



A G E N D A

CITY OF SEASIDE
CITY COUNCIL

SPECIAL MEETING
Council Chamber
440 Harcourt Avenue
Thursday, December 28, 2017
4:45 PM

PLEASE TURN OFF YOUR CELL PHONES UPON ENTERING THE MEETING

1. **CALL TO ORDER**

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

Ralph Rubio	Mayor
Dennis Alexander	Council Member
Jason Campbell	Council Member
David R. Pacheco	Council Member
Kayla Jones	Council Member

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. **CLOSED SESSION**

A. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9
(2) (d) - ANTICIPATED LITIGATION**

Conference with legal counsel regarding significant exposure to litigation (one potential case).

B. **CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL - EXISTING
LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9**

1. Keep Fort Ord Wild VS. City of Seaside Case Number 16Cv003795
2. LandWatch Monterey County VS. City of Seaside (Real Party: Monterey Downs, LLC) Case Number 16CV003793

5. **BUSINESS ITEMS**

A. CONSIDERATION OF THE APPLICATIONS FOR THE THREE USE PERMITS AND LICENSES TO DISPENSE ADULT USE AND MEDICAL CANNABIS AT VARIOUS COMMERCIALLY ZONED LOCATIONS IN THE CITY OF SEASIDE

PURPOSE: In accordance with Ordinance No.1043, the City Council is to consider the Planning Commission's recommendation for use permits and licenses for Medical/Adult Recreation Cannabis Facilities and consider approval of the three use permits and licenses for the top rated applicants to establish a Medical/Adult Recreation Cannabis Facility within the City of Seaside.

RECOMMENDATION:

Staff recommends that the City Council consider all filed use permit applications to operate a Medical/Adult Recreation Cannabis Facility in the City of Seaside at the following locations:

- 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
- 1271 Canyon Del Rey Blvd
- 1900-1904 Fremont Blvd

Staff further recommends that the City Council award up to three use permits to the top three applicants found to be in compliance with Ordinance 1043.

6. ADJOURNMENT

Next Regularly Scheduled Meeting:
January 4, 2018
7 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://cyp.telvue.com/player?id=T01629&video=52314&noplaylists=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.: 5.A.

TO: City Council

FROM: Craig Malin, City Manager

BY: Gloria Stearns, Economic Development Manager
Rick Medina, Senior Planner
Sharon Mikesell, Administrative Analyst
Daphne Hodgson, Deputy City Manager Administrative Services

DATE: December 28, 2017

SUBJECT: CONSIDERATION OF THE APPLICATIONS FOR THE THREE USE PERMITS AND LICENSES TO DISPENSE ADULT USE AND MEDICAL CANNABIS AT VARIOUS COMMERCIAL ZONED LOCATIONS IN THE CITY OF SEASIDE

PURPOSE

In accordance with Ordinance No.1043, the City Council is to consider the Planning Commission's recommendation for use permits and licenses for Medical/Adult Recreation Cannabis Facilities and consider approval of the three use permits and licenses for the top rated applicants to establish a Medical/Adult Recreation Cannabis Facility within the City of Seaside.

RECOMMENDATION

Staff recommends that the City Council consider all filed use permit applications to operate a Medical/Adult Recreation Cannabis Facility in the City of Seaside at the following locations:

- 310 Amador Avenue
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- 855 Broadway Avenue
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- 680 Broadway Avenue
- 1271 Canyon Del Rey Blvd
- 1900-1904 Fremont Blvd

Staff further recommends that the City Council award up to three use permits to the top three

applicants found to be in compliance with Ordinance 1043.

BACKGROUND

On September 21, 2017, the City Council adopted Ordinance No. 1043 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 three (3) applicants in the following zones: CRG, MX, CMX and future Mixed-Use High and Mixed-Use Low. On November 21, the City of Seaside received 17 applications - one applicant proposed two locations.

Since the community's interests are served by having strong and sustainable permit holders, and in accordance with Ordinance No. 1043, the City allowed applicants the opportunity to amend and combine their applications. Four amended and combined applications were received by the deadline of noon on December 1.

The Planning Commission reviewed the applications during special meetings on December 4, December 5 and December 20. During the process, several questions were posed regarding scoring of the applications and interpretation of the City ordinance.

The Planning Commission determined that all applications were qualified from a land use perspective and recommended that the City Council consider the applicants to be authorized to apply for temporary state licenses pending further in-depth review of the individual scores by The City to determine the actual dispensary locations to be awarded. By issuing temporary licenses, the successful candidates will be able to expedite their dispensary opening as they will not be gridlocked in the expected wave of applications to the State of California after January 1, 2018 that were not granted local jurisdiction approval prior to that date.

In accordance with Ordinance No.1043, all applications for the following locations have been determined by the Planning Commission to be in good standing to establish a Medical/Adult Recreation Cannabis Facility within the City of Seaside:

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

After the December 20, 2017 Planning Commission meeting, staff expedited the re-evaluation of applications and some scores did change. This was largely a result of reconsidering how the neighborhood compatibility and community benefits criteria were applied.

All applications received by the City have been redacted to remove personal and security information and are available for review at the following link:

<http://www.ci.seaside.ca.us/633/Cannabis-Dispensaries-Permits>.

During the initial week of scoring the applications, staff determined that some applications contained gross sales figures that appeared to be unreasonable. (Those applications contain an * on the rating spreadsheet.) The Finance Department proposed a gross sales cap of \$4 million, derived by the following criteria:

- Assuming a retail sales area measuring 2,000 square feet multiplied by \$2,000 sales per SF results in gross sales of \$4 million . While not all applications provided retail sales area measurements, the best determination was that they approximated 2,000 SF.
- The \$2,000 sales per SF was derived as an average based on regional sampling. The California State Board of Equalization states medical cannabis sales are over \$1 billion and Monterey County sales are \$11.5 million. Doubling that to take account of adult recreational sales, and it becomes \$23 million. If that number is divided by 6 local dispensaries results in revenue of approximately \$3.8 million each.

The gross sales cap of \$4 million was applied to all affected applicants. The Cost of Goods Sold and necessary funding for adequate capitalization was reconsidered for all affected applicants. Consistency in the procedure was maintained for all affected applicants.

Attachment 1 shows the scores without the \$4 million cap and Attachment 2 shows the scores with the \$4 million cap.

Dispensaries must be located at least 1,000 feet apart 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 examined by the Seaside Police to ensure security. Higher Level of Care, Canopy Monterey Bay/The Reef, and Pharm House/Sugarleaf received exemplary ratings from the Seaside Police for their security plans. Specific details of the security plans are limited to review by the Seaside Police to maximize public safety.

Staff Recommendation

Based on the criteria of Ordinance 1043, the staff recommendations is to issue use permits to the following two applicants:

1. Higher Level of Care (310 Amador), and
2. Canopy Monterey Bay/The Reef (1900-1904 Fremont)

Staff further recommends that the City Council discuss and consider the final use permit issuance to one of the applicants with proposed locations on Broadway Avenue. Because the Ordinance requires a 1,000 foot separation between dispensaries, Broadway is limited to one permit/license. Seven applications were submitted for a location on Broadway Avenue and staff recommends that the City Council consider which applicant is to be chosen for the Broadway

permit. As list in the attached scoring matrix there is a 3-way tie among the top Broadway applications, if the \$4 million cap is applied. The top three applicants are:

- CannEdge,
- Pharm House/Sugarleaf, and
- TokeMed/Seaside Green.

Summaries of each of the recommended dispensary applications is below.

1. 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 – 10 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 \$5.7 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

Work with staff to resolve unarmed or armed guard concern

All standard Seaside cannabis conditions

2. Canopy Monterey Bay/The Reef

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 \$5.7 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

3. CannEdge - Cannatopia

CannEdge proposes operating at 895 Broadway, which is zoned: MX. The 8,600 SF building will be used as a medical and adult recreational dispensary with hours of operation from 9 am – 10 pm Monday through Sunday. There are 6 paved parking spaces, including 1 ADA space. One of the principal employees stated an intent to become a Seaside resident, and they propose at least 15 additional Seaside resident employees. The applicant has extensive cannabis experience, as well as additional business experience. The tenant improvements are estimated to exceed \$203,000 and are both internal and external. Signage will comply with 17.40. Neighboring businesses indicated support. Community benefits include: contributing a minimum of \$1,000 annually to various nonprofits such as Boys & Girls Club, Seaside Police Association, in addition to periodic fundraising events. This business is sufficiently capitalized for one year of operation and first year gross sales are projected to be \$14.5 million.

Specific conditions:

Must provide a minimum of \$1,000 to various Seaside charities per application

All standard Seaside cannabis conditions

4. Pharm House/Sugarleaf

Pharm House/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 benefit 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 \$4.7 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 benefit 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

5. TokeMed/Seaside Green

TokeMed/Seaside Green proposes operating at 895 Broadway, including 1605 and 1609 Santa Barbara Street. This is zoned: MX. The 8,600 SF building will be used as a medical and adult recreational dispensary with hours of operation from 9 am – 10 pm Monday through Sunday. There are a total of 51 parking spaces, including ADA spaces. One of the principal employees is a Seaside resident, and they propose at least 70% of staff be Seaside resident employees. The applicant has extensive business experience. The tenant improvements are estimated to exceed \$104,000 and are both internal and external. Signage will comply with 17.40. Neighboring businesses indicated support. Community benefits include: programs for free delivery for qualifying patients, annual food drives, and plans to serve on the board for one or more local charities. Additional community benefits include: projects with Community Partnership for Youth, Boys and Girls Club, Meals on Wheels, little league, and Veteran's Affairs. This business is sufficiently capitalized for one year of operation and first year gross sales are projected to be \$3.4 million.

Specific conditions:

Must establish programs for qualifying patients and nonprofit board service for various Seaside charities per application

All standard Seaside cannabis conditions

SUMMARY

The top scoring applicants are expected to make a positive impact on Seaside by 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. Staff recommends that the City Council consider all of the filed use permit applications to operate a Medical/Adult Recreation Cannabis Facility in the City of Seaside. After considering each application, it is recommended that the Council award up to three use permits to the top three applicants found in compliance with Ordinance 1043 and which the Council thinks will most positively impact the City of Seaside.

FISCAL IMPACT

As of January 1, 2018 all commercial cannabis business must have a valid state license to operate. Authorization by the City Council for all applicants will allow the state to issue temporary licenses and will expedite the eventual opening of the eventual successful applicants' dispensary facilities while allowing a thorough review of all applicants applications compliance the adopted City ordinance. Once the selection process is complete and dispensaries are open, significant tax revenue will be generated in Seaside through cannabis sales.

ATTACHMENTS

1. Scoring Matrix Without Normalization Cap
 2. Scoring Matrix With Normalization Cap
 3. Draft Resolution Higher Level of Care/Cypress Manufacturing
 4. Attachment 1 Higher Level of Care
 5. Draft Resolution Canopy Monterey Bay/The Reef
 6. Attachment 1 Canopy Monterey Bay
 7. Draft Resolution CannEdge
 8. Attachment 1 CannEdge
 9. Draft Resolution Pharm House/Sugarleaf
 10. Attachment 1 Pharm House/Sugar Leaf
 11. Draft Resolution TokeMed/Seaside Green
 12. Attachment 1 TokeMed/Seaside Green
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City of Seaside Cannabis Use Permit Application & Scoring Matrix (As of December 26, 2017)

Applicant	Contact	Phone	Email	Address	Medical Use Permit	Adult Use Permit	Location points	FINAL Safety Avg points	INITIAL Business Plan (Financial & Capitalization) Points	FINAL Community Benefit Points	FINAL Neighborhood Compatibility Points	FINAL Total Points
Cannedge	Christoper Francy	657-247-4317	chris@cannedge.com	680 Broadway	x	x	10	15	63 *	8	5	101
Plantacea	Judy Le Huynh	831-601-8091	huyn2765@outlook.com	680 Broadway	x	x	10	10	39 *	8	5	72
Higher Level of Care (Cypress)	Salvatore Palma	831-296-0240	sal@higherlevelmmj.com	310 Amador	x	x	10	20	28	8	5	71
Canopy MB / Reef	Jana Stiebel	831-393-1551	jana@canopymontereybay.com	1900 Fremont	x	x	10	20	28	8	5	71
The Reef**	Jayme Rivard/Jim Chubb	831-277-9931	jaymerivard@hotmail.com	680 Broadway	x	x	10	20	27 *	7	5	69
Higher Level of Care**	Salvatore Palma	831-296-0240	sal@higherlevelmmj.com	310 Amador	x	x	10	20	22	8	5	65
SeaWeed	Lonna Lewis-Blodgett/Robert Blodgett	831-566-0258; 831-706-0510	lonnalewis@rocketmail.com	680 Broadway	x	x	10	15	26	8	5	64
Toke Med / Seaside Green	Danny Huynh	831-313-8404	dannybloom007@gmail.com	895 Broadway (and Santa Barbara)	x	x	10	15	26	8	5	64
Pharm House / Sugarleaf	Wes Clark	831-737-9023	pharmhouseseaside@gmail.com	778 Broadway / 840 Broadway	x	x	10	20	24	8	0	62
Toke Med**	Danny Huynh	831-313-8404	dannybloom007@gmail.com	895 Broadway (and Santa Barbara)	x	x	10	10	29 *	8	5	62
East of Eden	Steve Podell	312-636-0404	spodell@grupoflor.com	855 Broadway	x	x	10	15	31 *	3	0	59
Rare Earth	Sahand Sultan	831-521-8751	sahand.sultan@gmail.com	575 Broadway	x	x	10	15	25	8	0	58
Have a Heart	Ryan Steven Kunkel	206-889-0583	ryan@haveaheartcc.com	680 Broadway	x	x	10	10	22	8	5	55
Seaside Project	Jason Sweatt	831-419-3863	jason@scveterans.com	680 Broadway	x	x	10	10	21	8	5	54
Seaside Green**	Michael Nguyen	626-429-0059	mike.n@could8th.la miken720@yahoo.com	680 Broadway	x	x	10	20	15	6	0	51
Seaside Project	Jason Sweatt	831-419-3863	jason@veterans.com	755 Broadway	x	x	10	10	19	8	0	47
Pharm House**	Wes Clark	831-737-9023	pharmhouseseaside@gmail.com	778 Broadway	x	x	10	10	16	8	0	44
Canopy**	Jana Stiebel	831-393-1551	jana@canopymontereybay.com	1900 Fremont	x	x	10	15	12	0	5	42
Sugarleaf**	Reginald Carter/ Brian Sheltra	916-821-8955 916-203-8764	regcarter09@gmail.com	840 Broadway	x	x	10	20	10	0	0	40
Cypress Mfg**	Robert Weakley	831-238-7215	robert@indusholdingco.com	1271 Canyon Del Rey	x	x	10	10	1	0	0	21

* = Initial application gross sales figures appear unreasonable

** = now part of a merged application team

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

These scores do not reflect a \$4 million gross sales cap. Community benefits and neighborhood compatibility scores have been updated.

*** Score was changed due to a type-o, not a re-review of the application

Version: December 26, 2017

City of Seaside Cannabis Use Permit Application & Scoring Matrix WITH \$4 M CAP (As of December 26, 2017)

Applicant	Contact	Phone	Email	Address	Medical Use Permit	Adult Use Permit	Location points	FINAL Safety Avg points	INITIAL Business Plan (Financial & Capitalization) Points		FINAL Business Plan (Financial & Capitalization) Points	FINAL Community Benefit Points	FINAL Neighborhood Compatibility oints	FINAL Total Points (w CAP)
Higher Level of Care (Cypress)	Salvatore Palma	831-296-0240	sal@higherlevelmmj.com	310 Amador	x	x	10	20	28		21	8	5	64
Canopy MB / Reef	Jana Stiebel	831-393-1551	jana@canopymontereybay.com	1900 Fremont	x	x	10	20	28		21	8	5	64
Higher Level of Care**	Salvatore Palma	831-296-0240	sal@higherlevelmmj.com	310 Amador	x	x	10	20	22		21	8	5	64
The Reef**	Jayne Rivard/Jim Chubb	831-277-9931	jaymerivard@hotmail.com	680 Broadway	x	x	10	20	27 *		20	7	5	62
Cannedge	Christoper Francy	657-247-4317	chris@cannedge.com	680 Broadway	x	x	10	15	63 *		21	8	5	59
Toke Med / Seaside Green	Danny Huynh	831-313-8404	dannybloom007@gmail.com	895 Broadway (and Santa Barbara)	x	x	10	15	26		21	8	5	59
Pharm House / Sugarleaf	Wes Clark	831-737-9023	pharmhouseseaside@gmail.com	778 Broadway / 840 Broadway	x	x	10	20	24		21	8	0	59
SeaWeed	Lonna Lewis-Blodgett/Robert Blodgett	831-566-0258;831-706-0510	lonnalewis@rocketmail.com	680 Broadway	x		10	15	26		20	8	5	58
Have a Heart	Ryan Steven Kunkel	206-889-0583	ryan@haveaheartcc.com	680 Broadway	x	x	10	10	22		21	8	5	54
Seaside Project	Jason Sweatt	831-419-3863	jason@scveterans.com	680 Broadway	x	x	10	10	21		***21	8	5	54
Seaside Green**	Michael Nguyen	626-429-0059	mike.n@could8th.la , miken720@yahoo.com	680 Broadway	x	x	10	20	15		16	6	0	52
Plantacea	Judy Le Huynh	831-601-8091	huyn2765@outlook.com	680 Broadway	x	x	10	10	39 *		18	8	5	51
Toke Med**	Danny Huynh	831-313-8404	dannybloom007@gmail.com	895 Broadway (and Santa Barbara)	x	x	10	10	29 *		18	8	5	51
Rare Earth	Sahand Sultan	831-521-8751	sahand.sultan@gmail.com	575 Broadway	x	x	10	15	25		18	8	0	51
Seaside Project	Jason Sweatt	831-419-3863	jason@veterans.com	755 Broadway	x	x	10	10	19		21	8	0	49
East of Eden	Steve Podell	312-636-0404	spodell@grupoflor.com	855 Broadway	x	x	10	15	31 *		20	3	0	48
Pharm House**	Wes Clark	831-737-9023	pharmhouseseaside@gmail.com	778 Broadway	x	x	10	10	16		18	8	0	46
Canopy**	Jana Stiebel	831-393-1551	jana@canopymontereybay.com	1900 Fremont	x	x	10	15	12		13	0	5	43
Sugarleaf**	Reginald Carter/ Brian Sheltra	916-821-8955 916-203-8764	regcarter09@gmail.com	840 Broadway	x	x	10	20	10		13	0	0	43
Cypress Mfg**	Robert Weakley	831-238-7215	robert@indusholdingco.com	1271 Canyon Del Rey	x	x	10	10	1		1	0	0	21

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Version: December 26, 2017

RESOLUTION NO. 17-XX

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

WHEREAS, Performance Property Management, or Assigns C/O Larry Scholink , property owner and, Higher Level of Care/Cypress Manufacturing, dba Higher Level, applicant, have applied for a Discretionary Use Permit to allow:

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

WHEREAS, the proposed project requires discretionary use permit approval, and it is the responsibility of the Planning Commission in the Seaside Municipal Code to have considered and weighed 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 three duly noticed special public meetings held on December 4, 2017, December 5, 2017, and December 20, 2017; and

WHEREAS, the Seaside Planning Commission acted to declare the application as being a qualified applicant on December 20, 2017 and made a recommendation that the City Council consider the application for the issuance a cannabis facility; and

WHEREAS, the Seaside Municipal Code requires the approval of a discretionary use permit by the City Council for a Medical/Adult Recreation Cannabis facility, and it is the responsibility of the City Council to have considered and weighed 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 review of the application; and

WHEREAS, the Seaside City Council considered oral comments and written information concerning the proposed amendment at a duly noticed special public meeting held on December 28, 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 retail medical/adult recreation cannabis facility which will not change the intensity of the project site or the City's infrastructure off-site in order to accommodate the proposed use. It can be seen with certainty that the proposed use will not create any significant environmental impact on the community and neighboring properties.

NOW, THEREFORE, BE IT RESOLVED, that the City Council adopts the following findings for the Medical/Adult Recreation Cannabis facility Discretionary 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, eliminate any unauthorized loitering inside and outside of the facility, and minimize excessive calls for service by the City's public safety resources.

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

Evidence: Higher Level scored full points for location of business, which will serve as a catalyst project for the City of Seaside within the West Broadway Urban Village Specific Plan.

Evidence Higher Level scored well for business plan points by demonstrating revenue and capitalization, achievable within the City of Seaside based on the project location being located within an established retail area and the project location having access from the City's entrances on Fremont Boulevard to the north and south and the entrance on Broadway Avenue to the east.

Evidence Higher Level scored full points for local enterprise and community benefits, which fosters economic and community development within the City of Seaside and provides financial contributions to local non-profit community organizations within the City of Seaside.

Evidence Higher Level scored full points for neighborhood compatibility with commitments to exemplary security and façade improvement upgrades, which promotes neighborhood unity and land use compatibility/vitality within the City of Seaside.

Evidence Higher Level scored full points for safety and security, which helps to provide public safety within the City of Seaside by not creating any type of nuisance which would be detrimental to the overall general health, safety and welfare of the community and/or cause a financial burden on public safety resources for unnecessary calls for service .

- 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.

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 dispensary without overburdening existing roadways and City infrastructure,

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.

Evidence: The project would occupy a vacant tenant space, increase pedestrian activity, have the potential for increased pass by trips for adjoining businesses, 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-1.3: Encourage regional commercial and visitor-serving commercial development that will enhance the identity of Seaside and attract visitors to the community.

Evidence: The project would occupy a vacant tenant space, increase pedestrian activity, and complete a commercial façade upgrade.

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

Evidence: 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.

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.

Evidence: 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 within 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 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 a retail commercial building to a Medical/Adult Recreation Cannabis facility with interior changes and exterior façade changes conforms to Land Discretionary 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. 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 City Council approves the Discretionary Use Permit Application for “Higher Level” 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 Retail Cannabis Facility substantially in accordance with the project material stamped “Received by the City of Seaside-December 1, 2017” and subject to the floor plan and exterior façade being modified to comply with the general Cannabis and conditions listed. The aerial site plan is provided as Exhibit “A”.

Cannabis

1. Cannabis 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 storage, display, sales or other distribution of cannabis shall occur only within an enclosed area of a medical cannabis business and shall not be visible from the exterior of the business. Delivery shall be as approved by the Seaside Police Department.
3. The cannabis facility 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 the property advising that use of cannabis may impair a person's ability to drive a motor vehicle or operate heavy machinery.
5. No person, other than a patient, caregiver, licensee, employee, or a contractor shall be in the medical cannabis dispensary room.
6. Medical/Adult Cannabis Dispensary hours of operation shall be as regulated by State and City law.
7. Adults 21 and over can buy cannabis at retail dispensaries with an "A" adult use license as of Jan 1, 2018 as regulated by State Law.
8. No Cannabis 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 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 discretionary 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. Businesses should refer to State and local law to determine what activities are permitted or prohibited for licensed dispensaries in the City of Seaside. Failure to comply may result in penalties, suspension or revocation of the dispensary business license.

Transportation

11. All cannabis-infused products must be hand packaged, sealed and labeled, and the products stored in closed containers that are labeled. All medical cannabis 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 cannabis must be labeled as regulated by State law. The label shall be shown to any law enforcement officer who requests to see the label.

Community Relations

13. Each Cannabis 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/Adult Cannabis Dispensary, and make good faith attempts to promptly resolve all complaints.

Inspections

14. State and Local representatives (Health, Fire and Building inspectors) may enter and inspect the Property of each Cannabis 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 Cannabis Business shall implement sufficient security measures, as approved by the Seaside Police Department to both deter and prevent unauthorized entrance into areas containing cannabis or cannabis products and theft of cannabis or 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 cannabis and cannabis products in a secured and locked room, safe, or vault, and in a manner as to prevent diversion, theft, and loss.
17. Each Cannabis 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 cannabis products are displayed for sale, and all limited access areas within the facility as approved by the Seaside Police Department.
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 cannabis business; (b) Record and maintain video 24/7 for a minimum of ninety (90) days, or as otherwise determined by the Seaside Police Department.

19. The cannabis business shall install and use a safe for storage of any processed cannabis 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 cannabis business shall install and discretionary 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. Changes in the security plan shall be approved by the Seaside Police Department prior to implementation.
21. A cannabis 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 and approved by the Seaside Police Department.
22. No dried cannabis 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 Cannabis Business shall be secured so as to prevent unauthorized entry.

Accounting/Record Keeping

24. The Cannabis Business 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 cannabis product inventory purchased and/or grown and sales and disposal thereof to clearly track revenue from sales of any medical cannabis from other paraphernalia or services offered by the Cannabis Business.
26. The records shall clearly show the source, amount, price and dates of all cannabis received or purchased, and the amount, price, dates and business, patient or caregiver for all cannabis sold.
27. Each Cannabis 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 cannabis sold at the Property, and the daily amounts of cannabis stored on the Property.
29. Receipts shall be maintained via a computer program or by pre-numbered receipts and discretionary 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 Cannabis 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 discretionary use tax reports to the City quarterly; (3) A conviction of any disqualifying crime by any applicant of a Cannabis Business.

City Standards

33. Discretionary Use Permit approval is subject to revocation procedures contained in S.M.C.S. 17.80.060 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 discretionary use, or purposed for which the permit was issued, for a period of 180 days or more.
34. This Discretionary Use Permit is subject to procedures and requirements of Chapter 17.64 (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 Code.
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 applicable City and County agencies and must be in compliance with State Law.
37. The project shall comply with the requirements and the applicable ordinances of the Monterey Peninsula Water Management District (MPWMD) and Monterey Regional Water Pollution Control Agency (MRWPCA).
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. This Discretionary Use Permit will expire 12 months from the date of approval. 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 City Council.

40. 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 City Council of the City of Seaside, State of California, on the 28th of December, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

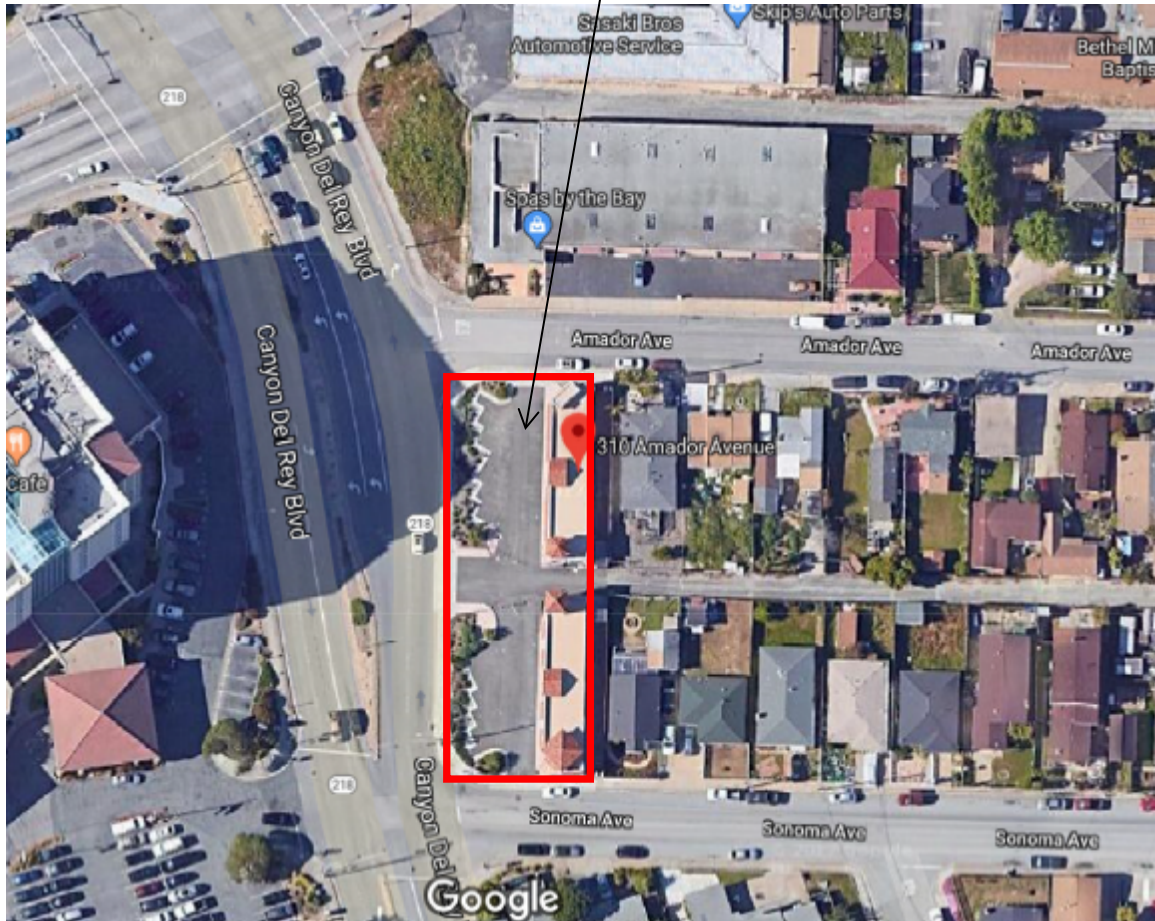
Ralph Rubio, Honorable Mayor

ATTEST:

Lesley Milton-Rerig, City Clerk

Project Location

Project Site: 310 Amador Avenue



RESOLUTION NO. 17-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE, STATE OF CALIFORNIA, GRANTING THE APPROVAL OF A DISCRETIONARY USE PERMIT TO ALLOW A MEDICAL/ADULT RECREATIONAL CANNABIS FACILITY LOCATED AT 1902 – 1906 FREMONT BOULEVARD (APN# 011-104-007 AND 010) IN THE COMMUNITY COMMERCIAL (CC) ZONING DISTRICT.

WHEREAS, Peter Ralph Lavin Trust, property owner and, Canopy MB/Reef dba, applicant, have applied for a Discretionary Use Permit to allow:

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

WHEREAS, the proposed project requires discretionary use permit approval, and it is the responsibility of the Planning Commission in the Seaside Municipal Code to have considered and weighed 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 discretionary use permit at three duly noticed special public meetings held on December 4, 2017, December 5, 2017, and December 20, 2017; and

WHEREAS, the Seaside Planning Commission acted to declare the application as being a qualified applicant on December 20, 2017 and made a recommendation that the City Council consider the application for the issuance a cannabis facility; and

WHEREAS, the Seaside Municipal Code requires the approval of a discretionary use permit by the City Council for a Medical/Adult Recreation Cannabis facility, and it is the responsibility of the City Council to have considered and weighed 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 review of the application; and

WHEREAS, the Seaside City Council considered oral comments and written information concerning the proposed amendment at a duly noticed special public meeting held on December 28, 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 of the project site or the City's infrastructure off-site where it can be seen with certainty that the proposed interior and exterior improvements can be accommodated at the proposed cannabis facility without creating any significant environmental impact on the community and neighboring properties.

NOW, THEREFORE, BE IT RESOLVED, that the City Council adopts the following findings for the Medical/Adult Recreation 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 that would be designated as Mixed Low in the General Plan Update 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, eliminate any unauthorized loitering inside and outside of the facility, and minimize excessive calls for service by the City's public safety resources.

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

Evidence: Canopy MB/Reef combined their applications to serve as a catalyst economic development project site within the Fremont Boulevard Corridor.

Evidence: Canopy MB/Reef combined their applications to score full points for business plan points by demonstrating that the revenue and capitalization outlined in the application will be achievable based on the project location being located within an established retail area of the City and the project location having access from Fremont Boulevard which has direct linkages to Highway 1 to the north and south entrances of the City.

Evidence: Canopy MB/Reef scored well for local enterprise and community benefits points, which fosters economic and community development within the City of Seaside and provides financial contributions to local non-profit community organizations within the City of Seaside.

Evidence: Canopy MB/Reef scored full points for neighborhood compatibility with commitments to exemplary security and façade improvement upgrades, which promotes neighborhood unity and land use compatibility/vitality within the City of Seaside.

Evidence: Canopy MB/Reef scored full points for safety and security, which helps to provide public safety within the City of Seaside and not create any type of nuisance which would be detrimental to the overall general health, safety and welfare of the community and/or cause a financial burden on public safety resources for unnecessary calls for service.

- 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. 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 dispensary without overburdening existing roadways and City infrastructure,

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

Evidence: The project would occupy an existing tenant space which will serve to increase pedestrian activity for the general area around the shopping center; have the potential for increased vehicle pass by trips for adjoining businesses, and 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-1.3: Encourage regional commercial and visitor-serving commercial development that will enhance the identity of Seaside and attract visitors to the community.

Evidence: The project would occupy a developed shopping center building that will increase pedestrian activity and complete a commercial façade upgrade.

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

Evidence: 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 Commercial Corridor and attract customers both from the Monterey Bay area and tourism.

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 energize of the retail character of an existing strip commercial shopping center and the value of adjoining properties.

- 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 enhance street frontage on the Fremont Boulevard Commercial Corridor 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 of the commercial tenant space to a retail Medical/Adult Recreation Cannabis facility with the inclusion of 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 retail 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. 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 City Council approves the discretionary Use Permit Application for “Canopy MB/Reef” 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 Retail Cannabis Facility substantially in accordance with the project material stamped “Received by the City of Seaside December 1, 2017” and subject to the floor plan and exterior façade being modified to comply with the general Cannabis and conditions listed. The aerial site plan is provided as Exhibit “A”.

Cannabis

1. Cannabis 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 storage, display, sales or other distribution of cannabis shall occur only within an enclosed area of a medical cannabis business and shall not be visible from the exterior of the business. Delivery shall be as approved by the Seaside Police Department.
3. The cannabis facility 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 the property advising that use of cannabis may impair a person's ability to drive a motor vehicle or operate heavy machinery.
5. No person, other than a patient, caregiver, licensee, employee, or a contractor shall be in the medical cannabis dispensary room.
6. Medical/Adult Cannabis Dispensary hours of operation shall be as regulated by State and City law.
7. Adults 21 and over can buy cannabis at retail dispensaries with an "A" adult use license as of Jan 1, 2018 as regulated by State Law.
8. No Cannabis 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 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 discretionary 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. Businesses should refer to State and local law to determine what activities are permitted or prohibited for licensed dispensaries in the City of Seaside. Failure to comply may result in penalties, suspension or revocation of the dispensary business license.

Transportation

11. All cannabis-infused products must be hand packaged, sealed and labeled, and the products stored in closed containers that are labeled. All medical cannabis 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 cannabis must be labeled as regulated by State law. The label shall be shown to any law enforcement officer who requests to see the label.

Community Relations

13. Each Cannabis 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 Cannabis Dispensary, and make good faith attempts to promptly resolve all complaints.

Inspections

14. State and Local representatives (Health, Fire and Building inspectors) may enter and inspect the Property of each Cannabis 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 Cannabis Business shall implement sufficient security measures, as approved by the Seaside Police Department to both deter and prevent unauthorized entrance into areas containing cannabis or cannabis products and theft of cannabis or 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 cannabis and cannabis products in a secured and locked room, safe, or vault, and in a manner as to prevent diversion, theft, and loss.
17. Each Cannabis 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 cannabis products are displayed for sale, and all limited access areas within the facility as approved by the Seaside Police Department.
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 cannabis business; (b) Record and maintain video 24/7 for a minimum of ninety (90) days, or as otherwise determined by the Seaside Police Department.
19. The cannabis business shall install and use a safe for storage of any processed cannabis 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 cannabis business shall install and discretionary 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. Changes in the security plan shall be approved by the Seaside Police Department prior to implementation.

21. A cannabis 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 and approved by the Seaside Police Department.
22. No dried cannabis 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 Cannabis Business shall be secured so as to prevent unauthorized entry.

Accounting/Record Keeping

24. The Cannabis Business 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 cannabis product inventory purchased and/or grown and sales and disposal thereof to clearly track revenue from sales of any medical cannabis from other paraphernalia or services offered by the Cannabis Business.
26. The records shall clearly show the source, amount, price and dates of all cannabis received or purchased, and the amount, price, dates and business, patient or caregiver for all cannabis sold.
27. Each Cannabis 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 cannabis sold at the Property, and the daily amounts of cannabis stored on the Property.
29. Receipts shall be maintained via a computer program or by pre-numbered receipts and discretionary 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 Cannabis 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 discretionary use tax reports to the City quarterly; (3) A conviction of any disqualifying crime by any applicant of a Cannabis Business.

City Standards

33. Discretionary Use Permit approval is subject to revocation procedures contained in S.M.C.S. 17.80.060 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 discretionary use, or purposed for which the permit was issued, for a period of 180 days or more.
34. This Discretionary Use Permit is subject to procedures and requirements of Chapter 17.64 (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 Code.
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 applicable City and County agencies and must be in compliance with State Law.
37. The project shall comply with the requirements and the applicable ordinances of the Monterey Peninsula Water Management District (MPWMD) and Monterey Regional Water Pollution Control Agency (MRWPCA).
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 Discretionary Use 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 Discretionary Use Permit will expire 12 months from the date of approval. 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 City Council.

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 City Council of the City of Seaside, State of California, on the 28th of December, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

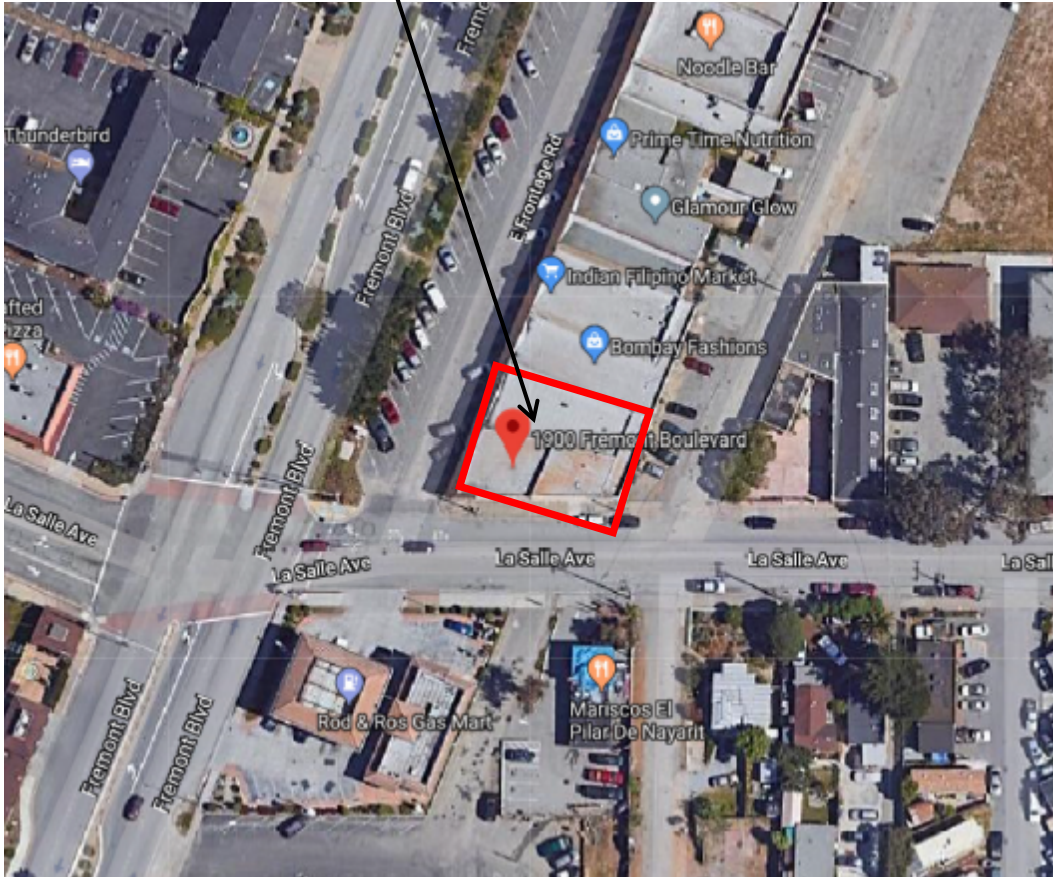
Ralph Rubio, Honorable Mayor

ATTEST:

Lesley Milton-Rerig, City Clerk

Project Location

Project Site: 1902 - 1906 Fremont Boulevard



RESOLUTION NO. 17-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE, STATE OF CALIFORNIA, GRANTING THE APPROVAL OF A DISCRETIONARY USE PERMIT TO ALLOW A MEDICAL/ADULT RECREATIONAL CANNABIS FACILITY LOCATED AT 680 BROADWAY (APN# 011-291-019) IN THE MIXED USE (MX) ZONING DISTRICT.

WHEREAS, Baird Family Trust/Peter Baird , property owner and CannEdge LLC, dba Cannatopia, applicant, have applied for a Discretionary Use Permit to allow:

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

WHEREAS, the proposed project requires discretionary use permit approval, and it is the responsibility of the Planning Commission in the Seaside Municipal Code to have considered and weighed 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 three duly noticed special public meetings held on December 4, 2017, December 5, 2017, and December 20, 2017; and

WHEREAS, the Seaside Planning Commission acted to declare the application as being a qualified applicant on December 20, 2017 and made a recommendation that the City Council consider the application for the issuance a cannabis facility; and

WHEREAS, the Seaside Municipal Code requires the approval of a discretionary use permit by the City Council for a Medical/Adult Recreation Cannabis facility, and it is the responsibility of the City Council to have considered and weighed 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 review of the application; and

WHEREAS, the Seaside City Council considered oral comments and written information concerning the proposed amendment at a duly noticed special public meeting held on December 28, 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 retail medical/adult recreation cannabis facility which will not change the intensity of the project site or the City's infrastructure off-site in order to accommodate the proposed use. It can be seen with certainty that the proposed use will not create any significant environmental impact on the community and neighboring properties.

NOW, THEREFORE, BE IT RESOLVED, that the City Council adopts the following findings for the Medical/Adult Recreation Cannabis facility Discretionary 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, eliminate any unauthorized loitering inside and outside of the facility, and minimize excessive calls for service by the City's public safety resources.

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

Evidence: Cannatopia scored full points for location of business, which will serve as a catalyst project for the City of Seaside within the West Broadway Urban Village Specific Plan.

Evidence Cannatopia scored well for business plan points by demonstrating revenue and capitalization, achievable within the City of Seaside based on the project location being located within an established retail area and the project location having access from the City's entrances on Fremont Boulevard to the north and south and the entrance on Broadway Avenue to the east.

Evidence Cannatopia scored well for local enterprise and community benefits points, which fosters economic and community development within the City of Seaside and provides financial contributions to local non-profit community organizations within the City of Seaside.

Evidence Cannatopia scored full points for neighborhood compatibility with commitments to exemplary security and façade improvement upgrades, which promotes neighborhood unity and land use compatibility/vitality within the City of Seaside.

Evidence Cannatopia scored well for safety and security, which helps to provide public safety within the City of Seaside by not creating any type of nuisance which would be detrimental to the overall general health, safety and welfare of the community and/or cause a financial burden on public safety resources for unnecessary calls for service .

- 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.
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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 dispensary without overburdening existing roadways and City infrastructure,

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.

Evidence: The project would occupy a vacant tenant space, increase pedestrian activity, have the potential for increased pass by trips for adjoining businesses, 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-1.3: Encourage regional commercial and visitor-serving commercial development that will enhance the identity of Seaside and attract visitors to the community.

Evidence: The project would occupy a vacant tenant space, increase pedestrian activity, and complete a commercial façade upgrade.

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

Evidence: 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.

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.

Evidence: 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 within 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 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 a retail commercial building to a Medical/Adult Recreation Cannabis facility with interior changes and exterior façade changes conforms to Land Discretionary 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. 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 City Council approves the Discretionary Use Permit Application for “Cannatopia” 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 Retail Cannabis Facility substantially in accordance with the project material stamped “Received by the City of Seaside November 21, 2017” and subject to the floor plan and exterior façade being modified to comply with the general Cannabis and conditions listed. The aerial site plan is provided as Exhibit “A”.

Cannabis

1. Cannabis 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 storage, display, sales or other distribution of cannabis shall occur only within an enclosed area of a medical cannabis business and shall not be visible from the exterior of the business. Delivery shall be as approved by the Seaside Police Department.
3. The cannabis facility 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 the property advising that use of cannabis may impair a person's ability to drive a motor vehicle or operate heavy machinery.
5. No person, other than a patient, caregiver, licensee, employee, or a contractor shall be in the medical cannabis dispensary room.
6. Medical/Adult Cannabis Dispensary hours of operation shall be as regulated by State and City law.
7. Adults 21 and over can buy cannabis at retail dispensaries with an "A" adult use license as of Jan 1, 2018 as regulated by State Law.
8. No Cannabis 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 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 discretionary 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. Businesses should refer to State and local law to determine what activities are permitted or prohibited for licensed dispensaries in the City of Seaside. Failure to comply may result in penalties, suspension or revocation of the dispensary business license.

Transportation

11. All cannabis-infused products must be hand packaged, sealed and labeled, and the products stored in closed containers that are labeled. All medical cannabis 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 cannabis must be labeled as regulated by State law. The label shall be shown to any law enforcement officer who requests to see the label.

Community Relations

13. Each Cannabis 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/Adult Cannabis Dispensary, and make good faith attempts to promptly resolve all complaints.

Inspections

14. State and Local representatives (Health, Fire and Building inspectors) may enter and inspect the Property of each Cannabis 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 Cannabis Business shall implement sufficient security measures, as approved by the Seaside Police Department to both deter and prevent unauthorized entrance into areas containing cannabis or cannabis products and theft of cannabis or 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 cannabis and cannabis products in a secured and locked room, safe, or vault, and in a manner as to prevent diversion, theft, and loss.
17. Each Cannabis 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 cannabis products are displayed for sale, and all limited access areas within the facility as approved by the Seaside Police Department.
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 cannabis business; (b) Record and maintain video 24/7 for a minimum of ninety (90) days, or as otherwise determined by the Seaside Police Department.
19. The cannabis business shall install and use a safe for storage of any processed cannabis 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 cannabis business shall install and discretionary 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. Changes in the security plan shall be approved by the Seaside Police Department prior to implementation.

21. A cannabis 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 and approved by the Seaside Police Department.
22. No dried cannabis 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 Cannabis Business shall be secured so as to prevent unauthorized entry.

Accounting/Record Keeping

24. The Cannabis Business 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 cannabis product inventory purchased and/or grown and sales and disposal thereof to clearly track revenue from sales of any medical cannabis from other paraphernalia or services offered by the Cannabis Business.
26. The records shall clearly show the source, amount, price and dates of all cannabis received or purchased, and the amount, price, dates and business, patient or caregiver for all cannabis sold.
27. Each Cannabis 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 cannabis sold at the Property, and the daily amounts of cannabis stored on the Property.
29. Receipts shall be maintained via a computer program or by pre-numbered receipts and discretionary 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 Cannabis 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 discretionary use tax reports to the City quarterly; (3) A conviction of any disqualifying crime by any applicant of a Cannabis Business.

City Standards

33. Discretionary Use Permit approval is subject to revocation procedures contained in S.M.C.S. 17.80.060 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 discretionary use, or purposed for which the permit was issued, for a period of 180 days or more.
34. This Discretionary Use Permit is subject to procedures and requirements of Chapter 17.64 (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 Code.
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 applicable City and County agencies and must be in compliance with State Law.
37. The project shall comply with the requirements and the applicable ordinances of the Monterey Peninsula Water Management District (MPWMD) and Monterey Regional Water Pollution Control Agency (MRWPCA).
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. This Discretionary Use Permit will expire 12 months from the date of approval. 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 City Council.

40. 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 City Council of the City of Seaside, State of California, on the 28th of December, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

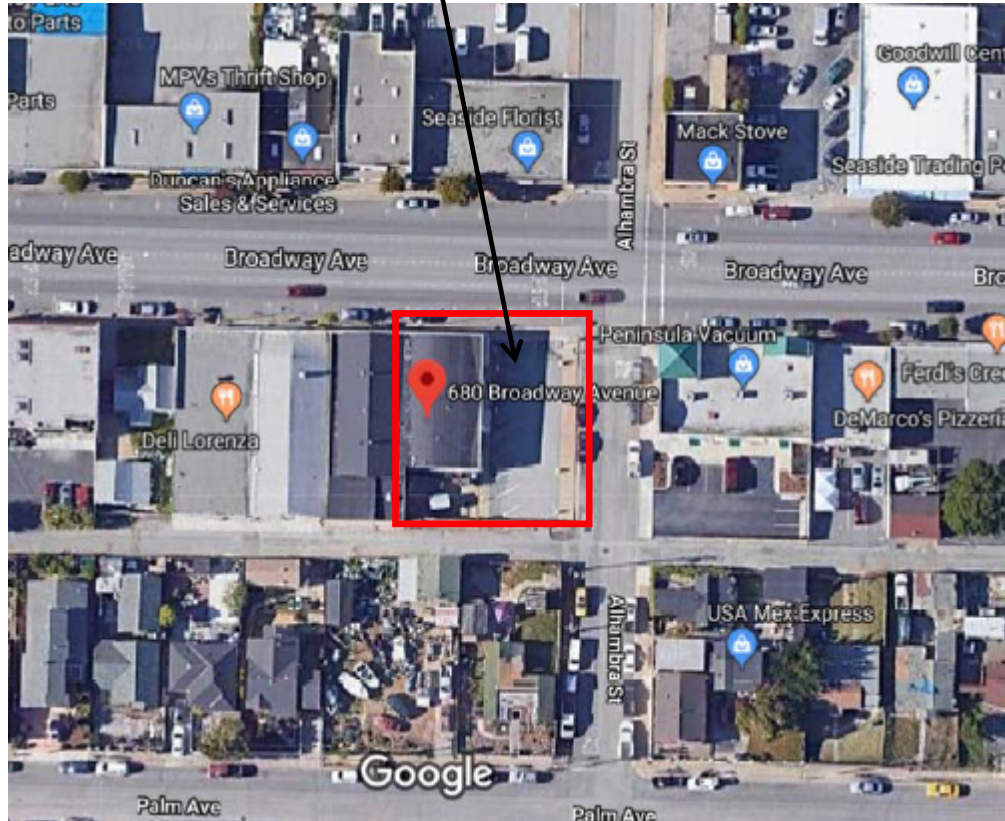
Ralph Rubio, Honorable Mayor

ATTEST:

Lesley Milton-Rerig, City Clerk

Project Location

Project Site: 680 Broadway Avenue



RESOLUTION NO. 17-XX

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

WHEREAS, Michael Manas, property owner and Pharm House and Sugarleaf, dba-Pharm House Wellness Center, applicant, have applied for a Discretionary Use Permit to allow:

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

WHEREAS, the proposed project requires discretionary use permit approval, and it is the responsibility of the Planning Commission in the Seaside Municipal Code to have considered and weighed 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 three duly noticed special public meetings held on December 4, 2017, December 5, 2017, and December 20, 2017; and

WHEREAS, the Seaside Planning Commission acted to declare the application as being a qualified applicant on December 20, 2017 and made a recommendation that the City Council consider the application for the issuance a cannabis facility; and

WHEREAS, the Seaside Municipal Code requires the approval of a discretionary use permit by the City Council for a Medical/Adult Recreation Cannabis facility, and it is the responsibility of the City Council to have considered and weighed 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 review of the application; and

WHEREAS, the Seaside City Council considered oral comments and written information concerning the proposed amendment at a duly noticed special public meeting held on December 28, 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 retail medical/adult recreation cannabis facility which will not change the intensity of the project site or the City's infrastructure off-site in order to accommodate the proposed use. It can be seen with certainty that the proposed use will not create any significant environmental impact on the community and neighboring properties.

NOW, THEREFORE, BE IT RESOLVED, that the City Council adopts the following findings for the Medical/Adult Recreation Cannabis facility Discretionary 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, eliminate any unauthorized loitering inside and outside of the facility, and minimize excessive calls for service by the City's public safety resources.

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

Evidence: Pharm House Wellness Center scored full points for location of business, which will serve as a catalyst project for the City of Seaside within the West Broadway Urban Village Specific Plan.

Evidence Pharm House Wellness Center scored well for business plan points by demonstrating revenue and capitalization, achievable within the City of Seaside based on the project location being located within an established retail area and the project location having access from the City's entrances on Fremont Boulevard to the north and south and the entrance on Broadway Avenue to the east.

Evidence Pharm House Wellness Center scored well for local enterprise and community benefits points, which fosters economic and community development within the City of Seaside and provides financial contributions to local non-profit community organizations within the City of Seaside.

Evidence Pharm House Wellness Center made commitments to exemplary security and façade improvement upgrades, which promotes neighborhood unity and land use compatibility/vitality within the City of Seaside.

Evidence Pharm House Wellness Center scored full points for safety and security, which helps to provide public safety within the City of Seaside by not creating any type of nuisance which would be detrimental to the overall general health, safety and welfare of the community and/or cause a financial burden on public safety resources for unnecessary calls for service .

- 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.

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 dispensary without overburdening existing roadways and City infrastructure,

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.

Evidence: The project would occupy a vacant tenant space, increase pedestrian activity, have the potential for increased pass by trips for adjoining businesses, 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-1.3: Encourage regional commercial and visitor-serving commercial development that will enhance the identity of Seaside and attract visitors to the community.

Evidence: The project would occupy a vacant tenant space, increase pedestrian activity, and complete a commercial façade upgrade.

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

Evidence: 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.

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.

Evidence: 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 within 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 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 a retail commercial building to a Medical/Adult Recreation Cannabis facility with interior changes and exterior façade changes conforms to Land Discretionary 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. 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 City Council approves the Discretionary Use Permit Application for “Pharm House Wellness Center” 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 Retail Cannabis Facility substantially in accordance with the project material stamped “Received by the City of Seaside - December 1, 2017” and subject to the floor plan and exterior façade being modified to comply with the general Cannabis and conditions listed. The aerial site plan is provided as Exhibit “A”.

Cannabis

1. Cannabis 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 storage, display, sales or other distribution of cannabis shall occur only within an enclosed area of a medical cannabis business and shall not be visible from the exterior of the business. Delivery shall be as approved by the Seaside Police Department.
3. The cannabis facility 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 the property advising that use of cannabis may impair a person's ability to drive a motor vehicle or operate heavy machinery.
5. No person, other than a patient, caregiver, licensee, employee, or a contractor shall be in the medical cannabis dispensary room.
6. Medical/Adult Cannabis Dispensary hours of operation shall be as regulated by State and City law.
7. Adults 21 and over can buy cannabis at retail dispensaries with an "A" adult use license as of Jan 1, 2018 as regulated by State Law.
8. No Cannabis 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 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 discretionary 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. Businesses should refer to State and local law to determine what activities are permitted or prohibited for licensed dispensaries in the City of Seaside. Failure to comply may result in penalties, suspension or revocation of the dispensary business license.

Transportation

11. All cannabis-infused products must be hand packaged, sealed and labeled, and the products stored in closed containers that are labeled. All medical cannabis 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 cannabis must be labeled as regulated by State law. The label shall be shown to any law enforcement officer who requests to see the label.

Community Relations

13. Each Cannabis 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/Adult Use Cannabis Dispensary, and make good faith attempts to promptly resolve all complaints.

Inspections

14. State and Local representatives (Health, Fire and Building inspectors) may enter and inspect the Property of each Cannabis 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 Cannabis Business shall implement sufficient security measures, as approved by the Seaside Police Department to both deter and prevent unauthorized entrance into areas containing cannabis or cannabis products and theft of cannabis or 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 cannabis and cannabis products in a secured and locked room, safe, or vault, and in a manner as to prevent diversion, theft, and loss.
17. Each Cannabis 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 cannabis products are displayed for sale, and all limited access areas within the facility as approved by the Seaside Police Department.
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 cannabis business; (b) Record and maintain video 24/7 for a minimum of ninety (90) days, or as otherwise determined by the Seaside Police Department.

19. The cannabis business shall install and use a safe for storage of any processed cannabis 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 cannabis business shall install and discretionary 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. Changes in the security plan shall be approved by the Seaside Police Department prior to implementation.
21. A cannabis 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 and approved by the Seaside Police Department.
22. No dried cannabis 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 Cannabis Business shall be secured so as to prevent unauthorized entry.

Accounting/Record Keeping

24. The Cannabis Business 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 cannabis product inventory purchased and/or grown and sales and disposal thereof to clearly track revenue from sales of any medical cannabis from other paraphernalia or services offered by the Cannabis Business.
26. The records shall clearly show the source, amount, price and dates of all cannabis received or purchased, and the amount, price, dates and business, patient or caregiver for all cannabis sold.
27. Each Cannabis 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 cannabis sold at the Property, and the daily amounts of cannabis stored on the Property.
29. Receipts shall be maintained via a computer program or by pre-numbered receipts and discretionary 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 Cannabis 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 discretionary use tax reports to the City quarterly; (3) A conviction of any disqualifying crime by any applicant of a Cannabis Business.

City Standards

33. Discretionary Use Permit approval is subject to revocation procedures contained in S.M.C.S. 17.80.060 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 discretionary use, or purposed for which the permit was issued, for a period of 180 days or more.
34. This Discretionary Use Permit is subject to procedures and requirements of Chapter 17.64 (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 Code.
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 applicable City and County agencies and must be in compliance with State Law.
37. The project shall comply with the requirements and the applicable ordinances of the Monterey Peninsula Water Management District (MPWMD) and Monterey Regional Water Pollution Control Agency (MRWPCA).
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. This Discretionary Use Permit will expire 12 months from the date of approval. 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 City Council.

40. 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 City Council of the City of Seaside, State of California, on the 28th of December, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ralph Rubio, Honorable Mayor

ATTEST:

Lesley Milton-Rerig, City Clerk

Project Location

Project Site: 778 Broadway Avenue



RESOLUTION NO. 17-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE, STATE OF CALIFORNIA, GRANTING THE APPROVAL OF A DISCRETIONARY USE PERMIT TO ALLOW A MEDICAL/ADULT RECREATIONAL CANNABIS FACILITY LOCATED AT 895 BROADWAY, 1605 AND 1609 SANTA BARBARA STREET (APN# 011-545-001) IN THE MIXED USE (MX) ZONING DISTRICT.

WHEREAS, Ronald K. Lee and Chau K. Nguyen, property owners and TokeMed/Seaside Green Group, LLC, applicant, have applied for a Discretionary Use Permit to allow:

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

WHEREAS, the proposed project requires discretionary use permit approval, and it is the responsibility of the Planning Commission in the Seaside Municipal Code to have considered and weighed 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 three duly noticed special public meetings held on December 4, 2017, December 5, 2017, and December 20, 2017; and

WHEREAS, the Seaside Planning Commission acted to declare the application as being a qualified applicant on December 20, 2017 and made a recommendation that the City Council consider the application for the issuance a cannabis facility; and

WHEREAS, the Seaside Municipal Code requires the approval of a discretionary use permit by the City Council for a Medical/Adult Recreation Cannabis facility, and it is the responsibility of the City Council to have considered and weighed 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 review of the application; and

WHEREAS, the Seaside City Council considered oral comments and written information concerning the proposed amendment at a duly noticed special public meeting held on December 28, 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 retail medical/adult recreation cannabis facility which will not change the intensity of the project site or the City's infrastructure off-site in order to accommodate the proposed use. It can be seen with certainty that the proposed use will not create any significant environmental impact on the community and neighboring properties.

NOW, THEREFORE, BE IT RESOLVED, that the City Council adopts the following findings for the Medical/Adult Recreation Cannabis facility Discretionary 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, eliminate any unauthorized loitering inside and outside of the facility, and minimize excessive calls for service by the City's public safety resources.

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

Evidence: TokeMed/Seaside Green LLC scored full points for location of business, which will serve as a catalyst project for the City of Seaside within the West Broadway Urban Village Specific Plan.

Evidence TokeMed/Seaside Green LLC scored well for business plan points by demonstrating revenue and capitalization, achievable within the City of Seaside based on the project location being located within an established retail area and the project location having access from the City's entrances on Fremont Boulevard to the north and south and the entrance on Broadway Avenue to the east.

Evidence TokeMed/Seaside Green LLC full points for local enterprise and community benefits, which fosters economic and community development within the City of Seaside and provides financial contributions to local non-profit community organizations within the City of Seaside.

Evidence TokeMed/Seaside Green LLC scored full points for neighborhood compatibility with commitments to exemplary security and façade improvement upgrades, which promotes neighborhood unity and land use compatibility/vitality within the City of Seaside.

Evidence TokeMed/Seaside Green LLC scored well for safety and security, which helps to provide public safety within the City of Seaside by not creating any type of nuisance which would be detrimental to the overall general health, safety and welfare of the community and/or cause a financial burden on public safety resources for unnecessary calls for service .

- 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. 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 dispensary without overburdening existing roadways and City infrastructure,
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. Evidence: The project would occupy a vacant tenant space, increase pedestrian activity, have the potential for increased pass by trips for adjoining businesses, 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-1.3:	Encourage regional commercial and visitor-serving commercial development that will enhance the identity of Seaside and attract visitors to the community. Evidence: The project would occupy a vacant tenant space, increase pedestrian activity, and complete a commercial façade upgrade.
Land Use Element Goal LU-2:	Revitalize existing commercial areas. Evidence: 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.
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.

Evidence: 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 within 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 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 a retail commercial building to a Medical/Adult Recreation Cannabis facility with interior changes and exterior façade changes conforms to Land Discretionary 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. 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 City Council approves the Discretionary Use Permit Application for “TokeMed/Seaside Green LLC” 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 Retail Cannabis Facility substantially in accordance with the project material stamped “Received by the City of Seaside November 21, 2017” and subject to the floor plan and exterior façade being modified to comply with the general Cannabis and conditions listed. The aerial site plan is provided as Exhibit “A”.

Cannabis

1. Cannabis 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 storage, display, sales or other distribution of cannabis shall occur only within an enclosed area of a medical cannabis business and shall not be visible from the exterior of the business. Delivery shall be as approved by the Seaside Police Department.
3. The cannabis facility 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 the property advising that use of cannabis may impair a person's ability to drive a motor vehicle or operate heavy machinery.
5. No person, other than a patient, caregiver, licensee, employee, or a contractor shall be in the medical cannabis dispensary room.
6. Medical/Adult Cannabis Dispensary hours of operation shall be as regulated by State and City law.
7. Adults 21 and over can buy cannabis at retail dispensaries with an "A" adult use license as of Jan 1, 2018 as regulated by State Law.
8. No Cannabis 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 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 discretionary 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. Businesses should refer to State and local law to determine what activities are permitted or prohibited for licensed dispensaries in the City of Seaside. Failure to comply may result in penalties, suspension or revocation of the dispensary business license.

Transportation

11. All cannabis-infused products must be hand packaged, sealed and labeled, and the products stored in closed containers that are labeled. All medical cannabis 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 cannabis must be labeled as regulated by State law. The label shall be shown to any law enforcement officer who requests to see the label.

Community Relations

13. Each Cannabis 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/Adult Cannabis Dispensary, and make good faith attempts to promptly resolve all complaints.

Inspections

14. State and Local representatives (Health, Fire and Building inspectors) may enter and inspect the Property of each Cannabis 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 Cannabis Business shall implement sufficient security measures, as approved by the Seaside Police Department to both deter and prevent unauthorized entrance into areas containing cannabis or cannabis products and theft of cannabis or 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 cannabis and cannabis products in a secured and locked room, safe, or vault, and in a manner as to prevent diversion, theft, and loss.
17. Each Cannabis 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 cannabis products are displayed for sale, and all limited access areas within the facility as approved by the Seaside Police Department.
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 cannabis business; (b) Record and maintain video 24/7 for a minimum of ninety (90) days, or as otherwise determined by the Seaside Police Department.

19. The cannabis business shall install and use a safe for storage of any processed cannabis 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 cannabis business shall install and discretionary 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. Changes in the security plan shall be approved by the Seaside Police Department prior to implementation.
21. A cannabis 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 and approved by the Seaside Police Department.
22. No dried cannabis 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 Cannabis Business shall be secured so as to prevent unauthorized entry.

Accounting/Record Keeping

24. The Cannabis Business 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 cannabis product inventory purchased and/or grown and sales and disposal thereof to clearly track revenue from sales of any medical cannabis from other paraphernalia or services offered by the Cannabis Business.
26. The records shall clearly show the source, amount, price and dates of all cannabis received or purchased, and the amount, price, dates and business, patient or caregiver for all cannabis sold.
27. Each Cannabis 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 cannabis sold at the Property, and the daily amounts of cannabis stored on the Property.
29. Receipts shall be maintained via a computer program or by pre-numbered receipts and discretionary 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 Cannabis 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 discretionary use tax reports to the City quarterly; (3) A conviction of any disqualifying crime by any applicant of a Cannabis Business.

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33. Discretionary Use Permit approval is subject to revocation procedures contained in S.M.C.S. 17.80.060 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 discretionary use, or purposed for which the permit was issued, for a period of 180 days or more.
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40. 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 City Council of the City of Seaside, State of California, on the 28th of December, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ralph Rubio, Honorable Mayor

ATTEST:

Lesley Milton-Rerig, City Clerk

Project Location

Project Site: 895 Broadway Avenue

