PLANNING COMMISSION
NOVEMBER 19, 2014
STAFF REPORT

Item No. 4

Submitted by: AMANDA COOK, PLANNING DIRECTOR

PROJECT TITLE: Vons Grocery Store

Owner:	Santa Catalina Island Company
Applicant:	Vons
Location:	#1 Catherine Way
APN:	7480-016-009

PROPOSAL: A Site Plan, Coastal Development Permit, Conditional Use Permit for Restaurant/Bar/Café use, Mitigated Negative Declaration, Mitigation Monitoring Plan to build a 23,044 square foot grocery store at 240 Sumner Avenue in the City of Avalon.

The Site Plan is for a two story grocery store (the second floor mezzanine of 3,905 sq. ft. for administrative/back of house uses). The Project includes an easement for a dedicated off-street parking area for two accessible vehicles, one standard full-size vehicle, and 23 autoette-size vehicles. Also included are a bike rack and a proposed pull-in area at the curb on Sumner Avenue to accommodate taxi service. An elevator is included for access to the upper floor.

Existing Vons Locations New Vons Locations

WATER REQUIREMENTS: This Project requires a fresh water allocation. Southern California Edison ("SCE") determined that the Project requires .28 acre feet of fresh water. On April 29, 2014 Santa Catalina Island Company informed SCE of its proposal to transfer in whole the preexisting water allocation from the Wilcox Nursery (.17 acre feet and excess fresh water from the Golf Gardens (.54 acre feet) to ensure availability of the .28 acre feet for Vons and have an ultimate savings of .26 acre feet. SCE accepted this transfer. (See attached SCE letter dated 5/14/2014.)

SITE PLAN: The Applicant proposes to demolish two small existing structures on the Project Site (a small nursery building, and the remains of a previous shower facility) and construct a two story commercial structure for a new grocery store. The first floor will contain all the retail grocery items (including a restaurant/snack bar type use with seating), back of house storage, public restrooms, loading bay, and trash area. The second floor will contain most of the administrative areas and additional inventory storage accessible by freight elevator. The structure is within the height allowed for the zone which is 40' where compatible with surrounding structures. The proposed height for the top of the various gables on the roof is 30 feet above new grade (approx. 34 above existing grade). Most residential uses across the surrounding streets are two stories. The hotel across the street on Sumner from the Project site is three stories. There are several other three story structures in the vicinity. Thus the height of the proposed Project is consistent and compatible with surrounding structures.

Sec. 9-8.203 Basis for Approval of Site Plans.

Approval or disapproval of any site plan shall be based upon the following factors and principles:

(a) Every use, development of land and application of development standards shall take place in compliance with all applicable provisions of this title.

Based on the information on the Development Standards submittal form, the Project complies with all development standards, even when accounting for the proposed conditionally permitted use of Restaurant/Bar/Café (see discussion and findings, below). A condition of approval will also require the Applicant to record a parcel map that includes the Project site and other land not containing any buildings, such that the parcel that includes the Vons store shall have a maximum lot coverage of 80 percent. Compliance with this condition of approval will ensure that the Project conforms with the Municipal Code development standards for lot coverage, and negate the need for approval of a variance.

In addition, the Project will conform to the City's Inclusionary Housing Ordinance. To meet this requirement, a condition of approval requiring that the Applicant cease all commercial operations at the existing Vons sites, and requiring that the projected number of peak season employees at the Project site not exceed the combined number of peak season employees at the existing Vons locations. In the event that the number of peak season employees exceed the combined number of peak employees at the existing Vons locations, the Applicant shall be required to submit an Inclusionary Housing Plan. The condition of approval will require that the Applicant record certificates with the County of Los Angeles that shall require new commercial operations at the previous Vons sites to adhere to the Inclusionary Housing Ordinance as well, as new commercial use at those sites will constitute new commercial development.

(b) Every use, development of land and application of development standards shall be considered on the basis of the suitability of the site for the particular use or development in-tended, and the total development, including the application of prescribed development standards, shall be so arranged as to avoid traffic congestion, insure the protection of public health, safety and general welfare, prevent adverse effects on neighboring property and shall be in general accord with all elements of the General Plan.

The analysis performed for the Mitigated Negative Declaration determined that with the mitigations proposed, the Project will not create traffic congestion, negatively impact the public health, safety and general welfare, or adversely affect the neighboring properties and shall be in accord with all elements of the General Plan. Mitigation measures require that the Project's loading dock and delivery area incorporate design features to minimize the generation of onsite noise, such as providing an enclosed loading area and acoustical treatments to reduce noise reflection. Mitigation measures also restrict the hours of construction, require construction equipment be properly muffled and maintained, restrict unnecessary idling, and restrict construction parking in residential areas. Together, these measures will reduce both operational and construction noise impacts on neighboring properties.

In addition, conditions of approval relating to lighting, water quality, drainage and flooding, and construction traffic, will further ensure that neighboring properties will not be adversely affected, traffic congestion during the construction phase will be avoided, and public health, safety and general welfare will be protected. These conditions include requiring a lighting plan be submitted for approval prior to the issuance of building permits to ensure that lighting is adequately shielded and directed to prevent light spill-over effects of more than 5 foot candles. The conditions also require preparation and submittal of a Stormwater Pollution Prevention Plan or an Erosion and Sediment control plan prior to issuance of a grading permit, to reduce erosion or spill-over of soils and runoff from the construction site. The conditions also require that the Applicant comply with the City's Municipal Code Standards of Construction to reduce drainage and floodplain impacts. Finally, the conditions will also require submittal of a construction staging plan, hauling routes and a parking management plan to protect against adverse traffic related issues.

(c) Every use, development of land, application of development standards shall be considered on the basis of suitable and functional development design, but is not intended that such approval be interpreted to require a particular style or type of architecture.

The design meets reasonable design expectations to provide a suitable and functional facility. (Ord. 672.) In addition, conditions of approval will preserve, at a minimum, the parking spaces proposed in the site plan so long as the Vons store remains on the Project site which will ensure the suitable and functional development design of the Project remains into the future. Another condition of approval restricts deliveries by other vendors to the proposed store and requires that these deliveries be accommodated in the proposed Project's loading bay, and not from Beacon, Sumner, Catalina, or the Project's parking lot. This will further ensure functionality of the site.

HISTORIC STRUCTURES: A Historic Resources Evaluation Report was performed by Pacific West Archaeology, Inc. for the Beacon Street shower building to determine if it qualified for registry on the California Registry of Historic Resources (CRHR). The building that currently houses several storage areas for local businesses was determined to be part of the original shower building from the years that the adjacent tent city was used during WWII. The report concluded that the building no longer retained adequate integrity of its original use and condition to qualify for registry and thus did not qualify as a historic resource.

VARIANCE: Previously, it was anticipated at the Variance for Lot Coverage would be required for completion of the Project. However, the Applicant's conformance with a condition of approval requiring a parcel map recordation will negate the need for a variance. The condition of approval requires that the Applicant process a parcel map that includes land for the Vons store and other land not containing any buildings, such that the parcel including the Vons store has a maximum lot coverage of 80 percent of gross lot area. The condition also requires that the Applicant record a covenant providing that so long as the proposed Vons store exists on the site, the maximum lot coverage shall at no more than 80 percent.

CONDITIONAL USE PERMIT: The proposed Project requires a Conditional Use Permit for the use of restaurant/bar/café in the Commercial Zone. (AMC Section 9-6.203) The existing Vons store's current location on Catalina Street sells prepared food, coffee from press pots on a coffee station and fountain drinks from a drink station. The current location does not include seating for dining on property. The proposed new location includes on-site dining seating, thus a Conditional Use Permit is required for restaurant/bar/café use. No alcohol consumption on property is included in this application.

Section 9-8.404 states: The Commission shall consider applications for a conditional use permit and may, with such conditions as are deemed necessary, approve a conditional use which will not jeopardize, adversely affect, endanger or otherwise constitute a menace to the public health, safety or general welfare, or be materially detrimental to the property of other persons located in the vicinity of such use.

(a) In making such determination, the Commission shall find that the proposed use is in general accord with the following principles and standards:

(1) The proposed conditional use shall conform with and carry out the certified Land Use Plan for the area.

The Land Use Plan designates the Project location as Commercial; and a Restaurant/Bar/Café is a conditionally permitted use in the Commercial zone. As such, the Land Use Plan anticipates this use within this area, and the Project is consistent with the Land Use Plan upon approval of a conditional use permit.

(2) The nature, condition, and development of adjacent uses, buildings and structures shall be considered and no proposed conditional use shall be permitted where such use will adversely affect or be materially detrimental to said adjacent uses, buildings and structures.

The proposed conditionally permitted use would allow for the selling of food and meals and the provision of seating. This "Restaurant/Bar/Café" use will be carried out inside of the proposed Vons store. The addition of this conditionally permitted use will not affect the size or development of the Project and will have little to no effect on projected traffic. The proposed CUP will merely provide an additional amenity to customers who are already patronizing the Project. The adjacent properties outside the commercial zone are zoned special commercial, which allows a mix of small commercial or residential uses. The uses most adjacent to the Project site in the special commercial zone include three multi-unit residential buildings, a construction office, two hotels, a mixed use structure (toy store below and residential above) and 10 single family dwellings. Because the proposed Restaurant/Bar/Café use will be interior to the Vons store, it will not adversely affect these neighboring uses, and it will not change the potential of the proposed Vons store to adversely affect neighboring uses.

(3) The site for a proposed conditional use shall be adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and other development features prescribed in this chapter or as required as a condition in order to integrate said use with the uses in the neighborhood.

The proposed Project already includes designated parking, appropriate loading facilities and landscaping to enhance the appearance of the structure. No additional parking, loading, or landscaping is required to accommodate the proposed Restaurant/Bar/Café use, which will be interior to the Vons store. Thus, no additional conditions, including conditions relating to yards, fences, parking, loading, etc. are required as a condition under the CUP. .

(4) The site for a proposed conditional use shall be served by highways and streets adequate in width and improved as necessary to carry the kind and quantity of traffic such use would generate.

The proposed conditional use is a small portion of the overall Project and will be served by the same streets that currently adequately serve the two separate grocery store locations. The proposed use will bring little to no additional traffic to the area (including both delivery traffic and patron traffic), and will instead primarily be used by persons already patronizing the grocery store. Thus, the site is adequately served by highways and streets, and no additional conditions or improvements relating to the same are necessary to accommodate the proposed Restaurant/Bar/Café use.

(5) The proposed conditional use shall be consistent with and carry out the purpose and intent of the underlying zone.

The underlying zone is Commercial and a Restaurant/Bar/Café is an allowed conditionally permitted use. The purpose and intent of the underlying zone is to provide residents, visitors and employees with the goods and services they need. Necessary goods and services include the provision of ready-made snacks and meals. As such, the provision of the conditionally permitted Restaurant/Bar/Café use is consistent with the intent of the underlying zone.

INCLUSIONARY HOUSING: The new construction of a commercial business would trigger inclusionary housing requirements under Section 9-11.104(d) which provides in part that "any hotel/motel/resort or new commercial development shall provide affordable rental space for at least fifty (50%) percent of the number of peak seasonable employees projected to be employed by the development...". The Applicant has proposed that they be allowed to transfer the existing 54 employees from the two current locations to the new location and provide an inclusionary plan to address any new peak season employees at the new location. The Applicant has also proposed that the two vacated locations then be subject to the Inclusionary Housing requirements for new commercial development. As discussed above, a condition of approval has been drafted to address this issue.

CEQA: A Mitigated Negative Declaration (MND) has been prepared and the MND and Initial Study have been available for public review for the required 20 days. Based on the Initial Study, staff determined that all impacts of the Project would be less than significant or less than significant with mitigation, and recommend adoption of the MND/Initial Study and Mitigation Monitoring Plan.

The following mitigation measures are proposed:

Mitigation Measure Air Quality-1: Fugitive Dust. Consistent with SCAQMD Rule 403, during all earth moving and grading phases of construction, the following soil stabilization measures will be implemented to reduce fugitive dust: 1) Apply water to all un-stabilized disturbed areas at least 2 times per day. If there is any evidence of wind driven fugitive dust, watering frequency shall be increased to a minimum of four times per day, and; 2) Apply water to at least eighty percent (80%) of all inactive disturbed surface areas on a daily basis when there is evidence of wind driven fugitive dust, excluding any areas which are inaccessible to watering vehicles due to excessive slope or other safety conditions; OR apply dust suppressants in sufficient quantity and frequency to maintain a stabilized surface. No water

from the City of Avalon's potable water supply will be used for the above-described construction purposes.

Mitigation Measure Cultural Resources-1: Archaeological Discovery. The following practices shall be followed during all phases of site preparation and construction activities: To prevent an adverse change of an archaeological resource, the Applicant will engage a qualified professional Archaeologist or an alternate acceptable to the Native American Heritage Commission as a Monitor. The Monitor shall coordinate with the contractor and conduct a pre-job meeting prior to the start of ground disturbing activities. The approved Monitor shall provide a Monitoring Plan based on proposed construction methodology for the Project prior to the City Issuing a Grading Permit. If previously unknown archeological resources are encountered during excavation or construction, construction personnel shall be instructed to immediately suspend all activity in the immediate area of the suspected resource and the City of Avalon shall be notified. A qualified professional archaeologist that meets the Secretary of the Interior's standard of qualifications shall be retained to evaluate the finding. Depending upon the significance of the find as determined by the archaeologist, the archaeologist may decide to record the find and allow work to continue. If the discovery proves significant under CEQA, additional work such as preparation of an archaeological treatment plan, testing, or data recovery shall be implementation.

Mitigation Measure Cultural Resources-2 Paleontological Discovery. The following practices shall be followed during all phases of site preparation and construction activities: Should previously undefined fossil bearing formations be uncovered during site preparation, grading, or excavation, construction personnel shall be instructed to immediately suspend all activity in the immediate area of the suspected resource and the City of Avalon notified. A qualified professional paleontologist shall be retained to assess the find. Depending upon the significance of the find as determined by the paleontologist, the archaeologist may decide to record the find and allow work to continue. If the discovery proves significant under CEQA, salvage and recovery of the resource shall be performed.

Mitigation Measure Cultural Resources-3: Burial Discovery. If human remains are encountered during excavation activities, all work shall halt and the County Coroner shall be notified (California Public Resources Code Section 5097.98). The Coroner shall determine where the remains are of forensic interest. If the Coroner, with the aid of the City-approved Archaeologist, determines that the remains are prehistoric, s/he shall contact the Native American Heritage Commission (NAHC). The NAHC shall be responsible for designating the most likely descendent (MLD), who shall be responsible for ultimate disposition of the remains, as required by Section 7050.5 of the California Health and Safety Code. The MLD shall make his/her recommendation within 48 hours of being granted access to the site. The MLD's recommendation shall be followed if feasible, and may include scientific removal and non-destructive analysis of the human remains and any items associated with Native American burials (California Health and Safety Code Section 7050.5). If the landowner rejects the MLD's recommendations, the landowner shall rebury the remains with appropriate dignity on the property in a location that will not be subject to further disturbance (California Public Resources Code Section 5097.98).

Mitigation Measure Noise-1: **Operation-phase.**

MM-Noise 1.1. The proposed Project's mechanical system will incorporate noise mitigation measures to meet the County Noise Ordinance standards, as stated within the Noise Survey Report (i.e., 60 dBLaeq from 7am to 10pm, and 55 dBLaeq from 10pm to 7am). Potential noise mitigation measures include: (1) selection of quiet mechanical equipment with no tonal character. (2) Solid parapet wall construction at the perimeter of the building to a minimum height which blocks line of sight to roof mounted mechanical equipment from nearby residential properties and to contain any mechanical noise within the space. (3) Sound attenuators and/or acoustic louvers at air passage openings to mechanical spaces. This will provide attenuation of noise from either AHU or refrigeration equipment.

MM-Noise 1.2. The Project's loading dock/delivery area design will incorporate noise mitigation measures (as stated in the Noise Survey Report) to minimize the generation of onsite noise. Mitigation measures include: (1) provisions of an enclosed loading area with openings to allow for the truck to back up into the building. (2) Acoustic treatment (mineral fiber panels or equivalent min 2" thickness) shall be provided to reduce potential noise reflection and build up.

Mitigation Measure Noise-2: **Construction-phase .** The following practices shall be followed during all phases of site preparation and construction activities:

MM-Noise 2.1. Construction activities shall be prohibited between the hours of 7:00 p.m. and 8:00 a.m., and no construction is permitted on Sundays, with the exception of emergency construction work.

MM-Noise 2.2. All construction equipment with internal combustion engines used on the Project site shall be properly muffled and maintained in good working condition.

MM-Noise 2.3. Unnecessary idling of internal combustion engines shall be strictly prohibited.

MM-Noise 2.4. All stationary noise generating construction equipment, such as air compressors and portable power generators, shall be located as far as possible from noise-sensitive receptors, such as schools and existing residences.

MM-Noise 2.5. Prior to the issuance of grading permits, the Project site shall be posted with the name and contact number of the lead contractor in a location visible from Beacon so that the contractor can be made aware of noise complaints.

MM-Noise 2.6. Construction equipment, vehicles, and employees associated with the development of the Project shall not be permitted to park on residential streets during construction hours.

MM-Noise 2.7. A Construction Staging Plan shall be submitted with a schedule that includes material storage locations and parking.

<u>Mitigation Measure Population & Housing-1:</u> Applicant will provide an Inclusionary Housing Plan as required by Avalon Municipal Code for approval by the City, which will address the housing needs of one half the number of additional peak season employees expected at the new Vons store. The City shall apply the Inclusionary Housing Ordinance to any new uses of the two vacated sites, as well, in order to ensure comprehensive coverage of all housing impacts.

LOCAL COASTAL PERMIT: This Project requires a Coastal Development Permit.

Title 9, Article 8: Coastal Development Procedures.

Sec. 9-8.104 Definitions.

(c) "Development" shall mean, on land in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act (commencing with Section 66410 of the Government Code) and any other division of land, including lot splits, except where the land division is brought about in connection with the purchase of such land by a public agency for public recreational use; change in the intensity of use of water, or of access thereto; construction reconstruction, demolition, or alteration of the size of any structure, including any facility of any private, public, or municipal utility; and the removal or harvesting of major vegetation other than for agricultural purposes, kelp harvesting, and timber operations which are in accordance with a timber harvesting plan submitted pursuant to the Z'berg-Nejedly Forest Practice Act of 1973 (commencing with Section 4511). As used in this section, "structure" includes, but is not limited to, any building, road, pipe, flume, conduit, siphon, aqueduct, telephone line and electrical power transmission and distribution line.

Sec. 9-8.102 Application

In addition to any other permits or approvals required by the City, a Coastal Development Permit shall be required prior to commencement of any development in the City, except:

(2) Improvements to existing structures other than single-family dwellings or public works facilities except those types of improvements which involve a risk of adverse environmental effect or adversely affect public access, defined to be:

(iv) On property located between the sea and the first public road paralleling the sea or within three hundred (300') feet of the inland extent of any beach, whichever is the greater distance, an improvement that would result in:

A. An increase in ten (10%) percent or more of external floor area of the existing structure, or

(v) Any improvement to a structure which changes the intensity of use of the structure;

In order to grant a Coastal Development Permit, the Commission must make the positive, necessary findings referenced below:

1. That the Project is consistent with the goals and objectives of the California Coastal Act.

The Project provides a visitor serving use and does not interfere with coastal access due to its distance from the coastline.

2. That the Project is in conformance with the Certified Local Coastal Program for the City of Avalon, which includes the Avalon General Plan and the Local Coastal Plan for Avalon.

The Project complies with the intent of the General Plan and LCP which allows the proposed use in the Commercial zone.

3. That the Project has received all necessary local approvals of the Planning Commission.

The recommendation is to approve the Project with conditions.

4. The Project has been cleared with respect to environmental regulations of CEQA as necessary.

A Mitigated Negative Declaration (MND) has been prepared and circulated for public review. Recommendation is to adopt the MND and the Mitigation Monitoring Plan (MMP).

RECOMMENDED ACTION AND CONDITIONS OF APPROVAL: Approve the Site Plan and make the factual findings referenced above, make the factual findings referenced above and approve the Coastal Development Permit; make the factual findings referenced above and approve the Conditional Use Permit for restaurant/bar/café use for the new Vons Grocery Store with the standard conditions of approval. (Attached as Exhibit "A"), additional proposed conditions (Attached as Exhibit "B") and adopt Mitigated Negative Declaration and Mitigation Monitoring Plan.

PROJECT APPLICANT/OWNER: Vons/Santa Catalina Island Company

LOCATION: 234 Sumner Avenue, Avalon, CA 90704

Exhibit "A"

Standard Conditions of Approval

Street Address: 234 Sumner

Special Conditions imposed by Planning Commission:

_____

_____

This Project approval shall expire on November 30, 2017 unless a time extension is requested, approved, and filed with the Planning Department prior to expiration.

The following conditions require additional action by, or documentation from, the applicant before building permits can be issued:

Projects resulting in demolition of existing structure or projects exceeding $75,000 in value must provide certification of the condition of the sewer lateral before Building Permits can be issued.

Projects involving structures constructed before 1979 and that requires any demolition, must be assessed for the presence of asbestos, lead and other hazardous materials which shall be handled in accordance with applicable State codes. Copies of inspection results and shipping manifests (when disposal is required) must be provided prior to issuance of a demolition permit or building permit.

Projects requiring excavation and/or grading in a mapped archeologically area defined in the Cultural Resources Management Plan for the City, may be required to have a qualified archeological monitor onsite during excavation and/or grading.

Projects requiring obstruction of the public right of way, must obtain obstruction permits prior or simultaneous with the building permit.

Projects requiring excavation in the public right of way, must obtain excavation permits prior or simultaneous with the building permit.

Projects subject to payment of Long Beach Unified School District fees must provide proof of payment or exemption prior to issuance of the building permit.

The following conditions apply to all projects:

Projects located in the floodplain as defined by the FIRM (Flood Insurance Rate Map), must provide a base flood elevation certificate for the new or substantially improved structure resulting from this application before a Building Permit can be issued.

If the City discovers that material facts were not disclosed by Applicant or that facts provided by

the Applicant were different than represented, the City may impose additional conditions of approval to mitigate any adverse impacts.

The Project shall be developed and maintained in strict accordance with the approved plans unless written approval is given by the Planning Department. Approval by the Planning Department does not waive the requirement that the Project comply with all sections of the Planning and Zoning code and all other applicable sections of the Municipal Code.

All construction on the Project shall be limited to Monday through Saturday, 8am to 7pm. No construction shall occur on Sundays.

All Project contractors and sub-contractors must maintain a City of Avalon business licenses in compliance with all local, state, and federal laws allowing them to work in the City.

Non-Combustible materials shall be use for all roofing materials subject to approval by the Planning Department.

Approved fire walls shall be constructed as required by the Los Angeles County Building Code.

A dual water system shall be installed and approved by the Planning Department.

The site shall be kept in a neat manner at all times and the landscaping shall be continuously maintained in a healthy and thriving condition.

The entire sanitation system shall be connected to the City salt water system;

The design and construction of all sewers shall be approved by the Department of Public Works, including the design and construction of sewer connections and laterals.

A trash storage area shall be constructed in such a manner to be reasonable shielded from view from the street and of a size capable of containing a trash receptacle and recycling bin, subject to the approval of City staff;

The Project shall be under construction (defined as foundations in and framing in progress) within 36 months of this approval or all permits will be null and void.

Structural drainage shall be provided by use of roof gutters and downspouts which allow for proper drainage away from the foundation of any structure and which do not cause any pooling of standing water;

All plans and specifications must be approved by the City of Avalon Building Department prior to construction beginning;

City staff shall review and approve location, size and noise output of mechanical devices;

Additional fresh water must be supplied as required by Southern California Edison;

All changes mandated by the City of Avalon Building Department that would require an amended site plan must be reviewed and approved by the Planning Commission before any construction takes place.

Owner/Applicant must offer to dedicate to the City the following easements measuring at least 10 feet in width, if applicable:

Public utilities easement
Water line easement
Sewer facilities easement
Landscape easement
Storm drain easement

Any existing public improvements which are damaged as a result of construction regarding the Project shall be repaired or replaced to the satisfaction of City staff at the Owner/Applicant's sole cost before a certificate of occupancy can be issued.

Owner/Applicant agrees to indemnify, defend, and hold the City harmless, with counsel reasonably acceptable to the City, from costs and expenses, including attorney fees, incurred by the City or held to be the liability of the City in connection with the City's defense of its actions in any proceeding brought in any State or Federal court challenging the City's actions with respect to the Project. Owner/Applicant understands and acknowledges that the City is under no obligation to defend any legal actions challenging the Project.

Any preexisting Municipal Code violations at the property must be resolved prior to issuance of a certificate of occupancy, even if such Code violations are unrelated to the Project.

Project must comply with all mitigation measures noted in any related environmental assessments performed in connection with this Project, prior to receiving a certificate of occupancy.

All conditions of approval must be completed to the satisfaction of the City Planning Department prior to occupancy of the Project.

Project Applicant must pay the City all statutory fees under the City's fee ordinance.

Exhibit "B"

Additional Conditions proposed for
Vons – 234 Sumner

Parcel Map Recording/Covenant for Lot Coverage: Prior to the commencement of commercial operations or construction of the Project (to be determined by the Planning Commission) at the Project site, Applicant shall process or cause to be processed, a parcel map that shall include land for the Vons store and other land not containing any buildings, such that the parcel that includes the Vons store shall have a maximum lot coverage of eighty percent (80%) of gross lot area. Applicant shall record or cause to be recorded a covenant providing that so long as the approved building exists on the site, the maximum lot coverage of the subject parcel shall remain at eighty percent (80%).

Conformance with Inclusionary Housing Plan/Transfer of Employees: Prior to commencement of commercial operations at the site which is the subject of this approval, the Applicant shall cease all commercial operations at the sites located at APN: 7480-016-009, 117 Catalina St. SCICo tenant location M] and APN 7480-018-003, 123 Metropole. The projected number of peak season employees at the site which is the subject of this approval shall not exceed the combined number of peak season employees at APN: 7480-016-009, 117 Catalina St. SCICo tenant location M] and APN: 7480-018-003, 123 Metropole in the 12 months prior to ceasing operations at each location. Any commercial use of APN: 7480-016-009, 117 Catalina St. SCICo tenant location M] or APN: 7480-018-003, 123 Metropole after cessation of operations pursuant to this condition shall constitute "new commercial development" under Chapter 11 of Title 9 of the Avalon Municipal Code and shall be subject to all requirements therein, regardless of whether any tentative map, parcel map, or site plan is required. Applicant shall record or cause to be recorded certificates with the County Recorder of the County of Los Angeles, which specifically identify APN: 7480-016-009, 117 Catalina St. SCICo tenant location M and APN: 7480-018-003, 123 Metropole and which provide notice of this condition. If the number of peak seasonal employees at the site subject to this approval exceeds the combined number of peak seasonal employees at the sites located at APN: 7480-016-009, 117 Catalina St. SCICo tenant location M and APN 7480-018-003, 123 Metropole, the Applicant shall submit an Inclusionary Housing Plan that complies with Chapter 11 of Title 9 of the Avalon Municipal Code.

Minimum Parking Requirements: Parking shown on the Project Site Plan shall not be reduced so long as the newly constructed Vons building remains on the Project site.

Trash: A trash enclosure shall be provided adequate to accommodate a cardboard bailer and separation of green/compostable waste from other trash.

Parking: Applicant and Owner shall share the cost equally with the City to reprogram the curbside parking in the 200 block of Sumner and Catalina to facilitate additional 1 hour parking.

Signage: The Applicant shall be limited to one 8 square foot sign per street frontage (Sumner, Beacon and Catalina). If the sign is internally lit, the sign shall be timed to dim to half illumination upon closing of the store.

Fedex/Aeronautical Parking: To prohibit interruption of freight services, plans for reconfiguring the loading area lost as a result of this Project must be submitted prior to issuing a demolition permit for the structures on the proposed Vons location.

Deliveries: Delivery by other vendors to the store location must be accommodated in the loading bay and may not happen from Beacon, Sumner or Catalina or the designated parking lot.

Shopping Carts: A cart containment perimeter should not be utilized so that customers may take the cart home to reduce vehicle trips to the store. Vons will be allowed to reinstitute the cart pickup program formally utilized by the store on Metropole.

Grocery Delivery: Consider feasibility of providing or allowing for grocery delivery service.

Lighting: To reduce light and glare, a lighting plan will be submitted for approval prior to receiving building permits that ensures that the lighting is adequately shielded and directed to prevent light bleed of more than 5fc beyond the property's boundaries.

Water Quality: The Applicant will submit either a Stormwater Pollution Prevention Plan prepared under the NPDES stormwater permit administered by RWQCB or an Erosion and Sediment control plan as required by Avalon's MS4 permit prior to being issued a grading permit.

Drainage and Flooding: The Applicant will comply with City Floodplain Management, AMC Section 6-9.403 and Development Permit and Section 6-9.501 Standards of Construction. In addition, and consistent with AMC Section 6-9.506 the Applicant shall obtain and provide a "No Rise" Certification that certifies the Project will not increase flood heights. The No Rise Certification must be provided to the City prior to the issuance of building permits.

Traffic Congestion: To prevent increase in traffic in relation to the existing traffic load, the Applicant shall submit construction staging plan, hauling routes, parking management plan. A flagman or other measures may be required during construction.

FILE PC# 2573

APN # 7480 - 016-009

CITY OF AVALON

PLANNING COMMISSION APPLICATION

- [ ] VARIANCE * For: _____
- [x] CONDITIONAL USE PERMIT* For: Coffee Shop / Seating Area
- [x] LOCAL COASTAL PERMIT* For: _____
- [x] SITE PLAN: For: _____
- [ ] OTHER For: _____

*Requires Public Notification by mail and newspaper 10 days prior to meeting

APPLICANT: Vons

MAILING ADDRESS: 618 Michillinda Ave

CITY/STATE/ZIP: Arcadia, CA. 91007

TELEPHONE: 626.821.7047 Email: Brian.Braaten@safeway.com

OWNER: same as above

MAILING ADDRESS: _____

CITY/STATE/ZIP: _____

TELEPHONE: _____ Email: _____

Notifications will be sent to owner unless requested otherwise

LOCATION OF PROPERTY: N/E Corner of Beacon & Sumner ZONE: Commercial

IS PROPERTY IN 100 YR FEMA FLOOD ZONE?: yes ZONE DESIGNATION: AE

BASE FLOOD ELEVATION: 21' DETERMINED BY: FEMA Map (F.I.R.M)

This application may require a Public Hearing before the Planning Commission. Letters of Hearing Notice must be mailed to all property owners within a three hundred (300) foot radius of the project location. A Notification Fee is included in the application fee and the City of Avalon shall make such required notifications.

Signature of Owner: _____ Date: _____

Signature of Applicant: _____ Date: _____

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SEP 0 5 2014
BY: S Cook

PC# 2573 Street Address: 234 Sumner

Basis for Approval or Denial of Local Coastal Development Permit

The California Coastal Act goals and objectives as defined in Section 30001.5 are:

1) Protect, maintain, and where feasible, enhance and restore the overall quality of the coastal zone environment and its natural and artificial resources.
2) Assure orderly, balanced utilization and conservation coastal zone resources taking into account the social and economic needs of the people of the state.
3) Maximize public access to and along the coast and maximize public recreational opportunities in the coastal zone consistent with sound resources conservation principles and constitutionally protected rights of private property owners.
4) Assure priority for coastal-dependent and coastal-related development over other development on the coast.
5) Encourage state and local initiatives and cooperation in preparing procedures to implement coordinated planning and development for mutually beneficial uses, including educational uses, in the coastal zone.

The Planning Commission may approve a Local Coastal Development Permit if the following findings can be made:

1. That the project is consistent with the goals and objective of the California Coastal Act because:
   The proposed project will not impact the coastline, views of the coastline, public access or displace housing.

2. That the project is in conformance with the Certified Local Coastal Program for the City of Avalon, which includes the Avalon General Plan, the Local Coastal Plan for Avalon, as well as the Avalon Zoning and Affordable Housing Ordinances because:
   The proposed project will include filing and adoption of a Mitigated Negative Declaration (MND) specific to the subject project.

3. That the project has received all necessary local approvals issuable by the Planning Commission, including Growth Ordinance Pre-Approval (in concept) together with water allocation, as may be.
   The proposed project will be in conformance with the municipal code, CEQA and MND. Water allocation has been coordinated with SCE for the subject project.

4. The project has been cleared with respect to environmental regulations of CEQA, as necessary.
   The proposed project will adopt the findings of the MND.

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BY: AC

5. For all development seaward of the nearest public highway to the shoreline, the proposed development conforms to the public access and recreation policies of Chapter 3 of the Coastal Act.

The proposed project is located approximately 3 blocks away from the coastline. The project is not located near a major public highway near the shoreline and will not impact public or recreation access along the coastline.

Complete this sheet for **CONDITIONAL USE PERMIT** only

Read the information titled "Basis for Approval or Denial of a Conditional Use Permit that is attached to these forms. The following questions are your opportunity to tell the Planning Commission why you need this Conditional Use Permit.

1. The proposed conditional use *shall conform with and carry out the certified land use plan of the area* because: The designted zone permits the use of food and beverage sales within a commercial zone

by means of applying and obtaining approval of a Conditional Use Permit.

2. The nature, condition, and development of adjacent uses, buildings and structures *will not be adversely affected by the conditional use and will not be materially detrimental to adjacent uses, buildings and structures* because:

The use is consistent with the overall planned use of the property providing an additional service option to customers of the facility other than that typically provided in the deli department of the grocery store. The augmented department has no bearing or negative impact on adjacent uses, buildings and structures, but only forms a small part of the services now consistently provided by grocery and department stores across North America. The seating areas provided are consistent with that in every grocery store to be jointly utilized by the customers of the entire store. These service areas confine the use to structure and facilities thereby decreasing any affect to adjacent properties. The location of the service are set back from property lines with a significant buffer between it and adjacent uses (the parking lot).

3. The site of this proposed conditional use *is adequate in size and shape to accommodate the proposed yards, walls, fences, parking, loading facilities and other required development features and is served by highways and streets adequate in width and improved as needed to carry the kind and quality of traffic such use would generate* because of:

The proposed project is in compliance withe the design guidelines of the City of Avalon Municipal code.

The site layout design has been established to provide efficient and convenient traffic circulation for Vons

customers and delivery vehicles on the existing truck route as noted on the traffic impact study, prepared by

Fehr & Peers, dated August 2014.

4. The proposed conditional use shall *be consistent with and carry out the purpose and intent of the underlying zone* because:

The proposed market and cafe seating are allowed uses within a commercial zone with approval of a Conditional

Use Permit.

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SEP 2014
BY:

Complete this sheet for **CONDITIONAL USE PERMIT** only

Read the information titled "Basis for Approval or Denial of a Conditional Use Permit that is attached to these forms. The following questions are your opportunity to tell the Planning Commission why you need this Conditional Use Permit.

1. The proposed conditional use *shall conform with and carry out the certified land use plan of the area* because: Food and Beverage service is an allowed conditional use in the Commercial zone. The category is 'Restaurant/Bar/Cafe'.

2. The nature, condition, and development of adjacent uses, buildings and structures *will not be adversely affected by the conditional use and will not be materially detrimental to adjacent uses, buildings and structures* because:

The surrounding properties are mixed use (Special Commercial) and Commercial. The sale of deli items and non-alcoholic beverages for consumption on the property will not have an adverse affect on the surrounding properties as the project will function the same with or with/out the additional food/beverage service.

3. The site of this proposed conditional use *is adequate in size and shape to accommodate the proposed yards, walls, fences, parking, loading facilities and other required development features and is served by highways and streets adequate in width and improved as needed to carry the kind and quality of traffic such use would generate* because of:

The addition of the food/beverage service will not require any additional yards, walls, fences, parking or loading facilities beyond what is required for the over all project.

4. The proposed conditional use shall *be consistent with and carry out the purpose and intent of the underlying zone* because: The underlying zone is Commercial and is established to provide areas for the development of certain business and professional offices, services and related uses, namely such uses as can conveniently serve the public. The proposes food/beverage service is intended to serve the public.

EXCLUDING PARKING LOT

DEVELOPMENT STANDARDS: Commercial/Public/Resort Recreation[1]

Category:	Existing	Proposed Changes	Total	Reg./Allowed
		Setbacks		
Front:	Vacant		53'-0"	0
Rear:	Vacant		3'	3
Side 1:	Vacant		0'-0"	0
Side 2:	Vacant		0'-0"	0

Setbacks are measured from the outermost surface of the structure NOT from the foundation

		Height:*		
Front:	Vacant		30'	
Rear:	Vacant		27'-6"	

*Height within 350 feet of the high tide line is 28'; other areas is 40', where compatible with neighboring structures.

		Number of Stories*		
	Vacant		2	

*No restriction

		Parcel Coverage		
Lot Size:	Vacant sq. ft.	sq. ft.	22,500 sq. ft.	sq. ft.
Lot Coverage:	Vacant sq. ft.	sq. ft.	19,139 sq. ft.	sq. ft.
Percentage:	%	%	85 %	80%

		Floor/Lot Ratio:*		
Gross Sq. Ft. Total	Vacant		23,044 sq. ft.	
Percentage of Lot			75.2%	

*Floor area ratio is 160% of gross lot area for two levels and 240% of gross lot area for three level.

		Density		
Number of Units:	Vacant		1	
Number of Density Bonus Units:	N/A		N/A	

		Parking Spaces:*		
Number of Full Size Spaces:	Vacant		3	
Number of Autoette Size Spaces:	Vacant		23	

* To be determined by the Planning Commission

		Trash Area		
Total Sq. Ft. Provided:	sq. ft. Vacant	sq. ft.	sq. ft. 54	

Average Lot Slo 2% Who established slope? civil engineer

[1] Additional standards apply to Descanso Canyon, Hamilton Cove, and Adjacent to the High Tide Line

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OCT 1 2014

BY:

APPfillableDevStndsComm-sp-rr

SANTA CATALINA ISLAND COMPANY

October 15, 2014

Ms. Amanda Cook
Director of Planning
City of Avalon
P.O. Box 707
Avalon, CA 90704

Re: Vons New Grocery Store Project

Dear Amanda:

This is written in response to the City's request for confirmation that the Santa Catalina Island Company ("SCICo") intends to make property in the Island Plaza available to The Vons Companies, Inc. ("Vons") for the development of a new grocery store in Avalon.

SCICo and Vons have entered into a letter of intent for the purchase and sale of a parcel as a site for the store and for the grant of a permanent easement for an adjacent parking area at the southwestern portion of the Island Plaza Block adjacent to Beacon Street between Sumner and Catalina Avenues. The grocery store site presently is contemplated to be approximately 22,500 square feet, and the parking parcel approximately 6,358 square feet.

The parties have substantially negotiated a definitive purchase and sale agreement which contains conditions to sale and purchase, including, but not limited to the finalization of the Parcel Map and a favorable response from the City concerning the pending application.

Please let me know if any further information is required.

Thank you.

Very truly yours,

J. Paul DeMyer
Sr. Vice President, Real Estate

The Vons Companies, Inc. concurs with the above statement.

Karen Elliott
Senior Counsel, Assistant Vice President

RECEIVED
OCT 20 2014
BY: C. Alegria

SANTA CATALINA ISLAND COMPANY

October 17, 2014

RECEIVED
OCT 20 2014
BY: C. Alegria

Ms. Amanda Cook
Director of Planning
City of Avalon
P.O. Box 707
Avalon, CA 90704

Re: Vons New Grocery Store Project Impacts/Mitigations

Dear Amanda:

This letter is written in response to the City's request for information about the parking licensees and commercial tenants in the Island Plaza that may be impacted by development of the new Vons grocery store on the property located adjacent to Beacon Street between Sumner and Catalina Avenues in Avalon.

Parking Licensees

The Santa Catalina Island Company ("SCICo") currently has 19 parking licensees with a total of 32 vehicles that would be relocated to other parking spaces in Avalon. We currently have 38 vacant parking spaces available, not counting any that may be available at Pebbly Beach. Two of our parking licensees, the Catalina Island Conservancy and Catalina Flying Boats have multiple vehicles (8 and 7 respectively) and the remainder have only one or two vehicles. We have talked with the majority of our licensees to discuss their needs, but have not assigned or committed any particular spaces to any licensee at this time.

Commercial Tenants

Commercial tenants that would be impacted by development of the property include Catalina Flying Boats, Wilcox Nursery, SBC/PacBell storage, Tradewinds storage and Big Olaf's Ice Cream freezer storage.

Catalina Flying Boats would prefer to stay in their present location rather than relocate to Pebbly Beach or elsewhere, and has discussed with us a tentative plan to renovate their building, reversing the truck access and loading dock from the south to the north side (right side facing the entrance) and re-purposing the parking area on that side for such truck access and deliveries. At the same time, they would relocate their interior offices from the north side to the south side facing the new grocery store. They previously had several truck parking spaces in Las Casitas and would be content with additional assigned spaces in that location.

Wilcox Nursery has changed their business model to only provide landscape design and implementation services and has ceased providing plant nursery services. They have downsized their lease area and have discussed with us and approved our tentative plan for them to be

relocated to a new, smaller tenant space that we would provide adjacent to the Golf Gardens parking lot on Sumner Avenue.

SBC/PacBell has agreed to relocate their storage facility to a container in Falls Canyon that is currently being used by SCICo for storage of miscellaneous furniture and equipment that will be consolidated into other company storage buildings in Pebbly Beach.

Tradewinds' use of one of the parking lot structures for storage is of a temporary convenience nature and they have agreed to simply cease use of that space when requested. Big Olaf's Ice Cream freezer is on a similar temporary use license and, while we have numerous other properties that can accommodate this use, we have not assigned or committed to any particular location at this time.

Please let me know if any further information is desired at this time.

Very truly yours,

J. Paul DeMyer
Sr. Vice President, Real Estate

SOUTHERN CALIFORNIA
EDISON

November 12, 2013

J. Paul DeMeyer
Santa Catalina Island Co
PO Box 737
Avalon CA 90704

RE: Water Allocation Letter Agreement

Dear Paul:

Southern California Edison Company (SCE) is in receipt of Safeway, Inc.'s (Safeway's) request for assurances that a fresh water allocation from SCE will be available to accommodate a new 20,000 square foot Vons grocery store that is expected to be constructed at the north east corner of Sumner Avenue and Beacon Street in the City of Avalon. SCE understands that this store will replace two existing smaller Vons grocery stores that Safeway currently operates in the City of Avalon.

On June 1, 2013, after SCE received Safeway's water allocation request (which was approved), SCE instituted Phase One water rationing under Catalina Water Tariff Rule 14.1. SCE subsequently informed Safeway pursuant to its Water Tariffs[1] that its fresh water allocation for the new store would continue to be honored during Phase One water rationing. However, SCE also informed Safeway that pursuant to SCE's Water Tariffs,[2] if Phase Two through Phase Four water rationing were to be implemented its fresh water allocation for the new store could not be honored.

As a result, Safeway informed SCE on September 27, 2013 that it could not fund the new store if an adequate supply of water to facilitate the development and operation of the store were not guaranteed. We understand the new store is of critical importance to the Avalon community and would replace two small grocery stores that are antiquated and undersized to meet the community's needs and provide for future growth. The new store is also expected to revitalize the community and provide new capital investment on Catalina Island.

Because the new store will utilize a smaller water allocation than the allocation currently used by Safeway's two existing Vons stores that are expected to be closed, and the new store's importance to the Avalon community, SCE agrees to transfer Safeway's current fresh water allocation from its two existing Vons stores to the new store, even in the event SCE increases water rationing to Stage Two, Three or Four. Because of the ultimate water savings expected to

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[1] Rule 3, Section D.1.a.
[2] Rule 3, Section D.1.b.

PO Box 327
#1 Pebbly Beach Road
Avalon, CA 90704

importance to the Avalon community, SCE agrees to transfer Safeway's current fresh water allocation from its two existing Vons stores to the new store, even in the event SCE increases water rationing to Stage Two, Three or Four. Because of the ultimate water savings expected to result from this transfer, SCE also agrees to permit minimal overlap in water use at the three locations as necessary only for construction and testing of systems, and a safe closure of the existing stores. Under this agreement, the existing stores may not be reopened or expect water service after three months of opening the new store, and at that time any tenant of the existing stores will have to follow SCE's existing water allocation process and a water allocation is not guaranteed.

Sincerely,

Ronald Hite
Southern California Edison
District Manager

Cc: Brian Braaten, Safeway Inc
City of Avalon Planning Department
Robert Webber, Santa Catalina Island Co

SOUTHERN CALIFORNIA
EDISON
An EDISON INTERNATIONAL Company

May 14, 2014

J. Paul DeMyer, Sr. VP Real Estate
Santa Catalina Island Company
PO Box 737
Avalon, CA 90704

Brian Braaten
Safeway, Inc.

RE: Water Allocation Transfer Agreement - Vons

Dear Paul:

Southern California Edison Company (SCE) is in receipt of the Santa Catalina Island Company's (SCICo's) request for assurances that a fresh water allocation from SCE will be available to accommodate a new 20,000 square foot Vons grocery store that will be constructed at the corner of Sumner Avenue and Beacon Street in the Island Plaza in the City of Avalon (New Vons).[1] Pursuant to this request, SCE previously agreed to transfer the fresh water allocations from two existing Vons stores to the New Vons. Since then, SCICo has proposed an alternative water allocation transfer arrangement which is described more fully below. This letter approves of the transfer described below, and supersedes the previous agreement memorialized in the November 12, 2013 letter agreement (attached hereto for reference) in its entirety.

On June 1, 2013, after SCE received and approved SCICo's water allocation request of 0.28 acre-feet for the New Vons, SCE instituted Phase One water rationing under its California Public Utilities Commission approved Catalina Water Tariff Rule 14.1. SCE subsequently informed SCICo that pursuant to SCE's Water Tariffs, the New Vons fresh water allocation would continue to be honored during Phase One rationing.[2] However, pursuant to SCE's Water Tariffs, if SCE was required to implement Stage Two through Stage Four water rationing, the New Von's fresh water allocation could not be honored until rationing was over, unless a new water resource is developed.[3]

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[1] SCICo is making these requests on behalf of Safeway, Inc., because at this time SCICo has not yet conveyed the property upon which the New Vons will be built to Safeway, Inc. This letter also agrees to transfer the water allocation from SCICo to Safeway, Inc. upon closure of the sale of this property. (SCICo Letter Dated April 29, 2014, attached hereto).
[2] Rule 3, Section D.1.a
[3] Rule 3, Section D.1.b

PO Box 527
#1 Pebbly Beach Road
Avalon, CA 90704

On January 30, 2014, SCICo submitted an additional request that under Rule 3 of SCE's Water Tariffs, SCE enter into a special agreement with SCICo to transfer a preexisting freshwater allocation to the New Vons in the event that Stage Two rationing was implemented.[4]

On April 29, 2014, SCICo informed SCE of its proposal to transfer in whole the preexisting water allocation from the Wilcox Nursery, currently occupying the same premises as the planned New Vons in the Island Plaza, and excess fresh water from the Golf Gardens (achieved through significant water conservation efforts), also located in the Island Plaza parcel, to cover the approved water allocation for the New Vons. SCICo also requests that this water allocation for the New Vons be transferred to Safeway, Inc. upon closure of the sale of the parcel of land in the Island Plaza where the New Vons will be located. The preexisting allocation of 0.17 acre-feet at the Wilcox Nursery and 0.54 acre-feet in excess fresh water from the Golf Gardens will satisfy the allocation amount of 0.28 acre-feet for the New Vons, with an ultimate water savings of 0.26 acre-feet. SCE understands the critical importance of the New Vons to the Avalon Community and the merits of replacing two antiquated and undersized grocery stores to meet the community's needs and provide for future growth.

SCE herein approves of the above described transfer arrangement and agrees to transfer the existing SCICo allocation from the Wilcox Nursery and excess water from the Golf Gardens to the New Vons. SCE also agrees to transfer this water allocation from SCICo to Safeway, Inc. upon completion of the sale of the property in the Island Plaza where the New Vons will be located from SCICo to Safeway, Inc. This will assure both SCICo and Safeway, Inc. of the water allocation for the New Vons in the event SCE increases water rationing to Stage Two, Three or Four. If at any time in the future, a new service connection or change to an existing service connection with an increased water requirement is requested for the Wilcox Nursery, Golf Gardens, or New Vons, the customer will be subject to SCE's existing fresh water allocation process and a water allocation is not guaranteed. Additionally, all mandatory water use restrictions as described in SCE's Water Schedule 14.1[5] for water rationing Stages Two, Three, or Four will apply and the baseline usage rate utilized to calculate any mandatory water conservation under Stages Two, Three, or Four will be adjusted consistent with this water transfer, to .28 acre-feet.

Sincerely,

Ronald Hite
District Manager
Southern California Edison

Cc: City of Avalon Planning Department

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[4] Rule 3, Section D.5
[5] Schedule 14.1, Section D