Exhibit H



PINNACLE TRAFFIC ENGINEERING

831 C Street Hollister, California 95023 (831) 638-9260 PinnacleTE.com

November 27, 2018

Mr. Anthony Lane 299 River Road Salinas, CA 93908

RE: River Road Dispensary Project; Monterey County, California Trip Generation Analysis and Development Fees

Dear Mr. Lane,

The following is a summary of the project trip generation analysis and applicable development fees. The project site is located on the north side of River Road in the unincorporated area south of the City of Salinas. The project site is currently occupied by a small structure (299 River Road) and a single family residential dwelling (297 River Road). The project includes a minor modification to the existing structure (1,296 SF). The existing structure modifications are being completed to accommodate a new marijuana dispensary. On-site parking will be provided for 23 vehicles (2 spaces allocated for the existing residential dwelling). Access will continue to be provided via the existing two-way driveway on River Road. A copy of the Project Site Plan is attached.

County staff has requested a brief letter report to summarize the project trip generation estimates and applicable development fee estimates (County and regional). The proposed project is subject to development fees outlined in the Monterey Countywide Traffic Impact Fee Nexus Study (August 1, 2014) and required by the Transportation Agency for Monterey County (TAMC).

Project Trip Generation Estimates

The previous use for the existing structure (to be remodeled) was a convenience market. Therefore, it was deemed appropriate to derive the trip generation estimates for the previous and proposed retail uses to quantify the "net" change in trip generation attributable to the proposed project. The project trip generation estimates have been derived using data in the Institute of Transportation Engineers (ITE) Trip Generation Manuals (9th and 10th Editions). The ITE trip generation rates associated with various retail uses are referenced from the 9th Edition (Specialty Retail Center) and 10th Edition (Shopping Center and Convenience Market) manuals. The ITE trip generation rates are provided in Table 1.

Table 1 - ITE Trip Generation Rates

		Number of Vehicle Trips per Unit					
ITE Code - Land Use	Unit	AM Peak Hour		PM Peak Hour		Daily	
		In	Out	In	Out	Daily	
#820 - Shopping Center Retail	1,000 SF	0.58	0.36	1.83	1.98	37.75	
#826 - Specialty Retail Center (a)	1,000 SF	-	-	1.19	1.52	44.32	
#851 - Convenience Market	1,000 SF	31.27	31.27	25.05	24.06	762.28	
(Adjusted Trip Rates)		(27.36)	(27.36)	(21.92)	(21.05)	(667.00)	

⁽a) Trip rate data from 9th Edition of the ITE Trip Generation Manual

The data in Table 1 demonstrates that the PM peak hour trip rates are slightly higher as associated with the shopping center category (#820) than the specialty retail center category (#826). The specialty retail center category includes data from small strip retail centers, while the shopping center category includes data from large retail centers. It's noted that many uses in small retail centers typically don't open before 9:00 AM, and therefore, the trip generation during the AM peak hour is negligible. The specialty retail center trip rates in the 9th Edition were combined with the shopping center trip rates in the 10th Edition (though the specialty retail center category is a better fit for the proposed project).

Table 1 also demonstrates that a convenience market (e.g. Seven-Eleven) typically generates a significantly higher number of vehicle trips as compared to either the specialty retail center or shopping center categories. However, data in the ITE Trip Generation Manual also suggests that a convenience market will only attract up to about 8% of the traffic from an adjacent street during the PM peak hour. Based on the traffic count data (2016) and size of the structure (1,296 SF), the previous convenience market use more than likely only generated at the most $\underline{56}$ trips during the PM peak hour (700 vehicles per hour x 0.08). Therefore, the ITE trip rates for the convenience market category were adjusted to reflect the local traffic conditions and existing structure size (multiplied the rates in Table 1 by 0.875 = 56 PM peak hour trips / 64 PM peak hour trips). The adjusted trip rates for the convenience market category are also provided in Table 1.

Data in the ITE Trip Generation Handbook indicates that a significant portion of retail related trips are "pass-by" and/or "diverted-link" type trips coming from traffic already on the adjacent street system. Based on the ITE data, the "pass-by" and "diverted-link" trips could account for up to 80-85% of the total trips attracted to the previous convenience market. However, the Caltrans Traffic Impact Study Guidelines (2002) limit the pass-by trip reduction to 15%. Therefore, the project trip generation estimates associated with the previous convenience market use also account for a 15% pass-by reduction (85% of the total trips would be considered single purpose primary trips). The pass-by trip reduction was not applied to the proposed dispensary use since it will be a unique specialty retail use. The trip generation estimates for the previous and proposed uses are presented in Table 2.

Table 2 - Project Trip Generation Estimates

		Number	of Vehic	le Trips	
Project Component	AM Pea	k Hour	PM Pe	ak Hour	Daily
	In	Out	In	Out	Daily
Previous Use:					
Convenience Market - 1,296 SF (a)	35	35	28	27	864
(15% Pass-By Trip Reduction)	(-5)	(-5)	(-4)	(-4)	(-130)
Primary Single-Purpose Trips:	30	30	24	23	734
Proposed Project Use:					
Specialty Retail Use - 1,296 SF (b)	0	0	2	2	58
"Net" Change in Trips (Proposed - Previous):	-30	-30	-22	-21	-676

⁽a) Trip estimates based on the adjusted rates for the convenience market category

The data in Table 2 indicates that the proposed project (marijuana dispensary) will generate a total of approximately 58 daily trips (two-way trip ends), with 4 vehicles trips during the PM peak hour (2 in & 2 out). The data also demonstrates that the previous convenience market use generated significantly more daily and peak hour traffic than the proposed dispensary use. The proposed dispensary use will only generate about 10% (or less) of the PM peak hour trips associated with the previous convenience market use. Therefore, it is reasonable to conclude that the low number of trips generated by the proposed project will not significantly impact local traffic operations.

Development Impact Fee Estimates

As previously stated, the proposed project is subject to the applicable development fees (County and regional). The County fee schedule is provided in the Monterey Countywide Traffic Impact Fee Nexus Study (Zone 3 - Greater Salinas). The project's regional development fee is based on the schedule in the TAMC Regional Development Impact Fee Program Nexus Study Update (June 2013) and current Regional Development Impact Fees spreadsheet (updated July 1, 2016). Payment of the development fees helps offset any potential long-term impacts related to future development.

The project's development fee estimates have been derived for the proposed marijuana dispensary use only. Both the Countywide and TAMC fee are based on the size of the proposed project (1,296 SF). A summary of the project's development fee estimates is provided in Table 3. A copy of the TAMC fee estimate spreadsheet in attached.

⁽b) Trip estimates based on the specialty retail center rates in the 9th Edition

Table 3 - Project Development Fee Estimates

Development Fee	Project's Fee Estimates	
Monterey "Countywide" Fee (a)	\$4,463.42	
TAMC "Regional" Fee	\$5,523.94	
Total Development Fees:	\$9,987.36	

(a) Countywide fee (\$3,444 / 1,000 SF)

The total Countywide and TAMC regional development fee estimate is \$9,987.36. However, as demonstrated in Table 2 the proposed project dispensary use will generate significantly less traffic than the previous convenience market use (about 10% or less during PM peak hour). Therefore, if the County allows a credit for the previous use the project development fee would not apply. The project applicant should discuss any appropriate credit for the previous use with County staff.

Please contact my office with any questions regarding the project trip generation analysis or project development fee estimate(s).

Pinnacle Traffic Engineering

Larry D. Hail, CE, TE, PTOE

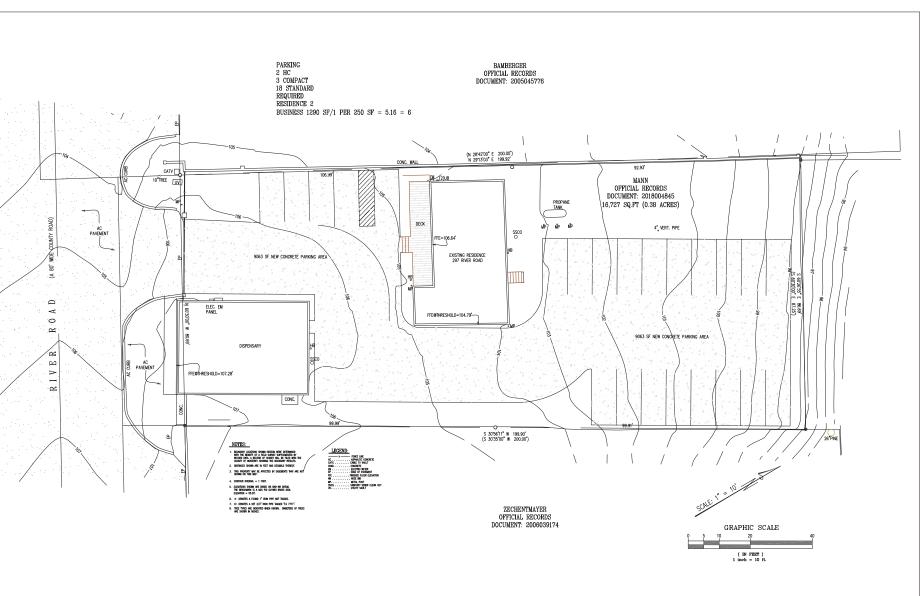
President

ldh:msw

Attachments: Project Site Plan

TAMC Development Fee Estimates





Michael James Martin Civil Engineering

400 Foam Street, Suite 200B Monterey, California. 93940 Office 831.601.9818

River Road Dispensary

299 River Road Salinas California 139-061-003-000

DATE: 12 November 2018
REVISIONS:

Site Plan

SCALE: 1" = 10'

CHECKED BY: JOB NO.:

JOB NO.

DRAWN BY:

SHEET NO.: C-1

measurements and data at building or si Roport and questions to MUM.

The use of these plans and specification restricted to the original site for which they were prepared.

All drawings and written material appear

consent of MIM.

TAMC Regional Development Impact Fees:

Fee Calculation Worksheet

Last updated July 1, 2016

Project Name: River Road Dispensary

	SALINAS
Select the Agency: County of	Monterey

Select the Land Use Type:	Fee Schedule	Enter the # of Units	Fees
1 Specialty Retail Center	\$4.26	1,296	\$5,523.94
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
	\$0.00		\$0.00
Calculate by Fee per Trip (Only use for appeals):	 \$315		\$0.00
calculate 27 reception in process,	Ψ313		φο.σσ
	Subtotal:		\$5,523.94
	Apply discount:	0.00%	\$0.00
	Apply credits:		\$0.00
	Total Regional Fee:		\$5,523.94

Date: November 27, 2018

PINNACLE TRAFFIC ENGINEERING

831 C Street Hollister, California 95023 (831) 638-9260 • PinnacleTE.com

May 9, 2019

Mr. Anthony Lane 299 River Road Salinas, CA 93908

RE: River Road Dispensary Project; Monterey County, California Trip Generation Analysis <u>Update</u>

Dear Mr. Lane,

Per your request, Pinnacle Traffic Engineering (PTE) has prepared an update to the original trip generation analysis (dated Nov. 27, 2018). The update includes a revision to the project site trip generation estimates and presents an evaluation of parking and access. The revised trip generation estimates are based on data provided on the project site plan prepared by Michael James Martin (a copy is attached). The revised trip generation estimates also reflect specific data for the proposed marijuana dispensary use (not included in the original trip generation analysis). The evaluation of parking and access is provided in response to comments received at the public meeting.

The project site is located on the north side of River Road in the unincorporated area south of the City of Salinas. The project site is currently occupied by a small structure (299 River Road) and a single family residential dwelling (297 River Road). The project includes a minor modification to the existing small structure (1,284 SF). The existing structure modifications are being completed to accommodate a new marijuana dispensary. The weekday hours of operation will be 10:00 AM to 7:00 PM. On-site parking will be provided for 14 vehicles (2 spaces allocated for the existing residential dwelling). Access will continue to be provided via the existing two-way driveway on River Road. The scope of the project site trip generation analysis was based on consultation with County staff.

Project Site Trip Generation Estimates

The previous use for the existing structure to be remodeled was a convenience market. Therefore, it was deemed appropriate to derive the project site trip generation estimates for the previous and proposed uses to quantify the "net" change in trip generation attributable to the proposed project. The project trip generation estimates have been derived using data in the Institute of Transportation Engineers (ITE) Trip Generation Manual (10th Edition). It's noted that the data in the ITE Trip Generation Manual also indicates that a convenience market will only attract up to about 8% of the River Road Dispensary_R02R

Pinnacle Traffic Engineering

traffic from an adjacent street during the PM peak hour. Based on the County's 2018 traffic count data and the size of the existing structure (1,284 SF), the previous convenience market use more than likely would only attract at the most $\underline{55}$ trips from River Road during the PM peak hour (690 vehicles per hour during the PM peak hour x 0.08). Therefore, the ITE trip rates for the convenience market use were adjusted to reflect the actual traffic volumes on River Road and the existing structure size (multiplied the ITE rates by 0.873 = 55 PM peak hour trips / 63 PM peak hour trips). The ITE trip generation rates are provided in Table 1.

Table 1 - ITE Trip Generation Rates

		Number of Vehicle Trips per Unit					
ITE Code - Land Use	Unit	AM Pea	k Hour	PM Pea	ak Hour	Daily	
		In	Out	In	Out	Daily	
#851 - Convenience Market	1,000 SF	31.27	31.27	25.05	24.06	762.28	
Adjusted Trip Rates, (a)		(27.30)	(27.30)	(21.87)	(21.00)	(665.47)	
#882 - Marijuana Dispensary	1,000 SF	5.85	4.59	10.92	10.91	252.70	

⁽a) Based on adjustment for local traffic volumes on River Road

Data in the ITE Trip Generation Handbook indicates that a significant portion of retail related trips are "pass-by" and/or "diverted-link" type trips coming from traffic already on the adjacent street system. Based on the ITE data, the "pass-by" trips attracted to the previous convenience market could account for 30-35% of the total trips. Therefore, the project site trip generation estimates associated with the previous convenience market use also account for a 30% pass-by trip reduction (70% of total trips would be considered single purpose primary trips). The pass-by trip reduction was not applied to the proposed dispensary use since it will be a unique specialty retail use. The project site trip generation estimates for the previous and proposed uses are presented in Table 2.

Table 2 - Project Site Trip Generation Estimates

		Number	of Vehic	ele Trips	
Project Component	AM Pea	k Hour	PM Pe	ak Hour	Doily
	In	Out	In	Out	Daily
Previous Use:					
Convenience Market - 1,284 SF	35	35	28	27	854
(30% Pass-By Trip Reduction)	(-11)	(-11)	(-8)	(-8)	(-256)
Primary Single-Purpose Trips:	24	24	20	19	598
Proposed Project Use:					
Marijuana Dispensary - 1,284 SF (a)	0	0	14	14	324
"Net" Change in Trips (Proposed - Previous):	-24	-24	-6	-5	-274

⁽a) Not open before 10:00 AM on weekdays.

The data in Table 2 indicates that the proposed project (marijuana dispensary) will generate a total of approximately 324 daily trips (two-way trip ends), with 28 vehicle trips during the PM peak hour (14 in & 14 out). The data also demonstrates that the previous convenience market generated more daily and peak hour traffic than the proposed marijuana dispensary. Therefore, since the proposed use will generate fewer peak hour trips than the previous use it's concluded that the proposed project will not significantly impact local peak hour traffic operations.

As discussed in the original trip generation analysis, the proposed project is subject to the applicable development fees. The County's fee schedule is provided in the Monterey Countywide Traffic Impact Fee Nexus Study (Zone 3: Greater Salinas). The project's regional development fee is based on the schedule in the TAMC Regional Development Impact Fee Program Nexus Study Update 2018 and current "Regional Development Impact Fees" spreadsheet. Payment of the development fees provides mitigation for any potential long-term impacts related to local development. Both the Countywide and TAMC fee are based on the size of the proposed marijuana dispensary (1,284 SF). A summary of the project's development fee estimates is provided in Table 3. A copy of the TAMC fee estimate spreadsheet in attached.

Table 3 - Project Development Fee Estimates

Development Fee	Project's Fee Estimates
Monterey "Countywide" Fee (a)	\$4,422.10
TAMC "Regional" Fee	\$6,018.11
Total Development Fees:	\$10,440.21

(a) Countywide fee (\$3,444 / 1,000 SF)

The total Countywide and TAMC regional development fee estimate is \$10,440.21. However, as demonstrated in Table 2 the proposed marijuana dispensary use will generate less traffic than the previous convenience market. Therefore, if the County allows a credit for the previous use the project development fee requirement would not apply. The project applicant should discuss any appropriate credit for the previous use with County staff.

Evaluation of Parking

As previously stated, on-site parking will be provided for 14 vehicles. The Monterey County Parking Ordinance (21.58.040) requires 2 parking spaces per residential dwelling unit and 1 parking space per 250 SF for general retail. Therefore, the proposed project is required to provide at least 8 spaces for off-street parking (2 plus 1,284 SF / 250). The ITE Parking Generation Manual (5th Edition) includes specific data for a marijuana dispensary use. The ITE data indicates that the average parking generation rate is 7.19 spaces per 1,000 SF. Based on the ITE data, the project would be required to provide 10 spaces (1.284 SF x 7.19) for the proposed marijuana use. The project proposes 12 parking stalls for the marijuana use.

Concerns were expressed at the public meeting regarding the ability of vehicles to maneuver onsite and avoid having to back out on to River Road to exit the project site. To address this issue a
simulation was conducted to represent a vehicle exiting the front and rear parking areas on-site.
The parking simulation was performed using the AutoTurn software and a standard passenger car
design vehicle from the "A Policy on Geometric Design of Highways and Streets" published by the
American Association of State Highway and Transportation Officials (AASHTO). The standard
passenger car design vehicle is representative of a large 4-door sedan and exceeds the size of many
current sedans and pickup trucks. The parking simulation is attached with the design vehicle profile
shown in the lower left corner of the site plan. The parking simulation demonstrates that a vehicle
will be able to back out of a parking space in the front and rear parking areas, maneuver the vehicle
and exit the project site going forward.

Evaluation of Access

Concerns were also expressed at the public meeting regarding the deceleration and acceleration of vehicles accessing the project site. River Road adjacent to the project site has a single 12' travel lane in each direction, a 6-7' shoulder on the north side, and is posted with a 45 miles per hour (mph) speed limit. Based on the project site location, it's anticipated that the majority of traffic will be oriented to and from the west. The peak hour volume of traffic estimated to enter the site from the westbound lane and the peak hour volume on River Road are well below the standard warrant criteria for a full width right turn lane (less than 60 right turn vehicles per hour) or right turn deceleration taper (less than 30 right turn vehicles per hour). The westbound shoulder will provide an area for partial deceleration when approaching the project driveway. The shoulder will also provide an area for partial acceleration when vehicles exit the project site and wish to enter the westbound lane on River Road.

Please contact my office with any questions regarding the updated trip generation analysis.

Pinnacle Traffic Engineering

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Larry D. Hail, CE, TE, PTOE President

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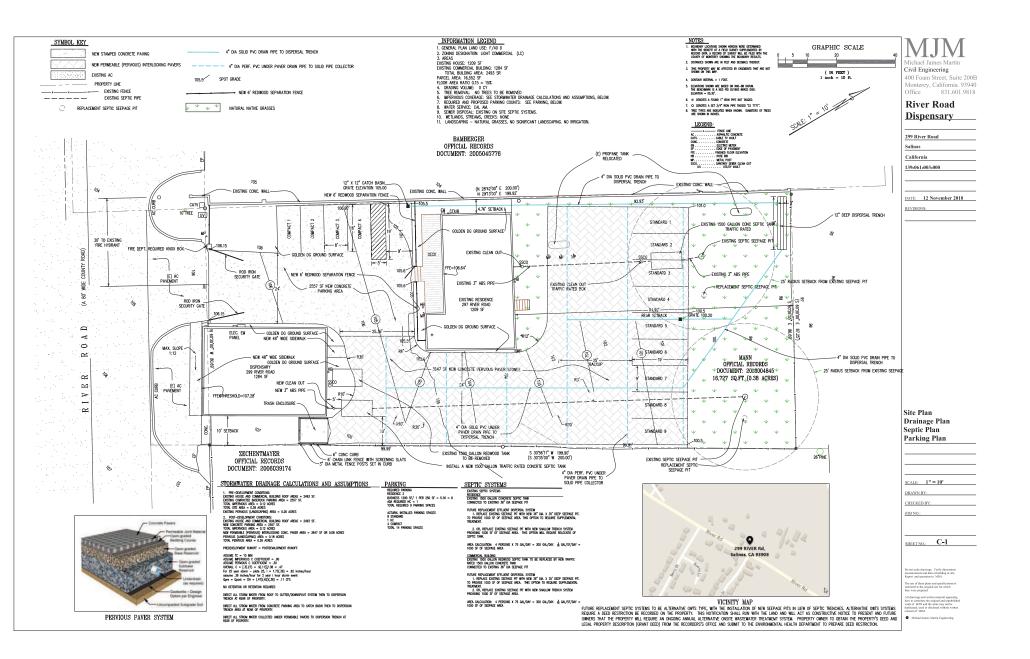
Attachments: Project Site Plan

TAMC Development Fee Estimates

Parking Simulation Exhibit







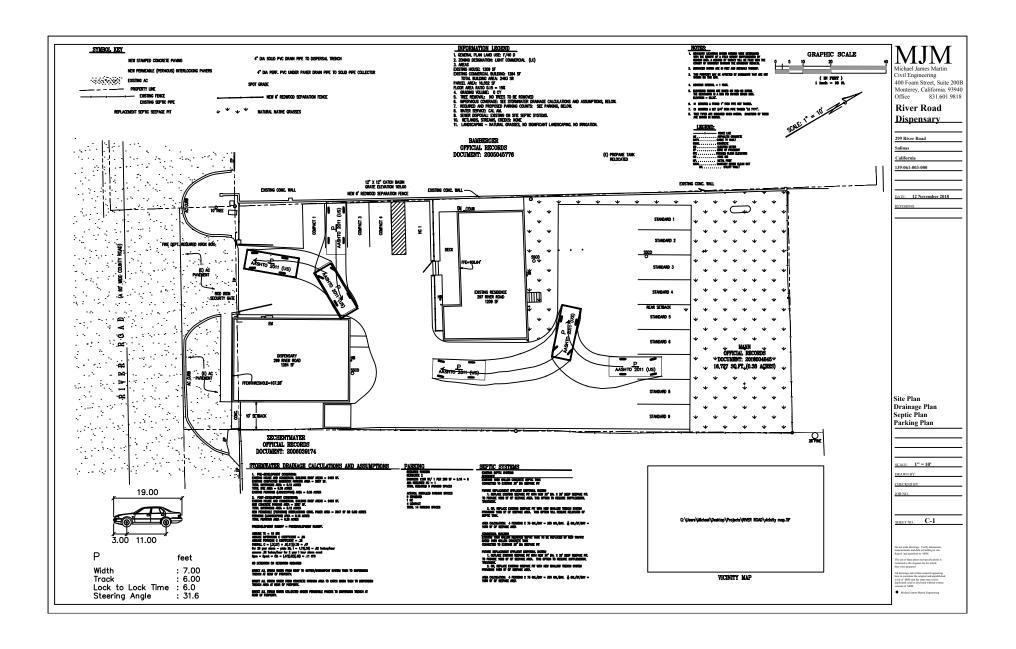
Regional Development Impact Fees

River Road Marijuana Dispensary (April 18, 2019)

Fee Calculation Worksheet Last updated October 1, 2018

Project Name:		Date:
Select the Benefit Zone:	GREATER SALINAS	

Select the Agency:	County of Monterey		
Select the Land Use Type:	Fee Schedule	Enter the # of Units	Fees
1 Specialty Retail Center	\$4.69	1,284	\$6,018.11
2	\$0.00		\$0.00
3	\$0.00		\$0.00
4	\$0.00		\$0.00
5	\$0.00		\$0.00
Calculate by Fee per Trip (Only use for appeals):	\$346		\$0.00
	Subtotal:		\$6,018.11
	Apply discount:	0.00%	\$0.00
	Apply credits:		\$0.00
	Total Regional Fee:	-	\$6,018.11



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