed</i> | <i>Sign permit required for any future new signs.</i> |
| Trash Enclosures | <i>1 Enclosed trash area</i> | |

GENERAL PLAN/POLICIES AND REQUIREMENTS:

Table 3 provides the land use designations for the project.

| Table 3 | |
|---|----------------------------------|
| General Plan Designations | |
| General Plan Land Use Designation: | HSC (Highway Service Commercial) |
| Specific Plan Area: | None |

Land Use Element

The project is consistent with the Land Use Element, which designates the site as Highway Service Commercial if the Commission determines that the use is similar to other conditionally allowable uses in the area, such as hardware stores and offices.

Lot Merger Analysis

The Applicant has applied to merge two (2) existing parcels, approximately 0.572 acres and 0.099 acres each. The smaller parcel is twenty (20') feet in width and likely provided potential access to the land located west of the site. However, that adjacent parcel also has access to South First Street via frontage south of the subject property. The smaller narrow parcel is only about 4,300 square feet, which

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is less than the minimum 6,000 square feet. Combined, the new parcel will be 24,829 square feet in area, complying with the standards for minimum lot size.

The City of King has no known adopted Lot Merger standards. However, the California Government Code Title 7. Planning and Land Use Division 2. Subdivisions (Subdivision Map Act) has general provisions that apply to all lot mergers, including those within King City. The following standards will apply to the final approval of the two parcels.

Subdivision Map Act Section 66451.10.(b). "This article shall provide the sole and exclusive authority for local agency-initiated merger of contiguous parcels. On and after January 1, 1984, parcels may be merged by local agencies only in accordance with the authority and procedures prescribed by this article. This exclusive authority does not, however, abrogate or limit the authority of a local agency or a subdivider with respect to the following procedures within this division:

- (1) Lot line adjustments.
- (2) Amendment or correction of a final or parcel map.
- (3) Reversions to acreage.
- (4) Exclusions.
- (5) Tentative, parcel, or final maps which create fewer parcels."

Subdivision Map Act Section 66451.12. A merger of parcels becomes effective when the local agency causes to be filed for record with the recorder of the county in which the real property is located, a notice of merger specifying the names of the record owners and particularly describing the real property.

The proposed lot merger would comply with both minimum lot size standards and comply with the State Map Act provisions. The final Lot Merger map would be subject to the approval of the City Engineer.

Advantages

The project will provide needed storage and warehouse space for the Applicant. The project will result in new development and will provide a needed service for residents of the City as well as benefit to the community.

Disadvantages

The project will not provide sufficient parking for future expansions of the commercial/retail/office use of the building. Additional parking would be required if the building were converted into an office or commercial retail use.

A standard metal "Butler Building" is industrial in nature and requires additional treatment to become compatible with the architecture encouraged by the First Street Corridor Master Plan and General Plan. Staff's recommendation is for installation of additional rock exterior and a higher pitched roof to help lessen the industrial appearance of the building. The Commission will need to make a determination if the proposed architectural building meets the objectives of the City's General Plan for development in this area.

ENVIRONMENTAL DETERMINATION:

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Class 32 In-Fill Development Projects, Categorical Exemption set forth in CEQA Guidelines, section 15332 as this project involves development of within the city limits on a project site of no more than five acres substantially surrounded by urban uses. The site is adequately serviced by all required utilities and public services. The project is consistent with the general plan designation and zoning regulations. The project site has no value as habitat for endangered, rare or threatened species. The applicant will be required to provide street, gutter, curb sidewalk and other public improvements as identified for South First Street. Site drainage will be required to meet the City's and Central Coast Regional Water Quality Control Board standards. The project would not result in significant effects related to traffic, noise, air quality or water quality.

PROJECT REVIEW COMMITTEE COMMENTS AND REVIEW AND REVIEW BY AGENCIES:

A representative from each City Department meets to discuss most community development projects. This group operates as the City's staff advisory team, which is referred to as the Project Review Committee ("**PRC**"). PRC provides comments to the Applicants and conditions of approval ("**COA**") before a project goes to the Planning Commission. Comments from PRC are incorporated throughout the staff report and their recommendations are incorporated in the attached COA. Comments in this Staff Report reflect comments made by City Staff.

As of the date of the preparation of this staff report, no written testimony has been received by the City. The City Engineer indicates that the applicant will be

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requested to provide the construction of the curb, gutter, sidewalk and other public improvements along the frontage of First Street as required by the City standards for First Street.

PUBLIC NOTICE AND INPUT:

A public hearing notice was published in the King City Rustler newspaper on **January 24, 2018** and all property owners of record within three-hundred (300') feet of the subject site were notified of this evening's public hearing and invited to voice any concerns on this application. A public hearing will be conducted on **February 6, 2018**.

COST ANALYSIS:

Development review application fees are based on actual time and materials per the City Fee Scheduled. The Applicant is covering the cost required for review and processing.

ALTERNATIVES:

The following alternatives are provided for Planning Commission consideration:

1. Adopt Resolution No. 2018-207 which approves CUP2017-011, AR2017-004, LM2017-002 with conditions of approval to add architectural features to enhance the building such as:
 - a. Addition of exterior rock finish (or stucco or decorative block) minimum height of five (5') feet be placed along the office frontage and wrap around the building's east elevation to soften the industrial appearance of the warehouse within a Highway Service Commercial Zone.
 - b. Addition of pilasters of the same material on the corners of the two front corners of the building or at the center of the front elevation.
 - c. Higher pitched roof; or
2. If the Commission determines to accept the proposed without the architectural recommendations, the Commission should continue the case to a future hearing and request staff prepare appropriate findings of fact and resolution; or
3. Request modifications in the design and/or proposed use; or

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4. Deny Resolution No.2018-207 which denies the project from construction. (If the Planning Commission wishes to deny the project, the reasons should be specified and the item continued to a future hearing so the appropriate findings of fact and resolution can be prepared by staff.); or
5. Provide other direction to staff.

Exhibits:

1. Exhibit 1 – Figures
2. Exhibit 2 – Findings of Fact (including recommendations for changes of design)
3. Exhibit 3 – Resolution No. 207
4. Exhibit 4 – Conditions of Approval
5. Exhibit 5 – Project Description

Submitted by: MCA FOR DONALD FUNK
Donald J. Funk, Principal Planner

Approved by: MCA FOR DOREEN LIBERTO
Doreen Liberto, AICP, Community Development Director

EXHIBIT 1
Figures

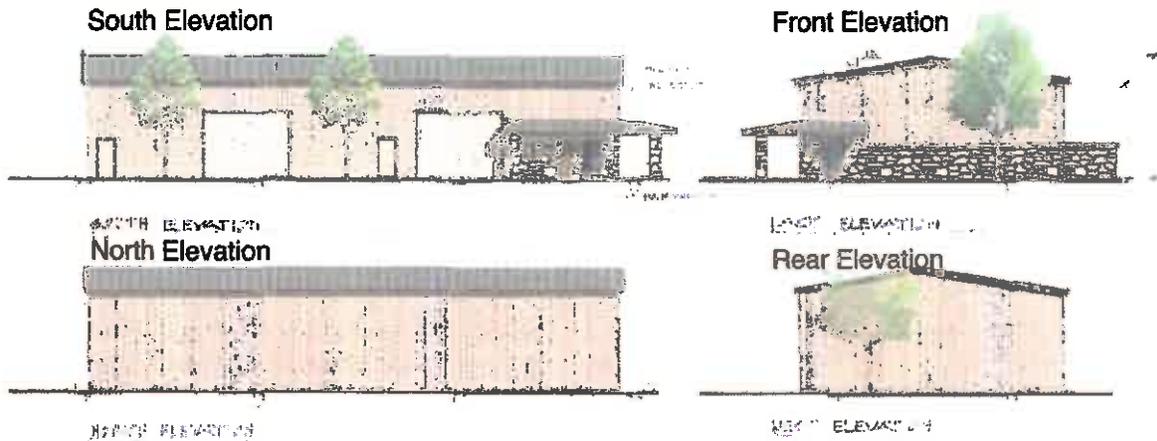


Figure 1, Proposed Elevation Drawings

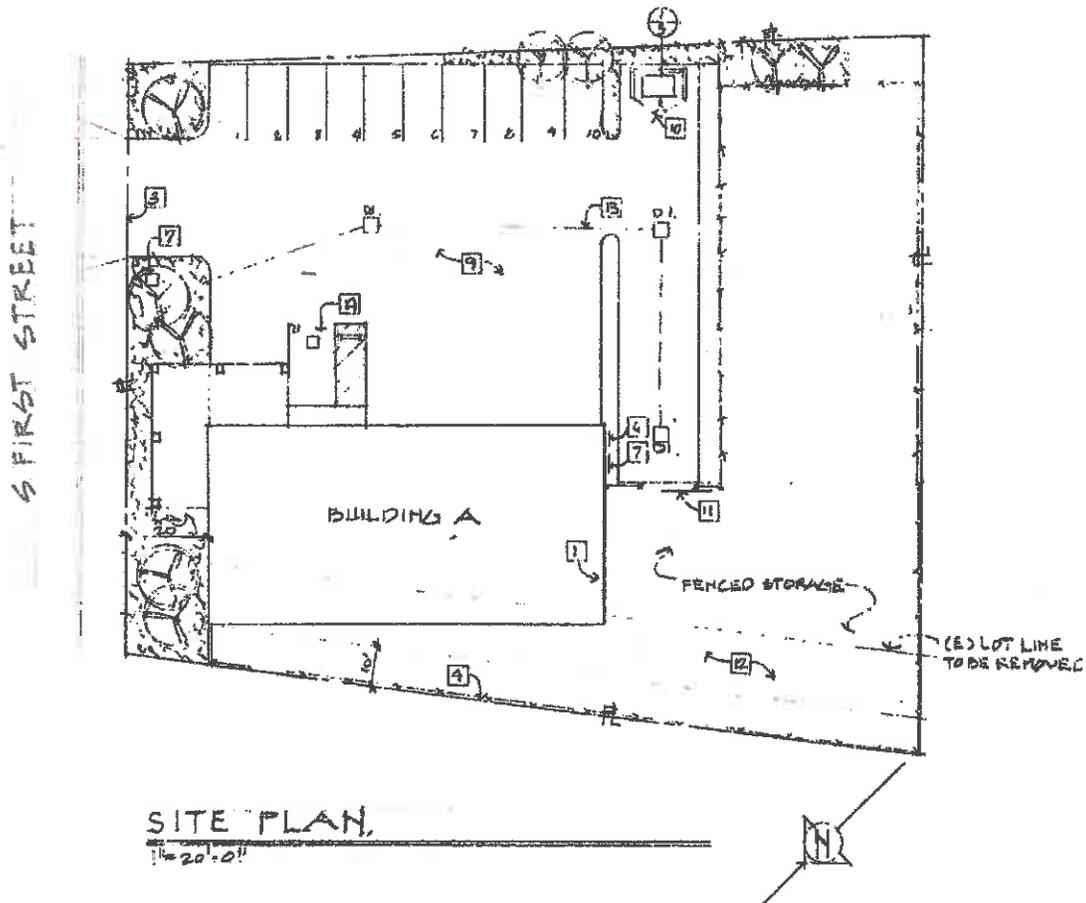
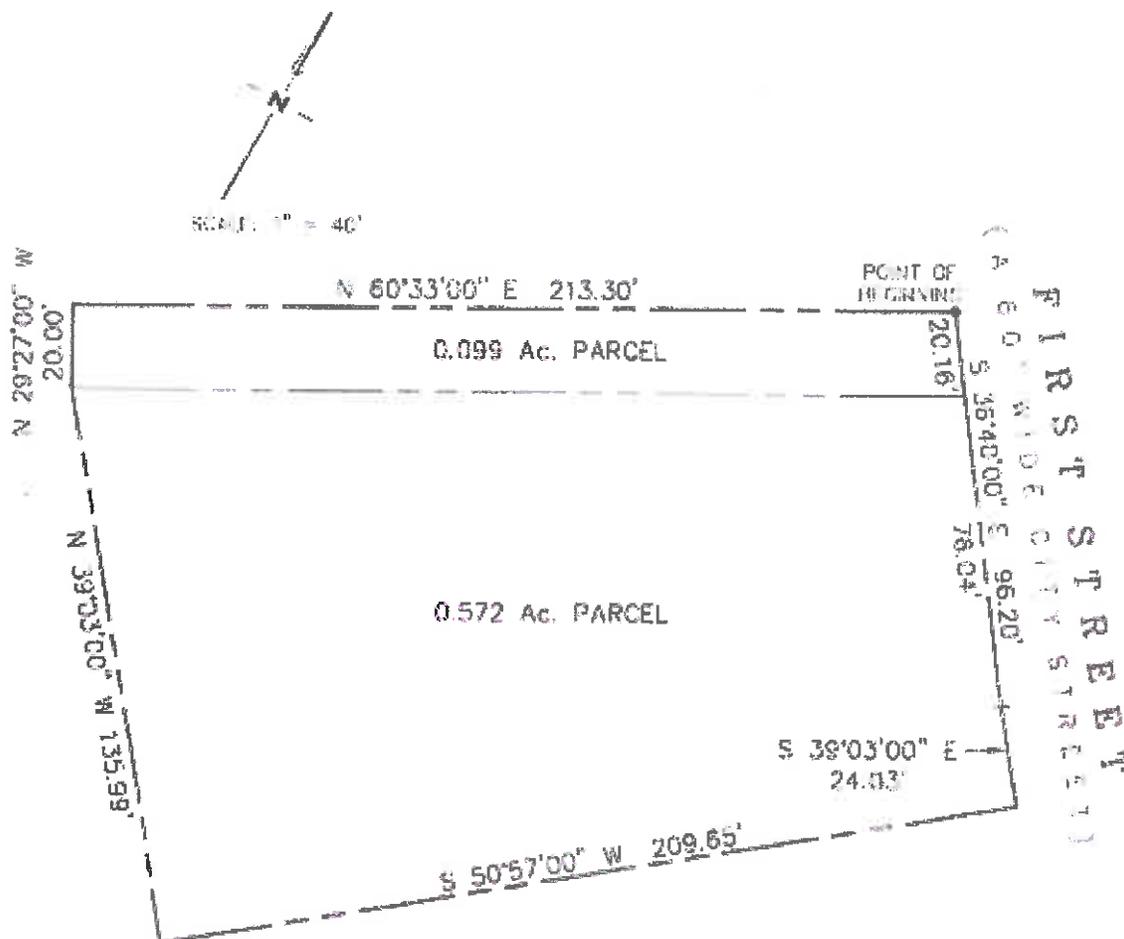


Figure 2, Proposed Plot Plan



NOTE:

ALL DISTANCES SHOWN HEREON ARE EXPRESSED IN FEET AND DECIMALS THEREOF

EXHIBIT TO ACCOMPANY LOT MERGER
 LEGAL DESCRIPTION OF THE 0.099 ACRE
 PARCEL TOGETHER WITH THE 0.572 ACRE
 PARCEL AS SHOWN ON THE MAP FILED IN
 VOLUME 13, "SURVEYS", PAGE 75
 OFFICIAL RECORDS OF MONTEREY COUNTY
 CITY OF KING COUNTY OF MONTEREY STATE OF CALIFORNIA
 BY
CENTRAL COAST SURVEYORS
 5 HARRIS COURT, SUITE N-11 MONTEREY, CALIFORNIA 93940
 Phone: (831) 394-4930 Fax: (831) 394-4931
 SCALE: 1" = 40' JOB No 17-67 NOVEMBER 2017
 PREPARED BY: DR?

Figure 4, Tentative Lot Merger Map

LANDSCAPE SCHEDULE

| | |
|-------------------------------|------------------------|
| LOT AREA | 24,829 SQ FT .56 ACRES |
| BUILDING AREA | 5,000 SQ FT |
| PARKING AREA | 9,000 SQ FT |
| LANDSCAPE AREA PROVIDED | 2,699 SQ FT 10 % |
| Landscape Area Required | 4,966 sq.ft. 20% |
| Applicant is required to add: | <u>2,267 sq.ft</u> |

SHURBS

| | | | |
|----------|------------------------|------------------|--|
| ROSEMARY | ROSMARINUS OFFICINALIS | 1 GAL. ~ 3' O.C. | Director shall review final plan for added landscape area. |
| OLEANDER | RED, WHITE | 1 GAL. - 3'O.C. | |

TREES

| | | |
|-----------------|----------------|---------|
| PYRUS KAWAKAMII | EVERGREEN PEAR | 15 GAL. |
|-----------------|----------------|---------|

IRRIGATION

ALL IRRIGATION TO BE ON A DRIP SYSTEM, LAWN TO USE AREA
 SPRINKLERS ON A TIMER

Table was corrected for hearing

Figure 5, Landscaping Schedule



Figure 6, Recommended Building Colors (sample from Butler Buildings)

EXHIBIT 2

CUP 2017-011, AR2017-004, LM2017-002

FINDINGS OF FACTS

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.

California Environmental Quality Act (CEQA) Findings of Fact

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Class 32 In-Fill Development Projects, Categorical Exemption set forth in CEQA Guidelines, section 15332 as this project involves development of within the city limits on a project site of no more than five acres substantially surrounded by urban uses. The site is adequately serviced by all required utilities and public services. The site was previously occupied by an urban development. The property to the north is developed with residential and commercial uses. The project is consistent with the general plan designation and zoning regulations. The project site has no value as habitat for endangered, rare or threatened species. The applicant will be required to provide street, gutter, curb sidewalk and other public improvements as identified for South First Street. Site drainage will be required to meet the City's and Central Coast Regional Water Quality Control Board standards. The project would not result in significant effects related to traffic, noise, air quality or water quality.

During construction related activities, the proposed project would not likely have the potential to generate storm-related runoff pollutants. If the project includes erosion and sediment control measures for grading, construction and on-going activities after the project is complete. The project will be required to prepare a plan that addresses all potential pollutants, including but not limited to soil erosion and sediment, and that plan shall be followed during grading and construction as well as maintained for the entire term of the use of the property. Other measures to address the protection against all subsurface and surface pollution shall be implemented during construction and for the full duration of the use of the property.

Conditional Use Permit (CUP) and Architectural Review Findings of Fact

- a. The proposed project is conditioned to add additional architectural features to enhance the building and soften the industrial appearance which would make the project consistent with the requirements and policies of the City of King General Plan Highway Service Commercial designation and Zoning Ordinance H-S Highway Service Zoning District and First Street Corridor Master Plan.

- b. With changes recommended in the Conditions of Approval, the general appearance of the proposed building is in keeping with the character of the P-D district and its surrounding properties in the ERBP-SP planning area.
- c. With the changes recommended the proposed building will not be detrimental to the harmonious and orderly growth of the City.
- d. With the changes recommended the proposed building will not impair the desirability of investment or occupation in the H-S Zone District and First Street Corridor Master Plan because the building, (with recommended modifications for colors and materials), landscaping and other improvements are attractively designed and provided amenities that add to the value of the area.
- e. The COA as shown on **Exhibit 4** are necessary to protect the health, safety and general welfare of the community, to ensure that the City develops in an orderly manner, and to ensure that the Project operates in a manner that does not adversely affect the surrounding areas. The proposed use will not be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the city.

Lot Merger Findings of Fact

- a. The approval of the lot merger of two existing parcels of 0.572 acres and 0.099 acres into one parcel of approximately 0.67 acres shall meet minimum standards for lot size 6,000 square feet (0.14 acres).
- b. The proposed lot merger is consistent with the California Subdivision Map Act standards applicable to lot mergers and that said merger will be recorded as provided by State law.

EXHIBIT 3

RESOLUTION NO. 2018- 207

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING,
APPROVING A CONDITIONAL USE PERMIT CASE NO. CUP2017-011,
ARCHITECTURAL REVIEW CASE NO. AR2017-004, AND LOT MERGER CASE
NO. LM2017-002 FOR TOM WILLOUGHBY TO MERGE TWO PARCELS AND
PERMIT CONSTRUCTION OF A 5,000 SQUARE FOOT AIR CONDITIONING
CONTRACTOR'S OFFICE AND STORAGE OF AIR CONDITIONING
EQUIPMENT LOCATED ON ASSESSOR'S PARCEL NUMBERS: 235-042-004
AND 235-042-005, 740 SOUTH FIRST STREET, KING CITY, CALIFORNIA.**

WHEREAS, On **August 3, 2017**, Tom Willoughby filed applications for Cases No. CUP2017-011, AR2017-004, VAR2017-002, and on December 13, 2017 filed an application for Lot Merger Case No. LM2017-002 for the construction of a 5,000 square foot contractor's office and associated storage to be the located at 740 South First Street; and

WHEREAS, on **January 22, 2018**, the application was found to be complete; and

WHEREAS, pursuant to the California Environmental Quality Act ("**CEQA**") Guidelines (14 Cal. Code Regs. §15000 et. seq.) and in accordance with the California Environmental Quality Act of 1970, the proposed project, as conditioned, is not anticipated to have any significant impacts on the environment; and

WHEREAS, the project is conditioned to install additional architectural features to soften the industrial appearance of the building in order to meet the objectives of the City's General Plan Land Use Element Policy No. 3.3.1; and

WHEREAS, the Commission of the City of King, California, met at the duly noticed public hearing on **February 6, 2018**, at which time all interested persons were given the opportunity to be heard; and

WHEREAS, the Commission makes the followings Findings of Facts:

California Environmental Quality Act (CEQA) Findings of Fact

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Class 32 In-Fill Development Projects, Categorical Exemption set forth in CEQA Guidelines, section 15332 as this project involves development of within the city limits on a project site of no more than five acres substantially surrounded by urban uses. The site is adequately serviced by all required utilities and public services. The site was previously occupied by an urban development. The property to the north is developed with residential and commercial uses. The project is consistent with the general plan designation and

zoning regulations. The project site has no value as habitat for endangered, rare or threatened species. The applicant will be required to provide street, gutter, curb sidewalk and other public improvements as identified for South First Street. Site drainage will be required to meet the City's and Central Coast Regional Water Quality Control Board standards. The project would not result in significant effects related to traffic, noise, air quality or water quality.

During construction related activities, the proposed project would not likely have the potential to generate storm-related runoff pollutants. If the project includes erosion and sediment control measures for grading, construction and on-going activities after the project is complete. The project will be required to prepare a plan that addresses all potential pollutants, including but not limited to soil erosion and sediment, and that plan shall be followed during grading and construction as well as maintained for the entire term of the use of the property. Other measures to address the protection against all subsurface and surface pollution shall be implemented during construction and for the full duration of the use of the property.

Conditional Use Permit (CUP) and Architectural Review Findings of Fact

- a. The proposed project is conditioned to add additional architectural features to enhance the building and soften the industrial appearance which would make the project consistent with the requirements and policies of the City of King General Plan Highway Service Commercial designation and Zoning Ordinance H-S Highway Service Zoning District and First Street Corridor Master Plan.
- b. With changes recommended in the Conditions of Approval, the general appearance of the proposed building is in keeping with the character of the P-D district and its surrounding properties in the ERBP-SP planning area.
- c. With the changes recommended the proposed building will not be detrimental to the harmonious and orderly growth of the City.
- d. With the changes recommended the proposed building will not impair the desirability of investment or occupation in the H-S Zone District and First Street Corridor Master Plan because the building, (with recommended modifications for colors and materials), landscaping and other improvements are attractively designed and provided amenities that add to the value of the area.
- e. The COA as shown on **Exhibit 4** are necessary to protect the health, safety and general welfare of the community, to ensure that the City develops in an orderly manner, and to ensure that the Project operates in a manner that does not adversely affect the surrounding areas. The proposed use will not be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the city.

Lot Merger Findings of Fact

- a. The approval of the lot merger of two existing parcels of 0.572 acres and 0.099 acres into one parcel of approximately 0.67 acres shall meet minimum standards for lot size 6,000 square feet (0.14 acres).
- b. The proposed lot merger is consistent with the California Subdivision Map Act standards applicable to lot mergers and that said merger will be recorded as provided by State law.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Planning Commission of the City of King approves approve Conditional Use Permit Case CUP2017-011, Architectural Review Permit Case AR2017-004, and Lot Merger Case No. LM2017-002 for the construction of a 5,000 square-foot building for a heating and air conditioning contractor with associated storage consistent with and as described in the Conditions of Approval (**Exhibit 4**) and the project submittals (**Exhibit 1**) as **modified** by the Conditions of Approval.

This resolution was passed and adopted this **6th day of February, 2018**, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

DAVID NUCK, CHAIRPERSON

ATTEST: _____
ERICA SONNE, SECRETARY TO THE PLANNING COMMISSION

EXHIBIT 4

CONDITIONS OF APPROVAL

CONDITIONAL USE PERMIT CASE NO. CUP 2017-011,
ARCHITECTURAL REVIEW CASE NO. AR 2017-004 AND LOT MERGER CASE
No. LM2017-002, PLANNING COMMISSION CONDITIONS OF
APPROVAL/MITIGATION MEASURE (740 S. FIRST STREET, KING CITY, CA)
(Draft 18 Jan 2018)

Community Development Department (The applicant should discuss the following conditions of approval ("**COA**") with Maricruz Aguilar, 831.386.5916, if there are any questions):

1. **Project Description:** This is an approval of unclassified uses under the Highway Service Commercial Zoning District ("**H-S**") for development of one (1) building for the use of Heating and Air Conditioning Contractor Services operations, building contractors, equipment supply companies, and/or restaurant supply businesses where products and building materials will be kept entirely within the buildings. The proposed building is 4,880 sq. ft. commercial warehouse space and 120 sq. ft. office space proposed at 740 S. First Street, King City, CA 93930. (**Reference Attachment 1 – Full Project Description.**)

The conditional use permit ("**CUP**"), **and** architectural review ("**AR**") approvals include, but are not limited to:

Uses:

- Construction of a commercial warehouse approximately 4,880 sq. ft. and 120 sq. ft. of office space for Heating & Air Conditioning Contractor Services. Based on eleven (11) total parking spaces, future uses of the building will be limited to a maximum of 1,400 square feet of commercial retail and 3,600 square feet of non-retail interior storage.
- A fenced outdoor storage area used for storage of service vehicles.
- Installation of eleven (11) paved parking spaces, including curb protection for landscape areas and buildings.
- On-site bio-swales.
- Lot merger of APN: 235-042-005 and APN: 235-042-004
- The operations anticipate 1-2 employees and operate from 8 a.m. to 5 p.m., Monday through Friday and on-call services.

Architecture:

- The building is a pre-fabricated metal building with an awning overhang along the office frontage. The addition of exterior rock finish (or stucco or decorative block, similar to Exhibit 1, Figure 6), a minimum height of five (5) feet, will be placed along the office frontage and wrap around the building's east elevation to soften the industrial appearance of the warehouse within a tourist zoning category. Pilasters of the same material will be added at the corners of the two front corners of the building or at the center of the front elevation, similar to Exhibit 1, Figure 6. The tones include a beige background with a forest green roof and green trim and added stone, stucco or decorative block accents along the frontage, including addition of pilasters similar to Exhibit 1, Figure 6.

The project shall be developed in conformance with the site plan, floor plans, elevations, details, and other applicable submittals as approved by the Planning Commission ("**Commission**") on **February 6, 2018**, and shown on **Exhibits 1 and 5**.

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. Then the approval shall immediately expire and any building permit issued in reliance thereon shall be deemed cancelled and revoked. Municipal Code §17.64.030 prohibits any time extensions of the CUP beyond one year from the date of approval. No extension shall be permitted for the CUP as required by Municipal Code §17.64.030.
3. **Development Impact Fees: Prior to final occupancy,** the applicant shall pay all applicable development impact fees except the traffic impact fee. (Reference – Development Impact Fee Schedule.)
4. **City & Regional Traffic Impact Fee (MM T-1):** **Before issuance of any building permit,** the Applicant shall participate in the City's development impact fee program as a condition of approval of the building permit. The Applicant shall consult with the Transportation Agency for Monterey County ("**TAMC**") to determine the project should pay the regional traffic mitigation fee pursuant to the TAMC Nexus Study to the City of King Building and Safety Department. Participation in the City's development impact fee program shall

be as a COA of the building permit. Development impact fees offset the costs of increased demand resulting from new development to public facilities and to streets, traffic signals and bridges. The proposed project would be subject to compliance with this provision of the municipal code as a standard COA.

5. **Architectural Structural and Design Changes:** At the time of building permit submittal, the Applicant shall submit a revised elevations showing the higher pitched roof, addition of exterior rock finish (or stucco or decorative block), a minimum height of five (5) feet, will be placed along the office frontage and wrap around the building's east elevation. Pilasters of the same material will be added at the corners of the two front corners of the building or at the center of the front elevation. Installation shall be in substantial conformance with the items noted above, conditions of approval presented to and approved by the Planning Commission in connection with the project. No conditions, colors, materials, landscaping or architectural features shall be eliminated, added or modified without Commission review and action, amended CUP, as applicable. The Community Development Director or her/his representative shall review plans for substantial conformance with the approval by the Planning Commission. Any major modifications shall require approval of the Planning Commission.
6. **Hold Harmless Clause:** 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, Hanna & Brunetti, Aleshire & Wynder, 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 International, 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.*

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The applicant agrees to indemnify City and its elected officials, officers, contractors, consultants, attorneys, employees and agents (including Earth Design International, 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 International, 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:

- The counsel to so defend City.
- All significant decisions concerning the manner in which the defense is conducted; and
- Any and all settlements.

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' fees and costs shall be paid by the applicant. In addition, in the event of litigation, the applicant shall pay any and all City Staff and consultants' fees and costs.

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.

5. **Other County, State and Federal Permits:** Prior initiation of the proposed use, the applicant shall provide copies of any required County, State and Federal permits or written verification of a waiver of permit requirement.

6. **Sign Permit:** This permit does not include any identification signs. Before installing any signs on the property, the applicant shall make a separate application and obtain an approved sign permit by the Community Development Department. Contact the Community Development Department regarding application procedures for Sign Permit(s). All signs should be compatible with the structure and site design relative to color, material, and placement. This CUP does not provide approvals for any signage. A separate sign permit application is required for any signage. All signs should be compatible with the structure and site design relative to color, material, and placement. The signs shall conform to the requirements under Municipal Code Chapter 17.55. Address numbers shall also be added to the building or site, visible for emergency vehicles on First Street.
7. **Bicycle Parking:** Prior to final occupancy, the applicant shall provide bicycle racks or other secure bicycle parking to accommodate two (2) bicycles. A bicycle parking facility may also be a fully enclosed space or locker accessible only to the owner or operator of the bicycle, which protects the bike from inclement weather. Specific facilities and location of the racks, shall be to the satisfaction of the City Engineer and Community Development Department. The rack should be coated with or constructed of a durable material that prevents rust and corrosion.
8. **Lighting Plan:** Prior to issuance of final occupancy, lighting plan shall be submitted for Police Department, Building and Safety Department and Community Development Department approval. The Lighting Plan shall show the locations and height of all exterior lighting fixtures. Lighting: All outdoor lighting shall be hooded and directed so as not to shine on residential neighborhoods, public roads or surrounding properties. Where appropriate, light-emitting diode ("**LED**") lighting should be used for external lighting to reduce the site's electricity consumption.
9. **Landscaping Plan:** At the time of building permit submittal, a final landscape and irrigation plan shall be submitted for approved by the Community Development Department as part of the building permit plan. **Prior to final occupancy, a minimum of twelve (12) approved trees shall be planted as shown on the site plan and attached as Exhibit 2. A minimum of 12 trees shall be planted at the site and shall be at least fifteen (15) gallon and include automatic irrigation system. Said landscaping shall also include shrubs and ground cover as well as 2 inches of wood mulch. The landscaping area shall be increased to a minimum of twenty (20) percent of the total area of the site.** Said changes shall be included in the final landscaping plan to be submitted to the Community Development Department. Landscaping shall include measures to screen outside vehicle storage from adjacent existing residential land use (either hedge, wall or fencing with permanent slats a minimum of six (6) feet in height,

Public Works Department (The applicant should discuss the following COA with contact Sal Morales, 831.386.5919)

10. **Trash Storage Area:** Trash containers shall be stored within the trash enclosure at all times, except when being unloaded. The trash enclosure shall be constructed of block walls and wood gates and sized to accommodate trash, recycling, and green waste containers. A trash storage area shall be identified with bins for trash and recyclables. The storage area shall be screened from public view.
11. **Sidewalk/Public Accessibility: Before issuance of an occupancy permit,** public improvements to South First Street shall be completed and approved by the City Engineer including any necessary paving for full street width, curbs, gutters, sidewalks and improvements of the parkway strip adjacent to the property. Improvement drawings of said improvements shall be prepared and signed by a qualified civil engineer. An ADA/CA Title 24 Accessibly compliant walkway and sidewalk shall be installed from the proposed project to the sidewalk adjacent to the public right-of-way, as found acceptable by the Public Works Department, City Engineer and Building and Safety Department. All details and information applicable to this requirement shall be included on the plans submitted for ADA/CA Title 24 Accessibly review before application for a building permit. All public sidewalks shall be in existing or dedicated City right-of-way.
12. **Encroachment Permit: Prior to starting street frontage improvements,** the applicant shall be required to obtain a City of King encroachment permit for all work in City right of way (e.g., sidewalk, curb, gutter, driveway, roadway, alley).
13. **Street Frontage: Prior to issuance of occupancy permit,** the applicant shall show that right-of-way improvements, including curb, gutter, sidewalk, and existing handicap ramp. The applicant shall make upgrades to comply with ADA standards along project frontage. This includes making upgrades to sidewalk, driveways and handicap ramps that do not meet ADA standards, as necessary. The actual limits shall be reviewed and approved by the City Engineer.
14. **Submittal of Erosion and Sediment Control Measures and SWPPP (MM HY-1):** Prior to any construction, erosion and sediment control measures for grading and construction as well as for the permanent project shall be prepared and approved by the City Engineer. In addition, if required by State and Federal Law, a Stormwater Pollution Prevention Plan ("**SWPPP**") may be required to be submitted to the City Engineer for review and approval, depending on size of project. To prevent silt and debris from entering the existing storm drain system during construction, the developer shall utilize storm drain inlet interceptors or filters to protect the existing storm drain. Soils and/or percolation test(s) may be required by the City Engineer and/or RWQCB to identify measures necessary to maintain and reduce stormwater on-site and other measures to provide erosion, sediment and pollution control at the site.

Building and Safety Department (The applicant should discuss the following COA with the Building Official, at 831.386.5932, if there are any questions.):

15. **Building Plans:** All COA shall be imprinted on plans submitted for building permits. Building plans shall comply with the current Title 24 California Building Standards Codes.
16. **Soils Report:** As part of the building permit submittal, the applicant shall submit a Soils Report prepared by a State of California-Registered Engineer or State of California-Registered Geotechnical Engineer. The Soils Report shall be reviewed and approved by the Building & Safety Department. A soils report and/or percolation tests may also be required by the City Engineer and/or Regional Water Quality Control Board ("***RWQCB***") to determine measures to meet erosion and sediment control requirements for the project and final improvements.
17. **Pad Elevation Certification:** The pad elevation certification may be submitted upon foundation inspection.
18. **Fire Exits:** Prior to final occupancy, fire exist plans shall be submitted for review and approval of the Building and Safety Department and Fire Department.
19. **Utilities:** Prior to final occupancy, the applicant shall provide a recorded easement running with the land that includes a sun-setting at the time that the building is demolished with no cost to the city or developer for the re-location of the utilities.
20. **Lot Merger Map:** Prior to issuance of a building permit, the applicant shall file a final Lot Merger Map to merge APN235-042-004 and APN235-042-005, subject to the approval of the City Engineer and Community Development Director. Said map shall contain information as deemed necessary by the City and be of a form specified by the City Engineer.

Fire Department (The applicant should discuss the following COA with George Young, Fire Chief, at 831.385.3343, if there are any questions.):

21. **Automated Fire Suppression System:** Concurrent with the building permit application, the applicant shall submit automated fire suppression system plans to the Building and Safety Department for review and approved by the City Engineer, Building and Safety Department and Fire Department.

Police Department (The applicant should discuss the following COA with the Police Chief, at 831. 385.5944, if there are any questions):

22. **Security Plan:** Prior to occupancy, the applicant shall submit a security plan for Police Chief consideration.

Miscellaneous Conditions of Approval

Other Environmental Conditions:

- 23. Landscape and Irrigation Plans:** At the time of building permit submittal, the applicant shall submit a Final landscape and irrigation system design to the Community Development Department for final sign-off by the Community Development Director ("**Director**") and City Engineer. A minimum of twelve (12) trees shall be included in the landscape areas, with a minimum of five (5) of those trees to be planted and maintained in the frontage landscape strip. The remaining five (5) trees shall be planted within the southerly landscape strip. In addition, if any existing trees are removed or damaged to the point of loss of the existing tree, each of those trees shall be replaced with a minimum of one (1) tree for each existing tree being removed. Landscape area shall be a minimum of twenty (20) percent of the area of the site. Landscaping will utilize water-conserving drought resistant plants that will function as screening and enhance the building appearance and include a water conserving automatic irrigation system to be approved by the Director. Landscaping shall also include shrubs and groundcover to provide ultimate 75 percent coverage of landscape areas. Automatic irrigation systems shall be provided to irrigate all plants. Mulch, a minimum of two (2) inches shall cover all landscape areas. Plans shall indicate methods of planting, sizes of initial landscape materials, ground covers, durable mulch cover and other details of landscaping. Irrigation water shall not overthrow onto walks, common areas, or onto any architectural walls.
- a. **Runoff incorporated into landscaping:** The site plan shall address all runoff in conformance with current storm water regulations. All runoff shall be directed to approved new landscaping areas and shall be designed to properly address pollution control. Landscape areas shall be designed by both the project engineer and landscape designer to incorporate bioremediation measures that will ensure that one-hundred (100%) percent of the runoff from the building and paved areas will infiltrate through a plant and soil medium that provides for bioremediation of any pollutants in the runoff and upper soil layer.
- 24. Screening of Roof and Ground Equipment:** At the time of building permit submittal, the applicant shall submit plans showing the methods of screening of roof-mounted and ground mounted equipment such as, but not limited to air conditioning and other equipment. Site and roof-mounted equipment shall be painted and screened from adjacent public street visibility and shall coordinate with architectural features of the building. Well maintained satellite dishes may be left unpainted. These details must appear on elevations submitted for architectural review. Ground mounted equipment should be screened by walls or effectively by landscaping.

25. **Cultural Resources:** In the event of an accidental discovery or recognition of any human remains, archaeological resources, paleontological resources or historical resources on the project site, if said resources are found during excavation or construction, work will be halted at a minimum of thirty (30') feet from the find and the area will be staked off. There shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie cultural resources, paleontological resources, historical resources or, in the case of adjacent human remains until the coroner of Monterey County is contacted to determine that no investigation of the cause of death is required. If the coroner determines the remains to be Native American the coroner shall contact the Native American Heritage Commission within 24 hours. A qualified professional (to be hired by the applicant and accepted by the City) in cultural resources, paleontological resources or historical resources shall evaluate the resources discovered at the site and provide recommendations for disposition of those resources. In the case of human remains, the Native American Heritage Commission shall identify the person or persons it believes to be the most likely descendent ("**MLD**") from the deceased Native American. The MLD may then make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code Section 5097.98. The landowner or its authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further disturbance if: a) the Native American Heritage Commission is unable to identify a MLD or the MLD failed to make a recommendation within 24 hours after being notified by the commission; b) the descendent identified fails to make a recommendation; or c) the landowner or its authorized representative rejects the recommendation of the descendent, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner."
26. **Mitigation Measure for Drainage:** Prior to grading and construction, a plan to address grading and construction-related rainstorm erosion and sedimentation shall be prepared and approved by the City Engineer. Measures shall include erosion protection during rainstorms by protection of the soil using methods to be approved by the City Engineer. After construction, permanent erosion control and measures to maintain rainstorm flows on-site will be employed as approved by the City Engineer. The applicant shall be required to meet all measures for stormwater pollution control, waste management, and provide public utility connections that comply with the City and other service providers.
27. **Fences & Gates:** At the time of building permit submittal, a fence and gate detail plan shall be submitted for review and approval by the Community Development Director, Fire Department and Police Department. Prior to the issuance of the building permit, the fence and gate details shall be made in

conformance with any conditions or modifications as deemed necessary by the Community Development Director, Fire Chief and Police Chief. The trash area shall be enclosed and screened by a block wall surrounding the trash and solid wood gates. The fence adjacent to the trailer park shall be of view-obscuring fence material and installation of a compact evergreen hedge six feet in height to help screen the area.

- 28. Parking:** The landuse of the building shall be limited to those uses specified in the project description and as described in Condition 1. Any different future uses proposed for the site shall be reviewed by the Community Development Department. All new uses shall include a determination of sufficient parking based on Municipal Code Section 17.26.120 and associated parking standards of the City of King. Additional fully improved parking, including landscaping areas, shall be required if any land use requires additional parking to be determined by the Director as based on Section 17.26.120. The City Engineer shall determine driveway access for visibility and safety.

Conditional Use Permit Agreement:

The conditional use permit is not valid until all conditions of approval ("**COA**") and mitigation 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 COA and mitigation 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**)"

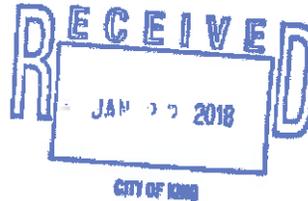
Applicant's Signature _____ Date: _____

Exhibit 5
Project Description

P.O. Box 1743
220 Lynn street
King city, Ca. 93930
(831)-385-0810

WESLEY BEEBE ARCHITECTURE

Maricruz Aguilar
City of King
King City, CA. 93930



Project Description

Tom Willoughby
740 first Street
King City, ca. 93930
APN: 235-042-005

The purpose for this project is to build a commercial Building A 4,880 Sq. Ft.

The site is Zoned H- 5 Highway Service

The first Phase building and parking lot would be used for warehouse and office for All-Temp Refrigeration. Tom would like to rent the second phase building to building contractors, Equipment supply companies, Restaurant supply business. The schedule for phase one is ASAP or the summer of 2018 and for phase two is two years in the future.

There would be a total of 11 parking spaces with more room in the back for overflow. The site would have its own bio-swale to deal with rain water runoff.

We are working for a lot merger for the two parcels to form one site. The surveyor currently working on this part of the project.

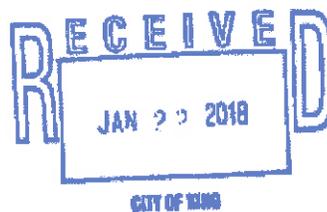
We will be asking for outside storage area the area will be fenced and used to store pickups and trailers.

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The hours of operation would be from 8-5, if we had two units we anticipate 1-2 employees each. All trucks left on site would be stored in side.

Let me know if you have any questions

Wes Beebe





Item No. 7(B)

REPORT TO THE PLANNING COMMISSION

DATE: FEBRUARY 06, 2018

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO BLANCK, COMMUNITY DEVELOPMENT DIRECTOR;

BY: SCOTT BRUCE, PRINCIPAL PLANNER

**RE: CUP AMENDMENT 2016-014(a)18; PHASED OPERATIONS - 161
AIRPORT DRIVE (APN 026-521-030)**

RECOMMENDATION:

Staff recommends that Planning Commission 1) review request for Conditional Use Permit, 2) receive public comment, and 3) adopt the attached Resolution approving Conditional Use Permit 2016-014(a)18.

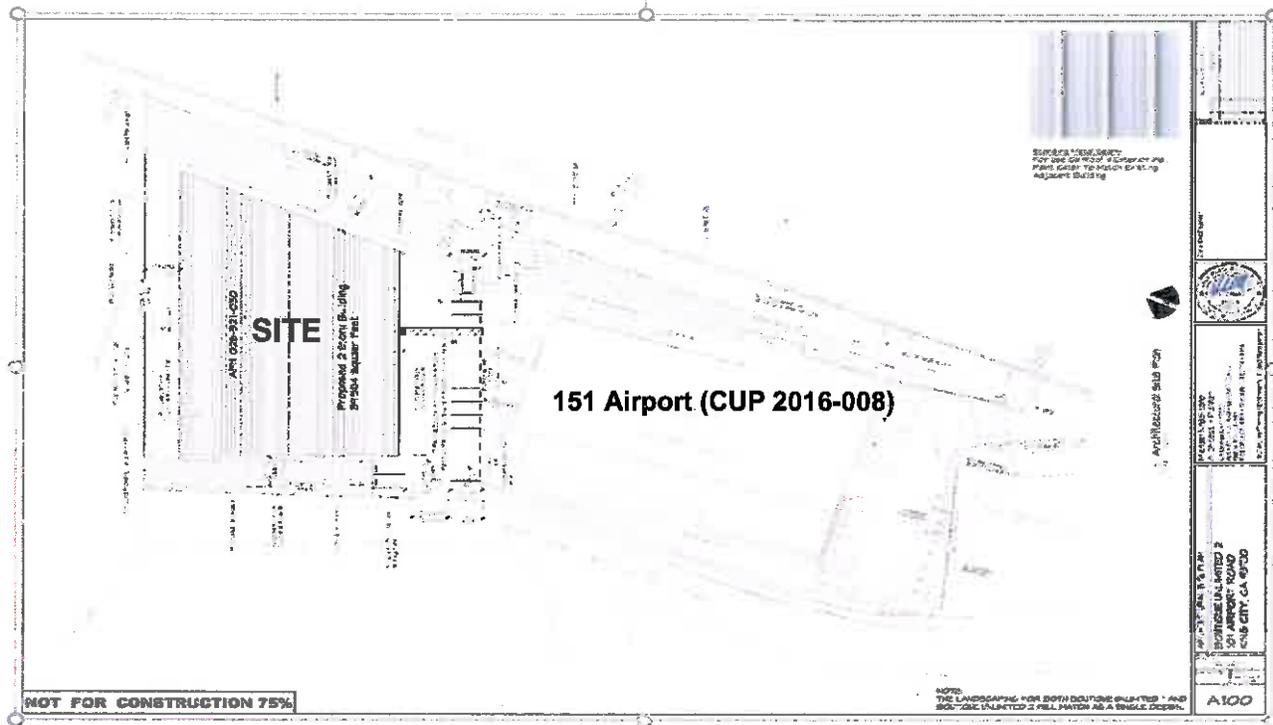
BACKGROUND:

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 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).

On December 19, 2017 the Planning Commission approved CUP 2016-014 which allowed Cannabis Cultivation (CA Type 3A), Nursery (CA Type 4), Level Two Manufacturing (CA Type 7) and Distribution (CA Type 11) on this site.

On December 20, 2017 the City issued Operations Permits for the above noted uses.

On January 16, 2018 the Planning Commission heard and discussed a request for Phased Operations. The Planning Commission directed Staff to work with the Applicant and to prepare Conditions of Approval Specific to Phase 1.



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 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. 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 20' and to the north 20'.

The Phasing Plan as submitted proposes temporary facilities that allow a phased path to Distribution and Manufacturing Operations. The Phased Development proposal is as follows:

- ***Modular container spaces housed within a temporary fenced area (50' x 62')(chain link) with a metal roof. The spaces include:***
 - ***one pre-fab modular manufacturing / extraction pod (12'x40')***
 - ***one secure storage container for manufactured product (10'x40')***
 - ***one container for distribution storage and packaging (10'x40')***
 - ***one office / security modular space (15'x40') located outside the temporary fenced area***

See Exhibit 2

No revisions to previously approved improvements to the structure and / or the site will occur. To address this proposal a limited number of amendments / additions to the Conditions of Approval have been prepared. These amendments do not impact the ultimate result of the currently approved CUP.

CUP Information: See Exhibit 6 for previous Staff Report. Please refer to Exhibit 5 for DRAFT Conditions of Approval related to this request.

Grading and Drainage:

The ultimate grading concept does not change. Staff recommends that the site be rough graded per the final site plan. The retaining wall separating the site from the "BU1" site to the south should be constructed. Over excavation and compaction should occur. The temporary structure with containers will be placed in the future parking lot.

The applicant has completed a drainage concept and has submitted a SWPPP to the Regional Water Quality Control Board for review. Prior to Operations of any type the applicant must show evidence of RWQCB approval and must demonstrate conformance of the interim operations to / with the approved SWPPP, to satisfaction of the City Engineer.

Architecture:

This Amendment does not impact size, height or color. **See Previous Staff Report** for photos of the existing site. The temporary metal structure roof will be green in color – per the approved color of the ultimate structure.

Floor Plan and Interior Uses:

This Amendment does not impact the floorplan, approved uses and / or their location within the structure. For this Phase the temporary metal building will have a floor area of approximately 3,000 sf and a height of 24'.

A concept site plan for the site and a floor plan for the temporary structure showing the location of containers and area for shipping / transport / storage have been submitted and must be reviewed and approved by HdL prior to Operations.

Landscape:

The site will be landscaped per plans as submitted. Drainage plans and SWPPP are being prepared and will be approved per the conditions of the CUP. No landscaping is proposed at this time. Note that the proposed Phase 1 parking area sits in the location of the future landscaping along the western border of the site/

See Exhibit 4.

Access, Parking, Paving:

Access and parking at build-out will not change in location or amount. For this Phase, the parking area is to be located along the western portion of the site. DG paving has been proposed for Phase 1 development. **See Exhibit 2.**

Signage:

The signage program will not change. For this Phase signage would be limited to an address mounted on the structure, for emergency and delivery purposes.

Security:

The Applicant is having a formal Operations and Security Plan prepared per the Conditions of Approval of the CUP. An armed guard will be present as described in the CUP approval process. This request will not impact that Plan. For this Phase, containers will be located inside the temporary structure, as described above. The applicant will prepare an interim security program (with cameras and lighting) to be reviewed and approved by HdL.

Fencing:

Fencing as approved in the CUP process will not change and will be in place prior to the beginning of Phase 1 Operations. Note that the western boundary is to have 8' wrought iron – this is the “street frontage” and presentation face of the building. This should be discussed. Fencing along the western boundary line should be moved onto the property before Phase 1 operations begin.

Exterior Lighting:

Lighting at buildout will not change. For this Phase lighting will be as approved by HdL from review of the interim Security Plan.

Cameras: Security cameras at buildout will not change – the final camera plans are being prepared and will be reviewed / approved by HdL. For this Phase, cameras and security will be as approved by HdL from review of Phase 1 Security Plan. A concept camera / lighting plan has not yet been prepared.

Solid Waste:

This amendment does not impact ultimate solid waste production at buildout or the location of the trash enclosure. The concept site plan for this Phase, shows office space in the area of the future secure dumpster site. Phase 1 dumpster enclosure should be constructed at the location as approved by HdL.

Water: The amendment does increase water use or impact it in a way not included in the previous evaluation. However, water is not currently available on-site. It is estimated that that water can be provided in approximately 2 – 3 months. Staff recommends that no operations begin until water has been provided.

In a preliminary request, the Applicant has asked that the site be allowed to access the water located to the south on the BU1 site. This site must operate as a separate, stand-alone entity.

Water (Landscaped Area): The Applicant is preparing a detailed landscaping plan for ultimate buildout with irrigation and detailed water analysis in conformance with the State of California's Department of Water Resources. This amendment does not impact that action. No landscaping is proposed for this Phase.

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

Sanitary Sewer: The site is not currently served by Sanitary Sewer. The previous approval directs that no Operations shall occur without connection to Sanitary Sewer. The City Engineer has received plans for the Sanitary Sewer extension to San Antonio Drive. Estimated time to connection is 2-3 months.

In a preliminary request, the Applicant asked that the site be allowed to access the septic system located to the south on the BU1 site. This site must operate as a separate, stand-alone entity.

Right of Way Improvements: All required improvements to the Airport Drive Right of Way should be completed with this Phase of Development

Power. The amendment does increase power use or impact it in a way not included in the previous evaluation. For this Phase, availability of power must be shown before Operations may occur.

Volatile Substances / Solvents:

Storage safety and use processes at build-out will not be impacted. This Phasing Plan includes Manufacturing. A use, quantity and storage plan will be required – to be approved by Police and Fire.

Operations Permit Related Information:

Boutique Unlimited seeks to accelerate the process to begin those Operations / Uses that were approved by CUP 2016-014. On December 20, 2017, Conditioned Operations Permits were issued for Cultivation, Nursery, Manufacturing and Distribution Uses.

Employee Traffic:

Employee Traffic at buildout will not be impacted. For this Phase, the number of employees is estimated at 2-4 persons with 2 shifts for Manufacturing and 2-4 persons with 2 shifts for distribution. 6 parking spaces are required to accommodate this number of employees.

Shipping and Transport:

This amendment does not impact procedures or quantity of product in / product out at buildout. For this Phase a plan for interim operations with estimated quantities of product and Security protocols (physical and electronic) must be prepared and reviewed / approved by HdL prior to Operations.

Odor Control:

This Amendment does not impact the approved Odor Control Program. Uses in this Phase must conform to the requirements of the Municipal Code.

Volatile Substances:

This Amendment does not impact storage of or processing with volatiles. For this Phase a plan for types, use, storage and disposal must be provided and approved by Fire prior to beginning Manufacturing Operations.

Security:

An armed guard will be on site at all a times. Visitor and Operations protocols for the ultimate development will not change an will be implemented with this Phase. A security plan for this Phase, the site and structure will be reviewed / approved by HdL prior to beginning any Operations. The Chief of Police will have the opportunity to comment.

Employee Vetting:

No person under 21 years of age will be employed on this site. The employee vetting process (as described in the CUP and Amendments) is being finalized at this time and the approved process will be used for this Phase. Employee work permits as described in the Municipal Code and the Application Package must be in place prior to Operations.

Employee Training:

This Amendment does not impact employee training procedures.

Product Diversion and Inventory Control:

This Amendment does not impact product diversion prevention as addressed by the previous approval. The product Diversion / Inventory Control Plan must be reviewed and approved by HdL prior to beginning of Operations in this Phase.

Quality Control: This Amendment does not impact quality control as addressed by the previous approval. The Quality Control Plan must be reviewed and approved by HdL prior to Operations

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 must execute 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 conducted an Initial Study related CUP 2016-014 and determined that the project to be within the scope of the prior analysis by the MND. At the public hearing of December 19, 2017 the Planning Commission Adopted a Finding of Consistency as recommended per CEQA Guidelines Section 15162 and as noticed for Public Review. The proposed Phase 1 Operations are limited to Operations evaluated during the CUP 2016-014 review process and are exempt from additional CEQA review per CEQA Guidelines §15301 (existing facilities).

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.

EXHIBITS:

1. Site Plan – Original CUP
2. Site Plan – Phase 1
3. Landscape Concept
4. Conditions of Approval
5. Resolution 2018 – 008
6. Staff Report CUP 2016-014
7. Grading Concept

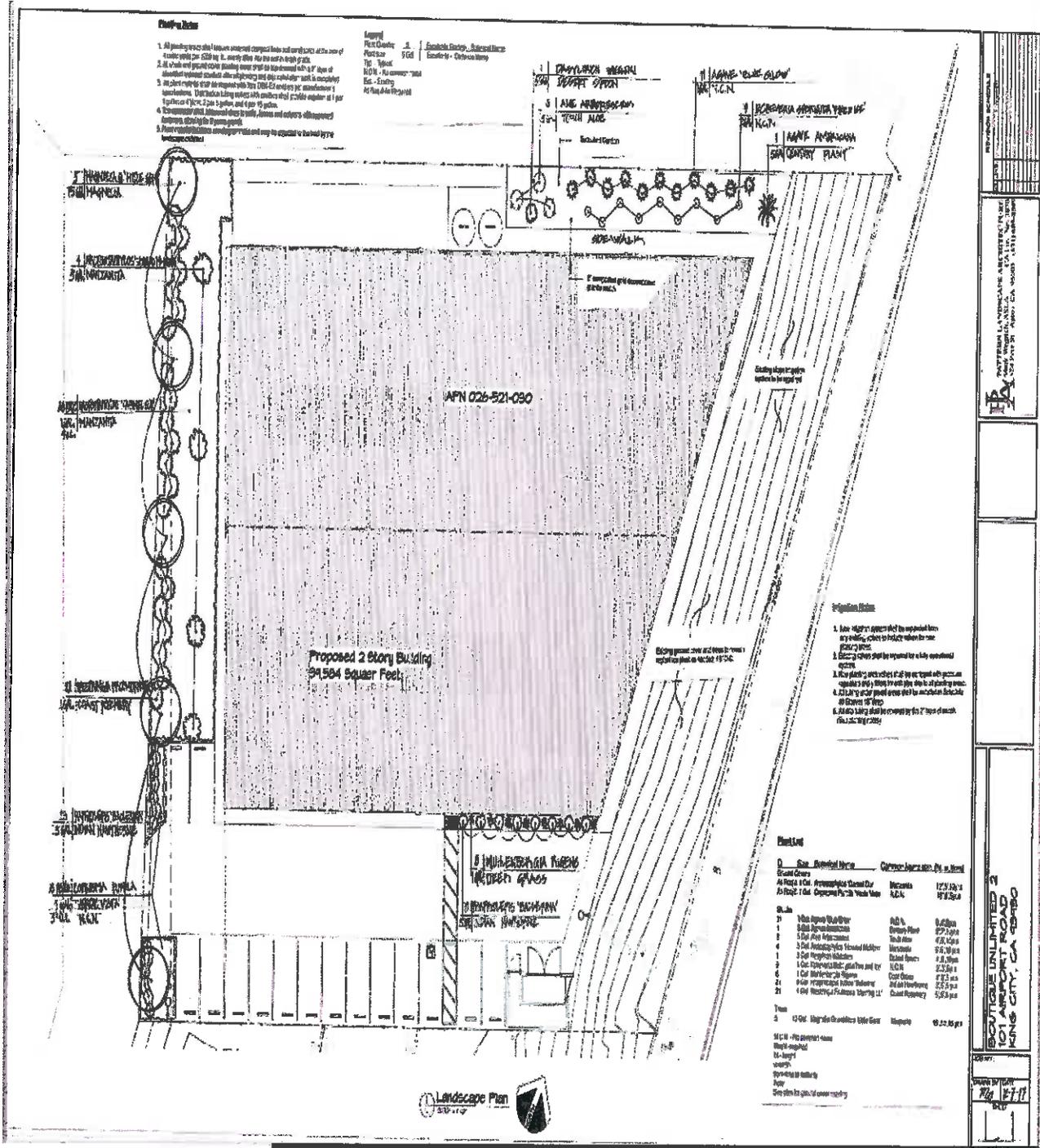
PLANNING COMMISSION
CUP 2016-014(a)18
February 06, 2018
PAGE 9 OF 9

*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 BRUCE, PRINCIPAL PLANNER

Approved by: _____
DOREEN LIBERTO-BLANCK, AICP, COMMUNITY DEVELOPMENT
DIRECTOR

CUP 2016-014
EXHIBIT 3



- Plant Notes**
- All plants are to be installed in accordance with the notes on the plan.
 - All plants are to be installed in accordance with the notes on the plan.
 - All plants are to be installed in accordance with the notes on the plan.
 - All plants are to be installed in accordance with the notes on the plan.
 - All plants are to be installed in accordance with the notes on the plan.

Scale: 1/8" = 1'-0"
Date: 05/15/17
Author: [Name]

- Planting Notes**
- Planting shall be done in accordance with the notes on the plan.
 - Planting shall be done in accordance with the notes on the plan.
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Planting

| Q | Qty | Plant Name | Common Name | Plant Size | Plant Cost | Total Cost |
|----|-----|------------|-------------|------------|------------|-------------|
| 1 | 10 | Redwood | Redwood | 12" x 12" | \$100.00 | \$1,000.00 |
| 2 | 20 | Redwood | Redwood | 12" x 12" | \$100.00 | \$2,000.00 |
| 3 | 30 | Redwood | Redwood | 12" x 12" | \$100.00 | \$3,000.00 |
| 4 | 40 | Redwood | Redwood | 12" x 12" | \$100.00 | \$4,000.00 |
| 5 | 50 | Redwood | Redwood | 12" x 12" | \$100.00 | \$5,000.00 |
| 6 | 60 | Redwood | Redwood | 12" x 12" | \$100.00 | \$6,000.00 |
| 7 | 70 | Redwood | Redwood | 12" x 12" | \$100.00 | \$7,000.00 |
| 8 | 80 | Redwood | Redwood | 12" x 12" | \$100.00 | \$8,000.00 |
| 9 | 90 | Redwood | Redwood | 12" x 12" | \$100.00 | \$9,000.00 |
| 10 | 100 | Redwood | Redwood | 12" x 12" | \$100.00 | \$10,000.00 |



Professional Seal and Stamp Area

Professional Seal: [Seal]

Professional Stamp: [Stamp]

Professional Name: [Name]

Professional Title: [Title]

Professional License No.: [License No.]

Professional Address: [Address]

Professional City, State, Zip: [City, State, Zip]

BOUTIQUE UNLIMITED
151 Airport Road
Plant Photos



Rhamphocipus Indica "Ballerina" - Indian Hawthorn



Rosmarinus Prostrata - Rosemary



Westringia Frutescens "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 Sun" - 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

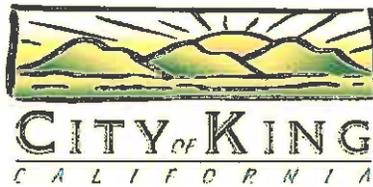


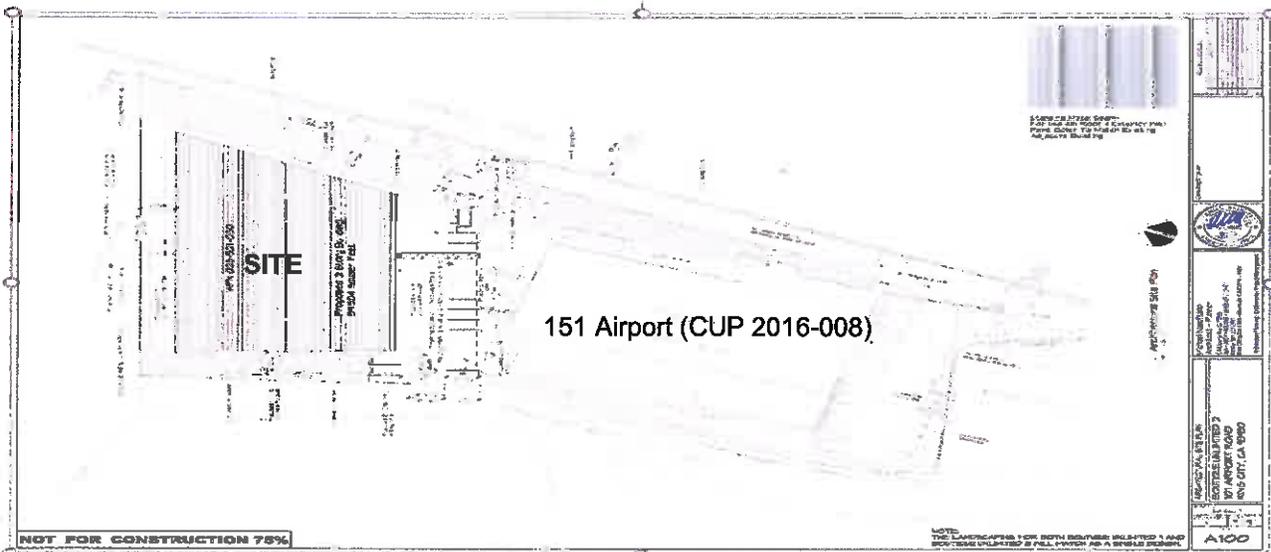
EXHIBIT No. 4

**Case Number: COA 2016 – 014(a)18
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(a)18 is a proposed Amendment to a previously approved Conditional Use Permit. The Amendment would Streamline the path to beginning Operations on previously approved Distribution and Manufacturing uses. The location is 161 Airport Drive as generally depicted in the attached diagram, below. The site is approximately 1.0 acres, construction of a new two story building of approximately 41,500 sf with a 20,750 sf footprint has been previously approved. 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 Amendment does not impact ultimate buildout but requests that modular units be located on the site prior to completion of the structure. Streamlined Operations include Distribution and Level 2 Manufacturing.

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).

On December 19, 2017 CUP 2016-014 allowed Cultivation, Nursery, Level 2 Manufacturing and Distribution.

On January 16, 2018 the Planning heard the Applicant's request for Phased Operations. At that time the Commission directed Staff to prepare Conditions of Approval specific to Phased Operations and provide them for review and action at the February 06 meeting.

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 and the Findings of Consistency from December 19, 2017 Planning Commission Hearing (CUP 2016-014), with no potentially significant impacts. Because the impacts of this interim fall within and do not add to those previously evaluated, it is exempt from additional CEQA review per CEQA Guidelines §15301 (existing facilities) .

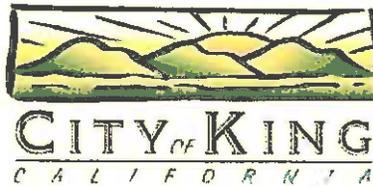
IMPORTANT: PLEASE READ CAREFULLY

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).

GENERAL CONDITIONS:

1. All Conditions of Approval associated with CUP 2016-014, 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
4. Additional information regarding the use, storage and disposal of solvents / volatiles shall be provided to the satisfaction of the Community Development Department and the Fire Chief or Designee.
5. A time frame for Phase 1 Operations, a plan for construction of the permanent building while Phase 1 Operations are in place and a plan for removing Phase 1 uses / completing approved Site Plan shall be provided
6. All HdL approvals specific to this Phase shall be in place prior to beginning Operations.
7. A Performance Bond or Letter of Credit, may be required, at discretion of City Manager.

PART C- SPECIFIC CONDITIONS AND REQUIREMENTS

COMMUNITY DEVELOPMENT DEPARTMENT :

1. **Allowed Use During Streamlined Operations :** Commercial Cannabis, Manufacturing Level 2 (CA Type 7), Distribution (CA Type 11)



2. **Development / Construction:** The Applicant has requested that modular container spaces be contained inside a temporary structure on the site. The Applicant also requests one or two modular offices to be located outside the temporary building. All proposed structures / modulares will be located as shown on the site plan. Modulares inside the temporary structure are to include:
 - a. One manufacturing / extraction pod
 - b. One secure storage container for pre and post manufactured product
 - c. One or two containers for distribution storage and packaging.

Modulares outside the temporary structure include:

- a. One or two modular office spaces.
3. The proposed structure is a single story 3,000 sf structure consisting of metal walls and metal roof. It will be accessed from the access easement along the western boundary of the site at the location indicated on the previously approved site plan. Roof color will be green per previous CUP Approval
 4. Building Plans and site development plans will be submitted and approved prior beginning of Operations.
 5. **Parking:** Parking will conform to the Plan and Application Package as Submitted. Phase 1 parking will be DG as shown. A drainage plan for Phase 1 will be provided.
 6. **Landscaping:** Landscape at buildout will not change. A 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.

Phase 1 Operations: No planting has been proposed at this time. On-site landscaping may be required per the approved landscaping concept to the satisfaction of the Community Development Director or Designee. (See CUP 2016-014, December 19, 2017). ROW to be cleaned and maintained to satisfaction of Community Development Director / Designee. **See Staff Report, Exhibit 3.**

Site will be maintained in clean condition with regular weed abatement.

7. **Lighting:** A Phase 1 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.
8. **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.
9. **Fencing:** Fencing along Airport Drive shall be no climb chain link with screening slats, including 2' of barbed wire at the top, angled out. Existing fence may be considered for use, depending on condition, as determined by Community Development Director / Designee. 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 shall be located on subject property (currently in easement ROW), to be eight (8') foot wrought iron, curved at the top, angled out. Fencing will be installed on lot line between CUP 2016-008 and CUP 2016-014. **See Staff Report Exhibit 7.**



BUILDING AND SAFETY DEPARTMENT: No application for Building Permit has been submitted. An application / permit package must be submitted and approved prior to beginning temporary operations.

Building Plans:

1. All Planning Commission COA shall be imprinted on plans submitted for building permits. An application / permit package must be submitted and approved prior to beginning temporary construction / development. Package may be submitted concurrently with sewer and water connection information. Package to address structure and site construction. Package shall include specifics of modular units for manufacturing / distribution and temporary office space as well as the temporary metal structure.
2. **Scope of Work Description:** Scope of work shall clearly identify conform with that found outlined in the Staff Report.
3. **Sprinklers:** Temporary structure will be approved by Fire Marshall / Building Official prior to beginning Operations.
4. **Phasing Coordination:** Applicant shall provide coordinated construction plans describing the integration of Phase 1 Operations with Buildout, to satisfaction of Building Official and City Engineer.
5. **ADA Compliance:** Phase 1 construction will be ADA compliant.

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. Construction documents for future improvements must be in process to satisfaction of City Engineer prior to beginning Phase 1 Operations. ROW Improvements are to be under construction prior to yearly application for Permit renewal. ROW must be weed abated prior to Phase 1 Operations, with regular maintenance.
- 3 **Drainage:** Results of RWQCB SWPPP review and drainage calculations to be submitted to City Engineer. Site shall drain 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 **Sanitary Sewer:** Connection to City of King Sanitary Sewer system must be demonstrated to satisfaction of City Engineer prior to beginning site operations.
- 6 **Water:** Connection to City of King / Cal Water system must be demonstrated to satisfaction of City Engineer prior to beginning site operations.
- 7 **Grading:** Grading at property line with site to south must be resolved to satisfaction of City Engineer, reflecting buildout condition. Refer to CUP 2016-008 grading plan. A grading plan for buildout must be completed prior to beginning Phase 1 Operations. For Phase 1 Operations, site must be graded to satisfaction of City Engineer. At a minimum, over-excavation, and rough grading are recommended. Modular units / temporary structure to be placed within the footprint of the future



parking lot.

- 8 **Parking:** Area for parking shall be graded to satisfaction of City Engineer. Parking area during Phase 1 Operations shall be DG or similar all-weather material to satisfaction of City Engineer. Parking area for Phase 1 will be ADA compliant.

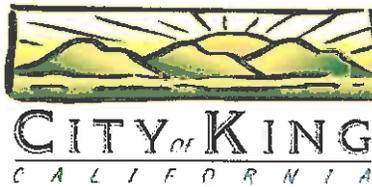
OPERATIONS PERMIT: Renovations shall comply with and Operations be subject to full compliance with Section 17.03 of the City of King Zoning Code as amended and the Regulatory Application Package.

- A. **Operations Permit:** The Regulatory Permits as approved December 19, 2017 by the City Manager are in force for the period of one year and shall be renewed annually. No operations shall occur without a current permit. Phase 1 Operations, if still operating, require Planning Commission review and approval prior to issuance of a new Operations Permit.
- B. **Security Cameras:** A camera plan for the temporary facilities shall be prepared and approved by HdL prior to beginning Phase 1 Operations.
- C. **Security Systems:** Security systems shall be revised to address Streamlined Operations, shall conform to the purpose and intent of those presented in the Application Package, to the satisfaction of the Chief of Police and the City's Consultant (HdL).
- D. **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 identified for Streamlined Operations to the satisfaction of the City of King Fire and Police Departments in compliance with Section 17.03.270 (a) and (b)
- E. **Solid Waste:** Solid waste disposal shall be in compliance with County of Monterey Health Department and Waste Management, Inc. requirements. Disposal location shall be approved by HdL.
- F. **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.
- G. **Air Quality:** Venting of Solvents, CO₂ and / or Ethanol / Alcohol shall be in compliance with Monterey County Air Resources Board Standards.
- H. **Pesticides and Fertilizers:** Not Applicable for Phase 1 Operations.
- 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 17 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:

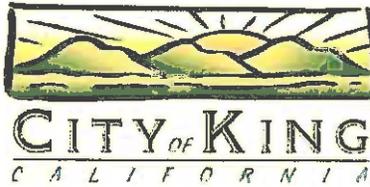
- a. *Any approvals issued in connection with all approvals, actions and applications by City covered by the conditions of approval and/or mitigation measures; and/or*
- b. *Any action and approvals taken to provide related environmental clearance under the California Environmental Quality Act of 1970, 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. 2018- 208

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING,
APPROVING CONDITIONAL USE PERMIT CASE NO. CUP 2016-014(a)18**

WHEREAS, on **December 20, 2018**, **Boutique Unlimited** submitted application amend CUP 2016-014 which allowed 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 161 Airport Drive.

WHEREAS, the purpose of this Amendment is to allow Phased Operations, specifically to allow Manufacturing and Distribution uses;

WHEREAS, on **January 16, 2018** the Planning Commission heard and discussed the request, continuing the item to **February 06, 2018** and directing Staff to work with the Applicant on the details of the Phase 1 Construction / Operations and to prepare Conditions of Approval.

WHEREAS, the proposed Phase 1 Distribution and Manufacturing 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 for CUP 2016-014 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, on **December 19, 2017** the Planning Commission adopted a Finding of Consistency, duly filed with the County of Monterey;

WHEREAS, the potential impacts of the proposed Amendment fall within and were duly addressed in the previous evaluation;

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 **February 06, 2018**; and

WHEREAS, after due consideration of the administrative record, the Commission desires to approve **CUP 2016-014(a)18**, finding it consistent with the previous analysis and Categorically Exempt per CEQA Guidelines §15332 (infill development projects).

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 (Phase 1 Development) 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:

Exhibit 5

- 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 confirms the Finding of Consistency with the MND

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

1. The purpose of the proposed Phase 1 Use (Cannabis manufacture of 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 a one story temporary metal structure of approximately 3,100 sf, located in the area to be used for parking at buildout. The structure will be less than the 38' maximum height approved for the site by the Commission on December 19, 2017.
5. 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.
6. Landscaping will be installed per CUP 2016-014(a)18 Conditions of Approval.
7. Right of way improvements (sidewalk) along the Airport Drive frontage will be performed to the satisfaction of the City Engineer.
8. All processes and interior construction/building improvements, security/operating procedures will be in conformance with the Amended CUP/ Application Package, as submitted and/or as conditioned and with City of King Zoning Code Chapter 17.03 (Commercial Cannabis Activity). **See Staff Report and Conditions of Approval.**
9. Power and Water are available and are required to be provided prior to/concurrent with building construction.
10. Evidence of hook up to the City's Sanitary Sewer system must be provided prior to any Operations.

Exhibit 5

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(a)18.

This resolution was passed and adopted this **06th day of February, 2018** by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

DAVID NUCK, CHAIRPERSON

ATTEST: _____

ERICA SONNE DEPUTY CITY CLERK for
MARICRUZ AGUILAR-NAVARRO,
ASSISTANT PLANNER / PLANNING COMMISSION SECRETARY



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)

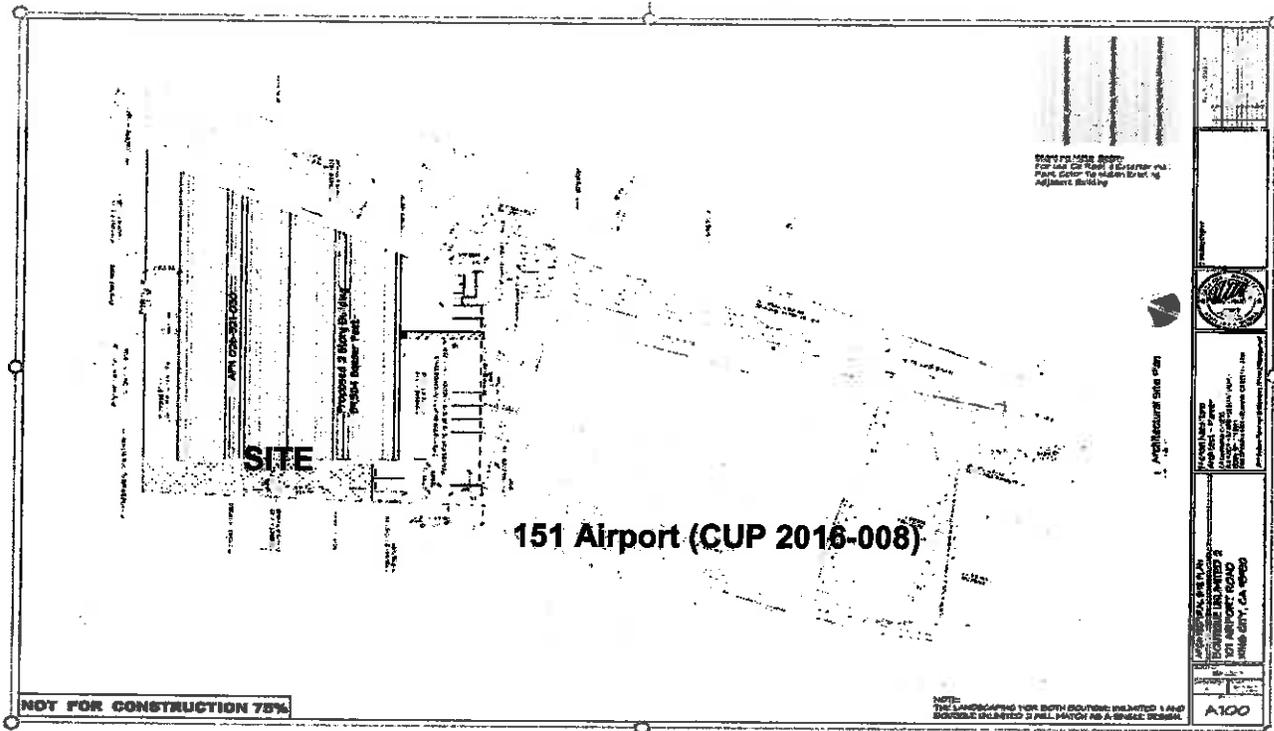
RECOMMENDATION:

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.



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:

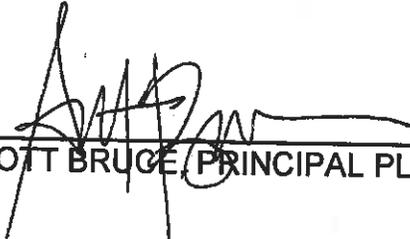
1. Hear the item, invite public comment and approve the item as presented.
2. Deny the item. If the Planning Commission wishes to deny the CUP, the item needs to be continued, directing Staff to return with a Resolution of Denial.
3. Provide alternative direction to Staff.

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 BRUCE, PRINCIPAL PLANNER

Approved by:



DOREEN LIBERTO-BLANCK, AICP, COMMUNITY DEVELOPMENT
DIRECTOR



Item No. 7(C)

REPORT TO THE PLANNING COMMISSION

DATE: FEBRUARY 06, 2018

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO BLANCK, COMMUNITY DEVELOPMENT DIRECTOR;

BY: SCOTT BRUCE, PRINCIPAL PLANNER

RE: CUP AMENDMENT 2016-008(c)18; NURSERY OPERATIONS (CA Type 4), PHASED OPERATIONS; 151 AIRPORT DRIVE, CITY OF KING

RECOMMENDATION:

Staff recommends that Planning Commission 1) review request for Conditional Use Permit, 2) receive public comment, and 3) adopt the attached Resolution approving Conditional Use Permit 2016-008(c)18.

BACKGROUND:

In September 2016 the City Council approved 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 were allowed in the M-1, M-2 and M-3 Districts and in the ERBP. 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 CUP 2016-008(a)17 Amendment added Manufacturing Level 2 (volatiles) (CA Type 7) to the allowed use(s) on this site.

On December 19, 2017 (CUP 2016-008(b)17 the Commission approved Distribution (CA Type 11) use on the site

On December 20, 2018 Operations Permits for Manufacturing and Distribution were approved by the City Manager.

On January 16, 2018 the Planning heard the Applicant's request for Phased Operations and the addition of Nursery Operations (Type 4 CA License). At that time the Commission directed Staff to prepare Conditions of Approval specific to Phased Operations and provide them for review and action at the February 06 meeting. **See Exhibit 6.**

DISCUSSION:

Overview:

The previous approvals allow Cannabis related uses in 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 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.
- An 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



The October 17, 2017 Amendment allowed the Applicant 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.

The December 19, 2017 Amendment allowed the Applicant to replace approximately 6,000 sf of Cultivation with Distribution uses (office and storage) **See Exhibit 2.**

On January 16, 2018 the Planning Commission heard and discussed a request for Phased Operations. The Planning Commission directed Staff to work with the Applicant to prepare a revised site plan and to prepare Conditions of Approval Specific to Phase 1.

As noted above, currently approved uses are now Commercial Cannabis Cultivation, compliant with future State License 3A (indoor, artificial light) and Level 2 Manufacturing compliant with future State License 7 and, Distribution compliant with future state License 11.

The Current Amendment proposes a temporarily revised floor plan that allows Distribution and Manufacturing Operations. See Exhibit 3 for proposed floor plan and Exhibit 4 for Operations Protocols.

- *Deliveries will be inside the structure. Delivery area will be fenced.*
- *Inspections will be made within a second fenced area and product storage in a third.*
- *The existing modular office located at the south face of the structure will be used for administrative functions*

No revisions to previously approved improvements to the structure and / or the site will occur. A limited number of amendments to the Conditions of Approval have been prepared. These amendments do not impact the ultimate result of the currently approved CUP. See Exhibit 2

The Amendment also adds Nursery space as shown on Exhibit 5.

CUP Information: See Exhibit 8 for the previous Staff Report. Please refer to Exhibit 6 for Conditions of Approval related to this request.

Architecture:

This Amendment does not impact size, height or color. Refer to previous Staff Report to see photos of the existing structure.

Floor Plan and Interior Uses:

This amendment does not change the layout of the interior at buildout, with the exception of the location of the Nursery which is placed in the area previously devoted to Veg Room

and Mother Room. In this Phase the applicant proposes to locate a fenced area for unloading, inspection and, storage modular. **See Exhibit 3.**

A phased use plan that coordinates with approved building construction must be provided. The phased plan must be to the approval of the Building Official, specifically addressing potential safety concerns.

Landscape:

The ultimate landscaped area will not change.

Parking, Paving:

No new access, parking or paving is proposed for buildout. This Phase of development is not anticipated to impact parking

Signage:

Signage will not change, being limited to an address / street number for identification by emergency response personnel and deliveries, located at the south entry to the building.

Security:

A final Operations and Security Plan will be reviewed and approved by HdL prior to beginning Operations.

Fencing: Fencing at buildout will not change. Fencing as approved by the original CUP will be required prior to beginning any Operations.

Exterior Lighting: Lighting at buildout will not change. Exterior lighting as approved by the original CUP will be required prior to beginning any Operations.

Cameras: Security cameras at buildout will not change – the final camera plans are being prepared and will be reviewed / approved by HdL. In this Phase, cameras will be as approve by HdL, based upon the Security Plan for this Phase. **See Exhibit 3.**

Fertilizer and Storage:

This Amendment does not impact Cultivation / fertilizers. No Cultivation / Nursery operations will occur in this Phase.

Solvents:

Storage safety and use processes will not be impacted. Quantities, storage, use and disposal of solvents in this Phase (related to Phased Manufacturing use) will be approved by Fire prior to beginning Operations.

Solid Waste: This amendment does not impact ultimate solid waste production at buildout or the location of the trash enclosure. In this Phase, the secure solid waste dumpster should be located as approved by the CUP.

Water: The amendment does not increase water use or impact it in a way not included in the previous evaluation. Water is available to the existing site.

Sanitary Sewer: The site is not currently served by Sanitary Sewer. The previous approval indicates that no Operations shall occur without connection to Sanitary Sewer. The City Engineer has received plans for the Sanitary Sewer extension to San Antonio Drive. Estimated time to connection is 2 -3 months.

The Applicant has provided a Septic Tank Evaluation which indicates that the system is operational. It also indicates that the only use of the Tank related to the proposed Distribution will be one existing bathroom in the existing modular unit. Use of the Septic Tank as proposed will be as determined by City Engineer.

Right of Way Improvements: Curb and gutter improvements as required by CUP 2016-014 should be part of this Phase.

Power. The amendment does increase power use or impact it in a way not include in the previous evaluation.

Operations Permit Related Information:

Boutique Unlimited proposes to accelerate the process to begin those Operations / Uses that were approved by CUP 2016-008 and previous Amendments (Cultivation, Manufacturing and Distribution. Nursery is proposed by this Amendment and is in effect "insurance" to ensure that there is enough grow space to ensure most efficient use of the structure.

Shipping and Transport:

This amendment does not impact procedures or quantity of product in / product out. In this Phase the previous application package indicates that *One Distribution Related trip in and out per day is anticipated.*

Odor Control:

This Amendment does not impact the approved Odor Control Program. In this Phase, Odor Control requirements, per Municipal Code remain. Distribution Operations are anticipated to produce minimal odor. Odor associated with the proposed level of Manufacturing should be clearly identified and addressed.

Security:

An armed guard will be on site at all a times. Visitor and Operations protocols will not change. The physical and product tracking / transference Security Program has not yet been finalized and approved by HdL. A Security Plan for this Phase will be reviewed and

approved by HdL prior to beginning any operations. The Chief of Police will have the opportunity to comment.

Employee Vetting:

No person under 21 years of age will be employed on this site. The employee vetting process (as described in the CUP and Amendments) is being finalized at this time and the approved process will be used in the interim. No Operations will occur prior to employee vetting.

Employee Training:

This Amendment does not impact employee training procedures.

Quality Control:

This Amendment does not impact quality control procedures. They will be as addressed by the previous approval.

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 City requires that an Indemnification Agreement be execute.

ENVIRONMENTAL COMPLIANCE:

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.

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).

ALTERNATIVES:

1. Hear the item, invite public comment and approve the item as presented, with CEQA compliance 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. South Face (Existing Modular Unit)
2. Site Plan – Original CUP
3. Floor Plan – CUP 2016-008(a)(b)18
4. Floor Plan – Phase 1
5. Operations Protocols
6. Floor Plan - Nursery
7. Conditions of Approval
8. Resolution 2018 – 009
9. January 16, 2018 Staff Report

Submitted by: *Scott Bruce*
SCOTT BRUCE, PRINCIPAL PLANNER

Approved by: _____
DOREEN LIBERTO-BLANCK, AICP, COMMUNITY DEVELOPMENT
DIRECTOR

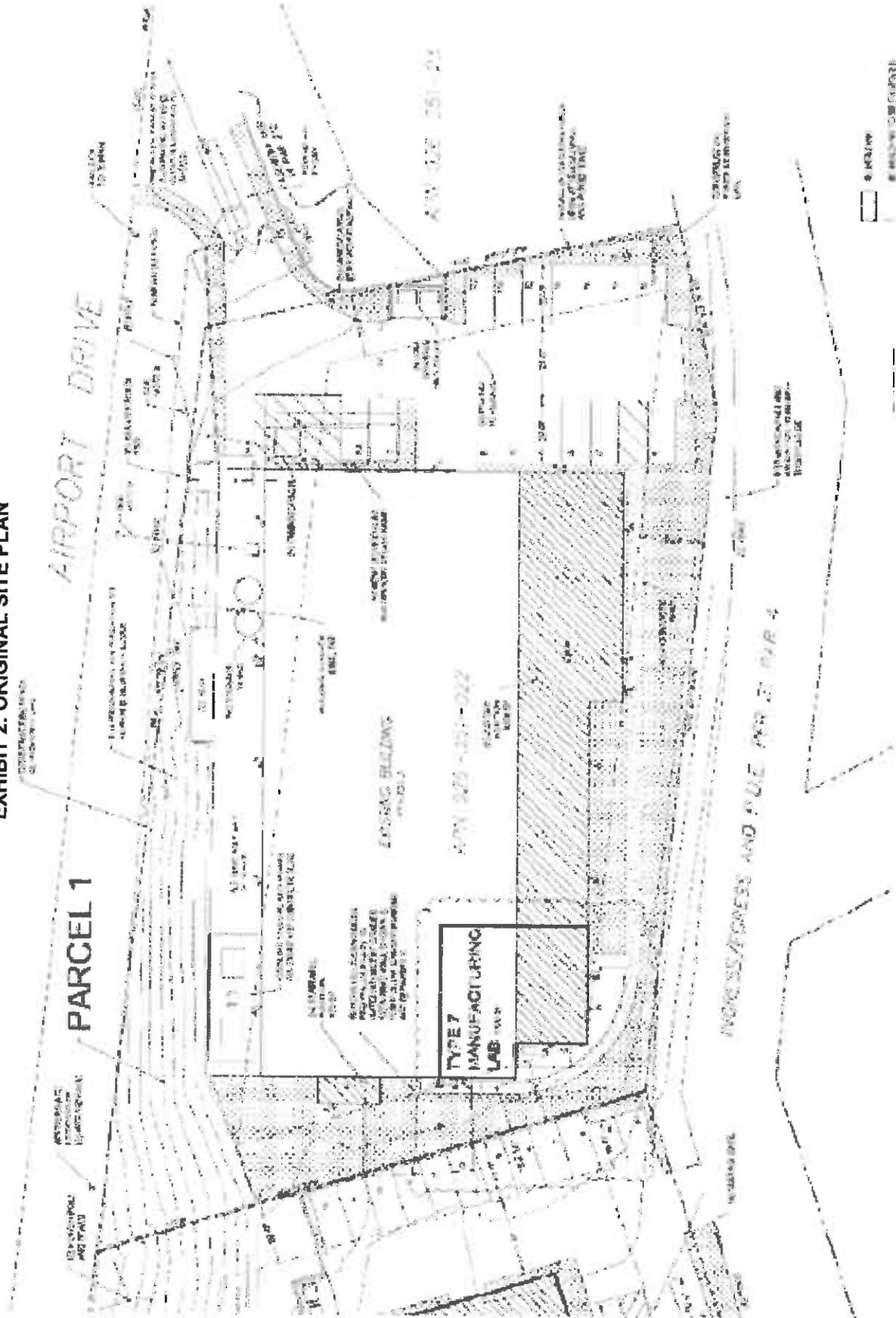
CUP 2016-008(c)18

EXHIBIT 1: SOUTH FACE (EXISTING MODULAR UNIT)

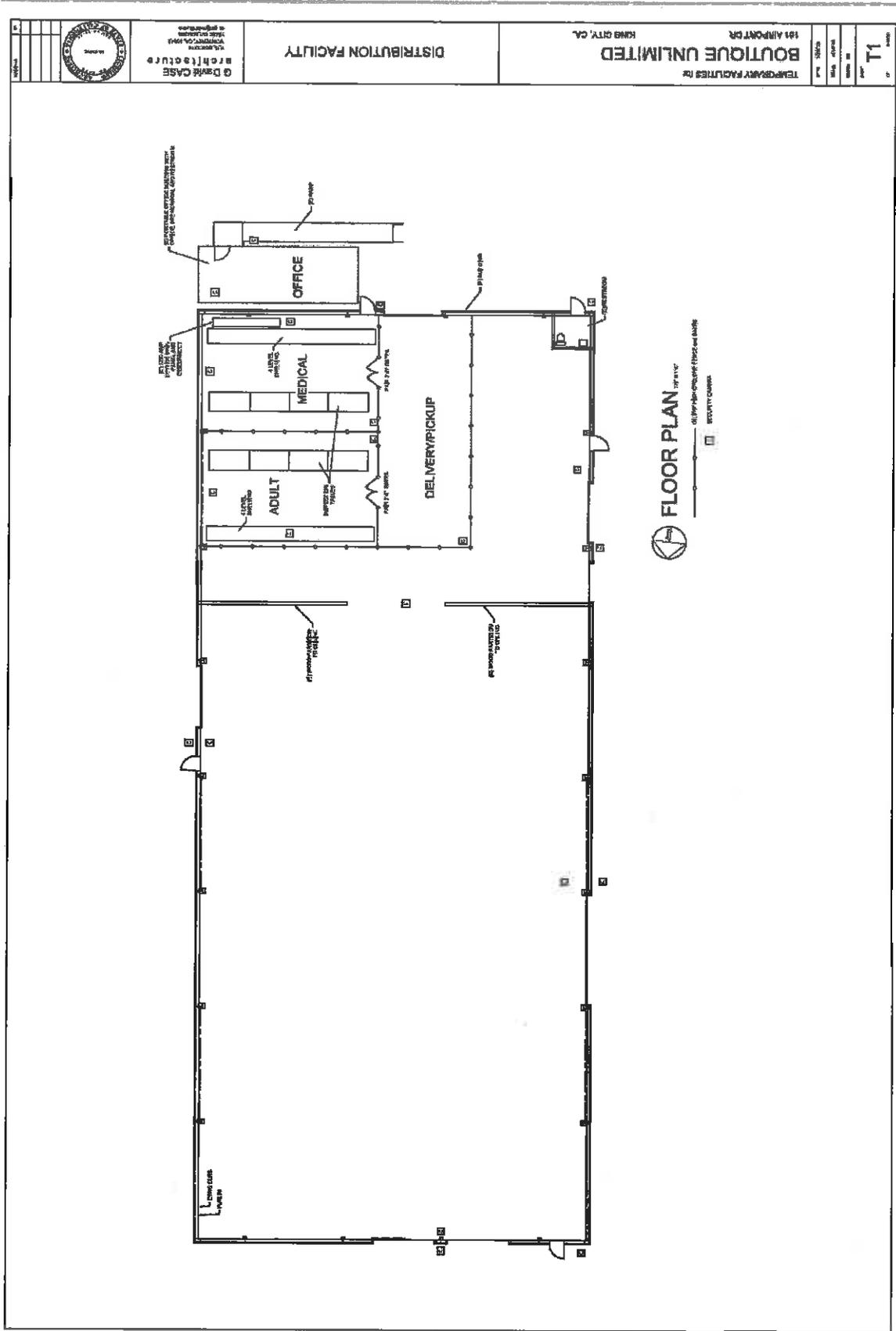


View looking at front (west facing) of building

CUP 2016-008(c)18
 EXHIBIT 2: ORIGINAL SITE PLAN



CUP 2016-008(c)18
 EXHIBIT 4: PHASE 1 FLOOR PLAN



CUP 2016-008(c)18

EXHIBIT 5: OPERATIONS PROTOCOLS

1/18/2018

Boutique Unlimited, Inc.

Phased Operations Plan- Distribution Only

Procedure for Vehicle Intake, Product Handling, and Vehicle Exit:

1. Vehicle Driver sends advance notice of arrival with picture of Identification as well and PO/Order information to Distribution Office.
 - a. If advance notice is not received before vehicle arrives, identification and order information must be confirmed before vehicle is allowed to enter property.
2. Upon arrival, vehicle and driver are documented and checked in.
3. Office is notified of arrival of vehicle.
4. Vehicle approaches roll up door in reverse.
5. Roll up Door is opened, with armed security guard awaiting vehicle inside of the warehouse.
6. Vehicle enters warehouse, and is contained within fenced area.
7. Roll up door is closed.
8. Vehicle Storage compartment is opened and product is unloaded by the driver onto tables in secure fenced area adjacent to vehicle intake area, under supervision of 1 distribution employee and 1 security guard.
9. Product is laid out under clear view of security cameras
10. Product is inspected by Distribution employee (QA check)
 - a. QA Inspection involves a combination of the following (depending on type of product):
 - i. Inventory
 - ii. Weight
 - iii. Labeling
 - iv. Damage
11. Once product and paper work check is complete, product is loaded back into vehicle.
12. Driver boards vehicle
13. Security Guard opens roll up door
14. Vehicle exits building and proceeds to exit property.

1/26/18

Boutique Unlimited Distribution, LLC.

Product Intake Procedure:

15. Upon arrival of distribution vehicle into intake area, product is unloaded onto inspection tables by driver, under supervision of security guard and distribution employee.
16. Product is inspected by Distribution employee (QA check) in clear view of security cameras.
 - a. QA Inspection involves a combination of the following (depending on type of product):
 - i. Inventory
 - ii. Weight
 - iii. Labeling
 - iv. Damage
17. Once QA check is complete, product is moved from inspection tables to shelf location.

Type 8 Testing Protocol:

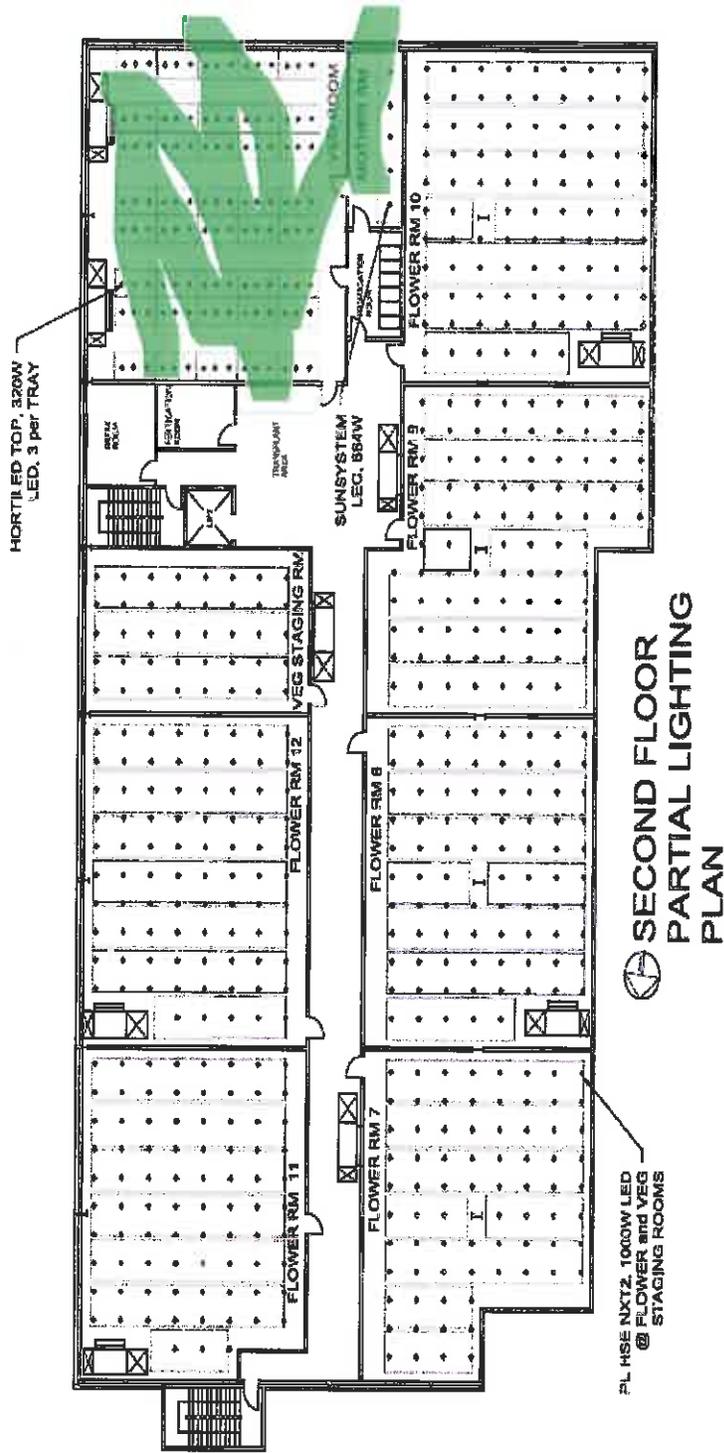
1. Testing lab employee arrives on site.
2. Testing lab employee is escorted into secure storage area by distribution employee.
3. Batch/Order that is designated for testing is removed from shelf location and placed on inspection tables by distribution employee.
4. Lab employee collects sample of product according to lab sample collection procedures, under supervision of distribution employee.
18. Upon completion of sample collection, product is returned to original shelf location by distribution employee.
19. Paperwork is exchanged and signed off between lab and distribution employees.
20. Lab employee is escorted out of secure storage area by distribution employee.
21. Lab employee leaves premises.
22. Product/Order remains in shelf location, in clear view of security cameras until test results are received.
23. Test results are received- if results are all favorable, product is released to go to market.

Outbound Product Procedure:

1. Once product is cleared to proceed to market with acceptable/compliant test results, transportation is arranged.
2. Vehicle and driver back up to roll up door under escort of security guard.
3. Security guard enters warehouse.

4. Distribution employee (office/admin staff) enters warehouse.
5. Security guard opens roll up door.
6. Vehicle backs into vehicle intake area inside warehouse.
7. Distribution employee removes product/order from storage shelf location onto inspection tables.
8. Driver and distribution employee confirm completeness of order.
9. Driver receives manifest from distribution employee.
10. Driver loads product into storage area of vehicle.
11. Secure storage areas for product are locked.
12. Driver returns to vehicle.
13. Vehicle is secured.
14. Security guard opens roll up door.
15. Vehicle exits warehouse.
16. Security guard closes roll up door.
17. Security guard escorts vehicle to premises exit.

CUP 2016-008(c)18
 EXHIBIT 6: FLOOR PLAN NURSERY



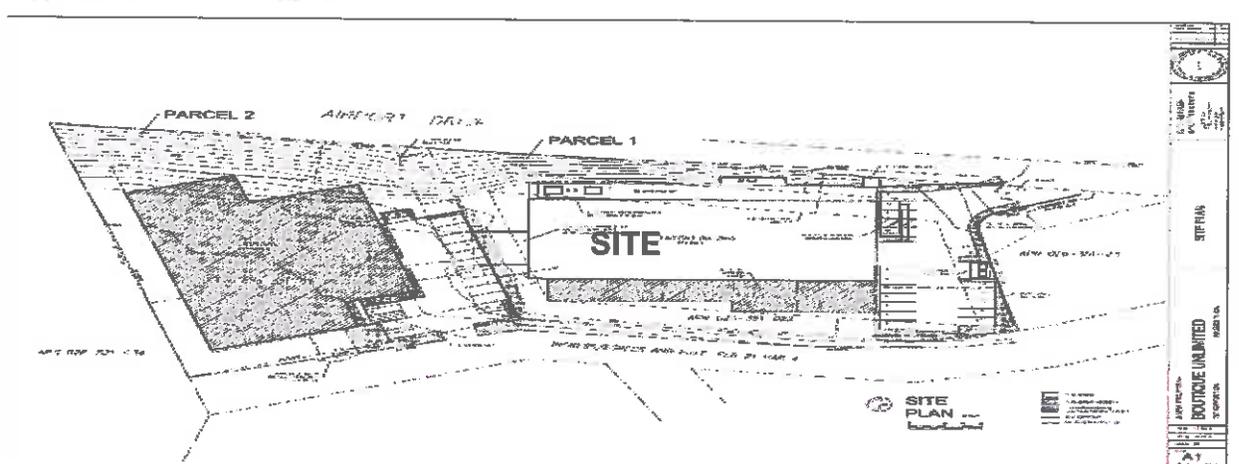
A NEW PROJECT for
BOUTIQUE UNLIMITED
 151 AIRPORT DR
 KING CITY, CA.



EXHIBIT No. 7

**Case Number: COA 2016-008(c)18
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: A Streamlined path to Operations is proposed for Distribution Use. Nursery Use is to be allowed in the existing structure at Buildout. Manufacturing may be pursued in the future. An existing 15,952 sf structure, on a 1.08 ac lot (47,192 sf), 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 Applicant proposes to utilize the existing modular unit at the south end of the structure for Distribution Office space. Area for delivery, testing and storage of product related to Distribution is to be located as shown on the attached floor plan.

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).

On October 17, 2017 CUP 2016-008(a)17 allowed Level 2 Manufacturing. On December 19, 2017 CUP 2016-008(b)17 allowed Distribution.

On December 20, 2018 Operations Permits for Manufacturing and Distribution were approved by the City Manager.

On January 16, 2018 the Planning heard the Applicant's request for Phased Operations and the addition of Nursery Operations (Type 4 CA License). At that time the Commission directed Staff to prepare Conditions of Approval specific to Phased Operations and provide them for review and action at the February 06 meeting.

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. [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. (To include on 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, 2016-008(a)17 and 2016-008(b)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, HdL 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.



4. A time frame for Phase 1 Operations, a plan for construction of the permanent building while Phase 1 Operations are in place and a plan for removing Phase 1 uses / completing approved Site Plan shall be provided
5. All HdL approvals specific to this Phase shall be in place prior to beginning Operations.
6. A Performance Bond or Letter of Credit, may be required at the discretion of the City Manager.

PART C – SPECIFIC CONDITIONS AND REQUIREMENTS

COMMUNITY DEVELOPMENT DEPARTMENT :

1. **Allowed Use During Phase 1 Operations:** Distribution (CA Type 11)
2. **Interior Renovation and Exterior:** This amendment proposes to use the existing modular unit, for administrative uses related to Distribution. One restroom is located in the modular unit

Distribution use shall be in substantial conformance with the floor plan as provided. Loading and unloading of product will occur inside the existing structure, using the existing roll up door on the south side of the structure. 10' chain link fencing shall separate Distribution Operations as shown. No exterior changes are associated with this Amendment. *Please see Exhibits 1 and 3 of Staff Report.*
3. **Parking:** No amendment..
4. **Landscaping:** No amendment. Entry planting to occur prior to beginning Phase 1 Operations, to satisfaction of Community Development Director or Designee. (See CUP 2016-008 May 16, 2017). ROW to be cleaned and maintained to satisfaction of Community Development Director / Designee.
5. **Lighting:** No amendment.
6. **Signage:** No amendment.
7. **Fencing:** No amendment. To occur prior to beginning Phase 1 Operations to satisfaction of Community Development Director or Designee. (See CUP 2016-008 May 16, 2017)

BUILDING AND SAFETY DEPARTMENT: (No application for Phase 1 Building / Construction 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 specific to this Phase.

- 1 **Scope of Work Description:** Scope of work for Phase 1 shall conform with that found in the Application and Staff Report.
- 2 **Building Plans:** Building Plans as submitted for Plan Check / Occupancy shall include revisions to identify areas for Phase 1 Distribution. Final Building Plans shall show areas for Distribution and Nursery at build out.. No Operations shall occur without approval of HdL, Fire Chief / assignee, Building Official and City Manager
- 3 **Sprinklers:** Building must be sprinkled to satisfaction of Building Official / Fire Officials.



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 Amendment / Staff Report..
- 2 **Sidewalk:** No amendment. Construction documents for future improvements must be in process to satisfaction of City Engineer prior to beginning Phase 1 Operations. ROW Improvements are to be under construction in process prior to yearly application for Permit renewal.
- 3 **Driveway Approach Revisions:** No amendment.
- 4 **Parking and Paving:** No amendment.
- 5 **Irrigation:** No amendment
- 6 **Sanitary Sewer:** The Applicant has requested the continued use of one (1) existing restroom located in the modular unit at the south face of the existing structure. The restroom is currently served by a septic system. An septic system evaluation performed by a licensed contractor has been provided to the City Engineer. Continued use of the restroom will be at the discretion of the City Engineer. No kitchen facilities will be allowed. Connection to City of King Sanitary Sewer system required prior to expanded use.

OPERATIONS 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 Permits as approved by the City Manager on December 04, 2017 are in force for the period of one year. Phase 1 Operations shall operate under the authority of that Permit which must be renewed annually. Renewal is contingent upon continued compliance with all Conditions of Approval (CUP's 2016-008, 2016-008(a)17, 2016-008(b)17, 2016-008(17)c) and Conditions of Approval attached to Operations Permit approval(s). No operations shall occur without a current permit.

One Permit is required per approved use. Permitted areas shall be to satisfaction / approval of HdL.

- B. Security Cameras and Lighting:** The previous camera location plan and lighting plan shall be revised for Phase 1 Operations to the satisfaction of the Chief of Police and the City's consultant, prior to commencing Operations. Cameras and lighting shall be installed to satisfaction of HdL prior to Operations. (Concept Plan has been reviewed by HdL)
- C. Security Operations:** The Security Plan shall be revised for Phase 1 Operations to the satisfaction of the City's consultant, prior to Operations. The Plan shall address physical operations and electronic product tracking. (Concept Plan has been reviewed by HdL).
- D. Fencing:** Fencing shall be placed per previous approval prior to beginning Operations. (6' high no climb chain link with barbed wire (not to exceed 8' total) with screening slats). Barbed wire shall be placed on top of rolling gate. Existing fence may be used when in good condition, to satisfaction of Community Development Director / Designee.
- E. Solid Waste:** Solid waste disposal shall be in compliance with County of Monterey Health Department, Waste Management, Inc. requirements and additional Green Waste requirements as placed by the State of CA or City of King.



- F. **Odor Control:** No Amendment, compliance with CUP 2016-008 required.
- G. **Solvents and Volatiles:** Quantity, types, use storage and disposal shall be to satisfaction of Fire Marshall. Phase 1 does not include Manufacturing Use at this time..
- H. **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.
- I. **Employee Background Checks:** No Amendment
- J. **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).
- K. **Work Permits and Fees:** No Amendment
- L. **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.
- M. **Record Keeping:** Financial and Product Record shall comply with the Regulatory Application Package and the requirements of Municipal Code Section 17.03.180.
- N. **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. 2018- 209

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

WHEREAS, on **December 20, 2017**, **Boutique Unlimited** submitted an application to amend a previously approved Conditional Use Permit (**CUP 2016-008, May 16, 2017; CUP 2016-008(a)17, October 17, 2017; CUP 2016-008(b)17, December 19, 2017**) in an existing structure located at 151 Airport Drive.

WHEREAS, the purposes to add Nursery (CA Type 4) and begin Phase 1 Distribution Operations.

WHEREAS, on **January 16, 2018** the Planning Commission heard and discussed the request, continuing the item to **February 06, 2018** and directing Staff to work with the Applicant on the details of the Phase 1 Floor Plan and to prepare Conditions of Approval.

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 for 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 **February 06, 2018**;

WHEREAS, the establishment, Phase 1 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 located in approximately 4,895 square feet of the southwestern portion of the existing structure. No new floor area is added.
4. The Applicant has submitted conceptual floor plans and Operations Protocols for the proposed use and they have been reviewed and preliminarily approved by the City's Cannabis Consultant – HdL. Operations will substantially conform to the concept information. All processes / improvements will conform to City of King Zoning Code section 17.03.
5. The entire lot will remain fenced – existing fencing will be improved and / or replaced and new screening will be installed.

Exhibit 8

6. 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.
7. Existing landscaping will be removed and new landscaping will be installed at the entry. Complete site landscaping will follow per the Conditions of Approval.

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(c)17

This resolution was passed and adopted this **06th day of February 2018** by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

DAVID NUCK, CHAIRPERSON

ATTEST: _____

ERICA SONNE DEPUTY CITY CLERK



Item No. 7(E)

REPORT TO THE PLANNING COMMISSION

DATE: JANUARY 16, 2018

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO BLANCK, COMMUNITY DEVELOPMENT DIRECTOR;

BY: SCOTT BRUCE, PRINCIPAL PLANNER

RE: CUP AMENDMENT 2016-008(c)18; NURSERY OPERATIONS (CA Type 4), PHASED OPERATIONS; 151 AIRPORT DRIVE, CITY OF KING

RECOMMENDATION:

Staff recommends that Planning Commission 1) review request for Conditional Use Permit Amendment, 2) receive public comment, and 3) provide Staff with comment and direction; and (4) continue action on the Amendment (Conditional Use Permit 2016-008(c)18) to February 6, 2018.

BACKGROUND:

In September 2016 the City Council approved 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 were allowed in the M-1, M-2 and M-3 Districts and in the ERBP. 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 CUP 2016-008(a)17 Amendment added Manufacturing Level 2 (volatiles) (CA Type 7) to the allowed use(s) on this site.

On December 19, 2017 (CUP 2016-008(b)17 the Commission approved Distribution (CA Type 11) use on the site

On December 20, 2018 Operations Permits for Manufacturing and Distribution were approved by the City Manager.

DISCUSSION:

Overview:

The previous approvals allow Cannabis related uses in 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 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.
- An 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



The October 17,2017 Amendment allowed the Applicant 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.

The December 19, 2017 Amendment allowed the Applicant to replace approximately 6,000 sf of Cultivation with Distribution uses (office and storage) **See Exhibit 2**

As noted above, currently approved uses are now Commercial Cannabis Cultivation, compliant with future State License 3A (indoor, artificial light) and Level 2 Manufacturing compliant with future State License 7 and, Distribution compliant with future state License 11.

The Current Amendment proposes temporary options that create a phased path to Distribution and Manufacturing Operations. The Phase 1 Development proposal is as follows:

- *Locate one secure shipping container inside the existing structure for storing product related to Distribution Operations*
- *Locate one modular pod for manufacturing inside the existing structure*
- *Locate one secure shipping container inside the existing structure for storing product related to Manufacturing Operations.*
- *Use the existing modular office located at the south face of the structure for administrative functions related to Distribution and Manufacturing uses*

No revisions to previously approved improvements to the structure and / or the site will occur. A limited number of amendments to the Conditions of Approval have been prepared. These amendments do not impact the ultimate result of the currently approved CUP. See Exhibit 5.

The Amendment also places the Veg Rooms and Mother Room on the 2nd floor under a Nursery Permit as shown on Exhibit 4.

CUP Information: See Exhibit 6 for Staff Reports giving Baseline information, from CUP 2016-008 and 008(a). Please refer to Exhibit X for DRAFT Conditions of Approval related to this request.

Architecture:

This Amendment does not impact size, height or color. Refer to previous Staff Report to see photos of the existing structure.

Floor Plan and Interior Uses:

This amendment does not change the layout of the interior at buildout. The Nursery Permit will affect the area devoted to Veg Room and Mother Room on the 2nd floor. In this Phase the applicant proposes to locate modular units as noted above. **See Exhibit 4.**

A phased use plan that coordinates with approved building construction must be provided. The phased plan must be to the approval of the Building Official, specifically addressing potential safety concerns.

Landscape:

The ultimate landscaped area will not change.

Parking, Paving:

No new access, parking or paving is proposed for buildout. This Phase of development is not anticipated to impact parking

Signage:

Signage will not change, being limited to an address / street number for identification by emergency response personnel and deliveries, located at the south entry to the building.

Security:

A final Operations and Security Plan will be reviewed and approved by HdL prior to beginning Operations.

Fencing: Fencing at buildout will not change. Fencing as approved by the original CUP will be required prior to beginning any Operations.

Exterior Lighting: Lighting at buildout will not change. Exterior lighting as approved by the original CUP will be required prior to beginning any Operations.

Cameras: Security cameras at buildout will not change – the final camera plans are being prepared and will be reviewed / approved by HdL. In this Phase, cameras will be as approve by HdL, based upon the Security Plan for this Phase. **See Exhibit XX.**

Fertilizer and Storage:

This Amendment does not impact Cultivation / fertilizers. No Cultivation / Nursery operations will occur in this Phase.

Solvents:

Storage safety and use processes will not be impacted. Quantities, storage, use and disposal of solvents in this Phase (related to Phased Manufacturing use) will be approved by Fire prior to beginning Operations.

Solid Waste: This amendment does not impact ultimate solid waste production at buildout or the location of the trash enclosure. In this Phase, the secure solid waste dumpster should be located as approved by the CUP.

Water: The amendment does not increase water use or impact it in a way not included in the previous evaluation. Water is available to the existing site.

Sanitary Sewer: The site is not currently served by Sanitary Sewer. The previous approval indicates that no Operations shall occur without connection to Sanitary Sewer. The City Engineer has received plans for the Sanitary Sewer extension to San Antonio Drive. Estimated time to connection is 2 -3 months.

Right of Way Improvements: Curb and gutter improvements as required by CUP 2016-008 should be part of this Phase.

Power. The amendment does increase power use or impact it in a way not include in the previous evaluation.

Operations Permit Related Information:

Boutique Unlimited proposes to accelerate the process to begin those Operations / Uses that were approved by CUP 2016-008 and previous Amendments (Cultivation, Manufacturing and Distribution. Nursery is proposed by this Amendment and is in effect "insurance" to ensure that there is enough grow space to ensure most efficient use of the structure.

Shipping and Transport:

This amendment does not impact procedures or quantity of product in / product out. In this Phase the previous application package indicates that *One Distribution Related trip in and out per day is anticipated.*

Odor Control:

This Amendment does not impact the approved Odor Control Program. In this Phase, Odor Control requirements, per Municipal Code remain. Distribution Operations are anticipated to produce minimal odor. Odor associated with the proposed level of Manufacturing should be clearly identified and addressed.

Security:

An armed guard will be on site at all a times. Visitor and Operations protocols will not change. The physical and product tracking / transference Security Program has not yet been finalized and approved by HdL. A Security Plan for this Phase will be reviewed and approved by HdL prior to beginning any operations. The Chief of Police will have the opportunity to comment.

Employee Vetting:

No person under 21 years of age will be employed on this site. The employee vetting process (as described in the CUP and Amendments) is being finalized at this time and the approved process will be used in the interim. No Operations will occur prior to employee vetting.

Employee Training:

This Amendment does not impact employee training procedures.

Quality Control:

This Amendment does not impact quality control procedures. They will be as addressed by the previous approval.

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 City requires that an Indemnification Agreement be executed (draft completed, in process).

ENVIRONMENTAL COMPLIANCE:

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.

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).

ALTERNATIVES:

1. Hear the item, invite public comment
2. Discuss, provide direction to Staff and continue action to February 06, 2018.
3. Approve the item as presented.
4. 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.
5. Provide alternative direction to Staff

ATTACHMENTS:

1. Site Plan – Original CUP
2. Floor Plan – CUP 2016-008(a)(b)18
3. Floor Plan – Phase 1
4. Floor Plan - Nursery
5. DRAFT - Conditions of Approval
6. Previous Staff Reports

**PLANNING COMMISSION
CUP 2016-008(c)18
JANUARY 16, 2018
PAGE 7 OF 7**

Submitted by:

SCOTT BRUCE, PRINCIPAL PLANNER

Approved by:

DOREEN LIBERTO-BLANCK, AICP, COMMUNITY DEVELOPMENT
DIRECTOR



Item No. 7(D)

REPORT TO THE PLANNING COMMISSION

DATE: FEBRUARY 06, 2018

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO BLANCK, COMMUNITY DEVELOPMENT DIRECTOR;

BY: SCOTT BRUCE, PRINCIPAL PLANNER

**RE: CUP AMENDMENT 2017-009(a)18: PARKING LOT REVISIONS -
101 AIRPORT DRIVE, CITY OF KING. APN 026-351- 023**

RECOMMENDATION:

Staff recommends that Planning Commission 1) review request for Conditional Use Permit, 2) receive public comment, and 3) adopt the attached Resolution approving Conditional Use Permit 2017-009(a)18.

BACKGROUND:

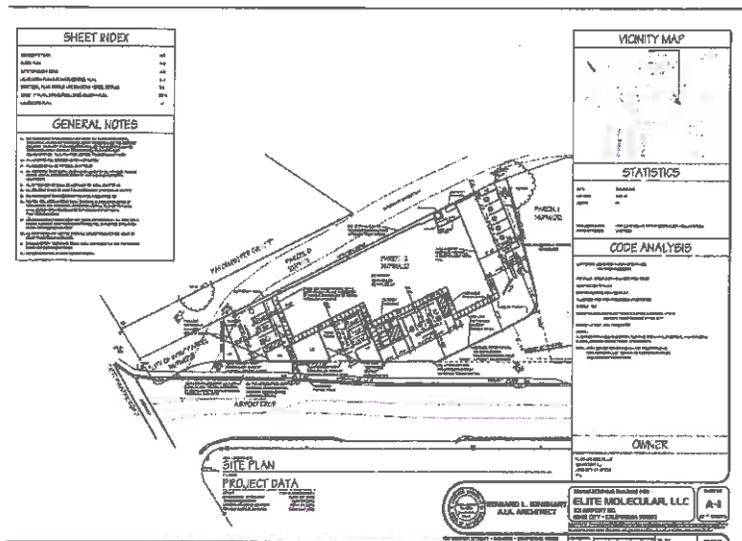
In September 2016 the City Council approved amendment to the City's Zoning Code and to the East Ranch Business Park (ERBP) Specific Plan, authorizing expansion of land uses related to Medical Cannabis. As a result of that action Indoor Cultivation under artificial or mixed light, Medical Cannabis Nurseries, 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 12 Permits have been approved through the CUP and Operations Permits processes. Staff has been in regular discussion with potential Medical Cannabis applicants. This current application is to renovate an existing 10,500 sf structure at 101 Airport Drive (Corner of Airport Drive and Bitterwater Road)

On October 17, 2017 the Planning Commission approved CUP 2017-009 which allowed Cannabis Cultivation (CA Type 3A), Nursery (CA Type 4), Level Two Manufacturing (CA Type 7) and Distribution (CA Type 11) on this site.

On December 04, 2017 the City issued Operations Permits for the above noted uses.

On January 16, 2018 the Planning Commission heard the Applicant's request for revisions to the Parking Lot paving materials, drainage and configuration. The Commission directed Staff to prepare Conditions of Approval specific to the revised parking lot plans.

CUP 2017-009 was a request to allow four different Cannabis use types (Cultivation, Nursery, Manufacturing, Distribution) in an existing structure located at 101 Airport Drive, being in the M-1 Zoning District, outside of the East Ranch Business Park.



DISCUSSION:

Overview:

The proposed uses are to be located in an existing 10,492 sf structure, on a 1.09 ac lot (47,192 sf), (0.68ac effective size) located at the northwestern corner of Airport Drive and Bitterwater Road. The northern portion of the building (2,800 sf) will be reconstructed to bring it up to the same level of quality as the rest of the building.

Exhibit 1
Vicinity Map



- The parcel to the north contains the building occupied by Boutique Unlimited (Cultivation and Manufacturing Uses)
- Airport Road bounds the subject parcel on the east
- A utility / access easement bounds the property to the west with Industrial Uses and the East Ranch Business Park beyond.
- A vacant City owned parcel and Bitterwater Road lie to the south.

As noted above, the proposed uses include four (4) Cannabis Use Types Cultivation (CA Type 3A), Nursery (CA Type 4) Manufacturing Level 2 (CA Type 7), Distribution (Type 11).

The Current Amendment proposes revisions to the parking lot configuration / paving and drainage concept(s) that were approved as part of CUP 2017-009. The Amendment does not impact the structure, approved Uses and / or Operations or Security. A limited number of amendments / additions to the Conditions of Approval have been prepared.

CUP Information: See Exhibit 5 for Staff Reports giving Baseline information, from CUP 2017-010 and 010(a)18. Please refer to Exhibit 4 for DRAFT Conditions of Approval related to this request

Architecture:

The proposed Amendment does not impact the approved Architecture, colors or materials.

Floor Plan and Interior Uses:

The proposed Amendment does not impact the approved Floor Plan or Interior Uses.

Landscape:

The proposed Amendment does not impact the approved plant type, levels of vegetative coverage or use of recycled water, per the approved CUP. Planting areas and parking will change per the attached site plan. **See previous Staff Reports Exhibit 5.**

Parking, Paving:

New asphalt parking and paving is the primary purpose of this Amendment. This amendment proposes that the front (southern) portion of the site be paved with the area to the rear of the site being "paved" with 6" of Decomposed Granite. 12 employees per shift are anticipated requiring a minimum of 8 spaces, all of which are accommodated in the area to be paved. Municipal Code Section 17.52.050. states that:

(b) In M or C-2 zones on-site parking areas requiring ten or less spaces may be surfaced with a minimum of six compacted inches of decomposed granite when serving a single building on an individual lot, or in multiple occupancy buildings on an individual lot that would cumulatively require ten or less spaces for the various occupancies. Should the usage of decomposed granite surfacing be in conflict with neighboring surfacing of parking areas, decomposed granite surfacing shall not be allowed. When an applicant proposes the usage of decomposed granite surfacing they must prove by drawings to scale that the minimum sizes of parking spaces and aisle widths provided for in Section 17.52.060 are met. (Ord. 454 § 1, 1983; Ord. 354 § 5.3.4, 1973)

The proposal, in Staff's opinion meets the requirements of the Code. For site / parking plan See **Exhibit 1.**

Grading and Drainage: The Applicant has not yet provided construction level documents, including a proposed grading plan and drainage plans.

Signage:

This Amendment does not impact previously approved signage.

Security:

The security program for buildout will be as approved - subject to additional HdL review / approval.

Fertilizer and Storage:

This Amendment does not impact previously approved operations, materials and storage and signage.

Solid Waste:

This Amendment does not impact previously approved solid waste production in quantity, makeup or disposal location / size.

Water:

The Amendment does not increase waste use for interior cultivation / operations and / or landscaping.

Power. The Amendment does not impact power use.

Regulatory Permit Related Information:

Elite Molecular proposes amend the parking lot configuration and type / quantity of parking / paving material. This Amendment does not impact uses approved by CUP 2017-009. On December 04, 2017 Conditioned Operations Permits were issued for Cultivation, Nursery, Level Two Manufacturing and Distribution Uses.

Shipping and Transport:

This amendment does not impact procedures or quantity of product in / product out.

Odor Control:

This Amendment does not impact the approved Odor Control Program.

Inventory Control:

This Amendment does not impact the approved Inventory Control Program.

Security:

This Amendment does not impact approved interior or site protocols, programs or personnel.

Employee Vetting:

The Amendment does not impact 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.

Employee Training:

This Amendment does not impact Employee Training procedures.

Quality Control:

This Amendment does not impact Quality Control standards or procedures.

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 City requires that an Indemnification Agreement be executed.

ENVIRONMENTAL COMPLIANCE:

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. Ordinances 2017-743, 744, 7455 and 746 further amended the Municipal Code. Manufacturing Level Two and Distribution uses are uses allowed per those revisions.

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.

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).

ALTERNATIVES:

1. Hear the item, invite public comment
2. Discuss, provide direction to Staff and continue action to February 06, 2018.
3. Approve the item as presented.
4. 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.
5. Provide alternative direction to Staff

ATTACHMENTS:

1. Site Plan / proposed paving
2. Landscape Concept – Original Submittal
3. Conditions of Approval
4. Resolution 2018- 010
5. Staff Report CUP 2017-009

Submitted by:



SCOTT BRUCE, PRINCIPAL PLANNER

Approved by:

DOREEN LIBERTO-BLANCK, AICP, COMMUNITY DEVELOPMENT
DIRECTOR

CUP 2017- 009(a)18

EXHIBIT 2: Landscape Concept



Plant Notes

1. All plants are to be installed in accordance with the California Planting Standards Manual (CPSM) and the California Planting Standards Manual (CPSM) and the California Planting Standards Manual (CPSM).

2. All plants are to be installed in accordance with the California Planting Standards Manual (CPSM) and the California Planting Standards Manual (CPSM) and the California Planting Standards Manual (CPSM).

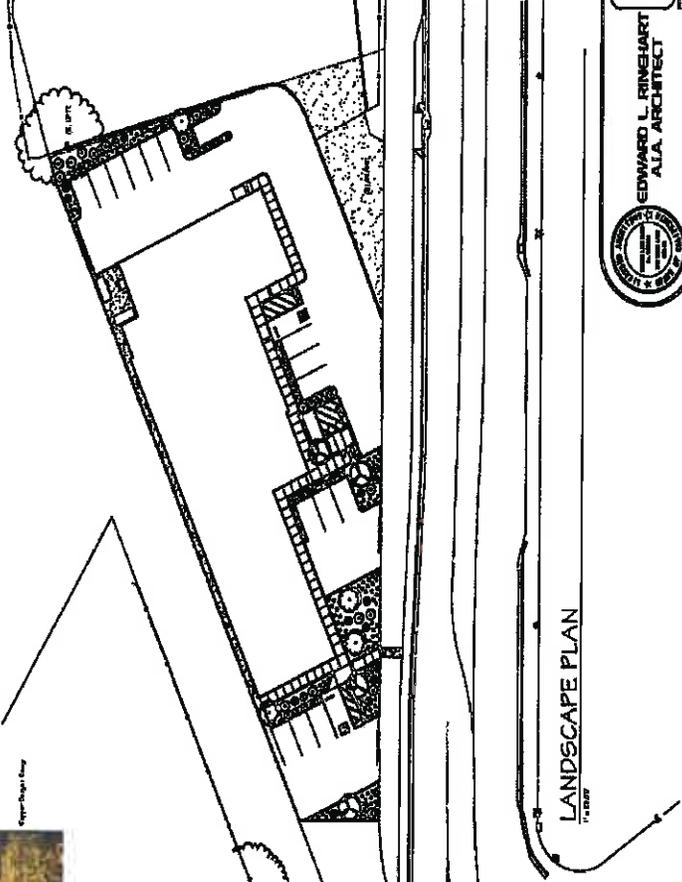
3. All plants are to be installed in accordance with the California Planting Standards Manual (CPSM) and the California Planting Standards Manual (CPSM) and the California Planting Standards Manual (CPSM).

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5. All plants are to be installed in accordance with the California Planting Standards Manual (CPSM) and the California Planting Standards Manual (CPSM) and the California Planting Standards Manual (CPSM).

PLANT LIST

- ① California Planting Standards Manual (CPSM)
- ② California Planting Standards Manual (CPSM)
- ③ California Planting Standards Manual (CPSM)
- ④ California Planting Standards Manual (CPSM)
- ⑤ California Planting Standards Manual (CPSM)
- ⑥ California Planting Standards Manual (CPSM)
- ⑦ California Planting Standards Manual (CPSM)
- ⑧ California Planting Standards Manual (CPSM)
- ⑨ California Planting Standards Manual (CPSM)
- ⑩ California Planting Standards Manual (CPSM)



LANDSCAPE PLAN

MANUFACTURING BUILDING FOR:
SLITE MOLECULAR, LLC
 800 AIRPORT BL.
 BING CITY - CALIFORNIA 92920

EDWARD L. RINEHART
 AIA ARCHITECT

807 ORANGE STREET - SALINAS - CALIFORNIA 93906
 PH: 831.435.1111 FAX: 831.435.1112
 WWW.ELRARCHITECT.COM

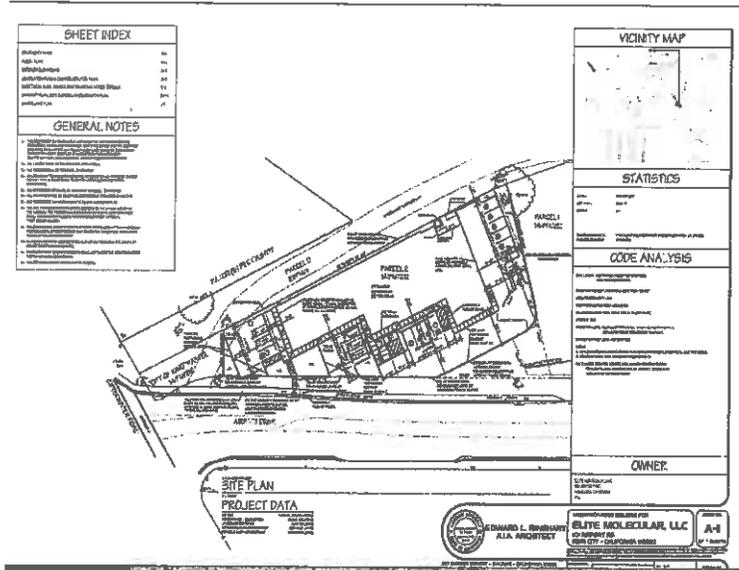
DATE: 01/13/17
 SHEET: 17/25



EXHIBIT No. 3

**Case Number: COA 2017 – 009(a)18
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: ELITE MOLECULAR LLC.

1. Assessor's Parcel No(s): 026-351-023)
2. Job Address: (No current address assigned; see diagram, above, for location)
3. Street Location: 101 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: Parking Lot Revisions

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.



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).



GENERAL CONDITIONS:

1. All Conditions of Approval associated with CUP 2016-009 remain in force unless specifically amended herein.
2. Construction / Development shall conform to Application Package as presented, to the satisfaction of the Community Development Director or designee.
3. A Performance Bond or Letter of Credit, may be required at the discretion of the City Manager.

CONDITIONS SPECIFIC TO THIS REQUEST:

COMMUNITY DEVELOPMENT DEPARTMENT :

1. **Parking:** Parking will conform to the Concept Plan and Staff Report Description.
2. **Landscaping:** Landscaping will be installed per concept plans and Application Package as approved with CUP 2017-009. Timing will be to satisfaction of Community Development Director / Designee, acknowledging future renovation to existing structure. Preference is for all landscaping to be installed at time of parking lot improvements (with planter areas). 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.
3. **Lighting:** Any Security Lighting proposed for parking area will be installed with parking area. Two poles in the parking area not to exceed 30 feet in height.. All 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.
4. **Fencing:** New fencing at property boundary along Airport Road and facing Bitterwater Road shall be wrought iron and eight (8) feet in height. All other 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. Screening material will be reviewed by Staff with a determination of condition / requirement for replacement of damaged areas to be presented to Planning Commission every three (3) years.

BUILDING AND SAFETY DEPARTMENT: (No Building Construction is associated with this Amendment).

Building Plans: Not Applicable

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 Application Package and Staff Report (CUP 2017-009(a)17.
2. **Parking and Paving:** New parking and paving area will be installed per construction documents to be submitted to City Engineer and to City Engineer's satisfaction. Parking shall drain to landscaped areas – post development runoff shall not exceed the existing condition. Final limits of Asphalt / DG



and base material beneath DG shall be to satisfaction of City Engineer.

- 3 **Airport Drive ROW Improvements:** Improvements and timing shall be to satisfaction of City Engineer. Parking / ROW match shall be to satisfaction of City Engineer. Paving Sidewalk (to match existing) will be extended along the entire Airport Road frontage
- 4 **Driveway Approach Revisions:** Sidewalk to be at 2% maximum cross fall per ADA requirements.
- 5 **Grading and Drainage / Impervious Surface:** Grading and Drainage / Water Quality shall be to satisfaction of Regional Water Quality Control Board and City Engineer.
- 6 **Fencing:** The CUP 2017-009 Application Package indicated that the fencing at the southwest corner of the site would accommodate the current geometrics of the travel way used by lot owners to the north as the access the access easement which lies to the west of this site.

This reconfiguration does not amend the previous approval. A Condition of CUP 2017-009 was as follows: Prior to Building Permit approval the Applicant shall show to the satisfaction of City Engineer and City Attorney that an agreement has been executed which defines the conditions of travel way use among all lot owners / lessees using the easement as primary access to their site(s). This Condition remains in effect. .

- 7 **Security Cameras:** One camera that is part of the City's City wide system shall be installed at the driveway access to the street.

REGULATORY PERMIT: CUP 2017-009(a)17 does not affect the Operations Permit(s).



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, Inc., 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. 2018 - 210

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING,
APPROVING CONDITIONAL USE PERMIT CASE NO. CUP 2016-009(a)18**

WHEREAS, on **December 20, 2017**, **Elite Molecular, LLC** submitted an application amend a previously approved Conditional Use Permit (**CUP 2017- 009, October 17, 2017**) that allowed Commercial Cannabis Uses: Cultivation (CA Type 3A); Nursery (CA Type 4) Manufacturing Level 2, (CA Type 7); Distribution and Transportation (CA Type 11) in an existing structure located at 101 Airport Drive

WHEREAS, the purpose is to revise the Parking Lot Paving, Configuration and Drainage.

WHEREAS, on **January 16, 2018** the Planning Commission heard and discussed the request, continuing the item to **February 06, 2018** and directing Staff to work with the Applicant on the details of the revisions and to prepare Conditions of Approval.

WHEREAS, the proposed revisions are consistent with the General Plan

WHEREAS, the proposed project conforms to the requirements of Section 17.52.050 of the City of King Zoning Code;

WHEREAS, an Initial Study for CUP 2017-009 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 potential impacts of the proposed Amendment fall within and were duly addressed in the previous evaluation

WHEREAS, the Commission has reviewed the staff report, accepted public testimony, and considered all other relevant information during the duly noticed public hearing on **February 06, 2018**;

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 parking revision is integral to the operation of the Commercial Cannabis Uses (Cultivation, Nursery, Manufacture and Distribution / Transportation) allowed for this site.
2. The proposed use and its size and configuration are 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 parking lot does not increase the size of the previously approved parking nor does it decrease the landscaped area. It does not decrease the number of parking spaces.
4. Grading, Drainage, Increase in Impervious area and Materials will be to satisfaction of City Engineer as addressed in the Conditions of Approval.

5. Fencing / Security is not impacted. The entire lot will be fenced – existing fencing will be improved and / or replaced, new screening will be installed and a wrought iron fenced will be placed along Airport Road. The Applicant has voluntarily determined to fence to the existing travel way which lies outside the existing access easement for lots to the north.
6. The existing lot will continue to be accessed through three gates. New pavement and parking area will occur per the Application Package.
7. New landscaping will be installed per the Application Package.
8. The parking area will be integrated with improvements to the Airport Drive Right-of-Way, to the satisfaction of the City Engineer as addressed in the Conditions of Approval.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Planning Commission of the City of King adopts a finding of a Class 1 Categorical Exemption per CEQA Guidelines Section 15301 and approves Conditional Use Permit Case No. CUP 2017-009(a)18.

This resolution was passed and adopted this **06th day of February, 2018** by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

DAVID NUCK, CHAIRPERSON

ATTEST: _____

ERICA SONNE DEPUTY CITY CLERK for MARICRUZ AGUILAR-NAVARRO, ASSISTANT PLANNER /
PLANNING COMMISSION SECRETARY



Item No. 7E

REPORT TO THE PLANNING COMMISSION

DATE: OCTOBER 17, 2017
TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION
FROM: DOREEN LIBERTO BLANCK, COMMUNITY DEVELOPMENT DIRECTOR;
BY: SCOTT BRUCE, PRINCIPAL PLANNER
RE: CUP 2017-009, APN 026-351- 023: MEDICAL CANNABIS CULTIVATION (CA TYPE 3A); NURSERY (CA TYPE 4); MANUFACTURING LEVEL 2 (CA TYPE 7); TRANSPORTATION / DISTRIBUTION (CA TYPE 11) .
101 AIRPORT DRIVE, CITY OF KING.

RECOMMENDATION:

Staff recommends that Planning Commission 1) review request for Conditional Use Permit, 2) receive public comment, and 3) adopt the attached Resolution approving Conditional Use Permit 2017-009.

BACKGROUND:

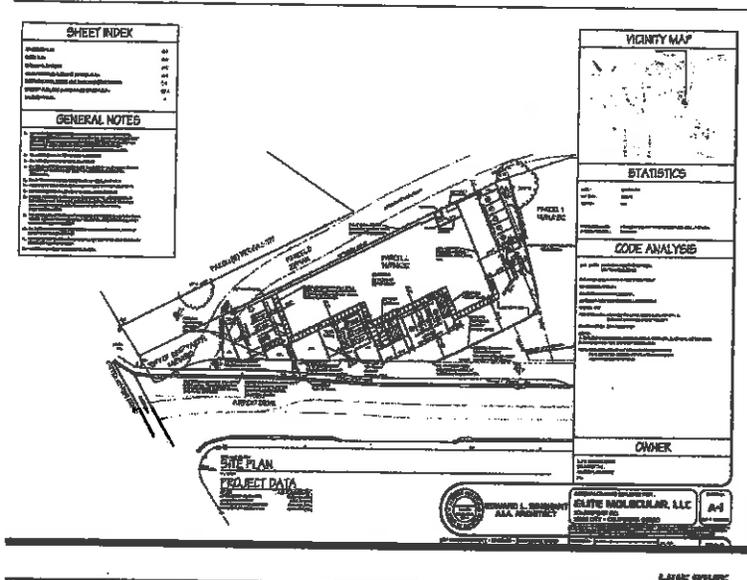
In September 2016 the City Council approved amendment to the City's Zoning Code and to the East Ranch Business Park (ERBP) Specific Plan, authorizing expansion of land uses related to Medical Cannabis. As a result of that action Indoor Cultivation under artificial or mixed light, Medical Cannabis Nurseries, 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 12 Permits have been approved through the CUP and Operations Permits processes. Staff has been in regular discussion with potential Medical Cannabis applicants. This current application is to renovate an existing 10,500 sf structure at 101 Airport Drive (Corner of Airport Drive and Bitterwater Road)

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.

CUP 2017-009 is a request to allow four different Cannabis use types (Cultivation, Nursery, Manufacturing, Distribution) in an existing structure located at 101 Airport Drive, being in the M-1 Zoning District, outside of the East Ranch Business Park.

DISCUSSION:



Overview:

The proposed uses will be located in an existing 10,492 sf structure, on a 1.09 ac lot (47,192 sf), (0.68ac effective size) located at the northwestern corner of Airport Drive and Bitterwater Road. The northern portion of the building (2,800 sf) will be reconstructed to bring it up to the same level of quality as the rest of the building.

Existing building height is 26 feet and the height of the building will not increase.

**Exhibit 1
 Vicinity Map**



Plants may be “stacked” within the existing / rebuilt structure however existing / rebuilt Cannabis canopy will not exceed 22,000 sf and nursery canopy will not exceed 25,000 sf. Estimated canopy spaces are 10,050sf. and 1,800sf respectively.

- The parcel to the north contains the building occupied by Boutique Unlimited (Cultivation and Manufacturing Uses)
- Airport Road bounds the subject parcel on the east
- A utility / access easement bounds the property to the west with Industrial Uses and the East Ranch Business Park beyond.
- A vacant City owned parcel and Bitterwater Road lie to the south.

As noted above, the proposed uses include four (4) Cannabis Use types Cultivation (CA Type 3A), Nursery (CA Type 4) Manufacturing Level 2 (CA Type 7), Distribution (Type 11) compliant with future State License 3A (indoor, artificial light). While total allowed plant canopy space under a future 3A license is limited to 22,000 sf, additional allowed activities include: harvesting, drying, curing and trimming of cannabis.

Cultivation: Occurring on two levels, this organic and hydroponic system will focus on organically cultivated, cannabinoid rich pest and disease-free cultivars covering a full spectrum of cannabinoids. Pesticides and pesticide used will be in conformance with State of California / Monterey County Agricultural Commissioner and the Colorado Department of Agriculture

Nursery: Provides organically cultivated, cannabinoid rich, pest and disease-free cuttings / plants to licensed cultivators in California

Manufacturing Level 2: Performed in an environment purpose built for the extraction procedures being performed, the process will provide the most pure and clean extract products available, certified by 3rd party governing bodies and audited by a certified hygienist. Elite Molecular regularly employs n-Butane to achieve mechanical separation. Heptane, Pentane, Ethyl Alcohol and Isopropyl Alcohol may be used. Extractions using volatiles will be performed in a Class 1, Division 1 closed loop environment. Purified oils terpenes and cannabinoids will be infused into a suite of products that includes non-alcohol based tinctures, creams, topical skin products and vaporization products. No kitchen will be included on site.

Transportation and Distribution: Act as a quality assurance, validation, and certification point for products being distributed to licensed entities. Inspect, analyze validate and engage 3rd party testing as well as hold products in preparation for movement to and from testing by other licensees. Provide secure Transportation services.

CUP Information:

Architecture:

The existing structure is a metal structure, accessed from Airport Road at three locations. Airport Road rises as it moves north in relation to the building pad. The primary visitor entrance faces south, rollup doors for product movement / deliveries are present to the east and north. The existing structure covers 35% of the site. Total impervious area will be 12,802 sf (43%) Pervious and landscaped areas will be 6,762 sf (22%) Because of the various use types with the building, the existing neighbor access easement (lots to north), the retaining wall adjacent to Airport Road and the triangular configuration of the lot, the parking area covers a large portion of the site. Three access gates are proposed off of Airport Road.

The existing materials will not change – roof skin and fascia will be metal with metal doors. Windows will be anodized aluminum with clear glass bronze frames. The colors to be

used are Dunn Edwards: "Cashmere" DEC 758 with "Woodlawn Green" trim and awnings DEC 779. These colors are consistent with the surrounding area. **See Exhibit 2.**

Floor Plan and Interior Uses:

The applicant proposes to rebuild the southwest corner of the building (approximately 2,800 sf) to create consistent quality of construction. Cultivation and Nursery will be multiple architectural tiers covering 3,350 and 900 sf of floor area, respectively. Office, breakrooms and bathrooms will be near the front entrance of the facility (south). Extraction will be in the south central portion of the structure with grow areas to the north central and north. The current height of the structure is 26' at the peak of the ridgeline and will not change. **See Exhibit 3.**

Landscape:

Landscaped areas will be present along the north property line; on the eastern portion of the site near parking and between Airport Road and the structure; and, in the southern portion of the site between parking and the southern property line.

Landscaping will cover 11% of the lot (approximately 3,366 sf). Proposed landscaping includes Yellow Daley Bush, White Flowering Australian Fuschia and a mix of Yarrow, Daylily (evergreen) and Copper Canyon Daley. Trees will include Evergreen Pear and Purple Flowering Plum. **See Exhibit 5.**

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 and will provide an on-site access point to future "Purple Pipe" located in Airport Road.

Parking, Paving:

New asphalt parking and paving is proposed in the southern, eastern and northern areas of the site. The existing parking surface is compacted base material and is located along the southern side of the building. **See Exhibit 4.**

Signage:

Signage will be limited to an address / street number for identification by emergency response personnel and deliveries, located on the east side of and south entry to the building. **See Exhibit 7.** Additional signage if proposed will be submitted and reviewed in accordance with the City's Sign Permitting process.

Security:

Fencing: The facility will be surrounded on south, west and north 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. Three gates are proposed off of Airport Road. Fencing along Airport Drive will be wrought iron, eight feet in height. **See Exhibit 6.**

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.

Cameras: Approximately 24 security cameras with night vision capability will be located to monitor all entrances and exits to and from the premises and to monitor all interior spaces, excluding restrooms and changing rooms. 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.**

One City of King camera will be located at each entry to the property from Airport Road.

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. A list of materials and

Solid Waste: Daily plant waste will be about 150 – 200 lbs. 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 east side of the structure in a concrete block enclosure with locked gates.

Conversation with Waste Management indicate that, currently, there are no State of California regulations for specific to Cannabis related solid waste.

Other Waste from Production: Controlled waste practices will be under the direct supervision of the Security Manager. Chemicals used in the Nursery / Cultivation environment will be handled according to OSHA standards. Wastewater from the reverse-osmosis system, the hydroponic environment and ethanol from cleaning will be released into the city's sanitary sewer system. Solvents used in the manufacturing process are recovered at a rate up to 98% by the closed loop hydrocarbon extraction system.

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) for a 22,000 sf growing canopy and 6,321 gpd for a 25,000 sf nursery canopy. For a 10,050 sf growing canopy this would equal 8,442 gallons per week and 3,186 gallons per week for nursery. Therefore, total water use as indicated by the Applicant for this project is anticipated at 1,661 gpd or 11,628 per week, equivalent to the MND estimate. Water use in the Cultivation / Nursery environment leverages a reverse osmosis system to minimize water use. **See Document Section K.**

Power. The Applicant estimates 1,920 Amps as the 80% power allocation for lighting and air conditioning (2,400 Amps as the 100% power allocation). The Applicant indicates that they will be utilizing LED lights and fluorescent lighting technologies to reduce overall power consumption – including the amount of heat generated by lighting / need for cooling. Internal temperature for grow rooms will range between 75 and 85 degrees.

Power (lighting) for Nursery operations should be required approximately 18 hours per day. Cultivation operations should require power approximately 12 – 18 hours per day.

The Manufacturing operations require rather minimal power (300 amps) , consistent with typical business park use. The manufacturing area will be cooled to 74 degrees Fahrenheit, use is anticipated at 16 – 20 hours per day.

Distribution / Transportation use will be similar to standard office operations. **See Document Section L.**

Regulatory Permit Related Information:

Elite Molecular proposes to grow, dry, trim and package Cannabis grown for use in internal manufacturing as well as for shipment to outside Manufacturing Operations will prepare oils, topicals and vaporization products.

Shipping and Transport: All deliveries to the facility will be tracked and will include:
Cultivation: nutrients, beneficial microbes, cloning hormones, etc.

Manufacturing: Botanical Cannabis material, extracted oils, laboratory grade solvents, hoses, glassware, cleaning solutions, etc. Packaging products will be included.

Cannabis and Cannabis products will be transported from the facility in unmarked vehicles. 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. **See Document, Sections E and F .**

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. All ventilation will pass through a series of HEPA charcoal and Syneco filtration systems, or similar. The systems work in conjunction with building climate control systems, abide by ISO 7 and 8 standards and include ventilation hoods in preparation areas that feature industrial level filtration systems. **See Document, Section I.**

Inventory Control: Processes are built to detect and protect against diversion through a comprehensive Diversion Prevention Program. This program includes physical controls,

personnel training and, control procedures for monitoring and auditing. **See Document Section D.**

Security, Interior: There are 4 pedestrian entrances and 2 roll up doors. All doors and windows are locked and alarmed. Access to the building is controlled by electronic audio and video communications technology. Interior access is controlled, per employee, by key fobs and access cards. Approximately 24 cameras with night vision capability will be located within the structure. The surveillance system is accessible by King City Police Personnel and monitored by a security service company. Cannabis product storage is secured. Security personnel will be on-site.

See Document, Sections D and 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**

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. **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 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.

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).

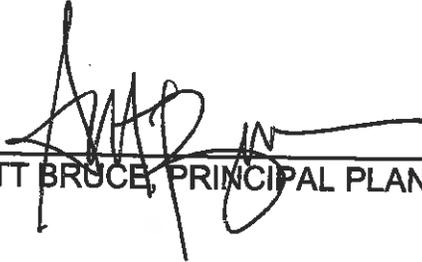
ALTERNATIVES:

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
2. Site Plan
3. Floor Plan
4. Landscape
5. Elevations
6. Camera Locations
7. Indoor Cultivation
8. Conditions of Approval
9. Resolution 2017 - 199

Submitted by: _____


SCOTT BRUCE, PRINCIPAL PLANNER

Approved by: _____

DOREEN LIBERTO-BLANCK, AICP, COMMUNITY DEVELOPMENT
DIRECTOR