



AGENDA
CITY OF SEASIDE
PLANNING COMMISSION

REGULAR MEETING
440 HARCOURT AVE (COUNCIL CHAMBER)
Wednesday, April 13, 2022
7:00 PM

NOTICE: *The City Council and the City's Boards, Commissions and Committees, will hold its public meetings in person, with a virtual option for public participation based on availability. The City of Seaside utilizes Zoom tele-conferencing technology for virtual public participation; however, we make no representation or warranty of any kind, regarding the adequacy, reliability, or availability of the use of this platform in this manner. Participation by members of public through this means is at their own risk.*

VIRTUAL PUBLIC PARTICIPATION INSTRUCTIONS

1. To view this meeting: Please click on the following link to the City of Seaside YouTube Channel: <https://www.youtube.com/c/CityofSeasideCalifornia>
2. To participate in this meeting: Using the Zoom application on your smart phone, laptop, tablet or desktop and click on this link: <https://us02web.zoom.us/j/81555467580>
WEBINAR ID: 815 5546 7580
3. To participate by phone: Please call (669) 900-9128
Enter the meeting ID 815 5546 7580 when prompted. There is no participate code – press the pound sign # after the recording prompts you.
4. To make public comment, the following options are available:
 - Before the Meeting via Email: Written comments can be emailed to CityClerk@ci.seaside.ca.us Include the following subject line: "Public Comment Item #___" (insert the agenda item number relevant to your comment). Written comments must be received at least two (2) hours prior to the meeting time on the day of the meeting.
 - During the Meeting via Oral Comments: When the Chair calls for public comment, attendees can queue to speak with the "Raise Hand" feature. On the Zoom application, click the "Raise Hand" button. On the phone, press *9.

IN PERSON PARTICIPATION INSTRUCTIONS

Members of the public participating in person and wishing to address the Commission may approach the podium when the Chair calls for public comment.

1. **CALL TO ORDER**

2. **ROLL CALL - ESTABLISHMENT OF QUORUM**

3. **PLANNING COMMISSION**

William Silva	Chair
Keith Dodson	Commissioner
Arlington La Mica	Commissioner
Dave Evans	Commissioner
John Owens	Commissioner
Danny Huynh	Commissioner

4. **REVIEW OF AGENDA**

If there are any items that arose after the 72-hour posting deadline, this is the point in the meeting where a vote may be taken to add the item to the agenda. (A 2/3-majority vote is required).

5. **PUBLIC COMMENT**

Members of the public wishing to address the Commission on matters within the jurisdiction of the City of Seaside, but not on this agenda, may do so during the Public Comment period for up to three (3) minutes. Comments on specific agenda items are heard under that item. For the public record, please state your name.

6. **BUSINESS ITEMS**

- A. **USE PERMIT APPLICATION No. UP-22-02. SEA PACIFIC INVESTMENTS, PROPERTY OWNER AND BETTY P. PHAYSOUPHANH APPLICANT, ARE REQUESTING USE PERMIT APPROVAL TO COMBINE A CANNABIS MICROBUSINESS WITH AN EXISTING CANNABIS RETAIL BUSINESS (DBA PLANTACEA) LOCATED AT 1717 #B FREMONT BOULEVARD IN THE CRG (REGIONAL COMMERCIAL) ZONING DISTRICT. THE CANNABIS MICROBUSINESS WILL CONSIST OF THE CULTIVATION, TESTING AND DISTRIBUTION OF HARVESTED CANNABIS PLANTS/FLOWERS WITHIN THE INTERIOR OF THE EXISTING COMMERCIAL BUILDING. NO CHANGES WILL OCCUR TO THE FLOOR PLAN AND RETAIL SALES OF THE EXISTING CANNABIS RETAIL OPERATIONS. THE PROJECT IS CATEGORICALLY EXEMPT CLASS 1, SECTION 15301(a) FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.**

7. **REPORTS FROM COMMISSIONERS**

8. **REPORTS FROM STAFF**

9. ADJOURNMENT

Next Regularly Scheduled Meeting:
April 27, 2022
7:00 p.m.

The City of Seaside is committed to providing accessible facilities and accommodating people with disabilities in all of its services programs and activities. If special considerations are needed by any person to fully participate in this meeting, contact the City Clerk at 899-6707 no fewer than two business days prior to the meeting to allow reasonable arrangements. Agendas are posted at:

<http://www.ci.seaside.ca.us/129/City-Council-Committee-Agendas>

Agenda-related writings or documents provided during public meetings are available for public inspection during the meeting or from the office of the City Clerk. This agenda is posted in compliance with California Government Code Section 54954.2(a) or Section 54956.



**CITY OF SEASIDE
STAFF REPORT**

Item No.6.A

TO: Planning Commission

BY: Rick Medina Senior Planner

DATE: April 13, 2022

SUBJECT: **USE PERMIT APPLICATION No. UP-22-02.** SEA PACIFIC INVESTMENTS, PROPERTY OWNER AND BETTY P. PHAYSOUPHANH APPLICANT, IS REQUESTING USE PERMIT APPROVAL TO COMBINE A CANNABIS MICROBUSINESS WITH AN EXISTING CANNABIS RETAIL BUSINESS (DBA PLANTACEA) LOCATED AT 1717 #B FREMONT BOULEVARD IN THE CRG (REGIONAL COMMERCIAL) ZONING DISTRICT. THE CANNABIS MICROBUSINESS WILL CONSIST OF THE CULTIVATION, TESTING AND DISTRIBUTION OF HARVESTED CANNABIS PLANTS/FLOWERS WITHIN THE INTERIOR OF THE EXISTING COMMERCIAL BUILDING. NO CHANGES WILL OCCUR TO THE FLOOR PLAN AND RETAIL SALES OF THE EXISTING CANNABIS RETAIL OPERATIONS. THE PROJECT IS CATEGORICALLY EXEMPT CLASS 1, SECTION 15301(a) FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PURPOSE & RECOMMENDATION

In accordance with Section 17.14.030, Table 2-4, Use Permit approval is required for a cannabis microbusiness and cannabis retail business.

Staff recommends approval of UP-22-02 subject to Attachment 1: Draft Resolution and Exhibit A: Project Plans.

BACKGROUND

The subject site consists of a 53,578 (1.23 ac.) square-foot parcel that is developed with a 10,000 square foot multi-tenant commercial building. Location map is provided as Attachment 2.

The surrounding adjacent parcels consist of automotive dealership sites to the south and west and retail businesses to the north and east. Site photos are provided as Attachment

3.

The commercial building is comprised of three lease areas, two on the main level and one in a basement below. The main level is occupied by Round Table Pizza (1717 #A) on south side of building and the Plantacea Cannabis Dispensary (1717 #B) on the north side of building. The basement below (1717#C) is currently vacant. The business owner of the Cannabis Dispensary will be expanding their business operations to the basement to set up a Micro Cannabis use specializing in the propagation of cannabis plants and flowers. No changes will be made to the Round Table Pizza restaurant which has been in operation since 2004 to accommodate the expansion of the microbusiness for Plantacea Dispensary.

PROJECT DESCRIPTION

The tenant improvements to accommodate the cultivation operations of the micro cannabis business will be located within the basement area (3,480 sq. ft.). The basement features a secure area with high ceilings to adequately accommodate the installation of cultivation equipment/racks, odor control measures and irrigation devices. Access to the basement will be provided from a man door and roll-up door on the north side of the building. The man door has access to the sidewalk via a walkway and a roll-up door has access to the private street via an existing driveway and drive approach. Deliveries and distribution materials and supplies to the micro cannabis use would occur via the roll-up door. The retail area upstairs contains a number of rooms that are not currently in use and can be dedicated to the distribution operation.

The complete Cannabis Microbusiness Plan is provided as Attachment 4. The Microbusiness Plan provides details on the Cultivation Plan, Water Consumption, Cultivation Security Plan, Waste Management Plan, Safety Plan, and Distribution plan. The Micro Cannabis Business will have, at start-up, three shifts with 2-4 employees on a 24-hour schedule. After the first 12 months, the shifts will be reduced based on an established planting and cultivation process. The dispensary will continue to operate from 10 am to 5 pm daily, with two shifts involving 4-7 employees. The Micro Cannabis Business will have two vans parked on the west side of the parking lot away from the dispensary and pizza restaurant for use with the distribution operations. Photographs of the basement area are provided as Attachment 5.

ENVIRONMENTAL REVIEW

This project is exempt from the California Environmental Quality Act pursuant to Class 1, Section 15301(a): Class 1 consists of the operation, repair, maintenance, permitting, leasing or minor alterations of private structures and facilities involving negligible or no expansion of the former use

Evidence: The proposed project will consist of interior tenant improvements within an existing basement area of a commercial building involving minor plumbing and electrical alterations to accommodate a micro cannabis business that will operate in conjunction

with an existing retail cannabis dispensary on the main floor of the building. The proposed cannabis microbusiness will not require any exterior alteration to the site or change in intensity of the project site or the City's infrastructure off-site where it can be seen with certainty that the proposed interior improvements can be accommodated without creating any significant off-street parking demand or external effects that would be detrimental to the health, safety, and general welfare of the community.

STAFF ANALYSIS

Use Permit Findings:

The required findings are provided below, as required of SMC 17.62.070.F:

1. The proposed use is allowed within the applicable zone and complies with all other applicable provisions of this Zoning Ordinance and the Municipal Code.

Evidence: The operations of the cannabis microbusiness within the basement area would be classified as a processing use for off-street parking demand. In accordance with a ratio of 1 space per 500 square feet of floor area devoted to other office use, the cannabis microbusiness would require an seven parking spaces. The square footage of the existing Round Table Pizza seating area is approximately 2,000 sq. ft. and requires seven spaces based on a ratio of 1 space per 300 sq. ft. The existing retail cannabis store with a square footage of 5,600 sq. ft. requires 11 spaces based on a ratio of 1 space per 500 sq. ft. The combined off-street parking for the existing and proposed cannabis microbusiness would be 25 spaces. The off-street parking lot located to the rear of the site contains 34 parking spaces with an additional six parallel parking spaces on Birch Avenue to the north for a total of 40 off-street parking spaces. The project site is in compliance with the Seaside Zoning Code.

Additionally, the site has separate entrance to accept deliveries and will have odor control measures installed to mitigate any external effects on the adjoining business and community.

2. The proposed use is consistent with the General Plan and any applicable specific plan. Seaside General Plan Conformance

Evidence: Per the General Plan Land Use Element, the site is designated as Regional Commercial. The following Goals and Policies would apply:

Land Use Element Goal LU-1: Promote a mixture of land uses and a balance of jobs and housing to support a community in which people can live, work, and play.

Evidence: The project site will be contained within an existing commercial building which has demonstrated that it can contain the necessary capacity to operate a cannabis microbusiness without overburdening existing roadways and existing City infrastructure.

Land Use Element Policy LU-1.1: The proposed use would serve to implement and diversify the land uses within the Fremont Boulevard corridor and improve the City's job housing balance.

Evidence: The project would occupy a vacant tenant space and have the potential for the growth of an existing business and will employ Seaside residents.

Land Use Element Policy LU-1.2: The proposed use will serve to provide additional jobs to improve the City's job housing balance.

Evidence: The project will employ Seaside residents.

Land Use Element Goal LU-2: Revitalize existing commercial areas.

Evidence: The addition of a cannabis microbusiness to the cannabis dispensary will serve to establish a regional commodity within the City of Seaside that will provide a substantial investment within the community.

Land Use Element Policy –LU-2.1: The proposed project will serve to revitalize an existing commercial area of the community to provide new jobs and services.

Evidence: The proposed use will serve to fill a vacant commercial site to provide additional jobs and improve an am existing business through the vertical integration of a cannabis related use.

3. The design, location, size, and operating characteristics of the proposed activity are compatible with the existing and planned future land uses in the vicinity.

Evidence: The proposed cannabis microbusiness will be contained within an existing commercial basement. The operating characteristics of the micro cannabis business will blend with the retail cannabis facility on the main floor and improve the overall business investment opportunities for the community.

4. The site is physically suitable for the type, density and intensity of discretionary use being proposed, including access, utilities, and the absence of physical constraints.

Evidence: The project site is served by existing water, wastewater, and electrical infrastructure and facilities with adequate capacity to serve the proposed project. The proposed conversion of the commercial basement to a Cannabis Microbusiness will be

compatible with the use of the main floor above as a retail Cannabis Dispensary.

5. Granting the permit would not be detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone district in which the property is located.

Evidence: The proposed conversion of a commercial basement area to a microbusiness Cannabis facility would not be detrimental to the public health, safety and general welfare of the people of the City and surrounding neighborhood. The proposed use is located within an underutilized area of an existing commercial building that is completely screened from public view and would help maintain a compact city form consistent with the scale and character of the surrounding commercial neighborhood.

ATTACHMENTS

Attachment 1: Resolution

Exhibit A to Attachment 1: Project Plans

Attachment 2: Location Map

Attachment 3: Site Photos

Attachment 4: Cannabis Microbusiness

Attachment 5: Basement Area Photos

RESOLUTION NO. 22-XX

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SEASIDE, STATE OF CALIFORNIA, APPROVING USE PERMIT APPLICATION No. UP-22-02 LOCATED AT 1717 FREMONT BOULEVARD IN THE REGIONAL COMMERCIAL (CRG) ZONING DISTRICT.

WHEREAS, Sea Pacific Investments, property owner, and Betty P. Phaysouphan, are requesting approval of a Use Permit Application to allow for a Cannabis Microbusiness Business; and,

WHEREAS, a duly noticed public hearing has been held on April 13, 2022; and,

WHEREAS, the Planning Commission reviewed the staff report, received and considered oral comments at the public hearing concerning the proposed Cannabis Microbusiness and acted to grant approval of Use Permit Application No. UP-22-02 in accordance with Section 17.62.030 of the Seaside Municipal Code; and

WHEREAS, the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Class 1, Section 15301(C). Class 1 consists of remodeling to existing structures involving negligible or no expansion of use.

Evidence: Evidence: The proposed project will consist of interior tenant improvements within an existing basement area of a commercial building involving minor plumbing and electrical alterations to accommodate a micro cannabis business that will operate in conjunction with an existing retail cannabis dispensary on the main floor of the building. The proposed cannabis microbusiness will not require any exterior alteration to the site or change in intensity of the project site or the City's infrastructure off-site where it can be seen with certainty that the proposed interior improvements can be accommodated without creating any significant off-street parking demand or external effects that would be detrimental to the health, safety, and general welfare of the community.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission adopts the following findings approving Use Permit Application No. UP- 22-02:

1. The proposed use is allowed within the applicable zone and complies with all other applicable provisions of this Zoning Ordinance and the Municipal Code.

Evidence: The operations of the cannabis microbusiness within the basement area would be classified as a processing use for off-street parking demand. In accordance with a ratio of 1 space per 500 square feet of floor area devoted to other office use, the cannabis microbusiness would require an seven parking spaces. The square footage of

the existing Round Table Pizza seating area is approximately 2,000 sq. ft. and requires seven spaces based on a ratio of 1 space per 300 sq. ft. The existing retail cannabis store with a square footage of 5,600 sq. ft. requires 11 spaces based on a ratio of 1 space per 500 sq. ft. The combined off-street parking for the existing and proposed cannabis microbusiness would be 25 spaces. The off-street parking lot located to the rear of the site contains 34 parking spaces with an additional six parallel parking spaces on Birch Avenue to the north for a total of 40 off-street parking spaces. The project site is in compliance with the Seaside Zoning Code.

Additionally, the site has separate entrance to accept deliveries and will have odor control measures installed to mitigate any external effects on the adjoining business and community.

2. The proposed use is consistent with the General Plan and any applicable specific plan.

Seaside General Plan Conformance

Evidence: Per the General Plan Land Use Element, the site is designated as Regional Commercial. The following Goals and Policies would apply:

Land Use Element Goal LU-1: Promote a mixture of land uses and a balance of jobs and housing to support a community in which people can live, work, and play.

Evidence: The project site will be contained within an existing commercial building which has demonstrated that it can contain the necessary capacity to operate a cannabis microbusiness without overburdening existing roadways and existing City infrastructure.

Land Use Element Policy LU-1.1: The proposed use would serve to implement and diversify the land uses within the Fremont Boulevard corridor and improve the City's job housing balance.

Evidence: The project would occupy a vacant tenant space and have the potential for the growth of an existing business and will employ Seaside residents.

Land Use Element Policy LU-1.2: The proposed use will serve to provide additional jobs to improve the City's job housing balance.

Evidence: The project will employ Seaside residents.

Land Use Element Goal LU-2: Revitalize existing commercial areas.

Evidence: The addition of a cannabis microbusiness to the cannabis dispensary will serve to establish a regional commodity within the City of Seaside that will provide a substantial investment within the community.

Land Use Element Policy –LU-2.1: The proposed project will serve to revitalize an existing commercial area of the community to provide new jobs and services.

Evidence: The proposed use will serve to fill a vacant commercial site to provide additional jobs and improve an am existing business through the vertical integration of a cannabis related use.

3. The design, location, size, and operating characteristics of the proposed activity are compatible with the existing and planned future land uses in the vicinity.

Evidence: The proposed cannabis microbusiness will be contained within an existing commercial basement. The operating characteristics of the micro cannabis business will blend with the retail cannabis facility on the main floor and improve the overall business investment opportunities for the community.

4. The site is physically suitable for the type, density and intensity of discretionary use being proposed, including access, utilities, and the absence of physical constraints.

Evidence: The project site is served by existing water, wastewater, and electrical infrastructure and facilities with adequate capacity to serve the proposed project. The proposed conversion of the commercial basement to a Cannabis Microbusiness will be compatible with the use of the main floor above as a retail Cannabis Dispensary.

5. Granting the permit would not be detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone district in which the property is located.

Evidence: The proposed conversion of a commercial basement area to a microbusiness Cannabis facility would not be detrimental to the public health, safety and general welfare of the people of the City and surrounding neighborhood. The proposed use is located within an underutilized area of an existing commercial building that is completely screened from public view and would help maintain a compact city form consistent with the scale and character of the surrounding commercial neighborhood.

BE IT FURTHER RESOLVED, the Planning Commission hereby grants Use Permit Application No. 22-02 subject to the following terms and conditions:

Project Specific:

Planning:

1. Except as modified by required conditions of approval, plans submitted for a building permit shall substantially conform to the plans approved for discretionary permits for this project, stamped "approved" on , 2022 shown on Exhibit A.
2. Prior to the issuance of a Building Permit for interior or exterior improvements, the applicant shall enter into a cannabis development/operating agreement by and between the city and owner on a form approved by the City of Seaside. The agreement will specify the standards and conditions that must be met at all times by the City of Seaside, applicable regional agencies and State agencies.
3. An annual audit or inspection maybe conducted by City staff to ensure compliance with local and state regulations regarding Cannabis regulations and odors that can be readily smelled from the perimeter of the site..
4. Prior to the issuance of a Certificate of Occupancy, the applicant must submit a security plan to the Chief of Police for review and approval. The security will detail security cameras, storage of cannabis product, delivery/distribution.

Fire Department

5. The project shall be constructed in compliance with the 2021 California Fire Code.

Police Department

6. The Applicant shall comply with security measures of the Seaside Police Department outlined in Chapter 19 of the Seaside Municipal Code prior to receiving a Certificate of Occupancy.

Standard:

1. The applicant agrees as a condition and in consideration of the approval of this discretionary permit that it will defend, indemnify and hold harmless the City of Seaside or its agents, officers and employees from any claim, action or proceeding against the City or its agents, officers or employees to attack, set aside, void or annul this approval. The applicant will reimburse the City for any court costs and attorney's fees, which the City may be required by a court to pay as a result of such action. City may, at its sole discretion, participate in the

defense of such action; but such participation shall not relieve applicant of his obligations under this condition. The City shall promptly notify the applicant of any such claim, action, or proceeding, and the City shall cooperate fully in the defense thereof.

2. Any proposed future development or change in use shall comply with the requirements of the Fire, Health, Planning, Code Enforcement, Building and Public Works Departments.
3. The proposed project shall comply with the applicable requirements of the Monterey Peninsula Water Management District. If an increase in water above the previous Group I water use within the basement is required, the applicant will be responsible for obtaining the required water from the City's Water Allocation Committee.
4. The issuance of building permits involving the installation of new water shall be subject to the availability of an adequate supply of water and sewer capacity to serve the project.
5. Water conservation fixtures shall be provided in the proposed project.
6. The permit shall have no force or effect unless and until accepted, and the terms thereof agreed to, in writing, by the applicant and property owner within fifteen (15) days from the date of its approval.
7. Use Permit approval will become null and void if a building permit is not obtained within one (1) year from the date of approval to begin construction on the project.
8. For purposes of assuring compliance, the applicant, agents, representatives or their assignees agree not to deny or impede access to the subject property by City employees in the performance of their duties.

PASSED AND ADOPTED at the special meeting of the Planning Commission of the City of Seaside, State of California, on the 13th day of April, 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Will Silva, Chairperson

ATTEST:

Planning Commission Secretary

USE PERMIT APPLICATION No. UP-22-02

PC RESOLUTION No. 22-XX

This permit is hereby accepted upon the express terms and conditions hereof, and shall have no force or effect unless and until agreed to, in writing, by the applicant and property owner(s).

The undersigned hereby acknowledge the approved terms and conditions and agree to fully conform to, and comply with, said terms and conditions within the time frames approved by the City of Seaside Planning Commission.

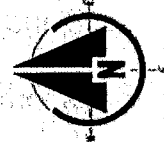
Applicant's Signature

Date

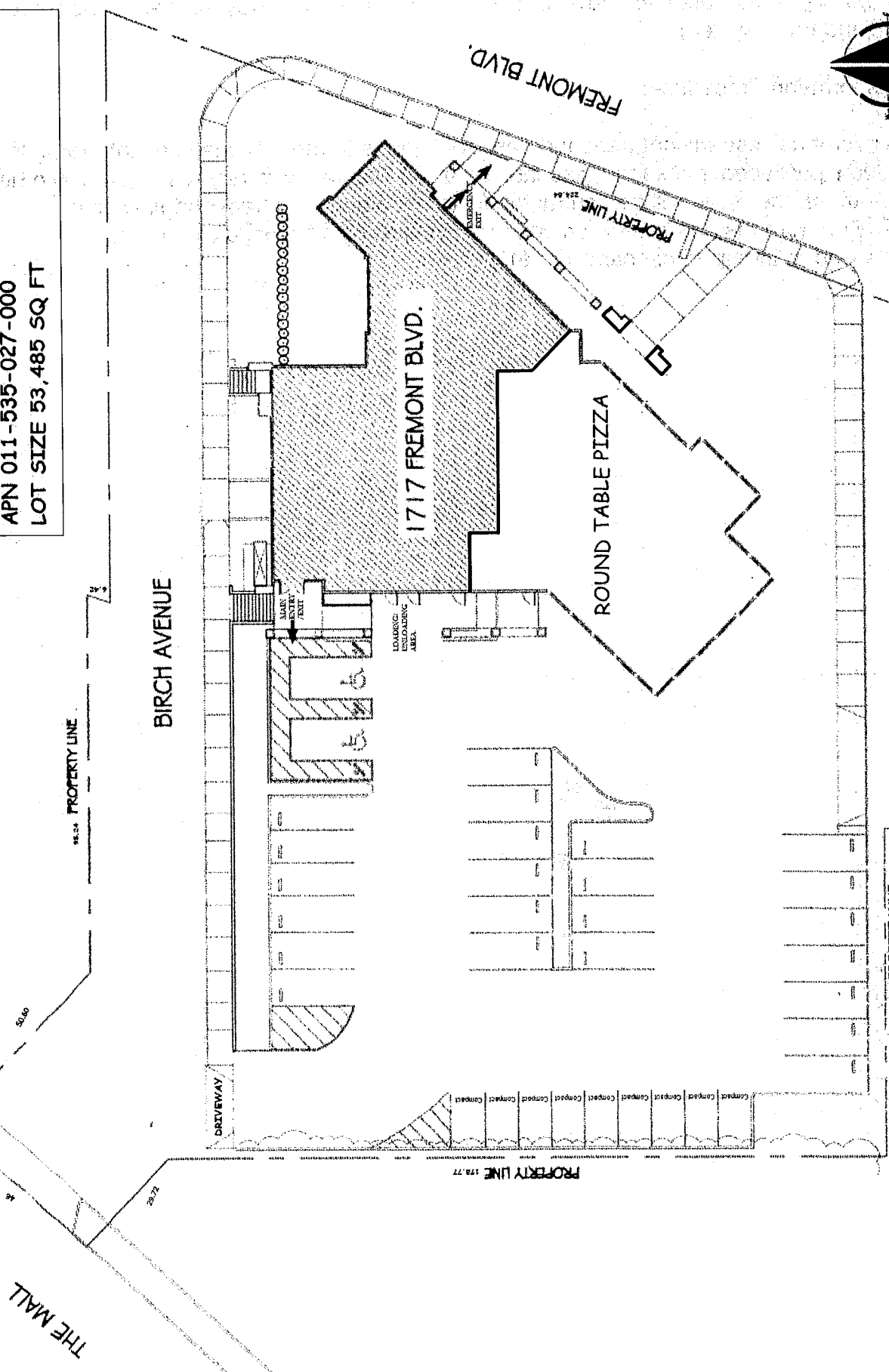
Property Owner's Signature

Date

PLANTACEA RETAIL CANNABIS STOREFRONT
 1717 FREMONT BLVD. SUITE B
 APN 011-535-027-000
 LOT SIZE 53,485 SQ FT



THE MALL



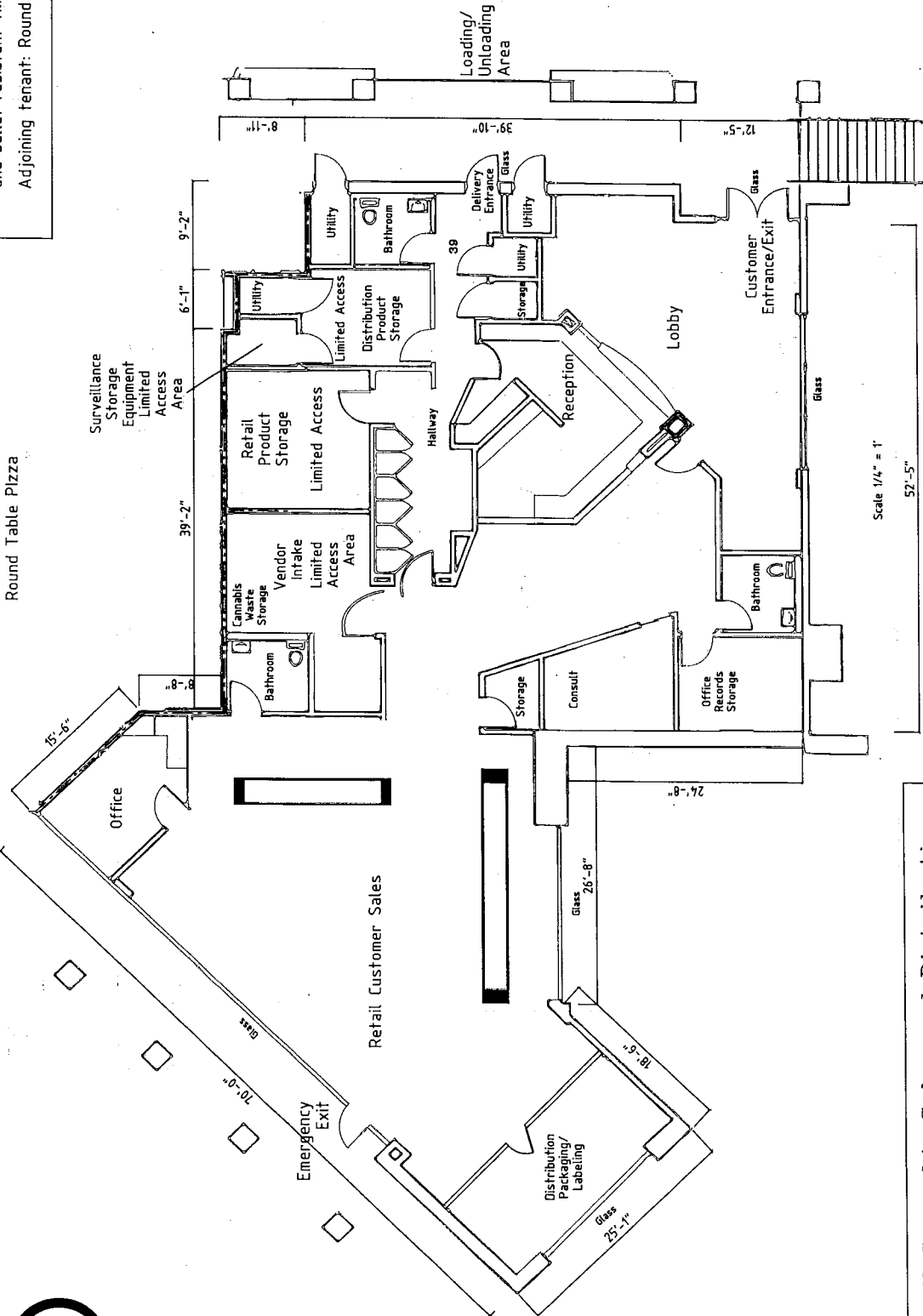
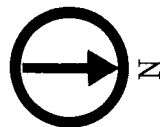
Microbusiness Floor Diagram

Area: 5,600 square feet

All glazing protected by explosive and bullet resistant film

Adjoining tenant: Round Table Pizza

Round Table Pizza



Scale 1/4" = 1'
52'-5"

Plantacea Retail Cannabis Sales and Distribution

1717 Fremont Blvd Suite B Seaside, CA 93955

JDC

Flower canopy in

4 'X 8' units on

moveable shelving

two levels

3,480 square feet

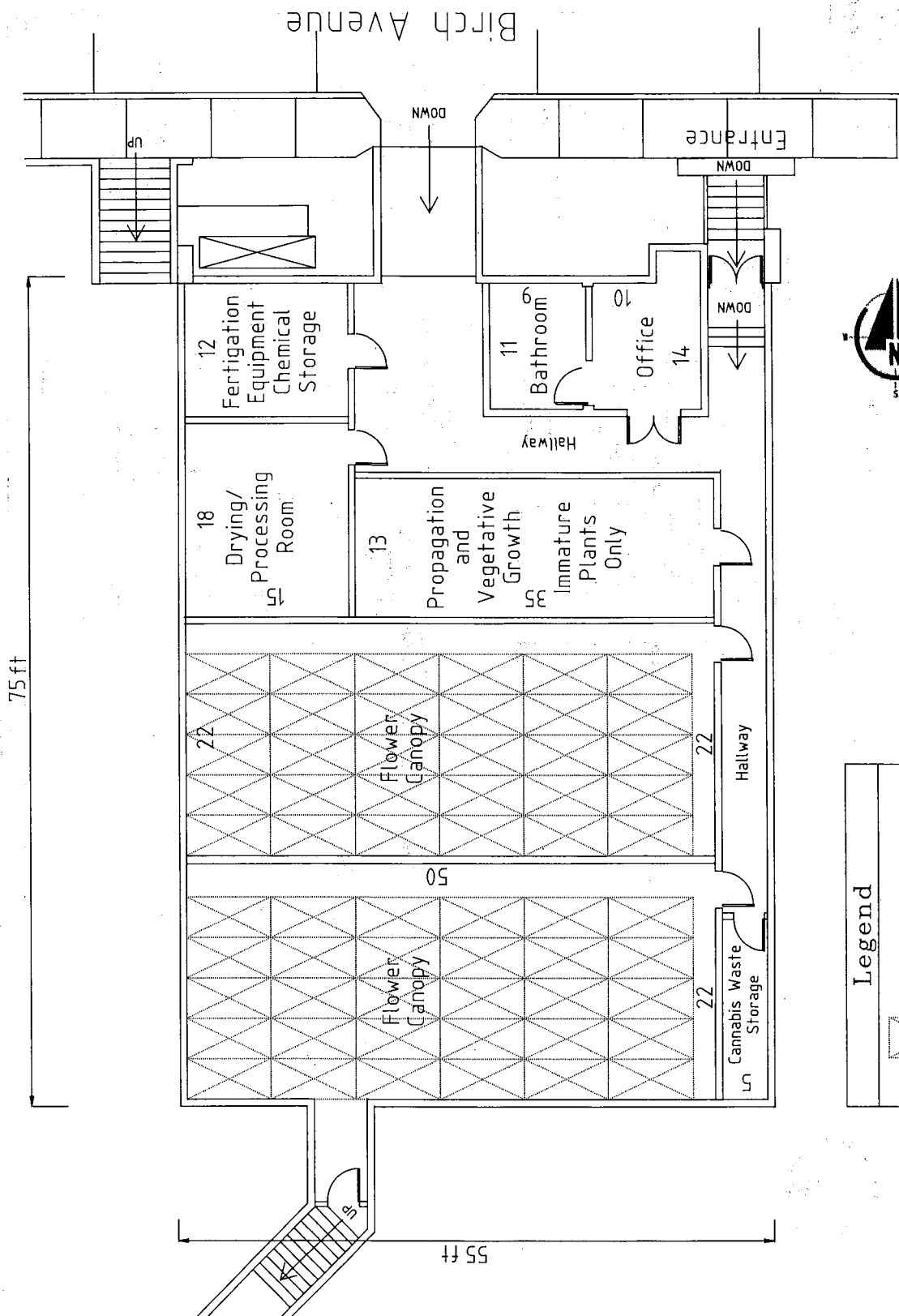
1717 Fremont Blvd
Seaside CA

Basement Level

4,125 square feet

Plantacea Cultivation Diagram

3A

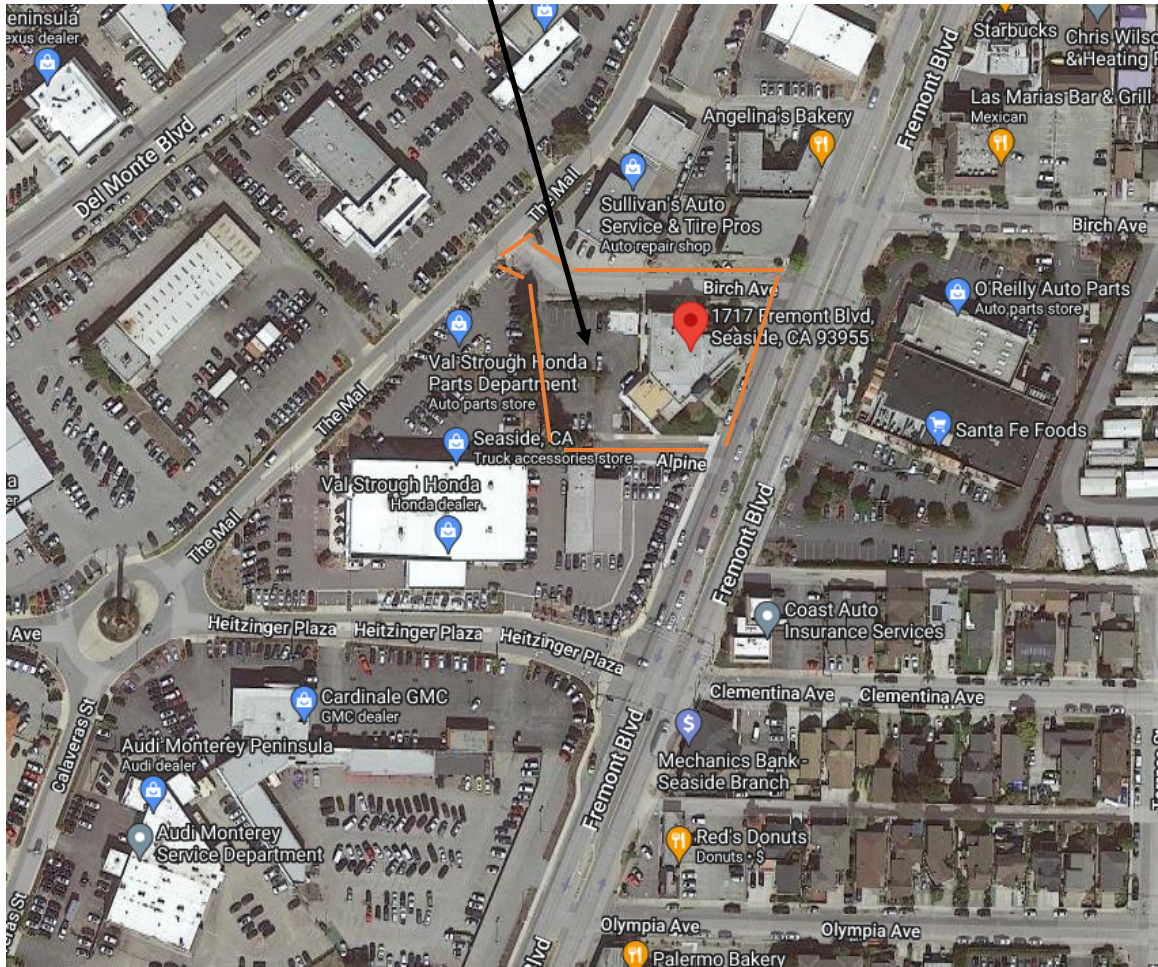


Legend

4' X 8' Units
Flower Canopy

Attachment 2

Location Map: 1717 Fremont Boulevard



Attachment 3

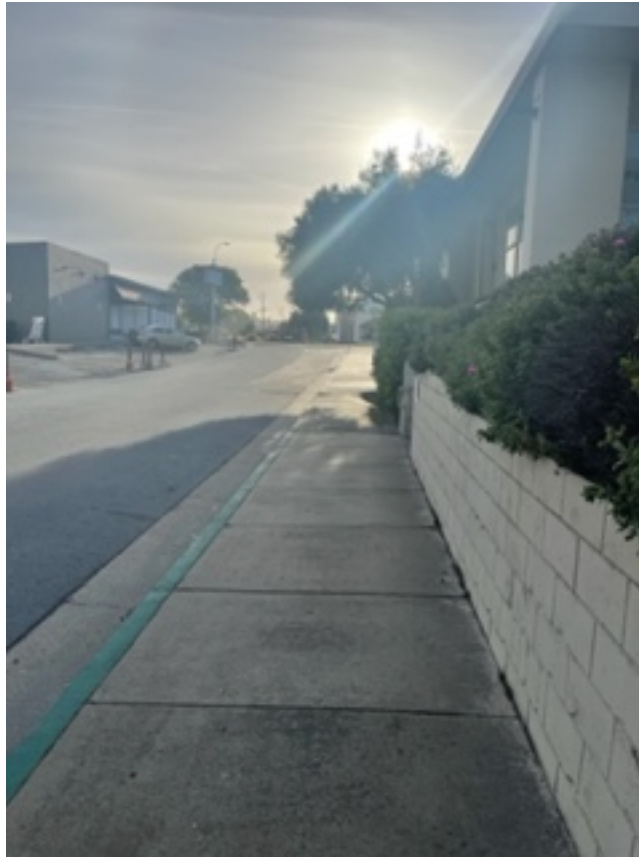
Site Photos



View of front façade from Fremont Boulevard



View of North façade and Birch Avenue looking west



View of Birch Avenue sidewalk looking East



View of roll-up door and side man door access from Birch Avenue

Microbusiness Plan

General Description

Continuing instability in the legal cannabis market lends appeal to a microbusiness model that offers the option to vertically integrate and lower costs. The State microbusiness license allows a business entity to engage in cultivation, distribution, and retail activities, all in a single premises. The ability to control product quality, stabilize product supply, and cut out the middle man are some of the potential benefits afforded by this organizational structure. A scarcity of sites with characteristics suited to all three of these uses tends to limit the widespread use of this model.

The property at 1717 Fremont Blvd, which currently houses the Plantacea cannabis retail storefront, contains suitable space for all three of these operations. The building features a secure basement area with high ceilings, ideally suited for an indoor cultivation operation. The retail area upstairs contains a number of rooms that are not currently in use and can be dedicated to the distribution operation. The existing Plantacea retail operation will continue unchanged, while the distribution and cultivation activities take place out of public view.

Cultivators will propagate plants and grow crops of flowers in designated partitioned areas of the basement. The flowers are harvested, and then processed, dried, and cured in a climate-controlled room downstairs. The distribution arm takes custody of the cured batches of flowers and moves them into a secure distribution storage room upstairs under the watchful eye of security personnel.

Distribution employees arrange for a sampler from a licensed testing laboratory to come and take batch samples for product safety testing. Once the laboratory certifies batch quality, the distribution workers can process, package, and label the products for final sale. The tested and labeled products then enter the retail inventory for sale to qualified consumers. Employees document each step in the chain of custody in the State track and trace system.

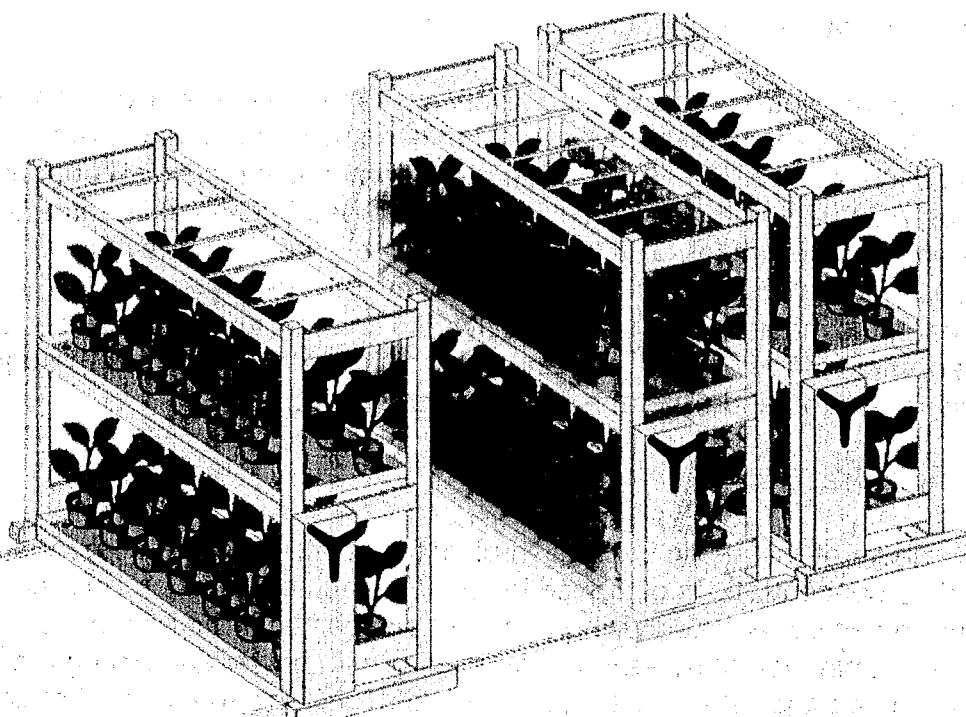


Illustration showing a movable shelving system

In the system planned for the Plantacea facility, the flowering plants will be rooted in a six inch thick layer of lightweight rockwool that workers place in 4'X8' trays as the basic unit of production. A moveable shelving system carries the trays, with two layers of trays in each row. Each row is six trays long, and there are five moving rows in each of the two flower rooms, as shown in the floor diagram.

1000 Watt LED grow lamps suspended above the trays move with the shelving racks. LED lighting technology has been advancing steadily, and today it represents the future in horticultural lighting. While the purchasing price is higher, the LED technology offers a number of advantages over traditional systems. LED grow lights are more efficient than traditional lighting systems, consuming 60% less energy to provide the same level of light. Cooler operating temperatures increase the lifespan of these units, and cultivators can give plants the exact spectrum of light they need. There will be 240 LED fixtures in the two flowering rooms, and another 32 fixtures in the immature plant room

Reliable crop production depends on maintaining proper temperature and humidity at each stage of development. A ten ton commercial air conditioning unit mounted on the

good water retention and aeration characteristics. Cultivators allow the cuttings to root and grow on shelving under long light conditions. All the nutrients necessary for plant growth come dissolved in the irrigation water, and the cultivators adjust the concentration of the fertigation solution to match the needs of the plants at the early stages of development.

Once the desired size is reached, workers tag the plants for entry into the State METRC track and trace system and transfer the plants into trays which have just been harvested in one of the flower rooms. Under the shorter day length the transplants begin flowering and will be ready to harvest in about eight weeks.

The harvested flowers spend two weeks in the drying room, and undergo a trimming process during that period to become what will be a final product. Workers pack the finished flower material in batches for transfer to the distribution storage facility upstairs, to wait for sampling and product safety testing by a licensed laboratory. Cultivators log all stages of the custody chain in the State track and trace system.

Pest Management Plan

The indoor environment allows for a large degree of control over the introduction of pests and pathogens into the production system. The segregation and isolation of the production zones along with the minimal exchange with outside air limits the opportunity for unwanted organisms to enter the system. Facility sanitation plays a large role, as does the awareness of workers in avoiding the inadvertent introduction of invisible pathogens and pests.

Worker awareness also becomes the first line of defense in the event such an incursion does occur, and experienced cultivators know to watch for the telltale signs. Early detection minimizes the measures necessary for control. Initial response will depend on the nature of the offending organism. Cultivators suppress the growth of fungal pathogens primarily with environmental controls by decreasing humidity and increasing air circulation. Removal and segregation of some plant material may be necessary, in which case workers treat the removed material as cannabis waste and record it in the State METRC system.

If an infestation requires further intervention measures, cultivators have access to an array of tools for controlling pests and pathogens without compromising product safety. Horticultural soaps can eliminate small soft-bodied insects such as aphids, whiteflies, spider mites, and mealybugs. Insecticidal soaps have several advantages over pesticides in that they leave no toxic residue, they don't harm beneficial insects, and they can aid in the removal of sooty mold, honeydew, and other leaf fungi. Cultivators may also use a variety of biological controls targeted to specific pest populations without compromising product quality.

The Plantacea operation will focus on prevention and early intervention to manage pests and pathogens in the production system. At no time will conventional

Water Consumption

Our reliance on limited freshwater resources has emerged as a major consideration in licensing new commercial cannabis cultivation operations. On the Monterey peninsula water resources remain under severe pressure, and scarcity can become a limiting factor for new commercial and agricultural development. The proposed cultivation operation at the Plantacea facility offers a means of producing a quality agricultural consumer product with minimal consumption of scarce water resources.

There are many cultivation systems in use for cannabis flower production with widely varying rates of water consumption - indoor, greenhouse, outdoors, hydroponic or drip irrigation systems, plants rooted in the ground or in pots, and so on. Estimates of water consumption observed in one system will not apply across the spectrum of methods employed in the industry.

Regulators need information gathered in running systems using similar methods under similar environmental conditions to arrive at realistic projections of water consumption for a particular cannabis cultivation project. The data set we use here to estimate water consumption for the Plantacea cultivation project compares systems which share basic cultivation methods - indoors, with plants in growing media sitting in catchment trays so there is no wastewater runoff.

Conditioning the indoor air to maintain optimal temperature and humidity during growth and flowering remains critically important in safely producing a consumer product often used by medical patients with compromised immune systems. Fungal plant pathogens can thrive in conditions with insufficient control over these factors. In the sealed grow space the mechanical air conditioning and dehumidification units remove moisture from the air transpired by plants and evaporated from growth media - yielding significant amounts of condensate water that can then be collected and recycled for irrigation.

We will extrapolate from a data set collected from a single indoor cannabis crop cycle occupying 70 square feet of canopy area to arrive at a conservative estimate of annual water consumption in the proposed Plantacea cultivation operation. The recorded observations for this proxy crop cycle served as a baseline to examine the effect of vapor pressure deficit on cannabis growth rates, an exercise which required comprehensive tracking of inputs and environmental conditions over the course of several production cycles. The data also document a significant use of recycled water.

The observed system was not designed to facilitate the collection and use of condensate water, and there were a number of recorded instances when using tap water alone was a choice of convenience. Consequently, while the estimates presented here are based on real world numbers, they do not represent the full potential to conserve water through recycling. Although the observed system was considerably smaller in scale than the proposed system and involved a longer cropping

Extrapolation

The proposed cultivation operation at the Plantacea facility will devote a total of 3,480 square feet to canopy in the two flower rooms. If we assume that the use of recycled water relative to tap water remains proportional, or slightly less than half of the total, then the total annual consumption of tap water will be:

$$3,480 \text{ square feet} \times 9.6 \text{ gallons/sq. ft./year} = 33,408 \text{ gallons/year}$$

Installation of the equipment to condition air in the Plantacea facility will facilitate the collection and return of recovered condensate to substitute for fresh tap water - so that consumption estimate can be considered a high end projection of the annual use.

Water Use Factor Comparison

As part of the project approval process the City will need to authorize the Monterey Peninsula Water Management District to issue a water permit based on a finding of Special Circumstances consistent with CEQA compliance for the approved Project. The City will further need to acknowledge in writing that the annual average water use above the preliminary Estimated Annual Water Use Capacity will either result in a debit to its Allocation or require additional action to reduce or offset water use as authorized by the District Board.

The District staff looked at this proposal and determined that the correct factor for this use is Industrial with the assigned use factor of 0.00007AF/SQFT. "Water Use Factor" means a number assigned to one or more specific types of Non-Residential uses that when calculated together with a measurement related to the type of use will result in an estimated annual water demand. The industrial use in this case comprises the basement area of 4,125 square feet.

Converting the assigned use factor expressed in acre-feet to gallons:

$$0.00007 \text{ acre-feet/square ft/yr} = 28.8 \text{ gallons/square ft/yr}$$

Annual total consumption then becomes:

$$28.8 \text{ gal/sq. ft} \times 4,125 \text{ sq. ft} = 118,800 \text{ gal/yr}$$

The Estimated Annual Water Use Capacity from the District is more than three times the high end use projections for the facility using recycled water. That represents a significant margin of safety for the City in authorizing the MPWMD to issue a permit, and there remains ample room for improvement in those numbers.

Waste Management Plan

The applicant will dispose of all waste in accordance with the Public Resources Code and any other applicable state and local laws. The business will establish and implement a written cannabis waste management plan that describes the method or methods by which the operation will dispose of cannabis waste, as applicable to the cultivation activities.

Workers will store all cannabis waste in the secured area shown on the floor diagram until the time of disposal. Physical access to the receptacles or area is restricted to employees of the business. The operation will dispose of cannabis waste using collection and processing of the cannabis waste by a local agency or a waste hauler franchised or contracted by a local agency; or a private waste hauler permitted by a local agency in conjunction with a regular organic waste collection route.

If a batch of cannabis or cannabis products is being disposed of because the batch has failed internal quality testing, quality assurance review by a distributor, or regulatory compliance testing, workers will render the material unusable prior to disposal. The reason for disposal and the disposition of the batch will be recorded in the track and trace system.

The applicant will obtain documentation from the entity hauling the waste that provides evidence of subscription to a waste collection service. The operators will maintain and make available to the State and local authorities on request the business name, address, contact person, and contact phone number of the entity hauling the waste. Cultivation workers record all cannabis waste disposal in the METRC track and trace system.

Safety Plan

With the retail operation well established and successfully operating on the premises, most of the safety considerations have already been addressed for things like premises security, anti-loitering measures and steps to prevent diversion of cannabis goods or access by underage consumers. The cultivation operation will not allow any public access to the facility, and the exterior doors remain locked during normal operations.

The entrances will be covered by video surveillance cameras positioned with sufficient lighting to allow facial recognition of every person entering the facility. Operators will keep a sign-in/sign-out log for all persons accessing the premises, including authorized individuals. Operators will immediately provide the log and video records to the Seaside police department on request. Any time material needs to be moved out of the facility in the form of product or waste, workers will ensure that a security guard on duty is present to watch the process through to completion.

Employee training will include identification of emergency exit routes in the event of earthquake or fire, and the location of fire extinguishers distributed throughout the

Distribution Plan

The State microbusiness license includes distribution as one of allowed activities, and California requires a distribution license to transport cannabis and cannabis products. Licensed distributors can transport goods they cultivated or manufactured, as well as goods for other businesses. Initially, the distribution operation within the Plantacea microbusiness will primarily serve as the intermediary between its cultivation and retail operations.

Distributors play a pivotal role in product testing and quality assurance. The Plantacea distribution arm will take custody of finished batches of flowers and trim, and hold the goods until they receive a Certificate of Analysis (COA) from a licensed testing laboratory. The distributors arrange for an authorized employee from a testing laboratory to come to the storage facility and take batch samples for testing.

Distributors can only transport cannabis goods to a retailer for sale if they pass testing and have a corresponding COA less than 12 months old. Goods that fail testing must be destroyed or sent to a manufacturer for remediation. Before transporting goods to a retailer, distributors conduct a quality assurance review to make sure that all the required information is on the label. The products must be in packaging that protects the product from contamination, and can only contain an amount of THC within legal limits.

The Plantacea distribution operation will be able to package, re-package, label, and re-label cannabis in the form of dried flower, including pre-rolls, for retail sale. The State regulations do not allow a licensed distributor to process cannabis, but it may roll pre-rolls that consist exclusively of any combination of flower, shake, leaf, or kief. Dried flower in the form of pre-rolls must be rolled prior to regulatory compliance testing.

Facility Development

The currently licensed Plantacea retail facility includes unused rooms that will be dedicated to the distribution storage and packaging functions. The upstairs floor diagram shows the rooms where workers will conduct distribution activities. Areas of the licensed premises for distribution will be separated from the retail areas by a wall, and all doors between the areas will remain closed when not in use.

Most of the volatile terpene compounds dissipate during the drying and curing process, but some attention to odor control during packaging operations is warranted. The door to the packaging room will be sealed against air exfiltration and the applicant will install and maintain a carbon filtration unit inside the room. The unit will constantly draw room air through the odor scrubbing filter when packaging operations require exposure of dried flower material to the open air. In the unlikely event that additional odor control is needed, the room can be connected with the rooftop exhaust system to maintain negative pressure conditions inside the packaging room.

Remediation by a manufacturer licensee may be an option for a harvest batch that fails a category of product testing. The Department of Cannabis Control must first approve a corrective action plan submitted by the manufacturer licensee. The corrective action plan must include a description of how the harvest batch will be remediated so that the batch, or any product produced from it, will meet all regulatory compliance laboratory testing and quality assurance requirements. If remediation appears possible the cultivators can arrange for a licensed transporter to take the batch to a manufacturer for remediation.

A harvest batch or cannabis product batch that has been additionally processed after a failed test will be retested. If it successfully passes all the analyses required, the laboratory will enter the results into the track and trace system within one business day, and the batch can be transported to another distributor or packaged and labeled for retail sales. A harvest batch or cannabis product batch may only be remediated twice. If the batch fails after the second remediation attempt and the second retesting, the entire batch will be treated as cannabis waste and destroyed.

Distributor employees conduct a quality assurance review when a passing Certificate of Analysis comes back from the testing laboratory before labeling and transfer to retail sales or another distributor. The inspection will ensure that the COA corresponds to the batch and carries a date less than 12 months old. Employees verify that all events prior to receipt of the certificate of analysis for regulatory compliance testing have been entered into the track and trace system. Employees check in particular that the weight or count of the batch agrees with that in the track and trace system.

Workers will label and package products as soon as practical following safety certification by an approved testing laboratory using approved scales. State and county law require the annual registration and inspection of commercial weighing and measuring devices before they are placed into commercial use. Monterey County inspectors verify that each device is approved for its intended use and test it for accuracy. Annual registration requirements come in addition to any other certificate, license or permit required by any other public entity.

The Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) includes basic requirements for how cannabis goods must be packaged for retail sales. These guidelines apply to all non-manufactured Cannabis goods that will be sold at a licensed retailer. The distribution employees will assume responsibility for ensuring that packaging and labeling of the products produced at the Plantacea facility meet these requirements.

Packaging will be tamper-evident, child-resistant, resealable, and opaque. It will protect products from contamination and exposure to any toxic or harmful substances. It will not imitate packaging used for products typically marketed to children.

Most of the required labeling must be placed on the outer layer of packaging or be easily visible through the outer layer of packaging. If the product is packaged in a way

distributors. Distribution employees record the COA and custody transfer in the State track and trace system.

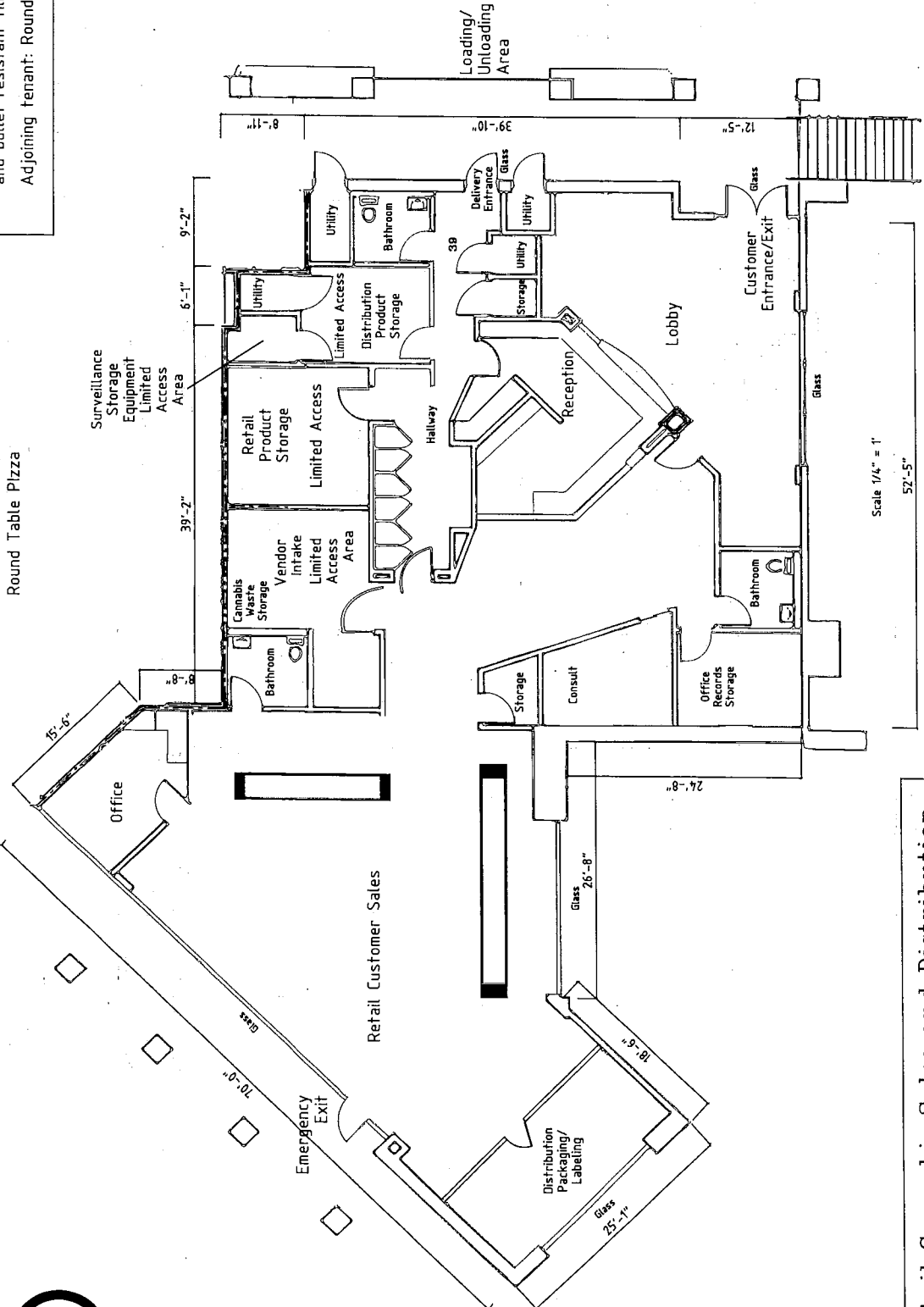
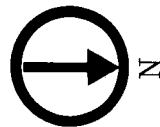
Transportation Procedures

The microbusiness will not transport cannabis goods to other licensed distributors. If products produced, packaged, and labeled at the Plantacea facility will be sold to other distributors, the move will be contracted for with holders of a transport license or picked up from the premises in an approved vehicle by a licensed distributor authorized to transport cannabis products.

Microbusiness Floor Diagram

Area: 5,600 square feet
 All glazing protected by explosive
 and bullet resistant film
 Adjoining tenant: Round Table Pizza

Round Table Pizza



Plantacea Retail Cannabis Sales and Distribution

1717 Fremont Blvd Suite B Seaside, CA 93955

Attachment 5

Basement Photographs



Views of the interior basement and ceiling height

