MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING: January 10, 2012  SCHEDULED

SUBJECT: Public hearing to consider:

a. Adoption of a Resolution to certify the Environmental Impact Report and adopt Statement of Overriding Considerations;

b. Adoption of a Resolution to: deny the appeal by Omni Resources LLC from the January 26, 2011 decision of the Monterey County Planning Commission; approve the Combined Development Permit for the project consisting of 1) Use Permit 2) General Development Plan; and 3) Design Approval for development of a 99,970 square foot retail center known as the Corral de Tierra Neighborhood Retail Village and 4) Lot Line Adjustment to modify the lot line between two existing parcels (5.6 acres and 5.38 acres in area) to create Parcel A (1.12 acres) and Parcel B (9.86 acres), subject to the recommended conditions; and adopt the Mitigation Monitoring and Reporting /Condition Compliance Plan;

c. Adoption of a Resolution denying the Applicant’s request to rezone the Property to remove the “B-8” Overlay Zoning District from the subject site’s overall “LC-B-8-D” zoning classification.

(Appeal, Discretionary Decision – PLN110077 (an appeal of PLN020344) Omni Resources, LLC, 5 Corral de Tierra Road, Salinas, Toro Area Plan)

<table>
<thead>
<tr>
<th>Project Location</th>
<th>5 Corral de Tierra Road.</th>
</tr>
</thead>
<tbody>
<tr>
<td>APN:</td>
<td>161-571-003, 161-581-001</td>
</tr>
<tr>
<td>Planning Number:</td>
<td>PLN110077 (appeal of PLN020344)</td>
</tr>
<tr>
<td>Name:</td>
<td>Omni Resources, LLC</td>
</tr>
<tr>
<td>Flagged and Staked:</td>
<td>Yes</td>
</tr>
<tr>
<td>Plan Area:</td>
<td>Toro Area Plan</td>
</tr>
<tr>
<td>Zoning Designation:</td>
<td>LC-B-8-D (Light Commercial with Building Site and Design Review Overlay District)</td>
</tr>
<tr>
<td>DEPARTMENT:</td>
<td>RMA – Planning Department</td>
</tr>
</tbody>
</table>

RECOMMENDATION:

It is recommended that the Board of Supervisors:

a. Adopt a Resolution to certify the Environmental Impact Report and adopt Statement of Overriding Considerations (Exhibit B);

b. Adopt a Resolution (Exhibit C) to: deny the appeal by Omni Resources LLC from the January 26, 2011 decision of the Monterey County Planning Commission; approve the Combined Development Permit for the project consisting of 1) Use Permit 2) General Development Plan; and 3) Design Approval for development of a 99,970 square foot retail center known as the Corral de Tierra Neighborhood Retail Village and 4) Lot Line Adjustment to modify the lot line between two existing parcels (5.6 acres and 5.38 acres in area) to create Parcel A (1.12 acres) and Parcel B (9.86 acres), subject to the recommended conditions; and adopt the Mitigation Monitoring and Reporting /Condition Compliance Plan contained in Exhibit C; and

c. Adopt a Resolution (Exhibit D) denying the Applicant’s request to rezone the Property to remove the “B-8” Overlay Zoning District from the subject site’s overall “LC-B-8-D” zoning classification.
SUMMARY:

This matter comes before the Board of Supervisors on a continued hearing. At the July 12, 2011 hearing, the Board of Supervisors considered the latest proposal by the applicant (Omni Resources, LLC) to address the issues related to size and visual impacts on the Highway 68 and Corral de Tierra scenic corridors. The applicant’s proposed design included the following characteristics:

- Size reduced to 99,970 square feet
- Most buildings are single story – (One two story building)
- Landscape areas along Corral de Tierra increased
- Office building at southern end of site removed
- Utilize a Lot Line Adjustment to create a 9.86 acre parcel upon which the shopping center will be developed leaving a 1.12 acre vacant parcel at southern end of site.
- No change proposed for the corner former gas station parcel.

During the July 12 hearing the applicant agreed to remove the gas station improvements on the corner parcel. A condition of approval has been added to remove the gas station on the corner parcel as part of the work on the proposed retail center. Based upon this information, the Board adopted a Resolution of Intent to approve the project and continued the application to August 30, 2011 to allow staff to prepare an evaluation of the applicant’s proposal and to prepare the necessary findings and evidence. Prior to the August 30 hearing, it was discovered that there may be residual contaminants in the soil on the gas station parcel from the removal of the underground tanks. The August 30 hearing was continued to October 4, 2011 to allow staff and the applicant to address this issue. The project was continued from October 4, 2011 to November 8, 2011 to allow the entire Board to be present for consideration of this project; the project was continued from November 8, 2011 to allow staff time to revise condition 67. Dates have also been updated in the resolutions attached to this report.

DISCUSSION

The reduced design proposed by the applicant addresses most of the issues that have previously been raised related to a retail center at this location. The conditions of approval and mitigation measures have been modified to reflect the changes in the project design. The one outstanding issue from the prior design relates to the northern driveway on Corral de Tierra. This has been a point of disagreement throughout the process. The ideal design solution would be to combine the driveways for the center with the corner parcel driveway, but the applicant is not willing to make this design change. The project has been conditioned to require that the driveway either be removed or combined with the corner parcel’s driveway.

Other conditions which have been added include requiring delivery truck access through the southern driveway on the site, and requiring reciprocal parking and access between the newly configured parcels.

Another decision point relates to the applicant’s request to change a mitigation measure removing the County’s ability to require tenant spaces to remain vacant if the Water Cap of 9 Acre Feet per Year is being exceeded. The cap on water use is an important component of the water balance. Maintaining the water balance is the mitigation for the potential impact to use of ground water. The water balance involves both the infiltration system directing additional
surface water to the groundwater and the water use cap which limits the amount of water used on site. The result is that more water is directed to the groundwater than is used on the site which mitigates the impact to groundwater to a less than significant level. Staff is proposing an alternative mitigation measure which would require annual reporting and impose a progressive fine for exceeding the water cap.

The applicant has completed additional studies to determine the level of contamination on the gas station site. Additional remediation work is required. The most conservative approach would be to require all remediation to be completed prior to acting on this project, which would result in a continuance to a distant future date. Staff has recommended moving forward with the action because the contamination is limited in area and remediation satisfactory to the Environmental Health Bureau and Regional Water Quality Control Board will need to occur regardless of what happens with this application. Staff has added a condition that all remediation work be completed prior to issuance of any permits for the subject site.

Part of the application is to remove the B-8 Zoning overlay from the property. The recommendation of the Planning Commission is to not remove the B-8 overlay from the property. The retail center can be developed consistent with the existing B-8 Zoning and has been designed to be able to operate under the limitations of the B-8 district.

Staff recommends that the Board of Supervisors adopt the resolution in Exhibit B to certify the EIR, adopt the resolution in Exhibit C to approve the project, and adopt the resolution in Exhibit D to deny the request to remove the B-8 district.

For a more detailed discussion see Exhibit A. Except for correcting typographical errors and adding dates, the primary change in the resolution (Exhibit C) is to Condition 67.

CEQA

An Environmental Impact Report was prepared for the proposed Project in accordance with the California Environmental Quality Act. The public review period for the Draft EIR was from May 28, 2010 until July 16, 2010. Based upon the comments received on the DEIR, a Final EIR was released for public review on November 24, 2010.

FINANCING:

The cost of staff work on this project has been included in Department budgets. The applicant has paid the necessary fee for the appeal and the Lot Line Adjustment.

Prepared and approved by:

Mike Novo, Planning Director
755-5192, novom@co.monterey.ca.us

cc: Front Counter Copy; Monterey County Rural Fire Protection District; Public Works Department; Environmental Health Bureau; Water Resources Agency; John Ford, Senior Planner; Carl Holm Interim Deputy RMA Director, Carol Allen, Senior Secretary; Eric Phelps, c/o OMNI Resources LTD, Owner; Brian Finegan, Applicant's Attorney; Mike Weaver, Marit Evans; Gerry Bolles; Law Offices of Michael Stamp c/o Molly Erickson; Planning File PLN 110077 an appeal of PLN020344.
Attachments:
Exhibit A – Discussion

The following attachments are on file with the Clerk of the Board:
Exhibit B—Resolution Certifying EIR and Adopting Statement of Overriding Considerations
Exhibit C – Resolution Denying Appeal, Approving Project and Adopting Mitigation Monitoring Program
   Attachment 1 – Conditions of Approval
   Attachment 2 – Plans Prepared by Hart/Howerton
   Attachment 3 – Lot Line Adjustment Exhibit
Exhibit D – Resolution for Denial of Rezone to Remove B-8 Overlay
Exhibit E – Revised Water Balance Analysis
Exhibit F – Letter from Barry S. Slatt Mortgage Company
Exhibit G – Letter from Cassidy Turley BT Commercial Real Estate
Exhibit I – Letter from Regional Water Quality Control Board
Exhibit J – Letter from Monterey County Environmental Health Bureau