

Exhibit A

This page intentionally left blank.

DETAILED DISCUSSION

Project Description and Setting

The Proposed Project site consists of a 17.92-acre vacant site (APN 113-091-017-000) north of Sala Road and approximately 0.70 miles north of the City of Salinas in unincorporated Monterey County. The Proposed Project site is bordered by a retention pond and Sala Road to the south, another retention pond and Highway 101 to the west, a residential neighborhood to the northwest, a vacant parcel to the north, and Harrison Road to the east. The Proposed Project site is considered disturbed and has historically been used for agricultural use, with the site having been most recently in cultivation in 2012.

The Proposed Project consists of a new highway-oriented commercial development that entails the subdivision of an existing lot into 10 parcels and various other on- and off-site improvements. The Proposed Project includes construction of a total of 10 structures totaling 98,926 square feet (see **Figure 1 and Table 1**). These structures consist of a 41,693 square foot 95-room hotel, four retail buildings totaling 40,202 square feet (includes a 21,702 square foot retail building for Tractor Supply), four fast food restaurants with drive-through windows totaling 11,520 square feet, and a vehicle service station with 16 fueling positions, a convenience store, and drive-through car wash totaling 5,511 square feet. The Proposed Project also includes for a 57-foot illuminated highway-facing pylon sign on the western portion of the site. The Sobel Company Inc. (“Applicant”) is applying for two Variances to increase the allowable height and overall dimensions of the proposed sign so that it can be seen by northbound drivers on Highway 101 above the existing Sala Road Overpass, which is over 23-feet tall and is located immediately south of the site. The Applicant is also applying for a third Variance to increase in the allowable height for main structures, specifically the hotel. The Proposed Project includes grading consisting of 12,876 cubic yards of cut and approximately 12,309 cubic yards of fill.

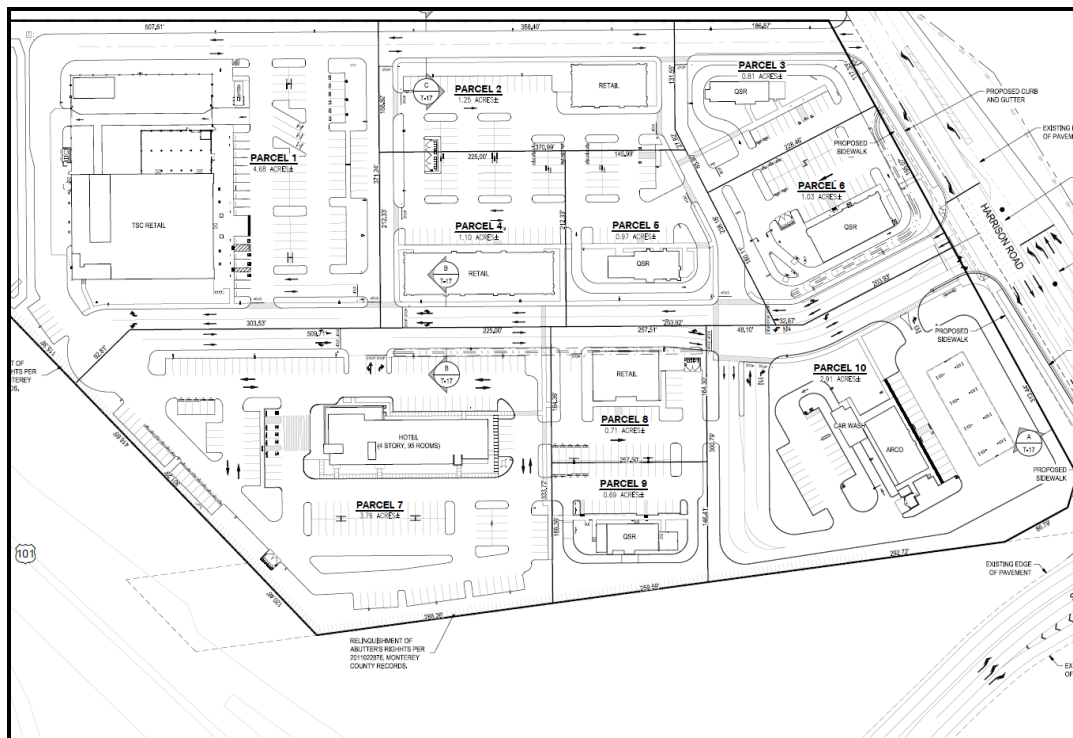


Figure 1. Full Build Out/Site Plan

| PARCEL NUMBER | PARCEL AREA (AC) | BUILDING AREA (SFT) | GDP LAND USE |
|---------------|------------------|---------------------|---------------------|
| EXISTING | 17.93± | — | — |
| 1 | 4.68± | 21,702 | RETAIL |
| 2 | 1.25± | 4,500 | RETAIL |
| 3 | 0.81± | 1,875 | RESTAURANT |
| 4 | 1.10± | 9,000 | RETAIL |
| 5 | 0.97± | 2,750 | RESTAURANT |
| 6 | 1.04± | 4,395 | RESTAURANT |
| 7 | 3.76± | 41,693 | HOTEL |
| 8 | 0.71± | 5,000 | RETAIL |
| 9 | 0.69± | 2,500 | RESTAURANT |
| 10 | 2.91± | 5,511 | GAS STATION /RETAIL |
| TOTAL | 17.93± | 98,926 | |

Table 1. Summary of land use per parcel

The Proposed Project site is designated for commercial use on the County’s General Plan and Zoning Ordinance and is surrounded by existing development to the north and south. Additionally, the Proposed Project site is located within the City of Salinas’s Economic Development Element’s (EDE) “Opportunity Area” identified as “North Entrance (Area K)” and adjacent to “Target Area K”. The City of Salinas EDE identifies Area K as being a priority opportunity site for predominately office and retail space. All of Area K is currently within the County of Monterey’s jurisdiction and would require approval of an annexation from the Local Agency Formation Commission of Monterey County to be a part of the City of Salinas jurisdictional boundaries. No annexation is currently being sought by the City of Salinas. If and when Area K is annexed into the City of Salinas and is developed according to the EDE, it will be considered an urbanized area, as defined by CEQA Guidelines and the Census Bureau.

General Development Plan

Title 21 section 21.18.030.D requires the development to submit for review and approval a General Development Plan for all development allowed within the LC zoning district. Accordingly, the Applicant has prepared a General Development Plan that details the proposed project components and addresses the long-range development and operation of the facilities including physical expansion and new development, operational changes, circulation or transport improvements, site design flexibility, environmental considerations, and conformance to the policies of the local area plan (see attached GDP).

The proposed GDP finds that a “broad range of commercial uses” would be appropriate for the site, specifically highway-oriented commercial development, such as service stations, restaurants, and visitor accommodations. The GDP does not allow for uses which include but are not limited to auto sales, banks, theaters, residential uses, public quasi-public uses and assemblage of people, zoos, day care centers, exploration for and removal of oil and gas, day care centers, and funeral homes. The GDP allows for a maximum development capacity of 125,000 square feet. As proposed, the project only includes a total square footage of 98,926 (78% of maximum allowed). The proposed project is expected to generate approximately 221 new jobs at full build-out. The GDP allows details project specific circulation improvements, road network improvements, public services, and future implementation of the GDP.

Commercial use locations and arrangement of uses within the project site, building square footage per parcel, parking and landscape design, and site design flexibility are built into the proposed GDP. However, due to the height and need for a Variance, the proposed hotel is an

exception to the GDP's flexibility. Any relocation of the Hotel from Parcel 7 would require separate discretionary review and approval and may trigger supplemental environmental review. Condition No. 17 requires adding a note to the Final Map stating that the variance is only granted to Parcel 7 and any deviation from this would trigger an Amendment. The GDP includes a Sign Program that establishes multiple requirements including that all signs to be compatible with a building's architectural style with regards to size, color, materials, and illumination. The Sign Program allows for the construction of a pylon sign with a maximum height of 57 feet.

Construction would be completed in three phases, with scheduling to be determined based on market conditions. Phase 1 of the Proposed Project includes construction of a tractor supply store, four-story, 95-guestroom hotel, and combined convenience store, car wash, and fueling station for automobiles. Phase 2 of the Proposed Project includes the construction of two fast-food restaurants. Phase 3 of the Proposed Project includes construction of two additional fast-food restaurants, as well as three buildings intended for retail use.

Project Analysis

Staff reviewed the application and found the project, as proposed, consistent with the applicable General Plan and Area Plan. Also, the project conforms to applicable zoning development standards. County staff also prepared a draft Initial Study (IS) for this project and concluded that any potential impacts would be less than significant with mitigation measures applied.

Applicable Zoning Development Standards

Development standards for the LC zoning district are identified in Title 21 section 21.18.070, which establishment maximum allowed heights of 35 feet and site coverage of 50 percent. As proposed, the project's main structures (restaurants, retail stores, gas station, and Tractor Supply building) will comply with the allowed height of 35 feet. A Variance has been granted to allow an increase of the allowable height for the Hotel (specific to Parcel 7) to 45 feet. 17.92-acre site would allow a maximum site coverage of approximately 390,515 square feet. As proposed, the project consists of 98,926 square feet of development (or up to 125,000 square feet per the GDP) and is therefore below the maximum allowed site coverage. The LC zoning district allows the prepared General Development Plan to establish required setbacks provided they are computable with surrounding land use and incorporate adequate parking and landscaping. In accordance with Title 21 section 21.18.070, the GDP establishes the following site development standards:

- Height for main structures: 35 feet (except on Parcel 7 which allows a height of 45 feet)
- Height of accessory structures: 15 feet
- Site coverage: 50 percent
- Minimum setback: 20 feet (front/from Harrison Road), 10 feet (rear), 5 feet sides, and 15 feet (sides to internal streets/driveways)
- Minimum landscaping: 10 percent.
- Parking: 534 stalls (with flexibility of a 20 percent reduction)

The proposed development complies with the above established site development standards, except for Parcel 7 which contains the proposed 95 room hotel.

The required structure height limit of 35 feet also applies to signs. As proposed, the project includes a 57-foot tall internally illuminated pylon sign. Signs are also subject to the regulations set forth in Title 21 Chapter 21.60. Monterey County Code Chapter 21.60 (Regulations for Signs) do not contemplate free-standing pylon signs that needs are common for advertising the presence of multiple tenants within a single commercial center. Rather, Chapter 21.60 only establishes regulations oriented to signage needs of individual businesses with single signs,

single community entrance signs, real estate signs, temporary (construction) signs, or clustered residential signs. Title 21 section 21.60.090 limits all signs within the commercial and industrial zoning district to no more than 300 feet. Further, Title 21 section 21.60.090(C)(2) requires the granting of a Use Permit for any commercial or industrial sign that exceeds, in the aggregate, a total of 75 square feet. Therefore, the 75 square foot limitation is applied to each tenant sign of the proposed pylon sign. Although the Proposed Project contemplates 16 tenants, only four major tenants and four minor tenants will be advertised on the proposed pylon sign. Each of the major tenant sign would be 70 square feet, while each of minor tenant signs would be 12 square feet. Title 21 section 21.60.100 regulations apply to those properties adjacent to any state highway or freeway that approaches, passes through, or goes near a city or community. Community entrance signs are allowed to be no greater than 400 square feet. Although the subject property is zoned light commercial, it is also a highway-oriented property near the entrance of the City of Salinas. Therefore, due to the location of the proposed sign being adjacent to a state highway that approaches, passes through, or goes near a city, the HCD-Director interpreted the 400 square foot limitation of Title 21 section 21.60.100(A) to apply to the proposed pylon sign. As proposed, the double-sides pylon sign would be approximately 768 square feet, or 368 square feet over the allowed sign size. The proposed sign includes four major tenants and four minor tenants, with individual sign faces of 70 square feet and 12 square feet, respectively, for a total of 384 square feet per overall sign face, or 768 total square feet of sign face area (front and back). Total sign face area exceeds limitation of 400 square feet of total sign face by 368 square feet.

Variiances

The Applicant has applied for three variances to increase the allowable height of main structures on Parcel 7 to 45 feet, increase the allowable height of signs to 57 feet, and increase the allowed sign dimensions to 768 square feet. To support a Variance, the appropriate authority must make the following findings:

1. That because of special circumstances applicable to subject property, including size, shape, topography, location or surroundings, the strict application of this Title is found to deprive subject property of privileges enjoyed by other properties in the vicinity and under identical zone classification;
2. That the variance will not constitute a grant of special privileges inconsistent with the limitations upon other property in the vicinity and zone in which such property is situated; and
3. A variance shall not be granted for a use or activity which is not otherwise expressly authorized by the zone regularly governing the parcel of property.

Based on the below discussion, staff recommends the Planning Commission grant the requested variances.

In September 2004, construction of the Sala Road Interchange and southbound Highway 101 Overcrossing at Russell Road and Espinosa Road in north Salinas was completed by California Department of Transportation (Caltrans). The work was done to ensure safer travel along Highway 101 between Sala Road and Boronda Road in north Salinas. Part of that construction involved an off-ramp from Highway 101 adjacent to the subject site. With the elevated construction of this off-ramp, the subject property is not visible when traveling northbound. According to Caltrans data, the clearance for the bridge connecting to the adjacent off ramp is at 19 feet and 9 inches and the roof of the bridge is at 23 feet and 5 inches. Vegetation along the bridge and off ramp intersection increases the height to approximately 25.5 feet.

The economic viability of highway-oriented commercial uses, and the associated sales tax, is highly correlated with the extent to which highway travelers can identify the services provided and exit the highway in a safe timely manner. The northbound exit at Sala Road is located approximately 0.30 miles north of the proposed sign location. The southbound exit at Sala Road is located approximately 0.05 miles south of the proposed sign location. For drivers to see the signage in sufficient time to make a decision to exit, the signage should be visible for a minimum of up to .25 miles before the offramp, or a minimum of about .55 miles from the subject property itself. Signage must be of sufficient size at this distance for travelers to identify the commercial center tenants.

The proposed project originally included a 100-foot-tall pylon sign. After multiple discussions with HCD-Planning staff, the Applicant reduced the height to 73 feet and subsequently to 57 feet after conducting a visual assessment. To determine most appropriate siting and height of the site, the Applicant conducted various visibility tests using a boom crane to elevate a 12 foot by 8-foot wood placard above the ground to identify the height at which the lowest tenant sign could be visible in both directions on Highway 101. For the first test, the top of the placard was raised to 35 feet (bottom height of 27 feet), which proved to not visible in the northbound direction until after the interchange because of the overpass and associated vegetation. In the south bound direction, the 35-foot-high placard was not visible until the viewer passes next to the northbound Sala Road exit, which provides for no opportunity to exit the Highway once the sign becomes visible. Based on the 35-foot placard test results, the Applicant investigated other locations along the Highway within the project site where the northbound line of sight to the sign would be less impaired by the interchange and landscaping. A location further north along the western site boundary adjacent to the highway was selected for additional testing; this location was ultimately selected as the final proposed pylon sign location. With a top height of 45 feet and a bottom height of 37 feet, the bottom of the placard was entirely visible above the Highway 101 and Sala Road interchange and landscaping when traveling northbound. In the southbound direction, at the 45-foot top-of-placard height, the entire placard is blocked until about 50 yards prior to the Sala Road offramp exit, and thus would not be sufficient to safely capture a significant percentage of the southbound traffic via the Sala Road exit. To further test southbound sign height, the Applicant raised the top of the placard to 65 feet. Except for a very brief moment, none of the placard is visible over the intervening soundwall and trees until a point approximately 100 yards before the southbound Sala Road offramp exit. The Applicant concluded that this height (65 feet) “would likely capture an incrementally higher percentage of southbound trips than the 45-foot height, but not likely a majority of trips that might otherwise exit with earlier sign visibility.” The same test was conducted with a top-of-placard height of about 75 feet and resulting in similar access constraints as the 65-foot test. Although no appropriate sign height or size would allow the sign to be visible for southbound travelers, the proposed height and size will be adequate for northbound travelers. The results concluded that for adequate visibility the bottom of the lowest tenant sign on the proposed pylon sign would need to be at least 37 feet above average natural grade. The tenant advertisement area is approximately 20 feet tall (four rows of 3.5-foot-tall tenant signs with 6 inches of spacing in between). Accordingly, the proposed project includes a 57-foot-tall pylon sign.

Strict application of the LC zoning district’s height limitations would significantly limit all visibility of any structure or sign when traveling northbound along Highway 101, as well as restrict the size of the hotel. To assure adequate visibility from the highway and accommodate the minimum number of rooms and associated support uses, a typical highway-oriented hotel is four to five stories high. This is equivalent to a height of 40-45 feet. There are no highway-oriented hotels along the Highway 101 corridor within County of Monterey jurisdictional

boundaries. All highway-oriented hotels along Highway 101 are located within incorporated jurisdictions (i.e. City of Salinas, City of Greenfield, and City of Soledad). At 95 rooms and 45 feet tall, the proposed hotel will be comparable to other Highway 101 oriented hotels in the City of Salinas, which establishes a height limit of 50 feet for hotels: Best Western Salinas Valley Inn (60 rooms), Holiday Inn Express & Suites Salinas (74 rooms), Inn of California – Salinas (96 rooms), Hampton Inn & Suites Salinas (105 rooms), and Laurel Inn & Conference Center (150 rooms). Although the LC zoning district contemplates and allows for hotels, subject to appropriate discretionary review and approval, there are no other LC zoned properties along Highway 101 which are both within County of Monterey jurisdiction as well as being within a local City's sphere of influence or economic development plan (Area K). Although the subject property is not currently immediately adjacent to the existing urban edge of the city, it is expected to be annexed to the City in the foreseeable future. This is evident by the City's request and fulfillment that the Applicant enter into a pre-annexation agreement.

To staff's knowledge, there are no highway oriented commercial properties with existing or proposed highway serving uses that are as visibly constrained as the subject property. There are a very limited number of properties of notable size within the County of Monterey that are zoned to allow commercial center development at interchanges on Highway 101. Exceptions are properties located in the Prunedale area at the State Route 156/Highway 101 and the San Miguel Canyon Road/Highway 101 interchanges, a property in Soledad at the Highway 101/Front Street interchange, and a property in Gonzales at the U.S. Highway 101/Gloria Road interchange. The Prunedale shopping center properties adjacent Highway 101 are developed with retail and other commercial uses. These properties are elevated above Highway 101 and the nearby interchanges to not interfere with sign visibility, thus have greater visibility than the subject property. The properties along Highway 101 and near Soledad and Gonzales are in locations adjacent to agricultural land, where exceeding the allowable height for structures would likely not be necessary, as views to these sites are largely, if not completely, unobstructed.

Finally, the variances would not grant a use not authorized within the Light Commercial zoning designation since Commercial zoning districts in Monterey County allow for the establishment of hotels and signage.

Potential Environment Impacts

Aesthetics/Design

The project has been designed to be compatible with the surrounding rural character. The Proposed Project includes several architectural design features to ensure visual cohesiveness throughout the site. Architectural design elements of the Proposed Project including natural building colors, roof and trellis designs, and security lighting. The proposed building colors would be a mix of neutral and earthtone colors including shades of beige, grey, and brown. These types of colors are typical of commercial development alongside highways in Monterey County and would not be visually obtrusive to drivers passing alongside the proposed project.

The proposed hotel, Tractor Supply building, and illuminated 57-foot-tall pylon sign would be the most visible components of the Proposed Project from Highway 101. All structures were designed to conform to development standards for the Light Commercial zoning district, except for the proposed hotel and sign, which would have maximum heights of 45 feet and 57 feet, respectively. When directly adjacent to Proposed Project site, the proposed development and pylon sign will be less subordinate with the surrounding area. However, in the southbound and northbound directions, the development sign will be more subordinate with surrounding area as it

is visually “busy” with the various Highway 101 directional signage, a Caltrans message boards and other traffic related signs, Salinas Self-Storage sign, and views of the surrounding mountain ranges and low lying residential and commercial development. All views of the illuminated pylon sign would be limited in duration and would not detract from the overall visual quality of the surrounding area. Rather than having the proposed tenant signage be overlain with white vinyl (typical of pylon signage), which would illuminate the entire tenant sign (12 – 70 square feet per sign), the proposed pylon sign would only include low wattage illumination of the tenant’s individual name or logo. See below **Figure 2**.

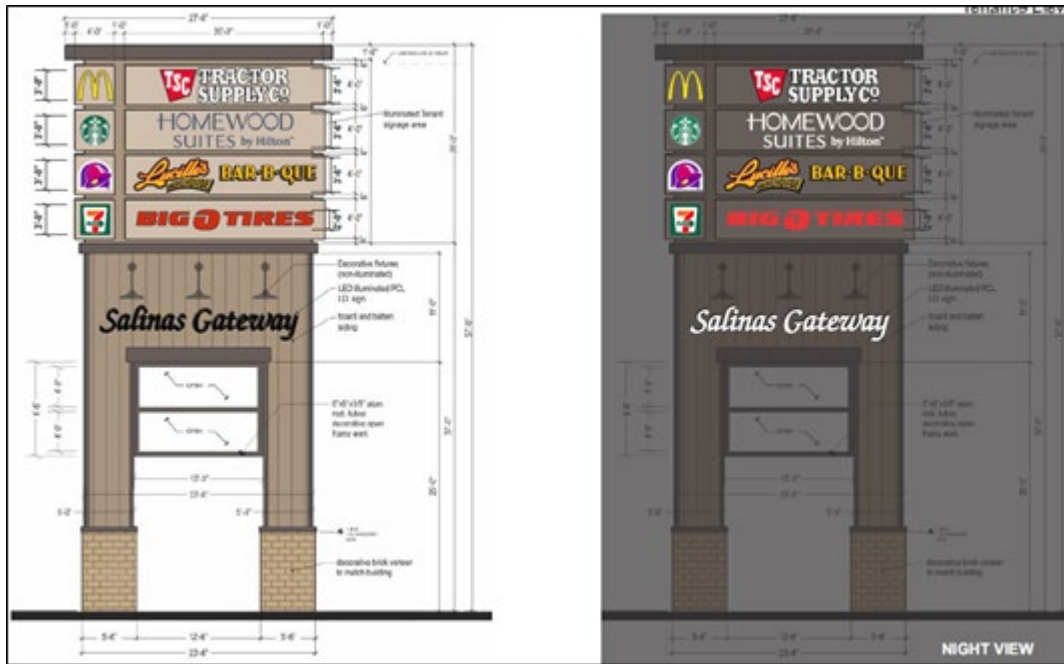


Figure 2. Proposed pylon sign illumination (day and night views). Note: all tenants shown on the below figure are for example only and are not meant to be representative of the Proposed Project’s tenants.

This design component would minimize the amount of light produced by the pylon sign at night. Although the proposed pylon sign and hotel would create new prominent visual landmarks for northbound and southbound travelers on Highway 101, they would not substantially impact visual quality of the site. The proposed landscaping would provide visual diversity and would reduce the apparent mass of the development. Finally, the project requires an exterior lighting plan as a condition of approval (Condition No. 19).

Traffic

The proposed project originally proposed three additional truck fueling stations as part of the overall Convenience Market/Fueling Station, which has since been removed. The three-truck fueling stations were accounted for in the original Traffic Impact Analysis (LIB200166). This component has since been removed. On June 22, 2023, the Project Traffic Engineer submitted a supplemental traffic impact analysis to reflect the change in project scope (Project without truck fueling station) (LIB200166). This supplemental analysis indicated that elimination of the Truck Fueling Facility would result in a slight reduction in the Project’s trip generation estimate as indicated in the Traffic Impact Analysis. The supplemental analysis found that without the truck fueling facility project traffic would be reduced by approximately 115 daily trips, 10 AM peak hour trips, 14 PM peak hour trip and 5 Saturday peak hour trips. This equates to an approximate 0.5% to 1.4% reduction in overall project traffic. As such, the project is anticipated to generate

approximately 9,958 daily weekday trips, with 685 AM peak hour trips and 711 PM peak hour trips, or 13,395 daily weekend trips, with 1,090 mid-day peak hour trips. Based on the updated analysis, with the proposed mitigation improvements, Harrison and Sala Road would operate at a level of service (LOS) of C or better under existing plus project and cumulative plus project conditions. Harrison Road and the main access (south driveway) will operate at an LOS of B or better under existing plus project and LOS C or better under cumulative plus project conditions.

Revision 5 of the 2014 California Manual on Uniform Traffic Control Devices requires consideration of a roundabout when a traffic signal is warranted at a specific location. A Draft Intersection Control Evaluation (ICE) for Highway 101 Northbound Ramps/Sala Road Intersection (dated February 4, 2021) analyzed the need for implementing intersection alternatives at the Highway 101 Northbound Ramps and Sala Road Intersection. The Draft ICE concluded that the existing all-way stop signs should be replaced with a traffic signal rather than a roundabout. A final version of this document was submitted to Caltrans on October 24, 2023. On October 26, 2023, Caltrans submitted a letter concurring with the conclusions of the Final ICE that found a roundabout as an infeasible alternative. Caltrans determined that a roundabout was not feasible primarily because of geometric and environmental constraints, visual impacts, construction related traffic impacts, and financial constraints associated with a roundabout at this location. Although a traffic signal and roundabout would provide LOS A or B operation, a roundabout would require extensive modification of the existing right of way, result in reduced storm water detention capacity, impact the adjoining habitat areas, would introduce a 20-foot-tall retaining wall, disrupt traffic flow during construction activities, and cost approximately \$5,000,000. A traffic signal, on the other hand, can be installed on the existing intersection without impacting the storm water detention capacity, adjoining habitat areas, or surrounding visual character, would result in minimal traffic disruptions, and cost of less than \$400,000.

The Proposed Project includes off-site circulation improvements based on the recommendations of Traffic Assessment and Final ICE prepared by Keith Higgins (2019 and 2023) (LIB200166), which have been incorporated into the project as Mitigation Measure No. TI-1 (Condition No. 30). The reports identified that the Applicant would be responsible for constructing off-site improvements that would result in physical changes to the environment. A description of the location and nature of these off-site improvements is provided below and shown in **Figure 3**:

- *US 101 Northbound Ramps / Sala Road intersection*: 1) Signalize intersection (Modify existing all way stop-controlled intersection) and 2) add a special (overlap) signal phase that combines the northbound US 101 Northbound Ramps right turn and westbound Sala Road through movements,
- *Harrison Road / Sala Road intersection*: 1) Restripe existing striped median to add second eastbound Sala Road left turn lane, 2) widen northbound Harrison Road north of Sala Road to accommodate second receiving lane (from second eastbound left turn lane), 3) add southbound Harrison Road right turn overlap signal phase, 4) add second southbound Sala Road through lane, and 5) add second southbound Harrison Road right turn lane.
- *Harrison Road / Project Driveway (South) intersection*: 1) Signalize intersection, 2) add two northbound Harrison Road left turn lanes, 3) add a southbound Harrison Road right turn lane, 4) provide separate Project driveway eastbound left and right turn lanes, 5) provide two westbound Project driveway entry lanes, and 6) add an eastbound Project Driveway (South) right turn overlap signal phase.
- *Harrison Road/Project Driveway (North) intersection*: 1) Add a northbound Harrison Road left turn lane and 2) provide a combined eastbound left/right turn exit land and single entrance lane.

- *Harrison Road:* Widen Harrison Road to include four through lanes (two northbound and southbound through lanes) along the Project frontage between the Project South Driveway and Sala Road.

Additionally, the proposed project includes pedestrian improvements along its frontage with Harrison Road in accordance with 2010 General Plan Policies LU-4.7 and OS-9.6. The proposed pedestrian improvements will connect to the existing crosswalks across Sala Road at Harrison Road. The proposed pedestrian improvements will integrate the Proposed Project with the existing pedestrian facilities on Harrison Road, as well as with future pedestrian facilities constructed on Harrison Road as part of the future development of Area K.

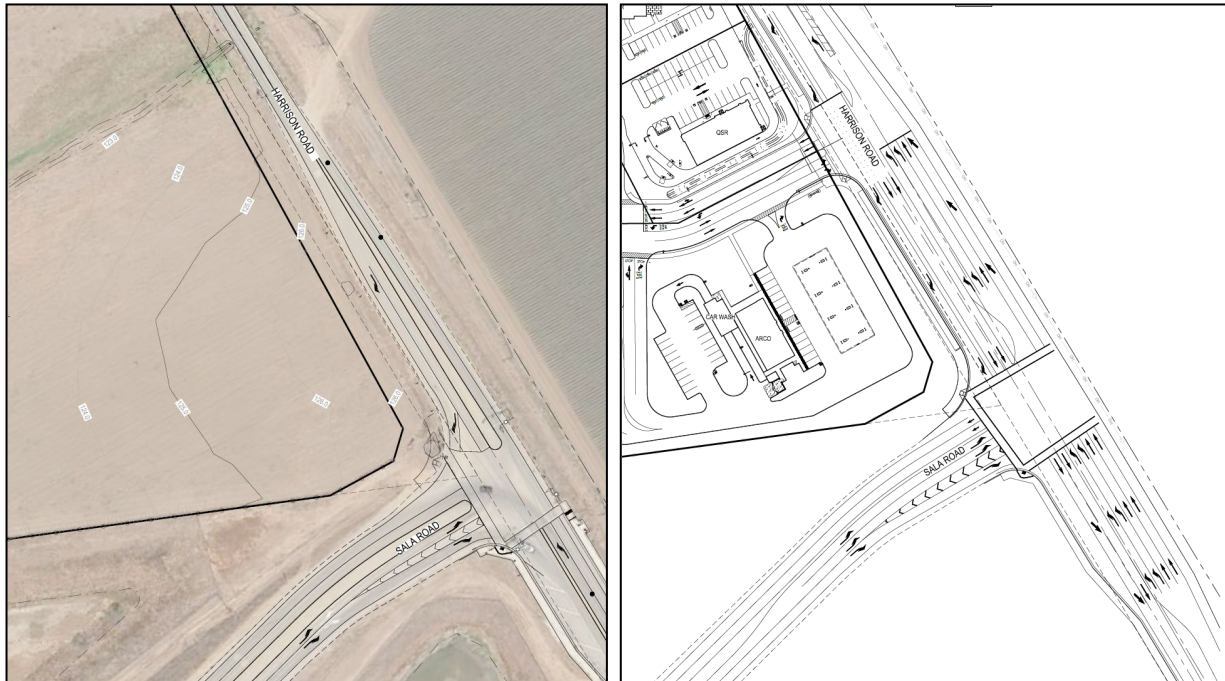


Figure 3. Existing roadway conditions vs. Proposed Sala & Harrison Road improvements.

Water Demand

Groundwater is the primary source of water supply for both agricultural and municipal water demands in the Salinas Valley, with agricultural water use representing approximately 90 percent of all water demand in the Salinas Valley. California Water Service (Cal Water) would provide water to the Proposed Project. Cal Water extracts groundwater from two hydraulically connected subbasins of the Salinas Valley Groundwater Basin known as the 180/400 Foot Aquifer (or Pressure Subarea) and the East Side Aquifer. Impacts have resulted over time related to groundwater availability and quality due to the increased demand for groundwater within the Salinas Valley. However, Cal Water’s 2020 Urban Water Management Plan (“UWMP”) concluded that sufficient water supply is available to meet demand through 2035 under all hydrologic year-type scenarios (normal, dry, and multiple dry years). The UWMP notes that some shortfalls may occur in 2040 and 2045 under single-year drought or multi-year drought conditions. However, the UWMP notes that shortfalls would be alleviated by proactive drought planning on the part of Cal Water. Cal Water has provided a “can-and-will serve-letter” to confirm they will supply water to the Proposed Project. No water infrastructure is currently present on site. The Proposed Project includes construction of a new water line to connect with Cal Water’s existing 12-inch water line in Harrison Road, which terminates approximately 970 feet south of the Proposed Project site.

A comprehensive hydrological assessment for the Proposed Project was prepared by Balance Hydrologics, Inc. (LIB230238). The hydrological assessment examined existing hydrological conditions to determine whether there is an intensification of water use associated with the Proposed Project compared to baseline conditions. The water use baseline used for this analysis is based on the average water use over a 20-year baseline period spanning from 2000-2019. Balance Hydrologics determined that the project site has had an average on-site water usage of 24.42 acre feet per year (“AFY”) based on the 20-year baseline period. The Proposed Project would have a water demand of 23 AFY. As a result, the Proposed Project would result in a 1.42 AF reduction of water use when compared to historical demand. Monterey County Water Resources Agency and the Environmental Health Bureau have reviewed the prepared comprehensive hydrological assessment and provided can-and-will-serve-letters and agree with the conclusions regarding water demand and providing a long-term sustainable water supply in accordance with 2010 General Plan Policy PS-3.1-3.3.

Noise

The Safety Element of the 2010 General Plan establish policies that address new noise generating sources and require development to incorporate design elements necessary to minimize noise impacts on surrounding land uses. Additionally, Monterey County Code Chapter 10.60 addresses the operation of noise-producing uses (development, machines, devices, etc.) and prohibits noise generating sources from exceeding 85 dBA and 65 dbA measured 50 feet therefrom during the daytime and nighttime, respectively.

The nearest sensitive receptors are residences located approximately 200 feet northwest of the proposed project site. An Environmentally Noise Assessment (LIB200167) was prepared for the project to analyze project related noise impacts. Grading, trenching, paving equipment, pneumatic tools, trucks and a variety of other equipment will be used to prepare the site for construction and to build improvements. Construction activities will expose occupants at the adjacent residences to temporary, short-term increases in noise and ground borne vibrations at a range between 61-74 dBA. This impact is not anticipated to be significant, however Mitigation Measure N-1 has been applied to ensure noise-limiting construction measures are adhered to (Condition No. 27). The proposed project would generate additional traffic on nearby roadways, including Harrison Road. The noise assessment concluded that the additional traffic would result in either no change or a 1 dBA increases in noise levels, and thus would not constitute a significant impact. The proposed project includes a Tractor Supply Company store that would include a loading dock on the west side of the building. The Tractor Supply Company could receive between five to six truck deliveries each week, typically occurring between the hours of 8:00 am and 6:00 pm. Noise from trucks moving to and from the Tractor Supply loading dock would be expected to produce noise levels in the range of 60 to 66 dBA when measures from the nearest residential land uses. The loading dock noise levels are be expected to be in the range of 50 to 68 dBA at a distance of 250 feet (nearest residence). If loading activities occur during the nighttime hours of 10:00 pm to 7:00 am, noise levels could exceed the County’s nighttime noise level allowance of 65 dB Lmax. Therefore, Mitigation Measure N-2 and N-3 have been applied to limit loading dock and delivery activities at the Track Supply building to the hours of 7:00am to 10:00pm (Condition No. 28 and 29).

Biological Resources

Surrounding land uses include agricultural fields located to the east, a residential subdivision and commercial uses to the north, Highway 101 and Caltrans detention pond facilities to the west, and a Caltrans detention pond on the south. The dominant plant community on the Proposed Project site and in the off-site improvements area on Harrison Road is ruderal (non-native) open

grassland. The prepared biological assessment (LIB200170) determined that the property's grassland has the potential to provide marginally suitable foraging habitat for Burrowing owl. Therefore, Mitigation Measure BIO-1 has been applied to require a pre-construction survey for this species (Condition No. 24). Red-winged blackbirds and other avian species were also observed flying near the property and perching on adjacent fences. Thus, the County's standard Raptor/Migratory Bird Nesting condition of approval has been applied to the project (Condition No. 14). Additionally, due to the property's intermittent drainage channel, Mitigation Measure BIO-2 has been applied to require that the Applicant obtains a Clean Water Act Section 404 Nationwide Permit (NWP) 39 from U.S. Army Corps of Engineers (Condition No. 25).

Air Quality/Greenhouse Gas Emissions

An Air Quality, Greenhouse Gas (GHG), and Energy Assessment (LIB230239) was prepared for the proposed project. Construction of the proposed project would include ground-disturbing construction activities that would result in localized emissions of dust and toxic air contaminants from heavy equipment diesel exhaust. These emissions could result in temporary impacts to adjacent land uses that include sensitive receptors (i.e., residences 200 feet north). Implementation of Mitigation Measures AQ-1 through AQ-3 would reduce the potential exposure of nearby sensitive receptors to pollutant concentrations during construction to a less-than-significant level by requiring implementation of dust construction measures and a Construction Staging Management Plan, and adherence to manufacture guidelines regarding the maintenance of construction equipment (Condition Nos. 21, 22, and 23).

Neither the County nor the Monterey Bay Air Resources District have adopted a regional GHG threshold. As a result, a GHG threshold of significance for the Proposed Project was developed based on a GHG efficiency metric that represents a rate of emissions generation. Per the prepared GHG Assessment and based on a methodology that considers statewide emissions, projected population, and employment growth in the state, a GHG threshold of 3.82 MT CO₂e per service population was established for the Proposed Project's buildout year of 2024.

The Proposed Project includes planting 160 new trees and over 180,000 square feet of landscaping. These changes increase the property's lifetime carbon dioxide sequestration by 36 MT CO₂e (metric tons of carbon dioxide equivalent). The annual gain in sequestration potential would be equivalent to 1.2 MT CO₂e (36 MT CO₂e/30 years) averaged over a 30-year period. However, at full build out, the project would exceed the threshold of significance of 3.82 MT CO₂e per year per service population for the year 2024 by a total of 4,614.48 MT CO₂e per year. To ensure the Proposed Project's GHG emissions are below the threshold of significance of 3.82 MT CO₂e per year per service population, Mitigation Measure GHG-1 has been applied to require a minimum reduction of 4,614.48 MT CO₂e per year (or 20.88 MT CO₂e per year per service population) (Condition No. 26). Reduction shall be achieved through implementing one or more of the following approaches: 1) Include additional on-site GHG emissions reduction measures; 2) Participate in one or more off-site GHG reduction program(s); and/or 3) Purchase carbon off-sets.

If additional on-site GHG emissions reduction measures are utilized, the Applicant shall prepare a GHG Reduction Plan. The GHG Reduction Plan shall identify the proposed additional GHG reduction measures, GHG emissions reductions volumes associated with each, and evidence to support the level of reduction calculated for each. If the Applicant chooses to participate in an off-site GHG reduction project or program, evidence of such participation shall be provided to the County of Monterey Housing and Community Development Department by the agency/interest that is implementing the project or program. Evidence shall describe how the Applicant is participating, the expected GHG reduction volume that can be assigned to the

project as a result of the Applicant's participation, and verification that the Applicant has met participation requirements. If the Applicant chooses to purchase carbon off-sets to secure all or the balance of GHG emission reductions not achieved through onsite measures or participation in off-site reduction programs, the Applicant shall provide evidence to the Monterey County Housing and Community Development Department that a contract for such purchase has been executed through a credible carbon off-set registry such as the Climate Action Reserve, a certified carbon off-set Applicant, or a broker.