A G E N D A

CITY OF SEASIDE
PLANNING COMMISSION

SPECIAL MEETING
COUNCIL CHAMBER
440 Harcourt Avenue
Wednesday, December 20, 2017
7:00 PM

PLEASE TURN OFF YOUR CELL PHONES UPON ENTERING THE MEETING

1. CALL TO ORDER

2. ROLL CALL - ESTABLISHMENT OF QUORUM

John Owens	Chair
Michael Lechman	Vice Chair
Keith Dodson	Commissioner
Denise Ross	Commissioner
Arlington La Mica	Commissioner
Michael Spalletta	Commissioner
Ian Oglesby	Commissioner

3. PUBLIC COMMENT

Members of the public wishing to address the City Council 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 minutes. Public Comments on specific agenda items are heard under that item. For the public record, please state your name.

4. PUBLIC HEARING

A. CONSIDERATION OF APPLICATIONS FOR USE PERMIT AND LICENSE TO DISPENSE ADULT USE AND MEDICAL CANNABIS AT VARIOUS COMMERCIALLY ZONED LOCATIONS IN THE CITY OF SEASIDE AND MAKE RECCOMENDATIONS TO THE CITY COUNCIL

PURPOSE: In accordance with Ordinance No.1041 , the Planning Commission is tasked with providing the City Council with a recommendation on the top rated Use Permits that have been filed to establish a Medical/Adult Recreation Cannabis Facility within the City of Seaside.

RECOMMENDATION:
City staff recommends that the Planning Commission forward the following sites as being the top three rated applicants to receive a Medical/Adult Recreation Cannabis Facility Use Permit:

1. Higher Level of Care, 310 Amador Avenue (See Draft Resolution provided as Attachment 1); and
2. Sugarleaf/Pharm House, 778 Broadway Avenue (See Draft Resolution provided as Attachment
3. Canopy, 1900 Fremont Boulevard (See Draft Resolution provided as Attachment 5).

Otherwise they can consider all applicant permits at the following addresses:

- 310 Amador Avenue
- 575 Broadway Avenue
- 755 Broadway Avenue
- 778 Broadway Avenue
- 840 Broadway Avenue Ste B-4
- 855 Broadway Avenue
- 895 Broadway Avenue
- 680 Broadway Avenue
- 680 Broadway Avenue
- 1271 Canyon Del Rey Blvd
- 1900-1904 Fremont Blvd

5. ADJOURNMENT

Next Regularly Scheduled Meeting:
December 27, 2017
Seaside City Hall
7:00 PM

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, they are asked to contact the City Clerk at 899-6707 no fewer than two business days prior to the meeting to allow reasonable arrangements. The City Council chamber is equipped with a portable microphone and assisted listening devices are available at all meetings.

City Council Meetings that are held in the City Council Chambers are broadcast live to all Seaside residents on Comcast Channel 25 and U-verse Channel 99. Meetings are also available through live streaming at:
http://cvp.telvue.com/player?id=T01629&video=52314&noplaylistskin=1&width=400&height=300
Videos of past meetings are available on demand through the City's website: http://www.ci.seaside.ca.us

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.: 4.A.

TO: Planning Commission

FROM: Craig Malin, City Manager

BY: Gloria Stearns, Economic Development Manager
Rick Medina, Senior Planner

DATE: December 20, 2017

SUBJECT: **CONSIDERATION OF APPLICATIONS FOR USE PERMIT AND LICENSE TO DISPENSE ADULT USE AND MEDICAL CANNABIS AT VARIOUS COMMERCIALLY ZONED LOCATIONS IN THE CITY OF SEASIDE AND MAKE RECCOMENDATIONS TO THE CITY COUNCIL**

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BACKGROUND

On September 21, 2017, the City Council adopted Ordinance No. 1041 which established and defined the terms of the City's Cannabis activities. The Ordinance states that one year use permits may be issued for no more than 3 applicants in the following zones: CRG, MX, CMX and future Mixed-Use High and Mixed-Use Low. Applicants must have complete information, and be rated for points on: location of business, business plan, local enterprise and community benefits, neighborhood compatibility, safety and security plan. On November 21, the City of Seaside received 17 applications - one applicant had two locations. Applications were rated based on the ordinance criteria. Since the community's interests are served in having strong and sustainable permit holders, the City allowed applicants the opportunity to amend and combine their applications, which is also specified in the ordinance. A copy of the rating sheet with application scores is in Attachment 1. The complete applications, which have been redacted to remove personal and security information, are available for review at the following link: http://www.ci.seaside.ca.us/633/Cannabis-Dispensaries-Permits.

During the week of scoring applications, staff was gathering information about how to handle gross sales, which on some applications appeared to be unreasonable. Those applications contain an * on the rating spreadsheet. These were deemed unreasonable because, using an example cited by the finance team, if every man, woman and child on the Monterey Peninsula bought over $100 of cannabis products every year, the gross sales were still higher. The finance team instead proposed a gross sales cap of $4 million. The $4 million figure was derived two ways.

- Assuming a retail sales area measured 2,000 SF multiplied by $2,000 sales per SF results in $4 million. While not all applications provided retail sales area measurements, the best determination was that it approximated 2,000 SF.
- The $2,000 sales per SF was derived as an average based on regional sampling.The CA Board of Equalization states medical cannabis sales are over $1 billion and Monterey County sales are $11.5 million. Double that to factor in adult recreational sales, and it becomes $23 million. Divide that across 6 local which results in revenue of approximately $3.8 million.

The gross sales cap of $4 million was applied to all affected applicants. The COGS and capitalization was reconsidered for all affected applicants. Consistency in the procedure was maintained for all affected applicants.

Dispensaries must be located at least 1,000 feet apart from another dispensary and 600 feet from a school. The ordinance states that up to 3 medical and 3 adult recreational dispensary use permits may be issued in Seaside.

Applications have been carefully vetted by the Seaside Police to ensure security. The three

applicants recommended received exemplary ratings from the Seaside Police for their security plans. Specific details of the security plans are limited to the Seaside Police to maximize public safety.

Summaries of the staff recommended applications follow and are in no particular order as the top 3 applications had the same scores.

1. Pharm House and Sugarleaf

Pharm House and Sugarleaf propose operating at 778 Broadway which is zoned MX. The 1,700 SF building includes an approximately 800 SF sales floor to be used as both a medical and adult recreational dispensary with hours of operation from 10 am to 10 pm daily. There are 4 parking spaces per 1,000 SF at both locations, and the requirement is 1 per 500 SF. Two principals and 8 additional employees are Seaside residents. Tenant improvements will be made on both the interior and exterior of 778 Broadway, with fewer improvements necessary at 840 Broadway. Signs will comply with 17.40. Neighboring businesses at both locations have demonstrated support. Community benefits include: 1% of profits or $10k to parks and recreation; conducting annual food drives; and being active with local charities. This business is sufficiently capitalized for one year of operation and first year gross sales are projected to be $4 million. The security plan for this application was deemed exemplary by the Seaside Police Department.

Specific Conditions
Must provide 1% or $10k – whichever is less to Parks (in addition to license fees)
Must collect and sponsor 1 annual local food drive
Must sponsor at least one local (Seaside-based) charity
All standard Seaside cannabis conditions

2. Higher Level Care

Higher Level of Care proposes operating at 310 Amador, which is zoned: MX. The 1,974 SF building will be used as a medical and adult recreational dispensary with hours of operation from 10 am – 11:59 pm Monday through Sunday. There are 6 paved parking spaces, including 1 ADA space. One of the principal employees is a Seaside resident, and they propose 6 additional Seaside resident employees. The applicant has extensive cannabis experience beginning in 2010, as well as additional business experience. The tenant improvements are estimated to be $150,000 and are both internal and external, including build-outs for the dispensary, offices, storage and receiving. Bicycle parking will be added. Signage will comply with 17.40. Neighboring businesses indicated support. Community benefits include: contributing $15k annually to various nonprofits such as The Village Project, Boys & Girls Club, RotaCare Seaside Family Health Center, The Salvation Army, Sun Street Centers (Seaside). Applicant will also be active in City of Seaside clean-up activities. This business is sufficiently capitalized for one year of operation and first year gross sales are projected to be $4 million. The security plan for this application was deemed exemplary by the Seaside Police Department.

Specific conditions:
Must provide $15k to various Seaside charities per application
All standard Seaside cannabis conditions

3. Canopy

Canopy Monterey Bay / The Reef propose to operate at 1900 Fremont, which is zoned: CC. The 2,600 SF building, with approximately 2,000 SF of sales floor, will be used as a medical and adult recreational dispensary with hours of operation from 9 am – 9 pm Monday through Sunday. There are over 4 parking spaces per 1,000 SF, with approximately 50 shared parking spaces adjacent. Currently one principal and 4 of 18 employees proposed are Seaside residents, with a preference for Seaside hiring. The tenant improvements are estimated to be $250,000, with extensive internal and external improvements. Signage will comply with 17.40. Neighboring businesses indicated support. Community benefits include: Boys and Girls Club, Community Human Services, and hiring local artists for work inside. This business is sufficiently capitalized for one year of operation and first year gross sales are projected to be $4 million. The security plan for this application was deemed exemplary by the Seaside Police Department.

Specific conditions:
$5k to Boys and Girls Club
$5k to Community Human Services
All standard Seaside cannabis conditions

SUMMARY

The top 3 scoring applicants are expected to make a positive impact on Seaside. They are investing in tenant improvements, in some cases fixing blighted and/or underutilized buildings. They are committing to support Seaside nonprofits and Seaside local businesses. They are creating jobs in Seaside, while maintaining high levels of security to assure public safety.

Since the Planning Commission Special and Adjourned meetings on December 4th and 5th, 2017 the Staff recommendations have not changed. Additions to the packet include a site plan for the second proposed location for the Pharm House/Sugar Leaf Applicant Team, as well as traffic impact data from the West Broadway Urban Village adopted Environmental Impact Report, as requested by the Commission.

FISCAL IMPACT

None at this time.

ATTACHMENTS

1. Attachment 1: Application Rating Sheets
2. Attachment 2: Draft Resolution Pharm House/Sugarleaf – 778 Broadway Avenue
3. Exhibit A: Site Plan and Site Photos
4. Attachment 3: Aerial Photo 778 Broadway Avenue (Pharm House/Sugarleaf)
5. Attachment 4: Draft Resolution Higher Level Care – 310 Amador Avenue
6. Exhibit A: Site Plan and Site Photos
7. Attachment 5: Aerial Photo 310 Amador Avenue (Higher level Care)
8. Attachment 6: Draft Resolution Canopy – 1900 Fremont Boulevard
9. Exhibit A: Site Plan and Site Photos
10. Attachment 7: Aerial Photo 1900 Fremont Boulevard
11. Attachement 3A: Aerial Photo 840 Broadway (Pharm House Sugar Leaf
12. Attachment 8 - WBUV EIR Traffic Information

City of Seaside Cannabis Use Permit Application & Scoring Matrix (As of December 1, 2017)

Applicant	Contact	Phone	Email	Address	Medical Use Permit	Adult Use Permit	Location points	Safety Avg points	Total Comm Benefit & Neighborhood Compatibility	INITIAL Business Plan (Financial & Capitalization) Points		INITIAL Total Points	FINAL Business Plan (Financial & Capitalization) Points	FINAL Total Points
Higher Level of Care (Cypress)	Salvatore Palma	831-296-0240	sal@higherlevelmmj.com	310 Amador	x	x	10	20	13	na		na	21	64
Canopy MB / Reef	Jana Stiebel	831-393-1551	jana@canopymontereybay.com	1900 Fremont	x	x	10	20	13	na		na	21	64
Pharm House / Sugarleaf	Wes Clark	831-737-9023	pharmhouseseaside@gmail.com	778 Broadway / 840 Broadway	x	x	10	20	13	na		na	21	64
The Reef**	Jayme Rivard/Jim Chubb	831-277-9931	jaymerivard@hotmail.com	680 Broadway	x	x	10	20	9	27	*	66	20	59
Higher Level of Care**	Salvatore Palma	831-296-0240	sal@higherlevelmmj.com	310 Amador	x	x	10	15	13	22		60	21	59
SeaWeed	Lonna Lewis-Blodgett/Robert Blodgett	831-566-0258;831-706-0510	lonnalewis@rocketmail.com	680 Broadway	x	x	10	15	10	26		61	20	55
Seaside Project	Jason Sweatt	831-419-3863	jason@veterans.com	755 Broadway	x	x	10	10	13	19		52	21	54
Toke Med / Seaside Green	Danny Huynh	831-313-8404	dannybloom007@gmail.com	895 Broadway (and Santa Barbara)	x	x	10	15	8	na		na	21	54
Seaside Project	Jason Sweatt	831-419-3863	jason@scveterans.com	680 Broadway	x	x	10	10	13	21		54	***21	54
Cannedge	Christoper Francy	657-247-4317	chris@cannedge.com	680 Broadway	x	x	10	15	7	63	*	95	21	53
Rare Earth	Sahand Sultan	831-521-8751	sahand.sultan@gmail.com	575 Broadway	x	x	10	15	8	25		58	18	51
Pharm House**	Wes Clark	831-737-9023	pharmhouseseaside@gmail.com	778 Broadway	x	x	10	10	13	16		49	18	51
Have a Heart	Ryan Steven Kunkel	206-889-0583	ryan@haveaheartcc.com	680 Broadway	x	x	10	10	9	22		51	21	50
Seaside Green**	Michael Nguyen	626-429-0059	mike.n@could8th.la, miken720@yahoo.com	680 Broadway	x	x	10	20	2	15		47	16	48
Toke Med**	Danny Huynh	831-313-8404	dannybloom007@gmail.com	895 Broadway (and Santa Barbara)	x	x	10	10	8	29	*	57	18	46
East of Eden	Steve Podell	312-636-0404	spodell@grupoflor.com	855 Broadway	x	x	10	10	6	31	*	57	20	46
Plantacea	Judy Le Huynh	831-601-8091	huyn2765@outlook.com	680 Broadway	x	x	10	10	7	39	*	66	18	45
Canopy**	Jana Stiebel	831-393-1551	jana@canopymontereybay.com	1900 Fremont	x	x	10	15	5	12		42	13	43
Sugarleaf**	Reginald Carter/ Brian Sheltra	916-821-8955 916-203-8764	reqcarter09@gmail.com	840 Broadway	x	x	10	15	1	10		36	13	39
Cypress Mfg**	Robert Weakley	831-238-7215	robert@indusholdingco.com	1271 Canyon Del Rey	x	x	10	10	0	1		21	1	21

* = Initial application gross sales figures appear unreasonable

** = now part of a merged application team

These scores indicate the final ranking of applicants based on the best information available at this time.

Scores now reflect a $4 million gross sales cap per the 12/1/17 FAQ email and also merged applications.

**** Score was changed due to a type-o, not a re-review of the application* Version: December 1, 2017

RESOLUTION NO. 17-XX

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SEASIDE, STATE OF CALIFORNIA, RECOMMENDING TO THE CITY COUNCIL THE APPROVAL OF A USE PERMIT TO ALLOW A MEDICAL/ADULT RECREATIONAL CANNABIS FACILITY LOCATED AT 778 BROADWAY AVENUE (APN# 011-292-017) IN THE MX (MIXED USE) ZONING DISTRICT.

WHEREAS, Michael and Pamela Manas, property owner and Wesley M. Clark, dba Pharm House/Sugarleaf, applicant, have applied for a Use Permit to allow:

A. The establishment of a Medical/Adult Recreation Cannabis facility.

WHEREAS, the proposed project requires discretionary approval, and it is the responsibility of the Planning Commission to consider and weigh the merits of the application and public input in relation to the policies, standards and intent of the Seaside General Plan and Seaside Municipal Code in making a recommendation on the proposed cannabis facility to the City Council; and

WHEREAS, the Seaside Planning Commission considered oral comments and written information concerning the proposed amendment at a duly noticed public hearing at a special public meeting held on December 4, 2017; and

WHEREAS, the project is a Categorically Exempt, Class 1, Section 15301 meeting the following conditions:

a) The proposed development will consist of converting an existing commercial building into a cannabis facility which will not require any exterior alteration to the site or change in intensity that could not accommodate the proposed use without creating any significant environmental impact on the community and neighboring properties.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission recommends that the City Council adopt the following findings for the Cannabis Facility Use Permit:

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: *This project is located within the Mixed Use Zoning District in which a Medical/Adult Recreation Cannabis facility may be established with use permit approval.*

Evidence: *The applicant will provide sufficient security measures to both deter and prevent unauthorized entrance into the facility and eliminate any unauthorized loitering inside and outside of the facility.*

Evidence: *There are no existing cannabis facilities operating within 1,000 feet of the project site.*

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 Mixed Use (MX) West Broadway Urban Village Specific Plan. 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.*
Land Use Element Policy LU-1.1:	*The proposed use would serve to implement and diversify the land uses within the West Broadway Urban Village Specific Plan and improve the City's job housing balance.*
Land Use Element Policy LU-1.2:	*The proposed use will serve to provide additional jobs improve the City's job housing balance.*
Land Use Element Goal LU-1.3:	*Encourage regional commercial and visitor-serving commercial development that will enhance the identity of Seaside and attract visitors to the community.*
Land Use Element Policy LU-1.3:	*The cannabis facility will serve to establish a regional commodity within the City of Seaside that will provide a substantial investment within the community that will serve to improve the character of the West Broadway Specific Plan area and attract customers both from the Monterey Bay area and tourism.*
Land Use Element Goal LU-2:	*Revitalize existing commercial areas*
Element Policy –LU-2.1:	*The proposed project will serve to revitalize an existing commercial area of the community that is targeted as a specific plan area to provide new jobs and services as the downtown core of the community. Additionally, the proposed use will serve to fill a vacant commercial site and remove a blighted condition through the extended vacancy of the site.*

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 Medical/Adult Recreation Cannabis facility will meet the needs of the community consistent with the West Broadway Urban Village Specific Plan design goals and*

improve the overall business character with the infusion of new façade treatments and monetary investment in the infrastructure of the site.

4) The site is physically suitable for the type, density and intensity of 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 a retail commercial building to a Medical/Adult Recreation Cannabis facility with interior changes and exterior façade changes conforms to Land Use Element of the Seaside General Plan.*

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 Medical/Adult Recreation Cannabis facility will provide for a community facility that is safe and attractive for a Cannabis dispensary use.*

Evidence*: The proposed conversion of a commercial retail building to a Medical/Adult Recreation Cannabis facility would not be detrimental to the public health, safety and general welfare of the people of the City and surrounding neighborhood, because the proposed use is located on an in-fill site and would help maintain a compact city form consistent with the scale and character of the surrounding commercial neighborhood*

BE IT FURTHER RESOLVED, that the Planning Commission recommends approval of Use Permit for "Pharm House/Sugarleaf" subject to the following conditions:

Project Specific

Planning:

1. Except as modified by required conditions of approval, the permittee shall have the right to operate a Medical/Adult Recreation Cannabis Facility in accordance with the project material stamped "Received by the City of Seaside December 1, 2017". The site plan and site phot are provided as Exhibit "A".

Standard

1. Marijuana may not be inhaled, smoked, eaten, ingested, or otherwise consumed within the Business, on the Property, in the parking areas of the Property, or in those areas restricted under the provisions of Health and Safety Code §11362.79.

2. All cultivation, production, distribution, possession, storage, display, sales or other distribution of marijuana shall occur only within an enclosed area of a medical marijuana business and shall not be visible from the exterior of the business.

3. Each Medical Marijuana Business shall have an odor-absorbing ventilation and exhaust system to ensure that odor generated inside the premises is not detected outside the premises.

4. A sign shall be posted in a conspicuous location inside each Property advising: (a) It is a violation of State Law to engage in the sale of marijuana or the diversion of marijuana for non-medical purposes; (b) The use of marijuana may impair a person's ability to drive a motor vehicle or operate heavy machinery; (c) This Medical Marijuana Business is licensed in accordance with the laws of the City of Seaside

5. No person, other than a patient, caregiver, licensee, employee, or a contractor shall be in the medical marijuana dispensary room.

6. No Medical Marijuana Dispensary shall be open to or provide Medical Marijuana to qualified patients or employees between the hours of twelve (12) am and nine (9) am.

7. No person under the age of eighteen (18) shall be allowed on the Property. If under 18, patient must have written permission and be accompanied by parent(s) or documented legal guardian.

8. No Medical Marijuana Dispensary, Management Employee or employee shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on the Property or in the parking area of the property.

<u>Testing, Packaging, Labeling</u>

9. All medical cannabis product labels shall also include the following information, prominently displayed and in a clear and legible font: For packages containing only dried flower, the net weight of medical cannabis in the package; A warning if nuts or other known allergens are used; List of pharmacologically active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total; Clear indication, in bold type, that the product contains medical cannabis; Identification of the source and date of cultivation and manufacture.

10. Only generic food names may be used to describe edible medical cannabis products. Note: This list is not inclusive of all rules and regulations that medical marijuana dispensaries must follow. Businesses should refer to State and local law to determine what activities are permitted or prohibited for licensed dispensaries in the City of Long Beach. The purpose of this list is to provide easy reference to key local and State laws regarding dispensaries, in order to help businesses ensure they are operating legally. City staff will be enforcing these regulations, and failure to comply may result in penalties, suspension or revocation of the dispensary business license.

Transportation

11. All medical marijuana-infused products must be hand packaged, sealed and labeled, and the products stored in closed containers that are labeled. All medical marijuana in a usable form for medicinal use must be packaged and stored in closed containers that are labeled.

12. Each container used to transport or deliver medical marijuana is labeled with the amount of medical marijuana or medical marijuana-infused products, or the number and size of the plants, in the container. The label shall include the name and address of the medical marijuana business that the medical marijuana is being transported or delivered from and the name and address of the medical marijuana business or individual that the medical marijuana is being transported to. The label shall be shown to any law enforcement officer who requests to see the label.

Community Relations

13. Each Medical Marijuana Business shall designate a Community Relations Liaison, who shall be at least twenty-one (21) years of age; and shall provide the Liaison's name to the City Manager. The Liaison shall receive all complaints received by the City Manager regarding the Medical Marijuana Dispensary, and make good faith attempts to promptly resolve all complaints.

Inspections

14. City representatives (Health, Fire and Building inspectors) may enter and inspect the Property of each Medical Marijuana Business between the hours of nine (9) am and eight (8) pm or during normal business hours.

15. Licensing authorities and state and local agencies may, at any time, inspect shipments and request documentation for current inventory.

16. Every Medical Marijuana Business shall implement sufficient security measures to both deter and prevent unauthorized entrance into areas containing medical cannabis or medical cannabis products and theft of medical cannabis or medical cannabis products. These security measures, as appropriate, shall include, but not be limited to, the following: (a) Preventing individuals from remaining on the premises if they are not engaging in activity expressly related to the operations of the business; (b) Establishing limited access areas accessible only to authorized personnel; (c) Storing all finished medical cannabis and medical cannabis products in a secured and locked room, safe, or vault, and in a manner as to prevent diversion, theft, and loss, except for limited amounts of cannabis used for display purposes, samples, or immediate sale.

17. Each Medical Marijuana Business shall install and maintain a fully operational digital video surveillance and camera recording system that monitors no less than the front and rear of the Property, all points of ingress and egress at the business, all points of sale within the business, all areas within the business where medical marijuana products are displayed for sale, and all limited access areas within the facility.

18. The video and surveillance system shall, at a minimum, meet the following requirements: (a) Capture a full view of the public right-of-ways and any parking lot under the control of the medical marijuana business; (b) Record and maintain video 24/7 for a minimum of ninety (90) days.

19. The medical marijuana business shall install and use a safe for storage of any processed marijuana and cash on the property when the business is closed to the public. The safe shall be incorporated into the building as a secure receptacle.

20. The medical marijuana business shall install and use a fire and burglar alarm system that is monitored by a company that is staffed twenty-four hours (24) a day, seven (7) days a week. The security plan submitted to the City shall identify the company monitoring the alarm, including contact information, and the City shall be updated within seventy-two (72) hours of any change of monitoring company.

21. A medical marijuana business engaged in retail sales shall retain and maintain a security guard or patrol, licensed by the State of California, generally located at an indoor guard station, to an extent sufficient to ensure safety.

22. No dried Medical Marijuana shall be stored at the property in structures that are not completely enclosed, in an unlocked vault or safe, or in any other unsecured storage structure.

23. Windows and roof hatches at the Medical Marijuana Business shall be secured so as to prevent unauthorized entry.

<u>Accounting/Record Keeping</u>

24. The Dispensary shall maintain an inventory management system. The point of sale software shall be, upon regulatory implementation of the MMRSA, compliant with the State Unique Identifier and Track and Trace Program.

25. The records of the business shall clearly track medical marijuana product inventory purchased and/or grown and sales and disposal thereof to clearly track revenue from sales of any medical marijuana from other paraphernalia or services offered by the Medical Marijuana Business.

26. The records shall clearly show the source, amount, price and dates of all marijuana received or purchased, and the amount, price, dates and business, patient or caregiver for all medical marijuana sold.

27. Each Medical Marijuana Business shall keep a complete set of books of account, invoices, copies of orders and sales, shipping instructions, bills of lading, weigh bills, bank statements including cancelled checks and deposit slips and all other records necessary to show fully the business transactions of such licensee.

28. Each business shall maintain an inventory record documenting the dates and amounts of Medical Marijuana cultivated, processed or sold at the Property, and the daily amounts of Medical Marijuana stored on the Property.

29. Receipts shall be maintained via a computer program or by pre-numbered receipts and used for each sale.

30. Each business shall maintain on-site proof of a valid Business License Permit issued by the City of Seaside.

31. All records kept and maintained by the licensee shall at all times protect the confidential information of the patient or caregiver. All records must be identified as confidential and any disclosure shall be limited in a manner that maintains the confidentiality of the information contained therein.

32. A Medical Marijuana Dispensary holding a Business License Permit shall report to the City Manager each of the following within the time specified; provided that if no time is specified, such a report shall be provided within fifteen (15) days of the triggering event: (1) The transfer or change of ownership interest, business manager, or in the permit application at least thirty days before the transfer or change; (2) Sales and taxable transactions and file sales and use tax reports to the City quarterly; (3) A conviction of any disqualifying crime by any applicant of a Medical Marijuana Business.

City Standards

33. Use Permit approval is subject to revocation procedures contained in S.M.C.S. 17.69.060 in the event any of the conditions of this approval are violated, this discretionary permit was granted on the basis of false or misleading information, written or oral, given willingly or negligently by the applicant or property owner, and/or there has been a discontinuance of the use, or purposed for which the permit was issued, for a period of 180 days or more.

34. This Use Permit is subject to procedures and requirements of Chapter 17.54 (Permit Implementation, Time Limits, and Extensions), and those related to appeals and revocation in Article 6 (Zoning Ordinance Administration) of Title 17 of the Municipal.

35. 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.

36. Any proposed future development shall comply with the requirements of the Fire, Health, Planning, Code Enforcement, Building and Public Works Departments.

37. The project shall comply with the requirements and the applicable ordinances of the Monterey Peninsula Water Management District (MPWMD).

38. The project shall be responsible for all applicable local and/or regional development and/or impact fees including, but not limited to, sewer, water, and traffic fees, which shall be paid prior to building permit issuance.

39. 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.

40. This Use Permit shall expire and become void 12 months from the date of approval, or upon the expiration of another time limit established by the review authority, unless use has commenced within the required time limit or the Zoning Administrator has granted an extension of time. In accordance with Section 17.54.080.B.1.a of the Zoning Code, the applicant must file request for time extension at least 30 days prior to expiration date in order to receive consideration of time extension by the Commission.

41. 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 4th of December, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____

John Owens, Chairperson

ATTEST:

_____

Planning Commission Secretary

3 LOCATION

3.1 PROPOSED DISPENSARY LOCATION

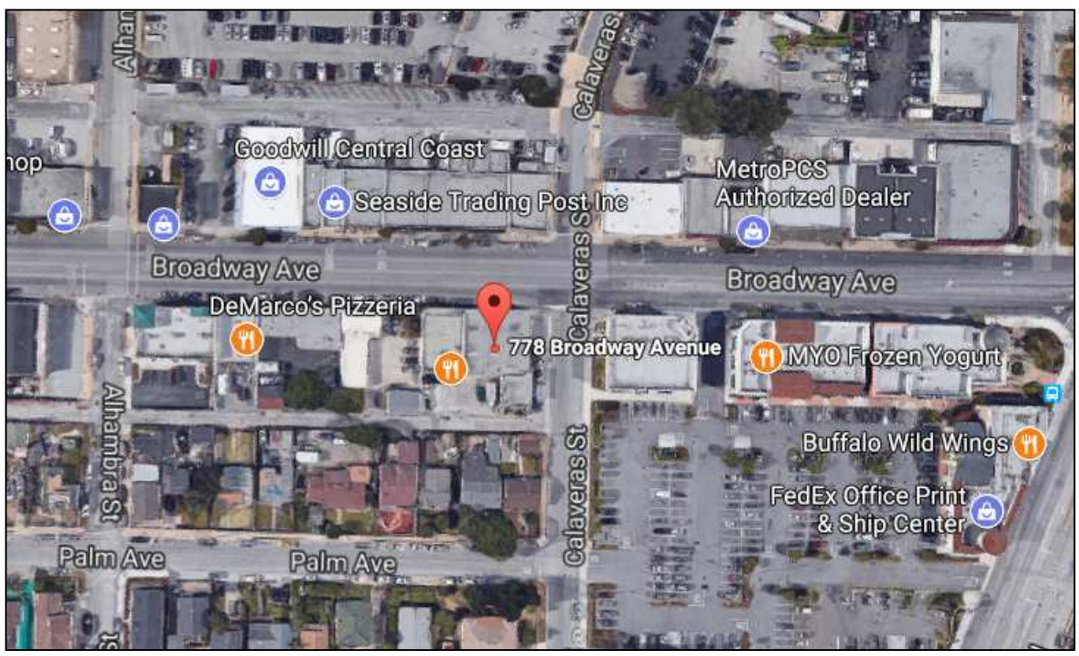
Pharm House and Sugarleaf have formed a partnership that will allow the City of Seaside to have a choice between two locations. The two locations are located very close to each other as they're both on Broadway Avenue. Below we will include information about each location for the City to review. First we will share information for the original Pharm House facility and second we will share information for the location Sugarleaf has proposed. We are applying with both thanks to our newfound partnership.

3.1.1 **Proposed Location #1**

Pharm House has the ability to lease a 1,700 square foot building in downtown Seaside, California. This retail space is conveniently located on Broadway Avenue – one of the main thoroughfares in the city. With the new revitalization program for down town, Pharm House views the Broadway area as the best fit.

Location Address:

778 Broadway Avenue
Seaside, California 93955



Project Site: 778 Broadway Ave

RESOLUTION NO. 17-XX

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SEASIDE, STATE OF CALIFORNIA, RECOMMENDING TO THE CITY COUNCIL THE APPROVAL OF A USE PERMIT TO ALLOW A MEDICAL/ADULT RECREATIONAL CANNABIS FACILITY LOCATED AT 310 AMADOR AVENUE (APN# 011-315-017) IN THE MX (MIXED USE) ZONING DISTRICT.

WHEREAS, Larry Scholink, property owner and Salvatore Palma, dba Higher Level Care, applicant, have applied for a Use Permit to allow:

A. The establishment of a Medical/Adult Recreation Cannabis facility.

WHEREAS, the proposed project requires discretionary approval, and it is the responsibility of the Planning Commission to consider and weigh the merits of the application and public input in relation to the policies, standards and intent of the Seaside General Plan and Seaside Municipal Code in making a recommendation on the proposed cannabis facility to the City Council; and

WHEREAS, the Seaside Planning Commission considered oral comments and written information concerning the proposed amendment at a duly noticed public hearing at a special public meeting held on December 4, 2017; and

WHEREAS, the project is a Categorically Exempt, Class 1, Section 15301 meeting the following conditions:

a) The proposed development will consist of converting an existing commercial building into a cannabis facility which will not require any exterior alteration to the site or change in intensity that could not accommodate the proposed use without creating any significant environmental impact on the community and neighboring properties.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission recommends that the City Council adopt the following findings for the Cannabis Facility Use Permit

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: *This project is located within the Mixed Use Zoning District in which a Medical/Adult Recreation Cannabis facility may be established with use permit approval.*

Evidence: *The applicant will provide sufficient security measures to both deter ad prevent unauthorized entrance into the facility and eliminate any unauthorized loitering inside and outside of the facility.*

Evidence*: There are no existing cannabis facilities operating within 1,000 feet of the project site.*

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 Mixed Use (MX) West Broadway Urban Village Specific Plan. 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.*
Land Use Element Policy LU-1.1:	*The proposed use would serve to implement and diversify the land uses within the West Broadway Urban Village Specific Plan and improve the City's job housing balance.*
Land Use Element Policy LU-1.2:	*The proposed use will serve to provide additional jobs to improve the City's job housing balance.*
Land Use Element Goal LU-1.3:	*Encourage regional commercial and visitor-serving commercial development that will enhance the identity of Seaside and attract visitors to the community.*
Land Use Element Policy LU-1.3:	*The cannabis facility will serve to establish a regional commodity within the City of Seaside that will provide a substantial investment within the community that will serve to improve the character of the West Broadway Specific Plan area and attract customers both from the Monterey Bay area and tourism.*
Land Use Element Goal LU-2:	*Revitalize existing commercial areas*
Element Policy –LU-2.1:	*The proposed project will serve to revitalize an existing commercial area of the community that is targeted as a specific plan area to provide new jobs and services as the downtown core of the community. Additionally, the proposed use will serve to fill a vacant commercial site and remove a blighted condition through the extended vacancy of the site since it was constructed.*

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 Medical/Adult Recreation Cannabis facility will meet the needs of the community consistent with the West Broadway Urban Village Specific Plan design goals and improve the overall business character with the infusion of new façade treatments and monetary investment in the infrastructure of the site.*

4) The site is physically suitable for the type, density and intensity of 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 a retail commercial building to a Medical/Adult Recreation Cannabis facility with interior changes and exterior façade changes conforms to Land Use Element of the Seaside General Plan.*

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 Medical/Adult Recreation Cannabis facility will provide for a community facility that is safe and attractive for a Cannabis dispensary use.*

Evidence*: The proposed conversion of a commercial retail building to a Medical/Adult Recreation Cannabis facility would not be detrimental to the public health, safety and general welfare of the people of the City and surrounding neighborhood, because the proposed use is located on an in-fill site and would help maintain a compact city form consistent with the scale and character of the surrounding commercial neighborhood.*

BE IT FURTHER RESOLVED, that the Planning Commission recommends approval of the Use Permit Application for "Higher Level of Care" subject to the following conditions:

Project Specific

Planning:

1. Except as modified by required conditions of approval, the permittee shall have the right to operate a Medical/Adult Recreation Cannabis Facility in accordance with the project material stamped "Received by the City of Seaside December 1, 2017". The site plan and site photo are provided as Exhibit "A".

Cannabis

1. Marijuana may not be inhaled, smoked, eaten, ingested, or otherwise consumed within the Business, on the Property, in the parking areas of the Property, or in those areas restricted under the provisions of Health and Safety Code §11362.79.

2. All cultivation, production, distribution, possession, storage, display, sales or other distribution of marijuana shall occur only within an enclosed area of a medical marijuana business and shall not be visible from the exterior of the business.

3. Each Medical Marijuana Business shall have an odor-absorbing ventilation and exhaust system to ensure that odor generated inside the premises is not detected outside the premises.

4. A sign shall be posted in a conspicuous location inside each Property advising: (a) It is a violation of State Law to engage in the sale of marijuana or the diversion of marijuana for non-medical purposes; (b) The use of marijuana may impair a person's ability to drive a

motor vehicle or operate heavy machinery; (c) This Medical Marijuana Business is licensed in accordance with the laws of the City of Seaside

5. No person, other than a patient, caregiver, licensee, employee, or a contractor shall be in the medical marijuana dispensary room.

6. No Medical Marijuana Dispensary shall be open to or provide Medical Marijuana to qualified patients or employees between the hours of twelve (12) am and nine (9) am.

7. No person under the age of eighteen (18) shall be allowed on the Property. If under 18, patient must have written permission and be accompanied by parent(s) or documented legal guardian.

8. No Medical Marijuana Dispensary, Management Employee or employee shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on the Property or in the parking area of the property.

Testing, Packaging, Labeling

9. All medical cannabis product labels shall also include the following information, prominently displayed and in a clear and legible font: For packages containing only dried flower, the net weight of medical cannabis in the package; A warning if nuts or other known allergens are used; List of pharmacologically active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total; Clear indication, in bold type, that the product contains medical cannabis; Identification of the source and date of cultivation and manufacture.

10. Only generic food names may be used to describe edible medical cannabis products. Note: This list is not inclusive of all rules and regulations that medical marijuana dispensaries must follow. Businesses should refer to State and local law to determine what activities are permitted or prohibited for licensed dispensaries in the City of Long Beach. The purpose of this list is to provide easy reference to key local and State laws regarding dispensaries, in order to help businesses ensure they are operating legally. City staff will be enforcing these regulations, and failure to comply may result in penalties, suspension or revocation of the dispensary business license.

Transportation

11. All medical marijuana-infused products must be hand packaged, sealed and labeled, and the products stored in closed containers that are labeled. All medical marijuana in a usable form for medicinal use must be packaged and stored in closed containers that are labeled.

12. Each container used to transport or deliver medical marijuana is labeled with the amount of medical marijuana or medical marijuana-infused products, or the number and size of the plants, in the container. The label shall include the name and address of the medical marijuana business that the medical marijuana is being transported or delivered from and

the name and address of the medical marijuana business or individual that the medical marijuana is being transported to. The label shall be shown to any law enforcement officer who requests to see the label.

Community Relations

13. Each Medical Marijuana Business shall designate a Community Relations Liaison, who shall be at least twenty-one (21) years of age; and shall provide the Liaison's name to the City Manager. The Liaison shall receive all complaints received by the City Manager regarding the Medical Marijuana Dispensary, and make good faith attempts to promptly resolve all complaints.

Inspections

14. City representatives (Health, Fire and Building inspectors) may enter and inspect the Property of each Medical Marijuana Business between the hours of nine (9) am and eight (8) pm or during normal business hours.

15. Licensing authorities and state and local agencies may, at any time, inspect shipments and request documentation for current inventory.

16. Every Medical Marijuana Business shall implement sufficient security measures to both deter and prevent unauthorized entrance into areas containing medical cannabis or medical cannabis products and theft of medical cannabis or medical cannabis products. These security measures, as appropriate, shall include, but not be limited to, the following: (a) Preventing individuals from remaining on the premises if they are not engaging in activity expressly related to the operations of the business; (b) Establishing limited access areas accessible only to authorized personnel; (c) Storing all finished medical cannabis and medical cannabis products in a secured and locked room, safe, or vault, and in a manner as to prevent diversion, theft, and loss, except for limited amounts of cannabis used for display purposes, samples, or immediate sale.

17. Each Medical Marijuana Business shall install and maintain a fully operational digital video surveillance and camera recording system that monitors no less than the front and rear of the Property, all points of ingress and egress at the business, all points of sale within the business, all areas within the business where medical marijuana products are displayed for sale, and all limited access areas within the facility.

18. The video and surveillance system shall, at a minimum, meet the following requirements: (a) Capture a full view of the public right-of-ways and any parking lot under the control of the medical marijuana business; (b) Record and maintain video 24/7 for a minimum of ninety (90) days.

19. The medical marijuana business shall install and use a safe for storage of any processed marijuana and cash on the property when the business is closed to the public. The safe shall be incorporated into the building as a secure receptacle.

20. The medical marijuana business shall install and use a fire and burglar alarm system that is monitored by a company that is staffed twenty-four hours (24) a day, seven (7) days a

week. The security plan submitted to the City shall identify the company monitoring the alarm, including contact information, and the City shall be updated within seventy-two (72) hours of any change of monitoring company.

21. A medical marijuana business engaged in retail sales shall retain and maintain a security guard or patrol, licensed by the State of California, generally located at an indoor guard station, to an extent sufficient to ensure safety.

22. No dried Medical Marijuana shall be stored at the property in structures that are not completely enclosed, in an unlocked vault or safe, or in any other unsecured storage structure.

23. Windows and roof hatches at the Medical Marijuana Business shall be secured so as to prevent unauthorized entry.

Accounting/Record Keeping

24. The Dispensary shall maintain an inventory management system. The point of sale software shall be, upon regulatory implementation of the MMRSA, compliant with the State Unique Identifier and Track and Trace Program.

25. The records of the business shall clearly track medical marijuana product inventory purchased and/or grown and sales and disposal thereof to clearly track revenue from sales of any medical marijuana from other paraphernalia or services offered by the Medical Marijuana Business.

26. The records shall clearly show the source, amount, price and dates of all marijuana received or purchased, and the amount, price, dates and business, patient or caregiver for all medical marijuana sold.

27. Each Medical Marijuana Business shall keep a complete set of books of account, invoices, copies of orders and sales, shipping instructions, bills of lading, weigh bills, bank statements including cancelled checks and deposit slips and all other records necessary to show fully the business transactions of such licensee.

28. Each business shall maintain an inventory record documenting the dates and amounts of Medical Marijuana cultivated, processed or sold at the Property, and the daily amounts of Medical Marijuana stored on the Property.

29. Receipts shall be maintained via a computer program or by pre-numbered receipts and used for each sale.

30. Each business shall maintain on-site proof of a valid Business License Permit issued by the City of Seaside.

31. All records kept and maintained by the licensee shall at all times protect the confidential information of the patient or caregiver. All records must be identified as confidential and any disclosure shall be limited in a manner that maintains the confidentiality of the information contained therein.

32. A Medical Marijuana Dispensary holding a Business License Permit shall report to the City Manager each of the following within the time specified; provided that if no time is specified, such a report shall be provided within fifteen (15) days of the triggering event: (1) The transfer or change of ownership interest, business manager, or in the permit application at least thirty days before the transfer or change; (2) Sales and taxable transactions and file sales and use tax reports to the City quarterly; (3) A conviction of any disqualifying crime by any applicant of a Medical Marijuana Business.

City Standards

33. Use Permit approval is subject to revocation procedures contained in S.M.C.S. 17.69.060 in the event any of the conditions of this approval are violated, this discretionary permit was granted on the basis of false or misleading information, written or oral, given willingly or negligently by the applicant or property owner, and/or there has been a discontinuance of the use, or purposed for which the permit was issued, for a period of 180 days or more.

34. This Use Permit is subject to procedures and requirements of Chapter 17.54 (Permit Implementation, Time Limits, and Extensions), and those related to appeals and revocation in Article 6 (Zoning Ordinance Administration) of Title 17 of the Municipal.

35. 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.

36. Any proposed future development shall comply with the requirements of the Fire, Health, Planning, Code Enforcement, Building and Public Works Departments.

37. The project shall comply with the requirements and the applicable ordinances of the Monterey Peninsula Water Management District (MPWMD).

38. The project shall be responsible for all applicable local and/or regional development and/or impact fees including, but not limited to, sewer, water, and traffic fees, which shall be paid prior to building permit issuance.

39. 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.

40. This Use Permit shall expire and become void 12 months from the date of approval, or upon the expiration of another time limit established by the review authority, unless use has commenced within the required time limit or the Zoning Administrator has granted an

extension of time. In accordance with Section 17.54.080.B.1.a of the Zoning Code, the applicant must file request for time extension at least 30 days prior to expiration date in order to receive consideration of time extension by the Commission.

41. 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 4th of December, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____

John Owens, Chairperson

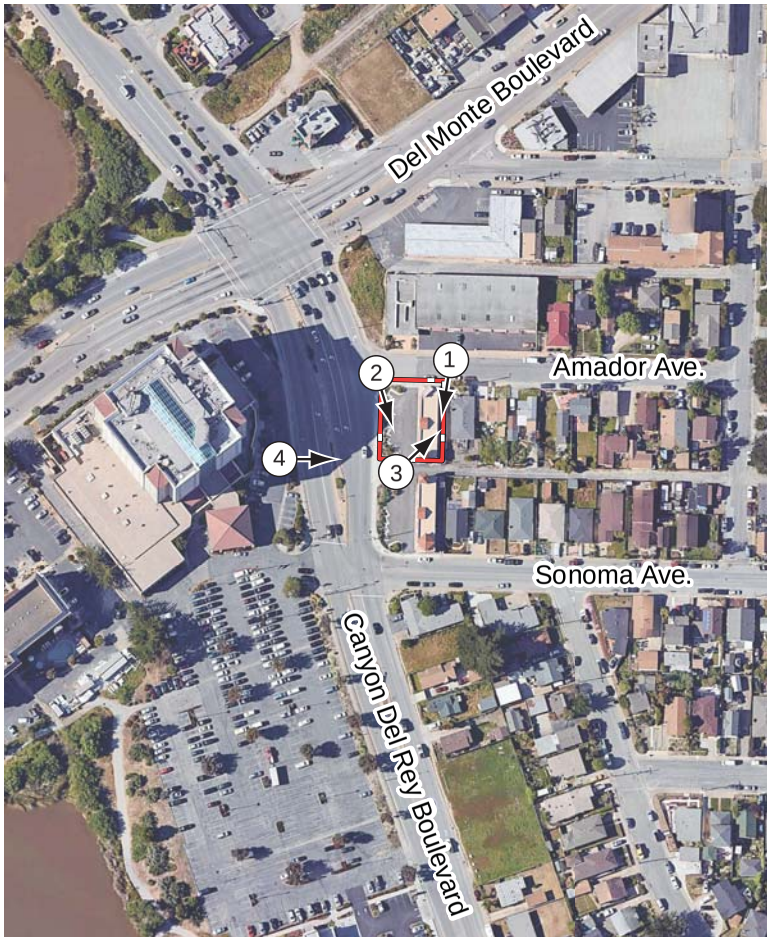
ATTEST:

_____

Planning Commission Secretary

1 Facing south from Amador Ave. looking at the rear of the building.

2 Facing south from the corner of Amador Ave. and Canyon Del Rey Blvd.



Project Site

Source: Google Earth 2017
Photographs: EMC Planning Group 10/2017

3 Facing northeast from alleyway.

4 Standing in front of The Embassy Suites looking accross Canyon Del Rey Blvd.

E M C

Site Photographs

Higher Level of Care Seaside

Project Site: 310 Amador Ave

Parking Lot

Alley

RESOLUTION NO. 17-XX

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SEASIDE, STATE OF CALIFORNIA, RECOMMENDING TO THE CITY COUNCIL THE APPROVAL OF A USE PERMIT TO ALLOW A MEDICAL/ADULT RECREATIONAL CANNABIS FACILITY LOCATED AT 1900 FREMONT BOULEVARD (APN# 011-104-007) IN THE CC (COMMUINTY COMMERCIAL) ZONING DISTRICT.

WHEREAS, Peter Lavin Trust, property owner and Jana Steibel, dba Canopy, applicant, have applied for a Use Permit to allow:

A. The establishment of a Medical/Adult Recreation Cannabis facility.

WHEREAS, the proposed project requires discretionary approval, and it is the responsibility of the Planning Commission to consider and weigh the merits of the application and public input in relation to the policies, standards and intent of the Seaside General Plan and Seaside Municipal Code in making a recommendation on the proposed cannabis facility to the City Council; and

WHEREAS, the Seaside Planning Commission considered oral comments and written information concerning the proposed amendment at a duly noticed public hearing at a special public meeting held on December 4, 2017; and

WHEREAS, the project is a Categorically Exempt, Class 1, Section 15301 meeting the following conditions:

a) The proposed development will consist of converting an existing commercial building into a cannabis facility which will not require any exterior alteration to the site or change in intensity that could not accommodate the proposed use without creating any significant environmental impact on the community and neighboring properties.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission recommends that the City Council adopt the following findings for the Cannabis Facility Use Permit:

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: *This project is located within the Community Commercial Zoning District in which a Medical/Adult Recreation Cannabis facility may be established with use permit approval.*

Evidence: *The applicant will provide sufficient security measures to both deter and prevent unauthorized entrance into the facility and eliminate any unauthorized loitering inside and outside of the facility.*

Evidence: *There are no existing cannabis facilities operating within 1,000 feet of the project site.*

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 Community Commercial (CC). 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.*
Land Use Element Policy LU-1.1:	*The proposed use would serve to implement and diversify the land uses within the Community Commercial area of the Fremont Boulevard corridor and improve the City's job housing balance.*
Land Use Element Policy LU-1.2:	*The proposed use will serve to provide additional jobs to improve the City's job housing balance.*
Land Use Element Goal LU-1.3:	*Encourage regional commercial and visitor-serving commercial development that will enhance the identity of Seaside and attract visitors to the community.*
Land Use Element Policy LU-1.3:	*The cannabis facility will serve to establish a regional commodity within the City of Seaside that will provide a substantial investment within the community that will serve to improve the character of the Fremont Boulevard corridor and attract customers both from the Monterey Bay area and tourism.*
Land Use Element Goal LU-2:	*Revitalize existing commercial areas*
Land Use Element Policy –LU-2.1:	*The proposed project will serve to revitalize an existing commercial area of the community with an outdated strip center environment, which will provide new jobs and services that will have a positive effect on the adjoining commercial neighborhood.*

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 Medical/Adult Recreation Cannabis facility will meet the needs of the community consistent within the design goals of the Fremont Boulevard corridor of the City and*

improve the overall business character with the infusion of new façade treatments and monetary investment in the infrastructure of the site.

4) The site is physically suitable for the type, density and intensity of 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 a retail commercial building to a Medical/Adult Recreation Cannabis facility with interior changes and exterior façade changes conforms to Land Use Element of the Seaside General Plan.*

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 site is designated as Community Commercial. The proposed Medical/Adult Recreation Cannabis facility will provide for a community facility that is safe and attractive for a Cannabis land use and diversify the retail commercial character of the City on Fremont Boulevard corridor.*

Evidence*: The proposed conversion of a commercial retail building to a Medical/Adult Recreation Cannabis facility would not be detrimental to the public health, safety and general welfare of the people of the City and surrounding neighborhood, because the proposed use is located on an in-fill site and would help maintain a compact city form consistent with the scale and character of the surrounding commercial neighborhood.*

BE IT FURTHER RESOLVED, that the Planning Commission recommends approval of Use Permit Application for "Canopy Monterey Bay" subject to the following conditions:

Project Specific

Planning:

1. Except as modified by required conditions of approval, the permittee shall have the right to operate a Medical/Adult Recreation Cannabis Facility in accordance with the project material stamped "Received by the City of Seaside December 1, 2017". The site plan ans site photos are provided as Exhibit "A".

Standard

1. Marijuana may not be inhaled, smoked, eaten, ingested, or otherwise consumed within the Business, on the Property, in the parking areas of the Property, or in those areas restricted under the provisions of Health and Safety Code §11362.79.

2. All cultivation, production, distribution, possession, storage, display, sales or other distribution of marijuana shall occur only within an enclosed area of a medical marijuana business and shall not be visible from the exterior of the business.

3. Each Medical Marijuana Business shall have an odor-absorbing ventilation and exhaust system to ensure that odor generated inside the premises is not detected outside the premises.

4. A sign shall be posted in a conspicuous location inside each Property advising: (a) It is a violation of State Law to engage in the sale of marijuana or the diversion of marijuana for non-medical purposes; (b) The use of marijuana may impair a person's ability to drive a motor vehicle or operate heavy machinery; (c) This Medical Marijuana Business is licensed in accordance with the laws of the City of Seaside

5. No person, other than a patient, caregiver, licensee, employee, or a contractor shall be in the medical marijuana dispensary room.

6. No Medical Marijuana Dispensary shall be open to or provide Medical Marijuana to qualified patients or employees between the hours of twelve (12) am and nine (9) am.

7. No person under the age of eighteen (18) shall be allowed on the Property. If under 18, patient must have written permission and be accompanied by parent(s) or documented legal guardian.

8. No Medical Marijuana Dispensary, Management Employee or employee shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on the Property or in the parking area of the property.

Testing, Packaging, Labeling

9. All medical cannabis product labels shall also include the following information, prominently displayed and in a clear and legible font: For packages containing only dried flower, the net weight of medical cannabis in the package; A warning if nuts or other known allergens are used; List of pharmacologically active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total; Clear indication, in bold type, that the product contains medical cannabis; Identification of the source and date of cultivation and manufacture.

10. Only generic food names may be used to describe edible medical cannabis products. Note: This list is not inclusive of all rules and regulations that medical marijuana dispensaries must follow. Businesses should refer to State and local law to determine what activities are permitted or prohibited for licensed dispensaries in the City of Long Beach. The purpose of this list is to provide easy reference to key local and State laws regarding dispensaries, in order to help businesses ensure they are operating legally. City staff will be enforcing these regulations, and failure to comply may result in penalties, suspension or revocation of the dispensary business license.

Transportation

11. All medical marijuana-infused products must be hand packaged, sealed and labeled, and the products stored in closed containers that are labeled. All medical marijuana in a usable form for medicinal use must be packaged and stored in closed containers that are labeled.

12. Each container used to transport or deliver medical marijuana is labeled with the amount of medical marijuana or medical marijuana-infused products, or the number and size of the plants, in the container. The label shall include the name and address of the medical marijuana business that the medical marijuana is being transported or delivered from and the name and address of the medical marijuana business or individual that the medical marijuana is being transported to. The label shall be shown to any law enforcement officer who requests to see the label.

Community Relations

13. Each Medical Marijuana Business shall designate a Community Relations Liaison, who shall be at least twenty-one (21) years of age; and shall provide the Liaison's name to the City Manager. The Liaison shall receive all complaints received by the City Manager regarding the Medical Marijuana Dispensary, and make good faith attempts to promptly resolve all complaints.

Inspections

14. City representatives (Health, Fire and Building inspectors) may enter and inspect the Property of each Medical Marijuana Business between the hours of nine (9) am and eight (8) pm or during normal business hours.

15. Licensing authorities and state and local agencies may, at any time, inspect shipments and request documentation for current inventory.

16. Every Medical Marijuana Business shall implement sufficient security measures to both deter and prevent unauthorized entrance into areas containing medical cannabis or medical cannabis products and theft of medical cannabis or medical cannabis products. These security measures, as appropriate, shall include, but not be limited to, the following: (a) Preventing individuals from remaining on the premises if they are not engaging in activity expressly related to the operations of the business; (b) Establishing limited access areas accessible only to authorized personnel; (c) Storing all finished medical cannabis and medical cannabis products in a secured and locked room, safe, or vault, and in a manner as to prevent diversion, theft, and loss, except for limited amounts of cannabis used for display purposes, samples, or immediate sale.

17. Each Medical Marijuana Business shall install and maintain a fully operational digital video surveillance and camera recording system that monitors no less than the front and rear of the Property, all points of ingress and egress at the business, all points of sale

within the business, all areas within the business where medical marijuana products are displayed for sale, and all limited access areas within the facility.

18. The video and surveillance system shall, at a minimum, meet the following requirements: (a) Capture a full view of the public right-of-ways and any parking lot under the control of the medical marijuana business; (b) Record and maintain video 24/7 for a minimum of ninety (90) days.

19. The medical marijuana business shall install and use a safe for storage of any processed marijuana and cash on the property when the business is closed to the public. The safe shall be incorporated into the building as a secure receptacle.

20. The medical marijuana business shall install and use a fire and burglar alarm system that is monitored by a company that is staffed twenty-four hours (24) a day, seven (7) days a week. The security plan submitted to the City shall identify the company monitoring the alarm, including contact information, and the City shall be updated within seventy-two (72) hours of any change of monitoring company.

21. A medical marijuana business engaged in retail sales shall retain and maintain a security guard or patrol, licensed by the State of California, generally located at an indoor guard station, to an extent sufficient to ensure safety.

22. No dried Medical Marijuana shall be stored at the property in structures that are not completely enclosed, in an unlocked vault or safe, or in any other unsecured storage structure.

23. Windows and roof hatches at the Medical Marijuana Business shall be secured so as to prevent unauthorized entry.

<u>Accounting/Record Keeping</u>

24. The Dispensary shall maintain an inventory management system. The point of sale software shall be, upon regulatory implementation of the MMRSA, compliant with the State Unique Identifier and Track and Trace Program.

25. The records of the business shall clearly track medical marijuana product inventory purchased and/or grown and sales and disposal thereof to clearly track revenue from sales of any medical marijuana from other paraphernalia or services offered by the Medical Marijuana Business.

26. The records shall clearly show the source, amount, price and dates of all marijuana received or purchased, and the amount, price, dates and business, patient or caregiver for all medical marijuana sold.

27. Each Medical Marijuana Business shall keep a complete set of books of account, invoices, copies of orders and sales, shipping instructions, bills of lading, weigh bills,

bank statements including cancelled checks and deposit slips and all other records necessary to show fully the business transactions of such licensee.

28. Each business shall maintain an inventory record documenting the dates and amounts of Medical Marijuana cultivated, processed or sold at the Property, and the daily amounts of Medical Marijuana stored on the Property.

29. Receipts shall be maintained via a computer program or by pre-numbered receipts and used for each sale.

30. Each business shall maintain on-site proof of a valid Business License Permit issued by the City of Seaside.

31. All records kept and maintained by the licensee shall at all times protect the confidential information of the patient or caregiver. All records must be identified as confidential and any disclosure shall be limited in a manner that maintains the confidentiality of the information contained therein.

32. A Medical Marijuana Dispensary holding a Business License Permit shall report to the City Manager each of the following within the time specified; provided that if no time is specified, such a report shall be provided within fifteen (15) days of the triggering event: (1) The transfer or change of ownership interest, business manager, or in the permit application at least thirty days before the transfer or change; (2) Sales and taxable transactions and file sales and use tax reports to the City quarterly; (3) A conviction of any disqualifying crime by any applicant of a Medical Marijuana Business.

City Standard

33. Use Permit approval is subject to revocation procedures contained in S.M.C.S. 17.69.060 in the event any of the conditions of this approval are violated, this discretionary permit was granted on the basis of false or misleading information, written or oral, given willingly or negligently by the applicant or property owner, and/or there has been a discontinuance of the use, or purposed for which the permit was issued, for a period of 180 days or more.

34. This Use Permit is subject to procedures and requirements of Chapter 17.54 (Permit Implementation, Time Limits, and Extensions), and those related to appeals and revocation in Article 6 (Zoning Ordinance Administration) of Title 17 of the Municipal.

35. 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.

36. Any proposed future development shall comply with the requirements of the Fire, Health, Planning, Code Enforcement, Building and Public Works Departments.

37. The project shall comply with the requirements and the applicable ordinances of the Monterey Peninsula Water Management District (MPWMD).

38. The project shall be responsible for all applicable local and/or regional development and/or impact fees including, but not limited to, sewer, water, and traffic fees, which shall be paid prior to building permit issuance.

39. 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.

40. This Use Permit shall expire and become void 12 months from the date of approval, or upon the expiration of another time limit established by the review authority, unless use has commenced within the required time limit or the Zoning Administrator has granted an extension of time. In accordance with Section 17.54.080.B.1.a of the Zoning Code, the applicant must file request for time extension at least 30 days prior to expiration date in order to receive consideration of time extension by the Commission.

41. 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 4th of December, 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
John Owens, Chairperson

ATTEST:

_____
Planning Commission Secretary

6. Location and Site Plans

Canopy Monterey Bay's proposed location at 1900 Fremont Blvd. in Seaside's Ord Terrace Neighborhood. The location is half a mile from the Fremont Blvd. exit ramp off of Highway 1. The building has ample space to accommodate dispensary operations including intake, processing, sales, patient services, security and administration. The proposed building is approximately 3,600 square feet. The proposed location will be a welcomed addition to the Ord Terrace Neighborhood. The building has been underutilized and in disrepair for quite some time, as seen in figures 1-3. This site location is not within a 600' radius of any public or private school providing instruction in kindergarten or grades 1-12. This satisfies the requirements of Seaside's ordinance #1041.

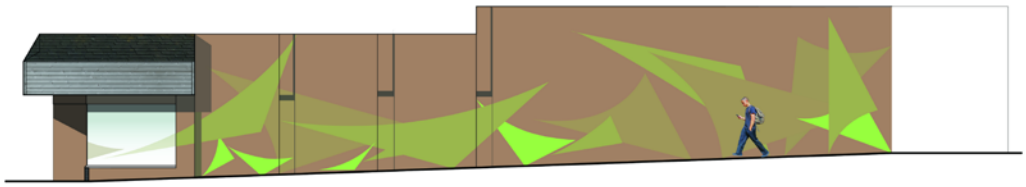
Figure 1. Existing building facade and storefront, picture taken from Frontage Road facing East

Figure 2. Existing building facade and storefront, picture taken from corner of Frontage Road and LaSalle Ave. facing Northeast.

Figure 3. Existing back of building, picture taken from alleyway facing West.

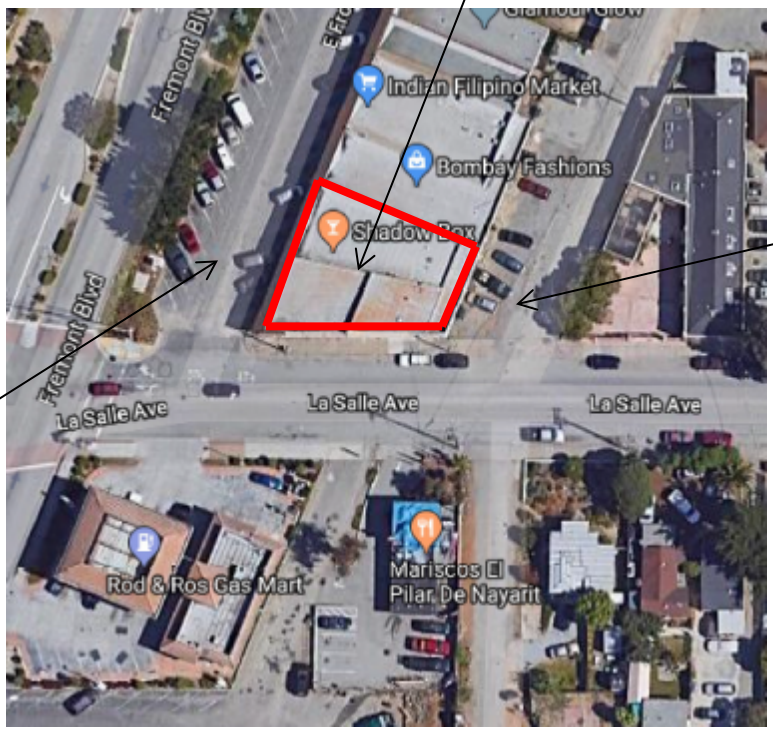
Figure 4. Existing non-ADA compliant curb, picture taken from corner of LaSalle and Frontage Road facing East

VIEW FROM E FRONTAGE ROAD



VIEW FROM LA SALLE AVE

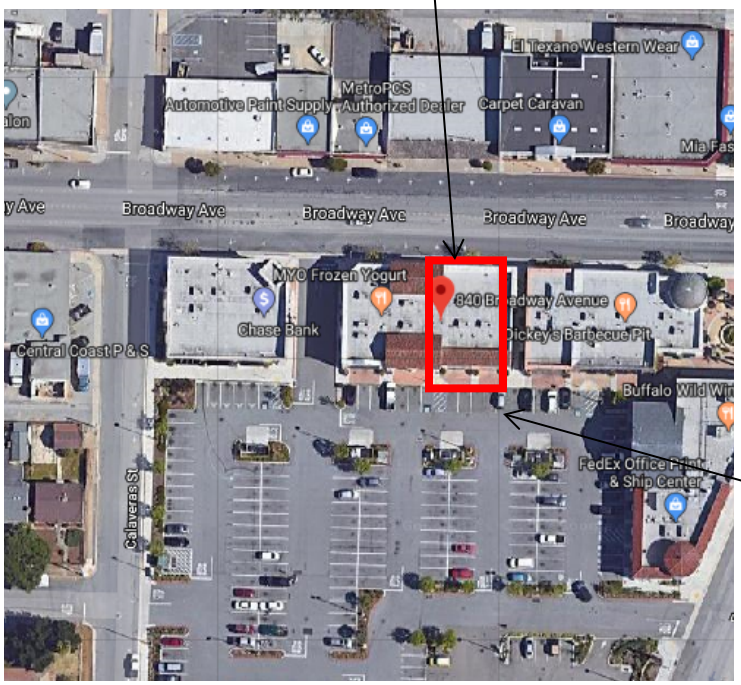
Project Site: 1900-1904 Fremont Blvd



Alley

Parking Lot

Project Site: 840 Broadway Ave



Cannabis Parking Information Sheet

If gross sales are:	$4,000,000
If customer spends:	$60
Annual customer visits:	66,667
Daily customer visits (360 days):	185
Hourly customer visits (13 hours 9am-10pm):	14

If gross sales are:	$4,000,000
If customer spends:	$85
Annual customer visits:	47,059
Daily customer visits (360 days):	131
Hourly customer visits (13 hours 9am-10pm):	10

The above assumptions indicate that there could be 10-14 customer visits per hour.

Cannabis dispensary locations currently proposed meet the zoning requirements for parking for a retail establishment. [1:500 for West Broadway Urban Village area, and 1:500 for CC]

The West Broadway Urban Village EIR contained a traffic study. Phase I build-out would generate 3,549 net new daily trips. The daily traffic from a cannabis dispensary is approximately 5% of that volume.

TABLE 12:
SUMMARY OF PROJECT TRIP GENERATION ESTIMATES

Project Phase	Number of Trips						
		AM Peak Hour			PM Peak Hour		
	Daily	In	Out	Total	In	Out	Total
Phase I							
Phase I	4,680	215	139	353	225	276	504
Existing Development Anticipated to be Removed in Phase I	(1,131)	(61)	(43)	(104)	(51)	(63)	(114)
Net New Phase I	**3,549**	**154**	**96**	**249**	**174**	**213**	**387**
Phase II							
Phase II	4,945	213	117	331	150	243	394
Existing Development Anticipated to be Removed in Phase II	(3,777)	(126)	(75)	(201)	(135)	(156)	(292)
Net New Phase II	**1,168**	**87**	**42**	**130**	**15**	**87**	**102**
Phase III							
Phase III	5,013	104	133	237	167	165	331
Existing Development Anticipated to be Removed in Phase III	(5,947)	(154)	(112)	(266)	(222)	(237)	(458)
Net New Phase III	(934)	(50)	21	(29)	(55)	(72)	(127)
Phases I & II							
Phase I & II	9,625	428	256	684	375	519	895
Existing Development Anticipated to be Removed in Phase I & II	(4,908)	(187)	(118)	(305)	(186)	(219)	(406)
Net New Phases I & II	**4,717**	**241**	**138**	**379**	**189**	**300**	**489**
Phases I, II, & III							
Phase I, II, & III	14,638	532	389	921	542	684	1,226
Existing Development Anticipated to be Removed in Phase I, II, & III	(10,855)	(341)	(230)	(571)	(408)	(546)	(864)
Net New Phase I, II, & III	**3,783**	**191**	**159**	**350**	**134**	**228**	**362**

Notes:

Internal capture rates based on method presented for Multi-Use Development in ITE Trip Generation Handbook, 2nd Edition, 2004. A detailed trip generation table is provided in Appendix H.

Sources: ITE *Trip Generation*, 7th Edition (2003); Fehr & Peers, 2008.

EXISTING PLUS PROJECT INTERSECTION LEVELS OF SERVICE

Intersection service levels were calculated for Existing and Project Buildout Conditions (Phase I, II, & III combined). The results are summarized in Table 13. The corresponding LOS calculation sheets are included in Appendix B.

Under Project Buildout, the intersections listed below are projected to operate at an unacceptable level during one or both peak hours according to City of Seaside and Caltrans LOS standards.