A G E N D A

CITY OF SEASIDE
PLANNING COMMISSION

REGULAR MEETING
COUNCIL CHAMBER
440 Harcourt Avenue
Wednesday, January 24, 2018
7:00 PM

PLEASE TURN OFF YOUR CELL PHONES UPON ENTERING THE MEETING

1. CALL TO ORDER

2. ROLL CALL - ESTABLISHMENT OF QUORUM

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

3. REVIEW OF AGENDA

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

4. 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.

5. APPROVAL OF MINUTES

A. APPROVE MINUTES OF DECEMBER 4, 2017, DECEMBER 5, 2017, DECEMBER 20, 2017 AND JANUARY 17, 2018.

6. BUSINESS ITEMS

A. COASTAL DEVELOPMENT PERMIT CDP-18-01: THE CITY OF SEASIDE, PROPERTY OWNER AND APPLICANT, ARE REQUESTING A COASTAL DEVELOPMENT PERMIT FOR THE INSTALLATION OF NATURE BASED PLAYGROUND EQUIPMENT AND AN OUTDOOR CLASSROOM FOR AN ECO-RECREATION STATION LOCATED ON THE WEST SIDE OF ROBERTS LAKE IN THE COASTAL PARKS AND OPEN SPACE (CPOS) ZONING DISTRICT. THE PROJECT IS CATEGORICALLY EXEMPT CLASS , SECTION 1503(E) FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PURPOSE: In accordance with Section 2.4.B and C of the Seaside Coastal Implementation Program, the installation of the Nature Based Playground and Outdoor Classroom for the Roberts Lake Eco-Recreation Station is subject to the issuance of Coastal Development Permit.

RECOMMENDATION: Staff recommends approval of proposed Nature Based Playground and Outdoor Classroom for the Roberts Lake Eco-Recreation Station subject to the findings evidence, and Conditions of Approval provided as Attachment 1 to the Staff Report.

B. MAKE A RECOMMENDATION TO THE CITY COUNCIL REGARDING AMENDMENTS TO ORDINANCE 1043 REVISING REGULATIONS FOR CANNABIS ACTIVITIES IN SPECIFICED ZONES, ALLOWING THREE ADDITIONAL DISPENSARY USE PERMITS. THE PROJECT IS CATEGORICALLY EXEMPT CLASS 1, SECTION 15301(A) FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PURPOSE: To Amend Chapter 19 of the Seaside Municipal Code to increase the number of available Cannabis Dispensary Permits and to make other modifications to improve clarity and process surrounding Cannabis Related Uses and the scoring and application procedure.

RECOMMENDATION: Staff recommends that Planning Commission recommend the amendments to Seaside Municipal Code Chapter 19 Contained in the Draft Amended Cannabis Related Uses Ordinance.

C. CONSIDERATION OF UPDATES TO CHAPTER 17 OF THE SEASIDE MUNICIPAL CODE TO CLEAN-UP ZONING RELATED TO CANNABIS RELATED USES

PURPOSE: In October 2017, City Council adopted an ordinance that allows Cannabis and Cannabis related uses in certain zones and conditions. This ordinance adopted certain changes to the Seaside Zoning Ordinance (Chapter 17 SMC). The proposed changes are designed to bring those additions to the ordinance in compliance with State law.

RECOMMENDATION: That the Planning Commission makes a recommendation to the City Council to adopt the draft changes to modify Chapter 17 of the Municipal Code related to zoning.

7. REPORTS FROM COMMISSIONERS

8. REPORTS FROM STAFF

9. ADJOURNMENT

Next Regularly Scheduled Meeting:
Feburary 14, 2018
Seaside City Hall
7:00 PM

The City of Seaside is committed to providing accessible facilities and accommodating people with disabilities in all of its services programs and activities. If special considerations are needed by any person to fully participate in this meeting, they are asked to contact the City Clerk at 899-6707 no fewer than two business days prior to the meeting to allow reasonable arrangements. The City Council chamber is equipped with a portable microphone and assisted listening devices are available at all meetings.

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

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

DRAFT MINUTES

CITY OF SEASIDE
PLANNING COMMISSION

SPECIAL MEETING
COUNCIL CHAMBER

Monday, December 4, 2017
5:00 PM

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1. CALL TO ORDER

Chair Owens called the meeting to order at 5:00 PM

2. ROLL CALL - ESTABLISHMENT OF QUORUM

PLANNING COMMISSION

PRESENT: La Mica, Spalletta, Ross, Dodson, Oglesby, Owens
ABSENT: Lechman

3. REVIEW OF AGENDA

No changes were requested.

4. PUBLIC COMMENT

Chair Owens invited comments from the public for items not on the agenda and there were no requests to speak.

5. BUSINESS ITEMS

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

Chair Owens explained the meeting format to include receive a staff presentation, recommended applicant presentations and public comments but that there will be no decision made tonight as the Planning Commission needs more time to continue reading the applications to be able to make an informed decision. Economic Development Manager Stearns presented the staff report on the Use Permit process, criteria and ratings. She thanked the team of City staff for their efforts evaluating applications.

She began with a review of the ordinance regulations and the schedule of the application review process. The application period ended on November 21st and 17 applications were received and the necessary actions prior to final approval.

She further explained the review process, including review of applications, background checks, testing and ratings according to the adopted ordinance in the areas of business plan, location, security plan, and community benefit plan.

Deputy City Manager Hodgson spoke to the Business Plan scoring process. She detailed the challenges with evaluating the applications specifically pertaining to applications with unreasonable estimated sales figures. She explained the staff justification and process for evaluating scores based on reasonable operations sales figures, and existing capital availability for one year of operations. Staff also evaluated and awarded points for prior experience in business operations.

The Security score was presented by Chief Veloz to which she spoke to Safety and Security issues considered and defined the difference between inadequate, adequate and exemplary applications. She spoke to other aspects considered including security guard hours, ID checking processes, youth diversion programs and articulation of double checking security. She noted that all applicant backgrounds were reviewed for deniable offenses. Commissioner Ross questioned if there would be periodic checks to ensure applicants are following agreed to practices to which Chief Veloz affirmed.

Ms. Stearns reported that all proposed locations were within the preferred area established by Ordinance, therefore all received maximum points. The Community Benefits score process was reviewed and rated based on the commitment to employing Seaside residents, using Seaside businesses or sponsoring local non-profits and other specific commitments within the community. She spoke to the differences of commitments from each of the different applicants. Ms. Stearns then detailed the scoring sheet that was circulated including the amended and combined scores and explained the top three recommended project sites, the benefits of each location and how they would comply with required conditions. She affirmed each applicant would be held to all of the conditions, as listed in each of the applications. All of the entities are meeting the parking requirements of the code.

The Commissioners questioned the site plan elements of staff, specifically questioning parking availability and entry access points. Chair Owens expressed concern that it would create an unsafe condition at 778 Broadway. Chair Dodson questioned the access and future use of the adjacent site at Amador avenue to which Ms. Stearns indicated they have expressed desires for business expansion into the adjacent location. She then answered the question regarding security, asking if the cameras were recording on the public sidewalk, to which Ms. Veloz affirmed. Commissioner Oglesby, suggested adding a requirement to have conditions on dedicated and signed parking stalls as part of the conditions of approval.

Senior Planner Rick Medina spoke to the draft resolutions which include findings, evidence that each site is in compliance with General Plan policies and consistency with upgrading vacant properties. Also included in the conditions of approval were details regarding standard operations, testing and packaging, community relations, inspections, record keeping and accounting and standard conditions of indemnification, complying with water allocation requirements, health and safety and building code and fire requirements. Mr. Medina indicated that additional parking requirements could be included under the specific conditions for the site improvements. Staff can add signs as required by the occupancy.

Ms. Stearns closed by clarifying the three applicants who reached the highest scoring applicants of Pharm House/Sugarleaf, Higher level of Care, Canopy Monterey Bay/The Reef. Chair Owens, clarified that if the exceptions are not met, their permit may be revoked, to which Ms. Stearns affirmed that permits can be revoked at any time for non-compliance.

Chair Owens invited the three recommended applicants to each make a seven minute presentations.

- Sal Palma presented for Higher level of Care
- Janice Steible spoke representing Canopy Monterey Bay
- Wes Clark from Pharm House/ Sugar Leaf

Commissioner Oglesby requested adding requirements that all applicants have the same level of camera system and requested that the permit require donations to local organizations to be 1% of gross sales or a $10K minimum. Commissioner La Mica also requested considering donations to smaller non-profits. Commissioner Owens questioned the staff analysis for parking to which Ms. Stearns spoke to the parking requirement standard of 1 space per 500 square feet of space and potential future establishment of a parking district on Broadway as part of the revitalization. He continued to express concern that the projected number of cars is per hour necessary to generate the amount of projected revenue believing the parking will not be adequate.

Chair Owens invited comments from the public.

- Kristina Thomas and Kris Francy, applicants for Cannedge spoke to their success of two cannabis stores and the commitment they will make to the Seaside Community. They detailed their experience, location and safety and security and community commitment and requested consideration of their application.
- Carlton Willey, Attorney spoke to the process of application review and expressed concerned with how the process conformed to the ordinance, specifically section 19.08.040 He challenged the term and application of "qualified applicants", and the requirement to amend and combine believing it was a demand from staff to amend and combine. The initial ranking of the capitalization should be reviewed.
- Danny Huyng expressed disappointment with the process and the scoring of the applications and requested further review.
- Nathan Elmore spoke on behalf of Sal Palma and Higher Level of care and in support of his character and success.
- Ann Huyng, applicant for Pantacea spoke to their business experience, community benefits and concerns regarding confidentiality of information for financials and business models and did request consideration of the safety plan requirement of 24 hour security as they have found their security sleeping and it’s not the most effective form of security.
- Sahan Sultan from Rare Earth, pointed out the misrepresentation of Sal Palma’s comments, then disagreed with the rankings citing the combine and amend requirement was preposterous and disastrous.
- Georgette, resident spoke on behalf of Sal Palma and higher level of care and spoke to the integrity of his character and his family. She spoke in support of the efforts of all people trying to make a positive impact in people’s lives.
- Reg Carter, SugarLeaf applicant spoke to the process, introduced his team and spoke to the extensive business experience and commitment to local benefit that they are committed to. They spoke to the understanding of the process, logic, transparency and that the Combine and Amend phase was known before the process even started. Please move forward as recommended. He clarified that the application process, their combined application has two locations and the second location as adequate parking.

- Daryl Choate spoke to the need to focus on local residents. He spoke against the combine and amend phase citing his view of inadequacies of others applications and that that it was an unfair process. Throw them all out.
- Jason Sweat spoke on a fair process, didn't see anything about a sliding scale of points, didn't like that there could be points for prior non cannabis experience, and did not like the requirement or the timing for the amend and combine phase.
- Peter Baird, property owner for eight of the applicants, spoke in disagreement with the process and the cap on total gross sales is unjustified and spoke to the total possible sales tax revenue that could be generated at his property to the city as being a larger retail sales floor.
- Jim Chubb, the Reef applicant addressed his team's experience and to their dedication to help provide a higher quality of life for people.
- Andrew Golluchi from the Nugg Company spoke to combining before turning in their original application which penalized them, and questioned why only three of the allowed six are being recommended.
- Casey Valverde, Director of Operations for Higher Level of care explained his experience as well as his personal family needs and investment into this industry.
- Brian Sheltran, Sugar Leaf spoke in agreement of the process and believes those that disagree had a lack of understanding of the process to begin with and spoke to applicants trying to purchase their security plans for the amending phase.
- Brian McCall Owner Operator of Blue Belly farms and spoke in support of Monterey Bay Alternative Medicine and Santa Cruz vets alliance and as a small producer, it was a pleasure working with them and he encouraged selection of their applications.
- Pat Corrigan owner of Gusto's restaurant spoke in support of businesses that want to improve the Fremont Street businesses and buildings and that it will be a welcome addition.

Having no further requests to speak, public comment was closed.

Chair Owens reiterated the fact that the Commissioners need more time to review the applications and agreed to adjourn the meeting to a specific date and time for the continuation of the item.

6. ADJOURNMENT

Planning Commission meeting adjourned at 7:45 PM and will reconvene on December 5, 2017 at 7:00 PM in the City Council Chamber.

Respectfully submitted,

_____	_____
Lesley Milton-Rerig, City Clerk	**John Owens, Chair**

DRAFT MINUTES

CITY OF SEASIDE

PLANNING COMMISSION

ADJOURNED
SPECIAL MEETING
COUNCIL CHAMBER

Monday, December 5, 2017
7:00 PM

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1. CALL TO ORDER

The meeting was recalled to order at 7:06 PM

2. ROLL CALL - ESTABLISHMENT OF QUORUM

PLANNING COMMISSION

PRESENT: La Mica, Spalletta, Ross, Dodson, Oglesby, Owens
ABSENT: Lechman

3. REVIEW OF AGENDA

No changes were requested.

4. PUBLIC COMMENT

Chair Owens invited comments from the public for items not on the agenda and there were no requests to speak.

5. BUSINESS ITEMS

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

City Attorney Freeman began the discussion and spoke to concerns expressed regarding the interpretation of the ordinance including; the classification of qualified versus other definitions, acknowledging that all applicants were passed as "qualified" to go forward, and the amend and combine application phase intent of the ordinance was to amend and combine, not an either/or option. He further clarified to the Commission that all applications can be considered, regardless of the staff recommendation as all are deemed qualified. He urged the Commission to focus on the land use applications of the ordinance, as that is their purview.

Ms. Stearns then responded to public comments made the previous evening regarding operating hours, community benefits criteria, security criteria including armed security regulations lighting, cameras, traffic volume and parking. She clarified that the safety and security plans were redacted from all applications for priority and public safety reasons.

Commissioner Oglesby arrived at 7:14 PM.

Ms. Stearns then presented to the Commission the different scoring matrix prior to and after the amend and combine phases as well as scores that show impacts due to the adjusted sales projections. She reiterated to the audience that the Planning Commission looks at this through a land use lenses to make decisions that allow us to be an aspirational city and that we are looking the best professional, operational businesses in the City. Ms. Stearns answered questions from Commission. On question, Ms. Stearns clarified that the amended and combined applications were rated based on the submitted application materials not a combination of the two previous applications or their scores. City Attorney Freeman reaffirmed the process of adopting the ordinance, reassuring them that the ordinance has not changed, and all applicants signed a document affirming they understood what the ordinance allowed. The Commission discussed the timing of the application period and review process.

Chair Owens invited public comments again for the item.

- Chris Francy, Cannedge spoke to his applications and believed that he should have received an exemplary on his safety and security standing and vowed to post a bond for the projected sales tax revenues he is projecting for his application as a show of good faith.
- Carey Steibel, Canopy Monterey Bay explained his differentiation from all of the other applicants, specifically community outreach efforts to property owners, businesses, neighbors, residents, personally and to the benefit of his application would help revitalization on Freemont which is necessary.
- Lonna Blodgett, SeaWeed dispensary, and owner of Monterey Bay Alternative Medicine, the first permitted dispensary in Monterey County spoke to her intent to change the industry with a hospitable, user friendly atmosphere and evolving to create a boutique, cannabis art and artifact gallery and to provide and educational experience for the community.
- The Rare Earth Team expressed true frustration that the asterisk was not resolved until after the noon deadline and incomplete information precluded them from being able to combine
- Daryl Choate spoke to the 24 hour security plan, to his existing grocery store experience, and to his plan to have a direct feed of their facility directly to the PD and requested consideration for their community benefit and reuse of an underutilized asset.
- Cassidy, Purchasing Manager at Higher level of Care spoke to her personal medical conditions that allowed her to user her own experiences with cannabis to assist others with health related issues. She spoke to her pride in being affiliated with HLC.
- Cecilia Stalk, Director of Monterey Bay Alternative Medicine and continued the prepared comments from Lonna Blodgett, indicating the process was egregious for those who chose not to combine. Please change the ordinance to provide merit and integrity to the process.
- Royce McCormick spoke in support of Higher Level of Care, to the quality of their dispensary, and to education as a cornerstone of the dispensary.
- Tyson Hunter, Pharm House spoke to his industry entrance and to his humble

upbringings that have encouraged him to join a profit-sharing venture to have an opportunity at something better. He spoke to his team's demonstrated commitment to the community through service, which will continue. He encouraged the Planning Commission to make a decision citing they did everything the City asked to do, so please not take way the opportunity at something better.

- Mary Ann Klein articulated her view of the faults with the process, that the ranking system was changed during the process penalizing those that chose not combine and amend and thinks staff is marginalizing the process to get dispensaries in before laws change.

The Commission took a 5 minute recess and reconvened the meeting at 8:44 PM.

- Sal Palma, Higher level of Care said although he didn't like or agree with the process, he abided by it and that it helped improve their scores over all from a good application to a solid one.
- Cristina Thomas, Cannedge, explained that "Bud in Bloom" their Orange County retail store was nominated as "most charitable" by Dope Magazine, explaining that they will continue the charitable contributions to the Seaside Community.
- Cali Doma, spoke in support of the Pharm House team and in support of Tyson Hunter as an employee and someone of good community character.
- Steve Podell, East of Eden spoke to the frustration of the process and to the only 72 hours to amend and combine the application. The process was fostering things that are not good business practices. He indicated his team has already given over $100k to community groups over the last year and thinks the process was unfair.
- John Tracy spoke in support of Pharm House and why they chose to make him part of the team.
- Katie Bryant came to show support for Pharm House and for Tyson Hunter.
- Wes Clark from Pharm House encouraged the Commission to make a decision. You have three fantastic applicants who are a part of the community. Please give them a chance.
- Peter Baird, property owner of eight of the applicants, spoke against the ambiguous language for the amend and combine process, and to the fact most of the applicants didn't understand but that the $250k of additional income was not ambiguous, therefore staff does not have the ability to cap the process and change the definition of the ordinance. He encouraged using the original matrix for basing final determinations.
- Seth Smith spoke on behalf of the Seaside Project and the Santa Cruz veteran's alliance, to the population of veteran's and the ways that his company assists veteran's locally and how this would have helped save lives. . He talked about the pricing infrastructure and state regulations
- Andrew Golluchi owner and operator of the Nugg Company and partner with The Veteran's Alliance spoke to the cannabis expertise test which he felt was insufficient explaining there were no questions of medical use, cannonades or other industry specific information and a quality test would have filtered out some people who are called "green rushers" that do not have the expertise.
- Judy Hyung from Plantacea said the process can be clear and fair. She requested the Planning Commission to review all applications and allow 5 minutes to present a professional presentation. She spoke to working with community organizations because their application didn't want to earn points on the back of the children and don't want to just list organizations even though they have over 60 organizations

that they help.

- William Kennedy speaking for the Nug Company spoke to the personal relationships that have been made by providing medical needs to different customers and how it has helped grow community.
- Brian Roxmith, Santa Cruz Veteran' s Alliance xplained the organization was founded with the purpose to give back to veterans and this would allow them to bring the compassion program down from Santa Cruz to Monterey County. They can't do it here without a medical dispensary license. They do more than just Cannabis, but provide resources to veterans.
- Elizabeth Ortiz, veteran, resident and patient of the Santa Cruz Veteran 's alliance spoke to the different benefits the VA has provided to her through the compassion program and requested the Commission to please give them consideration.

Having no further requests to speak, public comment was closed.

Chair Owens acknowledged the vast amount of information presented and requested discussion from the Commission. The Commission requested information about the varying scoring profiles distributed and the determinations for the security ratings that were used questioning the industry standards for security methods such as 24 hours, armed security vs non-lethal enforcement.

Based on the questions posed, Staff reiterated that applications can only be evaluated based on what was submitted in hard copy by the deadline, and by applying what the ordinance said.

The Commission discussed the level of investment that was proposed with these applications in order to become operational. On question Ms. Hodgson answered to the staff's position to apply a reasonableness test to the financial capitalization. She explained that the Economic Development Department did look at 27 dispensaries for the sales expectations and as a result of that research, and determined the average number of sales per square foot at $,2000. She noted that those figures were derived in markets larger than that the Monterey Peninsula, with other differences..

Commissioner Dodson talked about the dual permitting with the medical and the adult, and requested clarification on the intent of the total number of permits to which staff indicated the direction of the Council during a Study Session on the ordinance was a maximum of three locations, co-locating adult use and medical use. The Commission discussed the regulations regarding co-location.

The Commission then discussed traffic and parking expressing concern that the EIR for the West Broadway Urban Village may not allow for this level of traffic and questioned if staff has verified this. Senior Planner Medina spoke to the CEQA requirements that these would be categorically exempt and are classified as adequate uses and the project impacts would be negligible in terms of the expansion in those locations to not cause significant impacts to level of service in the City of Seaside.
Commissioners Owens and Dodson expressed significant concerns regarding the traffic in both locations and wanted assurances that the adopted EIRs qualify as the plans never anticipated recreational marijuana dispensaries as part of the build out. They requested review before a decision is made.

Commissioner Oglesby disagreed with their projected level of traffic anticipating that not every customer will be driving but will be using many modes of transportation, and he believed the hourly rate of traffic is not significant enough to make traffic the scape goat issue. We should focus on which applicants we should recommend to move forward to City Council.

Chair Owens requested more time to review and consider all of the applications due to the significant level of information. Commissioners La Mica, Spalletta, Dodson and Ross agreed.

Commissioner Oglesbly thanked the Chair for an open and transparent process and for allowing everyone adequate and equal time to speak. He is prepared to move forward with the guidelines, with twice as many applicants as they permit for a total number of six. He also said that he would recommend clarifying processes and definitions to the Council for consideration to improve the ordinance. The other Commissioners respectfully requested more time to consider all applications.

On motion by Commissioner Dodson and seconded by Commissioner Ross and approved by the following vote the Planning Commission adjourned the meeting to come back at a later date to reconsider all the applications and allow all applicants to make a five minute presentation at the next meeting.

6. ADJOURNMENT

On motion the meeting was adjourned at 10:15 PM.

Respectfully submitted,

Lesley Milton-Rerig, City Clerk	**John Owens, Chair**

DRAFT MINUTES

CITY OF SEASIDE
PLANNING COMMISSION

SPECIAL MEETING
COUNCIL CHAMBER

Wednesday, December 20, 2017
7:00 PM

1. CALL TO ORDER

Chair Owens called the meeting to order at 7:00 PM.

2. ROLL CALL - ESTABLISHMENT OF QUORUM

PLANNING COMMISSION

PRESENT: Spalletta, La Mica, Owens, Dodson, Ross
ABSENT: Lechman, Oglesby

3. PUBLIC COMMENT

Chair Owens invited comments from the public and had no requests to speak.

4. PUBLIC HEARING

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

Chair Owens opened the public hearing and requested the City Attorney to speak regarding a legal matter. City Attorney Freeman indicated due to correspondence received regarding the calculations of the point system, he said staff has requested to review the applications for accuracy and consistency to allow the Commission and the Council to make an informed decision. He requested the Commission to consider the fact that since December 31st triggers a deadline, that the Commission consider recommending all applicants to the City Council as qualified, in process and in good standing and not make any recommendation as to any specific applicant to move forward at this time. The intent of this recommendation is to allow the City Council to also adopt a resolution with the same conditions to provide the necessary time to allow staff to ensure the numerical system was consistently calculated in accordance with the Ordnance. This will ensure that there is no procedural error. That is the direction that was asked from the City Attorney to the Planning Commission.

Chair Owens spoke to the level of review of all applications that the Planning Commission has completed since the last meeting. He invited all applicants to make a seven minute presentation, as requested at the last meeting, and encouraged respect from all speakers about the process.

The Applicant presentations included the following:

- Steve Podell made the presentation for East of Eden.
- Sal Palma presented for Higher Level of Care
- Mary Anne Kline presented for Seaweed Dispensaries
- Andrew Gollouci and presented for the Seaside Project/Canopy joint
- James Chubb presented for Canopy Monterey Bay/The Reef

- Reginald Carter presented for Pharm House/Sugar Leaf
- Danny Hyung and Presented for Toke Med/Seaside Green Group
- Ann Hyung presented the Plantacea applicant presentation
- Chris Francy presented for Cannedge, for Cannatopia

The Chair thanked the applicants for their concise presentations and reiterated the City attorney's recommendation that the Commission discuss taking action that acknowledges that all applicants are qualified, all are in good standing and are in process and push all applicants to the City Council. City Attorney Freeman clarified that the intent is to make a recommendation to give staff time to go back and look at the numbering system for accuracy.

Commissioner Ross questioned the public comments received to which he indicated that the requests were all for reconsidering application details and this will allow staff to do that, being responsive to the applicant's requests.

On motion by Commissioner Dodson and seconded by Commissioner La Mica and Approved unanimously the Planning Commission recommended that all applicants be forwarded to the City Council to adopt a resolution that all are in good standing, qualified and in process and should be considered for available licenses.

RESULT:	**Approved**
MOVER:	Commissioner Keith Dodson
SECONDER:	Commissioner Arlington La Mica
AYES:	John Owens, Denise Ross, Keith Dodson, Arlington La Mica, Michael Spalletta
NOES:	None
ABSENT:	Mike Lechman, Ian Oglesby

Chair Owens spoke to the purview of the Planning Commission which is a land use based commission and is happy with the outcome as all of the applicants are qualified.

5. ADJOURNMENT

Motion to adjourn approved at 8:33 PM.

Respectfully submitted,

_____ _____

Lesley Milton-Rerig, City Clerk **John Owens, Chair**

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.A.

TO: Planning Commission

BY: Rick Medina, Senior Planner

DATE: January 24, 2018

SUBJECT: **COASTAL DEVELOPMENT PERMIT CDP-18-01: THE CITY OF SEASIDE, PROPERTY OWNER AND APPLICANT, ARE REQUESTING A COASTAL DEVELOPMENT PERMIT FOR THE INSTALLATION OF NATURE BASED PLAYGROUND EQUIPMENT AND AN OUTDOOR CLASSROOM FOR AN ECO-RECREATION STATION LOCATED ON THE WEST SIDE OF ROBERTS LAKE IN THE COASTAL PARKS AND OPEN SPACE (CPOS) ZONING DISTRICT. THE PROJECT IS CATEGORICALLY EXEMPT CLASS , SECTION 1503(E) FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.**

PURPOSE

In accordance with Section 2.4.B and C of the Seaside Coastal Implementation Program, the installation of the Nature Based Playground and Outdoor Classroom for the Roberts Lake Eco-Recreation Station is subject to the issuance of Coastal Development Permit.

RECOMMENDATION

Staff recommends approval of proposed Nature Based Playground and Outdoor Classroom for the Roberts Lake Eco-Recreation Station subject to the findings evidence, and Conditions of Approval provided as Attachment 1 to the Staff Report.

BACKGROUND

The project site is located on the west side of Roberts Lake as shown on Attachment 2. The area of the site improvements consists of sandy open space area devoid of any sensitive habitat or vegetation. The adjoining land uses consist of sand dunes and roadway to the west, off-street parking areas to the north, emergent wetlands and Roberts Lake to the east and south. Site photos are provided as Attachment 3.

Project Description

The City of Seaside Parks & Recreation Department applied for a $150,000 Building Better

Communities Grant from the National Recreation and Parks Association, and also the American Water Charitable Foundation. Seaside was one of three cities across the US awarded the grant in Summer 2017. The grant proposal is to establish a nature-based water ecology play and education area at Robert's Lake.

The project site plan and elevations is provided as Exhibit "A' to Attachment 1. The playground equipment outdoor classroom will consist of a pergola structure with open sides and an open air trellis roof with slats instead of an enclosed roof. The height of the pergola will not exceed 15 feet. The open sides and roof will allow for public views from the Roberts Avenue and Highway 1 to the west to be maintained through to Roberts Lake. The benches for the classroom are arranged in a council ring style, with room for ADA participation. The play area, designed by Miracle Play Group, will feature nature-based play equipment. The has held the following meetings to receive public comments/feedback:

General public meeting on October 6, 2017; and
City of Seaside Parks and Recreation Committee on November 20, 2017.

The comments and feedback at both meetings has been to overwhelmingly recommend a configuration that included climbing logs, bridge, nets and also a sea turtle (See Exhibit "A" to Attachment 1). The proposed layout will comply with this direction. The area will be graded to become more ADA accessible, and one parking space will also be improved for ADA accessibility. Miracle Play Group has provided a bid to do all of the necessary work, which fits within the grant budget and leaves a small amount for potential overruns, as well as educational materials needed to program the space. The City of Seaside originally partnered with Sustainable Seaside on this project. Now, CSUMB and other area agencies are involved.

Consistency with Local Coastal Plan

Land Use Designation
The land designation is Coastal Parks and Open Space (CPOS). This designation is assigned to areas where the City wants to protect and preserve natural resources and habitat, views, and other visual amenities and protect people from natural and man-made hazards. This designation also identifies existing or planned parkland.

Evidence: The proposed parkland use will maximize the use of the vacant area of Roberts Lake by providing an accessible park use which maintains views of the lake and surrounding environs and connectivity with pedestrian path encircling the lake **(Policy PAR-CZ-1.1.B).**

Evidence: The proposed playground will provide a lower cost visitor serving and public recreational facility **(Policy PAR-CZ-1.1.D).**

Evidence: The playground area has been sited on barren sandy soli devoid of any natural habitat or nesting area and will maintain a 40-foot buffer from the edge of the water line in order to be compatible with the adjacent environmentally sensitive habitat (ESHA) and to enhance the vegetative characteristics of Roberts Lake **(Policy LUD-Z-3.1.A).**

FISCAL IMPACT

There are no fiscal impacts associated with the project.

ATTACHMENTS

1.

1. Attachment 1 - Draft Resolution
2. Attachment 1 - Exhibit A Project Plans
3. Attachment 1 - Exhibit A Aerial View
4. Attachment 2 - Location Map
5. Attachment 3 - Site Photos

RESOLUTION NO. 18-XX

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SEASIDE, STATE OF CALIFORNIA, APPROVING A COASTAL DEVELOPMENT PERMIT TO ALLOW FOR THE INSTALLATION OF A NATURE BASED PLAYGROUND EQUIPMENT AND AN OUTDOOR CLASSROOM FOR AN ECO-RECREATION STATION LOCATED ON THE WEST SIDE OF ROBERTS LAKE IN THE COASTAL PARKS AND OPEN SPACE (CPOS) ZONING DISTRICT. THE PROJECT IS CATEGORICALLY EXEMPT CLASS 3, SECTION 1503(E) FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

WHEREAS, the City of Seaside, applicant and property owner, has applied for a Coastal Development Permit to allow:

1. A nature based playground equipment and an outdoor classroom for an eco-recreation station located on the west side of Roberts lake in the coastal parks and open space (CPOS) zoning district.

WHEREAS, the proposed project requires discretionary approval, and it is the responsibility of the Planning Commission to consider and weigh the merits of the application and public input in relation to the policies, standards and intent of the Seaside General Plan and the Seaside Local Coastal Program, and

WHEREAS, the Seaside Planning Commission considered oral comments and written information concerning the proposed amendment at a duly noticed public hearing at a public meeting held on January 24, 2018, and

WHEREAS, in accordance with the Guidelines for Implementation of the California Environmental Quality Act (CEQA), the project is exempt from the California Environmental Quality Act pursuant to Class 3, Section 15303(e).

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission adopts the following findings for Coastal Development Application No. CDP-18-01:

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

   Evidence: The proposed development would be subject to the regulations set forth in the Seaside General Plan and the Local Coastal Program and would result in an improved site that would enhance the character of the community and recreational opportunities within the City's Coastal Zone.

2. **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 location, size, and operating characteristics of the project will be compatible with the character of the site, the adjacent environmentally sensitive habitat area of Roberts Lake, and the land uses and development intended for the surrounding neighborhood by the Seaside General Plan and Local Coastal Program.

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

   Evidence: The proposed use is consistent with the City's General Plan Policy LU-1.3: The proposed project will enhance the identity of the City with the construction of a new, low cost recreational use within the City's Coastal Zone.

   Evidence: The proposed use is consistent with the City's General Plan Policy LU-2.4: The proposed project will include the implementation of a park use consistent with the development standards outlined in the Coastal Implementation Plan.

   Evidence: The proposed use is consistent with the City's General Plan Policy LU-4.1: The location of the park use will not result in any detrimental impact to the health, safety, and general welfare of the community.

4. **The proposed use is consistent with the Certified Local Coastal Program.**

   Evidence: The proposed parkland use will maximize the use of the vacant area of Roberts Lake by providing an accessible park use which maintains views of the lake and surrounding environs and connectivity with pedestrian path encircling the lake (Policy PAR-CZ-1.1.B).

   Evidence: The proposed playground will provide a lower cost visitor serving and public recreational facility (Policy PAR-CZ-1.1.D).

   Evidence: The playground area has been sited on barren sandy soli devoid of any natural habitat or nesting area and will maintain a 40-foot buffer from the edge of the water line in order to be compatible with the adjacent environmentally sensitive habitat (ESHA) and to enhance the vegetative characteristics of Roberts Lake (Policy LUD-Z-3.1.A).

5. **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 proposed project site improvements will be sited and constructed in accordance with the adopted development standards of the Coastal Implementation Plan for the City's certified Local Coastal Plan.

6. **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 granting of a Coastal Development Permit will not create significant noise, limitations on public access to the coastal zone, traffic, visual interference, or other conditions or situations that may be objectionable or detrimental to other permitted uses in the vicinity or adverse to the public interest, health, safety, convenience, or welfare of the City.*

BE IT FURTHER RESOLVED, that the Planning Commission approves Coastal Development Permit Application No. CDP-18-01 subject to the following conditions:

Project Specific

Planning:

1. Except as modified by required conditions of approval, plans submitted for Coastal Development Permit approval shall substantially conform to the plans identified as "Roberts Lake Eco Park" stamped as received on January 19, 2018 and as approved by the Planning Commission on January 24, 2018. The project plans are provided as Exhibit "A".

Public Works:

2. Submit a grading and drainage plan that shows the following:
   a. Retention of all stormwater on-site.
   b. Maintenance and control of exiting stormwater flows from offsite sources to minimize negative impacts to adjacent properties and Roberts Lake.

Standard:

3. This Coastal Development Permit is subject to procedures and requirements of Section 2.7.B and Section 3.8 for the implementation of the project improvements, and those related to appeals and revocation in Section 3.12 of Title 18.10 of the Seaside Municipal.

4. 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.

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

6. The project shall comply with the requirements and the applicable ordinances of the Monterey Peninsula Water Management District (MPWMD for any new irrigation within the medians.

7. The permit shall have no force or effect unless and until accepted, and the terms thereof agreed to, in writing, by the applicant and property owner within fifteen (15) days from the date of its approval.

8. This shall expire and become void 12 months from the date of approval, or upon the expiration of another time limit established by the review authority, unless use has commenced within the required time limit or the Planning Commission has granted an extension of time**.** In accordance with Section 3.8 of the CIP, the applicant must file request for time extension prior to expiration date of the Coastal Development Permit in order to receive consideration of a one-year time extension by the Commission.

9. For purposes of assuring compliance, the applicant, agents, representatives or their assignees agree not to deny or impede access to the subject property by City employees in the performance of their duties.

PASSED AND ADOPTED at the special meeting of the Planning Commission of the City of Seaside, State of California, on the 24th of January, 2018, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
John Owens, Chairperson

ATTEST:

_____
Planning Commission Secretary

COASTAL DEVELOPMENT PERMIT APPLICATION NO. CDP-18-01

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

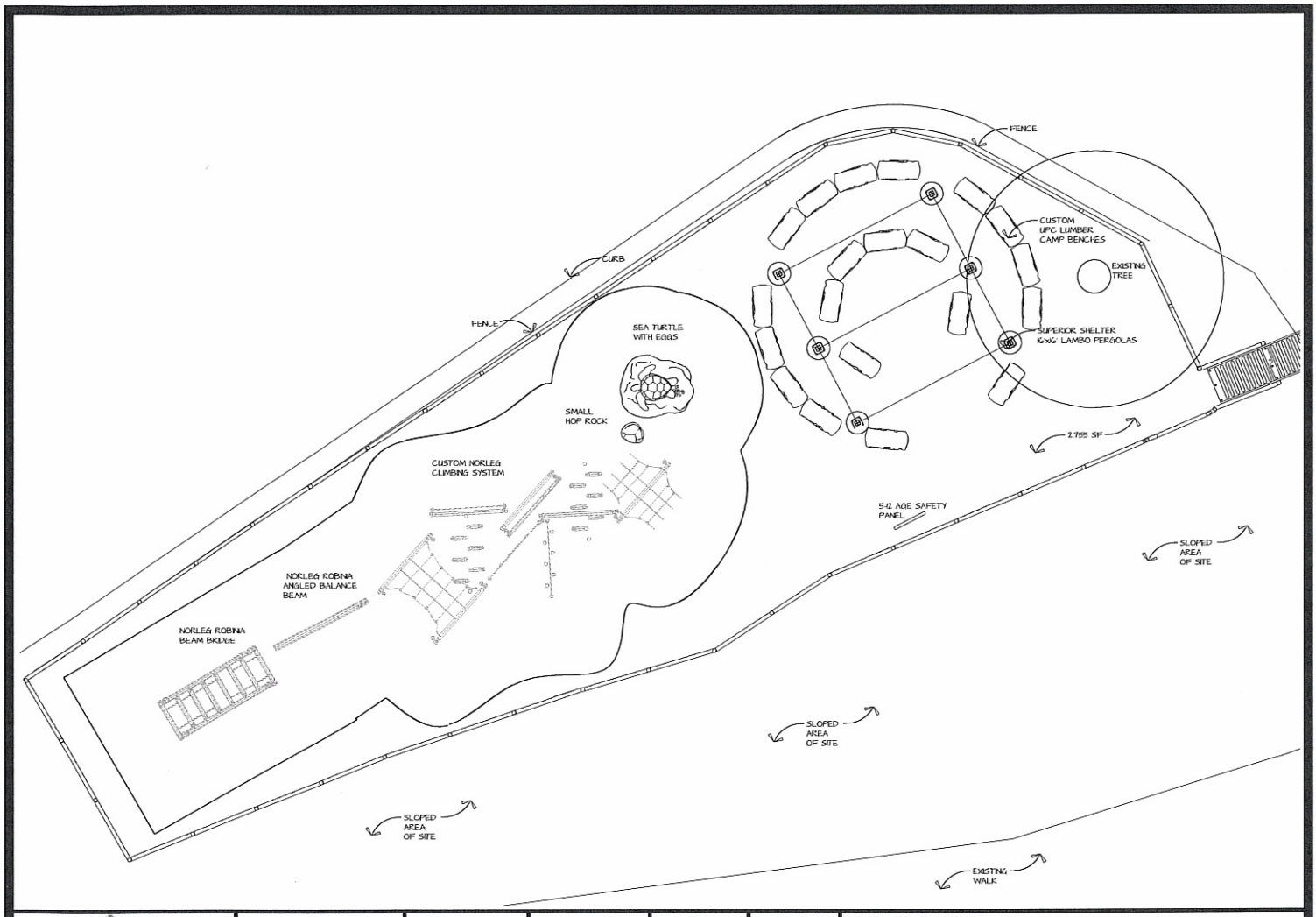
The undersigned hereby acknowledge the approved terms and conditions and agree to fully conform to, and comply with, said terms and conditions within the time frames approved by the City of Seaside Planning Commission.

_____ _____

Applicant's Signature Date

_____ _____

Property Owner's Signature *(if different from above)* Date



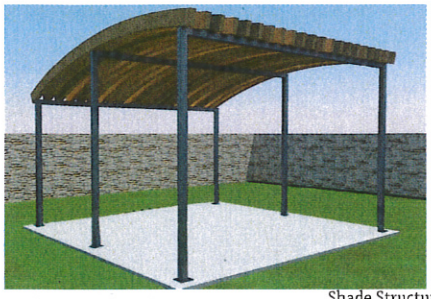
MIRACLE playsystems DESIGNING PLAY

ALL DRAWINGS ARE SUBJECT TO CHANGE AND SHOULD BE REVIEWED BEFORE FINAL SALE. ALL SITE DIMENSIONS WILL NEED TO BE VERIFIED PRIOR TO SALE AND INSTALLATION

LINEAR FEET:	255 LF	SITE AREA:	2,755SF
CRITICAL FALL HEIGHT:	6'	SCALE:	3/32"=1'-0"
17_0852_Roberts_008		DRAWN BY:	DT
		DATE:	11-14-17

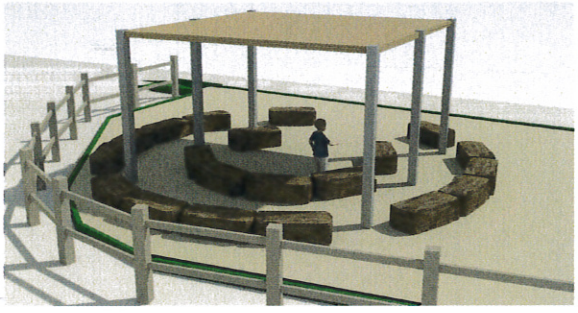
Roberts Lake

Seaside, CA.



Lumber Camp Bench

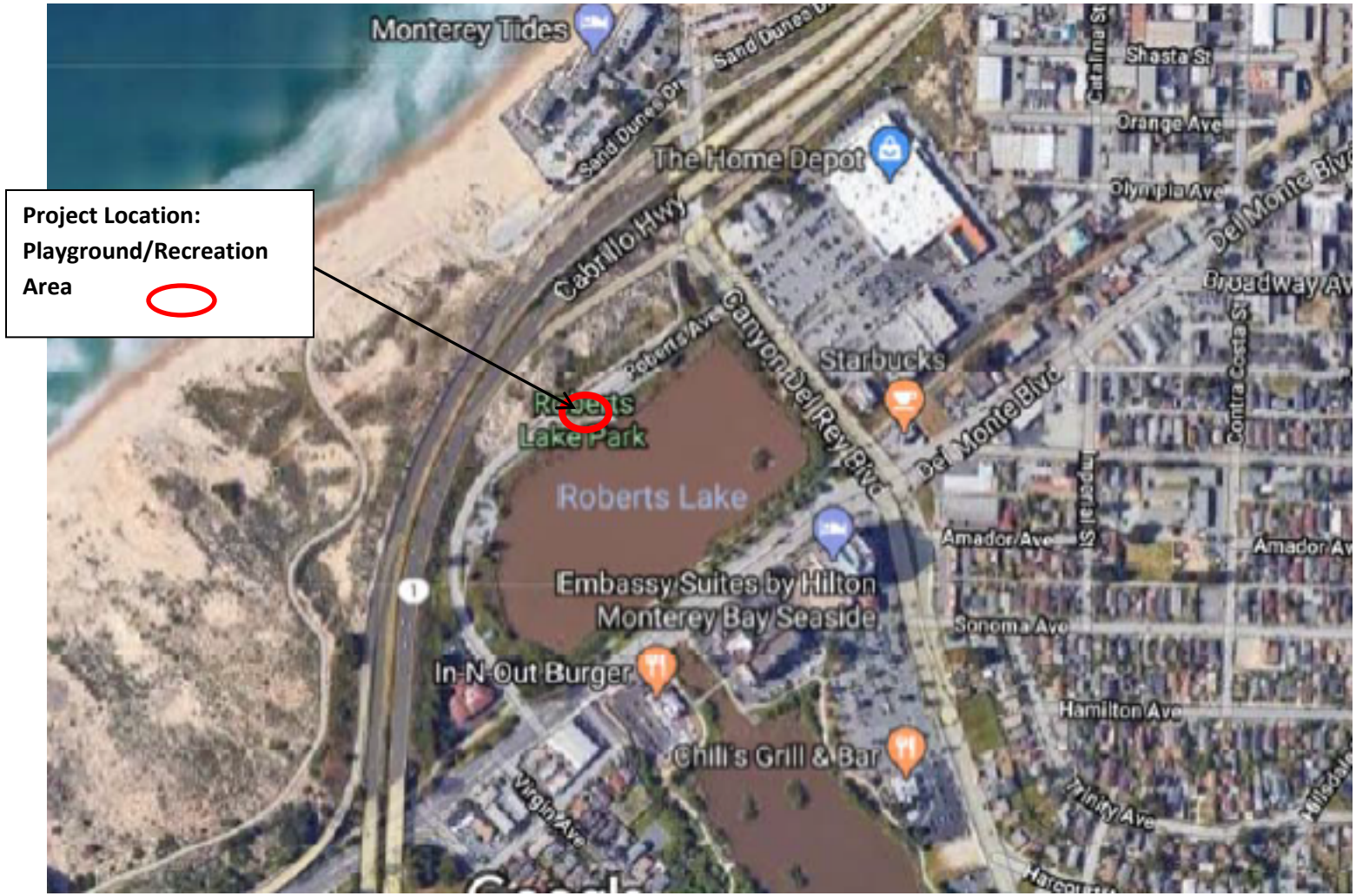
Shade Structure



Robert Lake
Seaside, CA.
11/14/17

MIRACLE playsystems DESIGNING PLAY

Aerial View


Project Location:
Playground/Recreation
Area
Monterey Tides
Sand Dunes Dr
The Home Depot
Cabrillo Hwy
Roberts Ave
Canyon Del Rey Blvd
Starbucks
Roberts Lake Park
Roberts Lake
Del Monte Blvd
Embassy Suites by Hilton
Monterey Bay Seaside
In-N-Out Burger
Chili's Grill & Bar
Shasta St
Orange Ave
Olympia Ave
Broadway Ave
Amador Ave
Sonoma Ave
Hamilton Ave
Trinity Ave

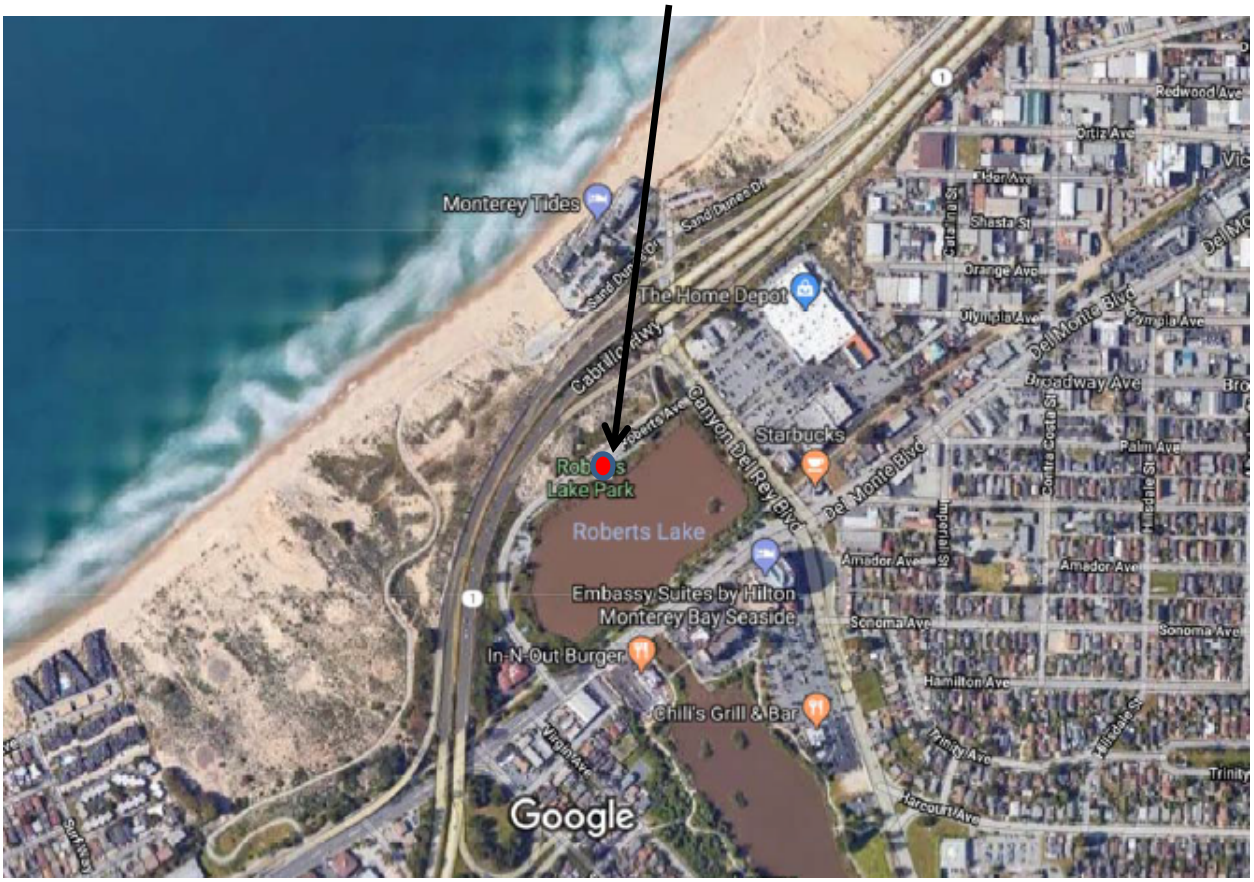
Aerial View of the project location

Playground/Recreation Area

Attachment 2

Location Map

Project Site: West side of Roberts Lake



Attachment 3

Site Photos

View of Park Area looking south

View of Park Area looking west

View of Park area looking north

View of Park area looking east

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.B.

TO: Planning Commission

BY: Rick Medina, Senior Planner

DATE: January 24, 2018

SUBJECT: **MAKE A RECOMMENDATION TO THE CITY COUNCIL REGARDING AMENDMENTS TO ORDINANCE 1043 REVISING REGULATIONS FOR CANNABIS ACTIVITIES IN SPECIFICED ZONES, ALLOWING THREE ADDITIONAL DISPENSARY USE PERMITS. THE PROJECT IS CATEGORICALLY EXEMPT CLASS 1, SECTION 15301(A) FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.**

PURPOSE

To Amend Chapter 19 of the Seaside Municipal Code to increase the number of available Cannabis Dispensary Permits and to make other modifications to improve clarity and process surrounding Cannabis Related Uses and the scoring and application procedure.

RECOMMENDATION

Staff recommends that Planning Commission recommend the amendments to Seaside Municipal Code Chapter 19 Contained in the Draft Amended Cannabis Related Uses Ordinance.

BACKGROUND

On October 21st, 2017 City Council adopted Chapter 19 of the Seaside Municipal Code, which allowed for Adult and Medical Cannabis Related Uses including retail dispensaries, manufacturing, processing, testing and cultivation. The ordinance was implemented and a number of applicants for retail dispensaries applied, were scored and came to City Council for approval on December 28th, 2017. City Council requested that staff develop a revised ordinance that would allow for 6 total locations rather than the 3 provided in the original ordinance.

Staff also reviewed policies and procedures related to scoring and ranking applications. While the process achieved a fair scoring methodology, staff learned through the process that some additions and modifications would make this process more effective, transparent and understandable in the future.

The initial ordinance included a provision that limited all Use Permits and Minor Use Permits to one year subject to an administrative review, and that they did not convey a land use right. The City Attorney has advised that we should change this to be in compliance with state law. In order to ensure that the City could enforce laws and conditions, applicants will also be required to execute a Development/Operating Agreement with the City and that this agreement must be in full force in order to operate.

With the goal of satisfying the requested changes from City Council as well as to clean up those elements of the ordinance that could improve the scoring and ranking process and compliance with State law, the following key changes are being presented:

- Increases the number of licenses from 3 medical and 3 adult to 6 of each.
- Increases the number of allowable locations from 3 to 6.
- Reduces the buffer between dispensary locations for properties located in the West Broadway Urban Village (WBUV) Specific Plan and those properly zoned parcels that are immediately adjacent to the WBUV from 1,000 to 500 feet (this accommodates all but one of the applications approved by City Council for continuing towards a Use Permit at locations proposed in their application).
- Maintains a buffer of 1,000 feet at all other locations.

Scoring Criteria Changes:

- Provides that financial projections should be based on the local trade area and use a market study to create projections.
- Allows the Director of Finance to apply a reasonableness standard to the projections and capitalization numbers provided by the applicant and to adjust their score accordingly.
- Separates Community Benefit from Neighborhood Compatability and clarifies what constitutes a Community Benefit by requiring specific committments.
- Provides points for owners and principal employees in the application.
- Provides points for neighborhood compatibility that rely both on property owners and on businesses/tenants/residents, with property owners weighted slightly higher than businesses/tenants/residents.
- Seperates points for Security and Safety into separate categories.
- Provides a definition of minimum standards for an "adequate" score in both categories.
- Allows the Police Chief to define additional measures that would result in a score of "exemplary."

State Law Compliance:

- Removed paragraph limiting Use Permits conveyance of land use rights and the annual review.
- Strengthened language around the Development/Operating Permit and the review process.

FISCAL IMPACT

There are no fiscal impacts associated with the text amendments.

ATTACHMENTS

1.

1. Attachment 1 - Draft Resolution

RESOLUTION NO. 18-XX

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SEASIDE RECOMMENDING THAT THE CITY COUNCIL OF THE CITY OF SEASIDEW AMEND TITLE 17 OF THE SEASIDE MUNICIPAL CODE TO ALLOW CANNABIS ACTIVITIES AS A USE ALLOWED SUBJECT TO A CONDITIONAL USE PERMIT IN THE CRG, MX, CH, AND CMX ZONES, AND ESTABLISHING CONDITIONS AND A DEVELOPMENT AGREEMENT TO PROTECT THE PUBLIC HEALTH, SAFETY & WELFARE.

WHEREAS, in 1996, California voters approved Proposition 215 (codified at Health and Safety Code section 11362.5 and titled the "Compassionate Use Act of 1996"), which provides criminal immunity for patients and primary caregivers for the cultivation and possession of cannabis if a doctor has recommended the cannabis for Medical purposes; and

WHEREAS, in 2004, Senate Bill 420 was enacted (codified at Health and Safety Code section 11362.7 *et seq.* and titled the "Medical Marijuana Program Act") to clarify the scope of the Compassionate Use Act of 1996. The Medical Marijuana Program Act allows cities and other governing bodies to adopt and enforce laws consistent with its provisions; and

WHEREAS, neither the Compassionate Use Act of 1996 nor the Medical Marijuana Program Act provided an effective statewide regulatory system for the Medical cannabis industry, and this lack of uniform regulation created uncertainty about the legality of Medical cannabis activities and endangered the safety of end users who have not had the benefit of a monitored supply chain for Medical cannabis, quality control, testing or labeling requirements; and

WHEREAS, the purpose of citywide regulation of Medical cannabis dispensaries is to regulate the cultivation, manufacturing, research, testing, and sale and distribution of cannabis in the interest of patients who qualify to obtain, possess and use cannabis for Medical purposes under state law, and to provide safe Medical cannabis product and inventory; and

WHEREAS, in 2011, Assembly Bill 2650 was enacted (codified at Health and Safety Code section 11362.768 affirming that cities can adopt ordinances that restrict the location and establishment of Medical marijuana collectives, cooperatives, and dispensaries; and

WHEREAS, in *City of Riverside v. Inland Empire Patients Health and Wellness Center, Inc.* (2013) 56 Cal.4th 729, the California Supreme Court concluded that nothing in the Compassionate Use Act or the Medical Marijuana Program Act precludes a local

jurisdiction from regulating or prohibiting facilities that distribute Medical marijuana; and

WHEREAS, in 2015, Assembly Bills 243 and 266 and Senate Bill 643 were enacted (codified at Business and Professions Code section 19300 *et seq.* and titled the "Medical Marijuana Regulation and Safety Act"). These bills also amended provisions of the Medical Marijuana Program Act related to the cultivation of Medical marijuana; and

WHEREAS, the Medical Marijuana Regulation and Safety Act establishes a comprehensive regulatory framework for Medical cannabis in California (including production, transportation and sale of Medical cannabis), requires establishment of uniform state minimum health and safety standards, testing standards, mandatory product testing, and security requirements at dispensaries and during transport of the product, and provides criminal immunity for licensees; and

WHEREAS, the Medical Marijuana Regulation and Safety Act preserves local control in a number of ways: (1) by requiring Medical cannabis businesses to obtain both a state license and a local license or permit to operate legally in California, (2) by terminating the ability of a Medical cannabis business to operate if its local license or permit is terminated, (3) by authorizing local governments to enforce state law in addition to local ordinances, if they request that authority and it is granted by the relevant state agency, (4) by providing for civil penalties for unlicensed activities, and continuing to apply applicable criminal penalties under existing law, and (5) by expressly protecting local licensing practices, zoning ordinances, and local actions taken under local constitutional police power; and

WHEREAS, Proposition 64, The Adult Use of Marijuana Act, was passed by the voters November 8, 2016; and

WHEREAS, the Adult Use of Marijuana act provides local agencies authority to reasonably regulate the cultivation, testing, sale and research and development of cannabis for Adult recreational use; and

WHEREAS, the City of Seaside wishes to amend the Seaside Municipal Code to regulate cannabis activities in a manner that protects the public health, safety and general welfare of the community, and in ensures that the interest of patients who qualify to obtain, possess and use marijuana for Medical purposes, consistent with the Compassionate Use Act of 1996, the Medical Marijuana Program Act, Medical Marijuana Regulation and Safety Act and Proposition 64; and

WHEREAS, the City of Seaside has a compelling interest in protecting public health, safety, and welfare of its citizens, residents, visitors and businesses by developing and implementing performance and operating standards for cannabis businesses; and

WHEREAS, nothing in this Ordinance shall be deemed to conflict with federal law as contained in the Controlled Substances Act, 21 U.S.C. § 841 or to license any activity that is prohibited under said Act except as mandated by State law; and

WHEREAS, nothing in this Ordinance shall be construed to (1) allow persons to engage in conduct that endangers others or causes a public nuisance; or (2) allow any activity relating to the sale, distribution, possession or use of cannabis that is illegal under state law; and compliance with the requirements of this Ordinance shall not provide a defense to criminal prosecution under any applicable law;

WHEREAS, in accordance with Section 15061(c) of the California Environmental Quality Act (CEQA) Guidelines, the text amendments will be exempt based on the fact that the text amendments will consist only of text changes and will not be associated with a specific development permit application; and

WHEREAS, it is the responsibility of the Planning Commission to consider and weigh the merits of the text amendments in relation to the policies, standards and intent of the Seaside General Plan and Seaside Municipal Code and provide a recommendation to the City Council on the proposed text amendments; and

WHEREAS, the Seaside Planning Commission considered oral comments and written information concerning the proposed text amendments at a duly noticed public hearing held on January 24, 2018, and made a recommendation to the City Council adopt the proposed text amendments.

NOW, THEREFORE, BE IT RESOLVED, the Planning Commission hereby finds and determines:

1. The proposed text amendments are consistent with the goals and policies of all elements of the General Plan; and

2. The proposed amendments would not be detrimental to the public interest, health, safety, convenience, or welfare of the City; and

3. The proposed amendments are internally consistent with other applicable provisions of the Seaside Municipal Code.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Planning Commission recommends to the City Council approval of the proposed text as noted in the Section 1 listed below:

SECTION 1. Amending Zoning Ordinance Permitting Cannabis Dispensaries in certain zones:

A. Section 17.14.030, Table 2-4 is amended as follows:

The term "Medical marijuana dispensaries" is revised to read "Medical cannabis and Adult cannabis dispensaries", and the categories of CMX, MX, CC and CRG are designated with the letters "up" to designate that a CUP is required for such uses in these zones. The terms "Cannabis research and development, cannabis manufacturing, and cannabis related processing" are added, and the categories of CH, CC, CMX and MX are designated with the letters "MUP" to designate that a Minor Use Permit is required for such uses in these zones. The term "Cannabis cultivation" is added, and the category MX is designated with the letters "MUP" and an asterisks that reads "Only facing the alleyway between Broadway Ave. and Olympia St. and Olympia St." The term "Cannabis Testing" is added, and the categories of CH, CMX, MX, CC, CA and CH are designated with the letter "P" to designate that this use is permitted by right in these zones.

B. Section 17.20.30 B., West Broadway Urban Village Specific Plan Area, is amended by adding the following sentence: "Cannabis Medical and Adult usage dispensaries shall be permitted land uses in this Specific Plan Area subject to obtaining a Conditional Use Permit in accordance with Chapter 17.56."

C. Section 17.52.150 is deleted in its entirety.

D. Section 17.62.070 H is amended by adding the following sentence: "Any Use Permit granted for any Medical or Adult Cannabis Dispensary shall include as a condition the obtaining of a Development/Operating Agreement with the City which shall require periodic review of performance and compliance as deemed appropriate by the City."

PASSED AND ADOPTED by the Planning Commission of the City of Seaside at a regular meeting held on the 24th of January 2018, by the following vote:

Ayes
Noes:
Absent:
Abstain:

_____
John Owens, Chairperson

ATTEST: _____
Planning Commission Secretary

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.C.

TO: Planning Commission

BY: Kurt Overmeyer, Economic Development Manager

DATE: January 24, 2018

SUBJECT: **CONSIDERATION OF UPDATES TO CHAPTER 17 OF THE SEASIDE MUNICIPAL CODE TO CLEAN-UP ZONING RELATED TO CANNABIS RELATED USES**

PURPOSE

In October 2017, City Council adopted an ordinance that allows Cannabis and Cannabis related uses in certain zones and conditions. This ordinance adopted certain changes to the Seaside Zoning Ordinance (Chapter 17 SMC). The proposed changes are designed to bring those additions to the ordinance in compliance with State law.

RECOMMENDATION

That the Planning Commission makes a recommendation to the City Council to adopt the draft changes to modify Chapter 17 of the Municipal Code related to zoning.

BACKGROUND

On October 21st, 2017 City Council adopted an ordinance creating Chapter 19 in the Seaside Municipal Code (SMC) and making changes to Chapter 17 SMC. The City Attorney upon further review after the ordinance passed noted that the Zoning changes section of the ordinance used the word "shall" rather than "is" to describe these amendments to the Zoning Ordinance. In an effort to ensure the enforceability and accuracy of the zoning changes presented with the cannabis ordinance, the attached ordinance adopting changes to the existing Zoning Ordinance will be required. These changes are:

- Replacing" Shall be amended" with "is Amended"
- Adopts specific amendments to the zoning table and adds the corresponding level of review (UP for dispensaries, MUP for non-retail/testing uses, and P for testing labs).
- Clarifies the CMX and MX zones.
- Clarifies the "Future Mixed-Use High and Low" areas.
- Removes all reference to Use Permits being from one year and not inuring any property rights.

- Requires that all cannabis related uses have a Development/Operating Agreement with the City outlining all conditions of use and requiring the operator to abide by all conditions at all times.

FISCAL IMPACT

The expected fiscal impact of allowing Adult Use and medical Use Cannabis is greater than $150,000 annual increased revenue to the General Fund.

ATTACHMENTS

1.

1. Draft Ordinance - To Be Available on Monday 1/22/18

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SEASIDE AMENDING CHAPTER 19 WHICH REGULATES COMMERCIAL CANNABIS ACTIVITIES TO REVISE AND CLARIFY PERMITTED ACTIVITIES ESTABLISHED IN THIS CHAPTER

This ordinance seeks to revise and clarify existing Chapter 19 of the City of Seaside Municipal Code which establishes regulations commercial medical and adult cannabis activities, including cultivation, dispensaries, manufacturing, testing, transportation, and distribution.

WHEREAS, on or about [date] the City of Seaside added Chapter 19 titled COMMERCIAL CANNABIS ACTIVITIES to the Seaside Municipal Code to regulate and enforce cannabis activities in a manner that protects the public health, safety and general welfare of the community; and

WHEREAS, the City of Seaside has determined that certain provisions in that Chapter are in need of revision and clarification in order to ensure compliance with state laws and regulations.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF SEASIDE DOES ORDAIN AS FOLLOWS:

SECTION 1. Purpose and Intent. It is the purpose and intent of this Ordinance to revise and clarify authorized cannabis businesses including dispensaries and cannabis cultivation, research, testing, processing and sales, in a manner that will preserve the public peace, health, safety, and general welfare of the citizens and residents of, and travelers through the City of Seaside as authorized by law. This Ordinance does not regulate the zoning provisions that create specific locations where cannabis businesses may be permitted by Use Permit, but only focuses on regulation of this activity where it is otherwise appropriately zoned and permitted. This Ordinance does not regulate or modify any provision of Chapter 5 of the Seaside Municipal Code relating to business license taxation, deferring to that Chapter to establish any such taxes on cannabis business operations as may be permitted by law.

SECTION 2. Revisions to Chapter 19.

1. Table of Contents. The list of contents for Chapter 19 are revised and renumbered as follows:

19.01 Definitions

19.02 Cannabis Dispensaries and Operating Standard

19.03 Commercial Cannabis Cultivation and Operating Standard

19.04 Commercial Cannabis Testing, Manufacturing, and Research and Development Operating Standard

19.05 Cannabis Transport and Distribution

19.06 Public Hearing

19.07 Ranking and Allocation Procedure and Criteria

19.08 Enforcement

19.09 Appeals Process

19.10 Severability

1. 19.01 Definitions is deleted in its entirety, and in its place the following provisions shall be inserted:

"**19.01. Definitions**: The following words or phrases, whenever used in this Chapter, shall be given the following definitions:

A. "Bureau" means the Bureau of Medical Marijuana Regulation within the California Department of Consumer Affairs.

B. "Cannabinoid" or "phytocannabinoid" means a chemical compound that is unique to and derived from cannabis.

C. "Medical cannabis" or "Medical cannabis product" means a product containing cannabis, including, but not limited to, concentrates and extractions, intended to be sold for use by medical cannabis patients in California pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code. For the purposes of this Title, "medical cannabis" does not include "industrial hemp" as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code.

D. "Adult cannabis" or "Adult cannabis product" " means a product containing cannabis, including, but not limited to, concentrates and extractions, intended to be sold for use by adults in California pursuant to the Adult Use of Marijuana Act of 2016 (Proposition 64), found at Section 11362.1 of the Health and Safety Code. For the

purposes of this Title, “Medical cannabis” does not include “industrial hemp” as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code.

E. “Commercial cannabis activity” means the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, on-site consumption or sale of Medical or Adult cannabis or a Medical or Adult cannabis product.

F. “Cannabis concentrate” means manufactured cannabis that has undergone a process to concentrate the cannabinoid active ingredient, thereby increasing the product’s potency.

G. “Canopy” means all areas occupied by any portion of a cannabis plant, inclusive of all vertical planes, whether contiguous or noncontiguous on any one site.

H. “Certificate of accreditation” means a certificate issued by an accrediting body to a licensed testing laboratory, entity, or site to be registered in the state.

I. “Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of Medical or Adult cannabis. Within the definition of cultivation, the following specific License Types, corresponding to state cultivator license types set forth in California Business and Professions Code section 19332(g).

J. “Delivery” means the commercial transfer of Medical or Adult cannabis, or Medical or Adult cannabis products from a dispensary, up to an amount allowed by the Bureau, to a primary caregiver, qualified patient or adult as defined in Section 11362.7 of the California Health and Safety Code, or a testing laboratory.

K. “Dispensary” means a facility where Medical cannabis, Medical cannabis products, Adult cannabis, Adult cannabis products or devices for the use of Medical or Adult cannabis or Medical or Adult cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers Medical cannabis and Medical cannabis products as part of a retail sale.

L. “Distribution” means the procurement, sale, and transport of Medical or Adult cannabis and Medical or Adult cannabis products between entities licensed pursuant to this chapter.

M. “Edible cannabis product” means manufactured cannabis that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum. An edible cannabis product is not considered food as defined by Section 109935 of the California Health and Safety Code or a drug as defined by Section 109925 of the California Health and Safety Code.

N. “Greenhouse” means a fully enclosed permanent structure with climate control, such as heating and ventilation capabilities and supplemental artificial lighting, and that uses a combination of natural and supplemental artificial lighting for cultivation.

O. “Identification card” has the same definition as in Section 11362.7 of the California Health and Safety Code, as it may be amended.

P. “Licensee” means a person issued a state license under Chapter 3.5 (commencing with Section 19300) of the California Business and Professions Code, to engage in a commercial Medical or Adult cannabis activity.

Q. “Licensing authority” means the state agency responsible for the issuance, renewal, or reinstatement of a license for commercial Medical or Adult cannabis activities, or the state agency authorized to take disciplinary action against the license.

R. “Manufactured cannabis” or “cannabis product” means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product.

S. “Manufacturing site” means a location that produces, prepares, propagates, or compounds manufactured Medical or Adult cannabis or Medical or Adult cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and is owned and operated by a licensee for these activities.

T. “Nursery” means a licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of Medical or Adult cannabis.

U. “One ownership” and “owner” have the same definition as set forth in Chapter 21.06 of this Title.

V. “Permittee” means a person issued a commercial cannabis permit under Chapter 7.90.

W. “Person” means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit and includes the plural as well as the singular number.

X. “Primary caregiver” has the same definition as in Section 11362.7 of the California Health and Safety Code, as it may be amended.

Y. “Public park” means an area created, established, designated, or maintained by the a special district, a County, the State, or the Federal government for public play, recreation, or enjoyment or for the protection of natural resources and features at the site.

Z. “Qualified patient” has the same definition as in Section 11362.7 of the California Health and Safety Code, as it may be amended.

AA. “State” means the State of California.

BB. “State license,” “license,” or “registration” means a state license issued pursuant to California Business & Professions Code Sections 19300, *et seq*.

CC. “Testing laboratory” means a facility, entity, or site in the state that offers or performs test of Medical cannabis or Medical cannabis products and that is both of the following:

1. Accredited by an accrediting body that is independent from all other persons involved in the Medical cannabis industry in the state; and

2. Registered with the California State Department of Public Health.

DD. “Transport” means the transfer of Medical cannabis or Medical cannabis products from the permitted business location of one licensee to the permitted business location of another licensee, for the purposes of conducting commercial Medical cannabis activity authorized pursuant to the California Business & Professions Code Sections 19300, *et seq*.

2. 19.02 Cannabis Dispensaries and Operating Standard

Section 19.02.010 is deleted in its entirety, and in its place the following provisions shall be inserted:

“19.02.010 Cannabis Dispensaries

A. The City Manager shall issue valid permits for operation of adult or medical cannabis operations in such numbers as authorized by the City Council. Initially that number shall be no more than six (6) valid dispensaries of each type.

B. Whenever possible, adult and medical cannabis dispensaries shall be located paired with and operated adjacent to a dispensary of the other type. An adult dispensary shall be collocated with a medical dispensary when possible.

C. No cannabis dispensary of any type shall be located within 600 feet of any public or private school providing instruction in any grade Kindergarten through 12, but not including any home schooling, and shall be located in a commercial or industrial zone as approved in Chapter 17, the Zoning Ordinance, of the Seaside Municipal Code.

D. Dispensaries not located in the West Broadway Urban Village Specific Plan or immediately adjacent parcels shall not be located within one thousand (1000) feet of another dispensary unless adjacent to a collocated dispensary of the opposite type as set

forth in B. above. Those located in the West Broadway Urban Village Specific Plan shall not be located within five hundred (500) feet of another dispensary unless adjacent to a collocated dispensary of the opposite type as set forth in B. above."

Section 19.02.020 is deleted in its entirety and is replaced with the following provisions:

"**19.02.020 Eligibility Requirement**

A. No person shall own any interest or maintain any position, including employee, with a Dispensary other than that of a member convicted of any of the following crimes within the time limit specified:

1. Homicide, at any point in the past.

2. Any serious felony listed in Penal Code section 1192.7(c) or 667.5(c) within the past 10 years.

3. Penal Code sections 243 through 247, except for 243 (a), which essentially include various forms of assault and battery within the past 10 years.

4. Health and Safety Code violations of sections 11357(d) or (e), or 11361, or Articles 1, 3, 5, 6 or 7 of Chapter 6 of Division 10 of the Health and Safety Code relating to certain possession of concentrated cannabis or sale on school grounds within the past 10 years.

5. Health and Safety Code violation of section 11358, 11359, and 11360 relating to illegal cultivation, importation, or sale of marijuana plants within the past 3 years.

B. Such other information deemed necessary including backgkround investigation and a LiveScan Background check of the applicant, for the City Manager to determine compliance with the City's Municipal Code.

C. All applicants shall pay a dispensary permit application fee, a permit fee, and all inspection fees that may be required as part of the application process, as specified by Resolution in the City's Master Fee Schedule.

D. Each applicant for a dispensary permit application shall submit Notarized, written authorization from the property owner(s) that a Commercial Cannabis Business may be operated at the proposed site, and clearance from the City Planning Department showing that the location proposed is legally authorized in the Zoning Ordinance.

E. The name and address of Managers or responsible agents of the Commercial Cannabis Business shall be supplied, which shall be updated not less frequently than annually or upon any change of Manager or responsible agent at any time."

Section 19.02.030 Operation Plan is deleted in its entirety and the following provisions are substituted in its place:

A. All applicants must provide a plan of operations that will describe how the dispensary will operate consistent with State Law and the provisions of this Chapter including but not limited to implementation of controls to ensure medical or adult cannabis will be dispensed only to qualified adults, and qualified patients and primary caregivers as appropriate. Dispensaries shall comply with Health and Safety Code Sections 11362.7 et seq. and any other state laws that may be adopted concerning Medical or Adult Cannabis, California's Medical Marijuana Regulation and Safety Act, the Adult Use of Marijuana Act, the Attorney General's Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use, and any other applicable City laws or regulations, and shall pay all applicable state or local taxes. Dispensaries shall also comply with the operating standards set forth in this Section.

B. Medical Dispensaries may consist only of Members. Medical Dispensaries may only obtain Medical Cannabis from, and supply Medical Cannabis to, their Members.

C. No person other than a Member may Cultivate Medical Cannabis on behalf of a Dispensary.

D. The scale or Cultivation by or on behalf of a Medical Dispensary shall be proportional to its Member load as defined by the State of California.

E. Medical Cannabis Dispensaries may not admit any person as a Member without first verifying his or her status as a qualified patient or primary caregiver as defined by state law, and shall immediately cancel the membership of any person who diverts Medical Cannabis for non-medical use or in any manner not permitted by this Chapter or State law.

F. Physicians' recommendations shall be verified by the Medical Dispensary prior to granting membership and at least every twelve (12) months thereafter, and a physical or digital record shall be kept of such verification. No Medical Cannabis may be dispensed except to a Member and pursuant to a recommendation that is no more than twelve (12) months old, unless the recommendation expressly states that it has a longer term or does not expire.

G. Non-Diversion. Medical dispensaries shall take all practicable steps necessary to prevent and deter diversion of Medical Cannabis to non-Members. Dispensaries must limit access to Medical Cannabis, Medical Cannabis Products and Edibles to authorized personnel only, and must maintain an inventory management system that accounts for all Medical Cannabis, Medical Cannabis Products and Edibles.

H. Adult Dispensaries must comply with all aspects of the Adult Use of Marijuana Act and must receive a license from the State prior to start of operations, and shall maintain license throughout operations."

Section 19.02.040 Dispensing is hereby deleted in its entirety and replaced with the following provisions:

"**Section 19.02.040 Dispensing.**

A. A Medical Dispensary may not dispense to any person who is not a Member, and may not dispense to anyone without first verifying membership.

B. A Medical Dispensary may not provide more Medical Cannabis to an individual than is necessary for that person's personal medical use and pursuant to any physician's directive.

C. A Medical Dispensary may not distribute free samples for promotional purposes outside of the Dispensary premises.

D. No Medical Dispensary shall dispense Medical Marijuana from more than one (1) location in the City of Seaside.

E. No owner of a Medical Dispensary in the City shall open a second dispensary in the City; except that medical dispensaries and colocated or adjacent Adult dispensaries may have the same ownership."

19.02.050 Members and Employees is hereby deleted in its entirety and replaced with the following provisions:

"**Section 19.02.050 Members and Employees of Medical Dispensaries**

A. All employees and volunteers of Medical Dispensaries must be at least 18 years of age and qualified to be in the facility.

B. Medical Dispensaries may not admit any person under 18 years of age to membership without written authorization of a parent or legal guardian. Any Member under 18 years of age shall be accompanied by a parent or legal guardian at all times that

such person is at the Dispensary. This requirement may not be transferred to any other adult orally or in writing.

C. All owners and operators of a Medical Dispensary must hold a valid and current Use Permit and Cannabis Development/Operating Agreement from the City of Seaside as required by provisions of this chapter."

Section 19.02.06 Adult Dispensaries is hereby deleted in its entirety and replaced with the following provisions:

"**19.02.060 Adult Dispensaries**. All Adult Dispensary facilities shall comply with all state and local laws and regulations, including Chapter 17 and this Chapter 19.

A. No Adult Dispensary may dispense to any person not 21 years of age or older.

B. No Adult Dispensary may distribute free samples for promotional purposes outside of the interior of the Dispensary premises.

C. No Adult Dispensary shall dispense cannabis from more than one (1) location in the City of Seaside, except that, subject to State requirements, it may have a collocated or adjacent Medical and Adult location as set forth in section 19.02.010 above.

D. No owner of any Adult Dispensary in the City shall own or possess any ownership interest in a second Adult Dispensary in the City, except the owner of an Adult Dispensary may also own or possess an ownership interest in a collocated or adjacent Medical dispensary as set forth in section 19.02.010 above.

E. All Adult Dispensaries shall hold a valid and current Use Permit and Cannabis Development/Operating Agreement from the City of Seaside as required by provisions of this chapter."

Section 19.02.070 Security is hereby deleted in its entirety and replaced with the following provisions:

"**19.02.070 Security.** A security plan, as a separate document, outlining the proposed security arrangements to deter and prevent unauthorized entrance into areas containing Medical or Adult Cannabis or Medical or Adult Cannabis products, and theft of Medical or Adult Cannabis or Medical or Adult Cannabis products at the dispensary, in accordance with minimum security measures required by State law and the requirements herein shall be created by applicant and approved by the City prior to commencement of any operations at any dispensary. The security plan shall be reviewed and approved by the Police Department and the Office of the City Manager and shall be exempt from disclosure as a public record pursuant to Government Code Section 6255(a).

A. Dispensaries shall provide adequate security and lighting on-site to ensure the safety of persons and protection of the premises from theft and other crimes at all times. Exterior lighting shall be of sufficient intensity to illuminate all areas of the parking lot or adjacent areas, if any. Such lighting shall comply with the provisions Seaside Municipal Code section 17.30.070.

B. Dispensaries must maintain adequate security guards and surveillance camera coverage of their entire grounds to an extent sufficient to ensure the safety of persons and deter crime. Surveillance cameras must be maintained in good condition, and use a format approved by the City Manager or his/her designee, which results in adequate quality, color rendition and resolution to allow the ready identification of any individual on the premises. The surveillance cameras shall be operated 24 hours per day, seven (7) days per week whether the facility is open or not. The areas to be covered by the security cameras include, but are not limited to, dispensing areas, storage areas, cultivation areas, all doors, parking lots, anyplace where new product is delivered and any other area determined by the City Manager or his/her designee to be appropriate. Surveillance footage must be retained for a period of 90 days and made available to the Seaside Police Department at any time promptly upon request without the necessity of a warrant or subpoena.

C. Dispensaries must be equipped with an alarm system that is operated and monitored by a security company licensed by and in good standing with the California Department of Consumer Affairs. Alarms shall be maintained and in good working condition at all times and able to be manually triggered by employees.

D. In order to prevent unauthorized entry during non-business hours, a Dispensary shall either secure all points of entry with bars, retractable, folding or sliding metal gates, or metal rollup or accordion doors, none of which may be visible from the exterior, or provide at least one security guard at all times during those hours.

E. Any security guards employed by Dispensaries shall be licensed and possess a valid Department of Consumer Affairs "Security Guard Card" at all times. Security personnel may not be armed while on duty.

F. All Medical or Adult Cannabis, Medical or Adult Cannabis Products and Edibles, except for small amounts used for display purposes and samples for immediate sale, shall be securely stored in a locked area at all times, and all access to such areas shall be locked and under the control of staff at all times.

G. Dispensaries shall make transactions with payment methods other than cash when feasible. All cash received, except that needed for retail customer transactions, shall be kept in a secure receptacle such as a drop safe or similar type of safe.

H. Dispensaries shall notify the Seaside Police Department and any licensing authority within 24 hours after discovering any of the following:

1. Significant discrepancies identified during inventory;
2. Diversion, theft, loss, or any criminal activity involving the dispensary or any agent or employee of the dispensary;
3. The loss or unauthorized alteration of records related to Medical or Adult Cannabis, registered qualifying patients, primary caregivers, or dispensary employees or agents; or
4. Any other breach of security."

Section 19.02.080 Signage is hereby deleted in its entirety and replaced with the following provisions:

"**19.02.080 Signage**. Signs shall be posted at Dispensaries as set forth following:

A. Signs shall be posted as appropriate at the entrance to any Dispensary that includes the following language. The required text shall be of sufficient size to be easily read from a distance of five feet and illuminated at night

FOR MEDICAL:
This Dispensary only provides Medical Cannabis to its members 18 years or older who must have a legally recognized California Medical Cannabis Identification Card or a verifiable, written recommendation from a physician for Medical Cannabis.

FOR ADULT:

This Dispensary only provides Cannabis to adults 21 years age or older who qualify under the Adult Use of Marijuana Act and applicable state law. No person under the age of 21 may enter or loiter within 50 feet of this facility. Providing cannabis products to those under 21 is illegal and shall be prosecuted to the fullest extent of the law.

B. A sign shall be posted in a conspicuous location inside the dispensary advising:

FOR MEDICAL:
This Dispensary is registered in accordance with the laws of the City of Seaside. The sale of marijuana and the diversion of marijuana for non-medical purposes are violations of State law. The use of marijuana may impair a person's ability to drive a motor vehicle or operate heavy machinery.

FOR ADULT:
This Dispensary is registered in accordance with the laws of the City of Seaside. The sale of marijuana and the diversion of marijuana to persons under the age of 21 are

violations of State law. The use of marijuana may impair a person's ability to drive a motor vehicle or operate heavy machinery.

C. No Cannabis products or graphics describing Cannabis shall be visible from the exterior of the property.

D. Signage for a Dispensary shall comply with Seaside Municipal Code 17.40."

Section 19.02.090 Delivery is hereby deleted in its entirety and replaced with the following provisions:

"**19.02.090 Delivery.** If the Dispensary operations are proposed to include delivery, all employees of a Dispensary delivering Medical or Adult cannabis or Medical or Adult Cannabis products shall carry a copy of the documentation listed below when making deliveries. This information shall be provided upon request to law enforcement officers and to employees of state and local agencies enforcing this Chapter or other local laws and regulations. Deliveries from Dispensaries are not permitted in jurisdictions that prohibit such deliveries.

A. A copy of the dispensary's current permits, licenses, and entitlements authorizing them to provide delivery services, including permission to delivery in jurisdictions other than the City if that is the intent of the delivery;

B. The employee's government-issued identification;

C. A copy of the delivery request; and

D. Chain of custody records for all goods being delivered."

Section 19.02.100 Neighborhood Compatibility is hereby deleted in its entirety and replaced with the following provisions:

"19.02.100 Neighborhood Compatibility.

A. Dispensaries shall be operated in a manner that ensures neighborhood compatibility, and the owner of such facility shall take all steps necessary to ensure that customers, vendors, or others visiting the facility do not create neighborhood disturbances or nuisances.

B. Dispensaries shall provide the Police Department and all residents and property owners within 100 feet with the current name, phone number, secondary phone number and e-mail address of an on-site responsible staff person to whom notice of any operating problems associated with the establishment may be reported. This information shall be updated as necessary to keep it current. Dispensaries shall encourage neighbors to call

this person to try to solve any operating problems. Such calls may be anonymous and need not include an identity of the caller or number.

C. All Dispensaries shall have an on-site manager responsible for overall operation at all times they are open, and shall provide the Police Department with contact information for all such persons, including telephone number, street address and e-mail address. Dispensaries shall also provide the Police Department with the current name and phone numbers of at least one 24-hour-on-call manager. This information shall be updated as necessary to keep it current.

D. Dispensaries shall take all reasonable steps to discourage and correct objectionable conditions that constitute a public or private nuisance in parking areas, sidewalks, alleys and areas surrounding the premises and adjacent properties. Such conditions include, but are not limited to: smoking; creating a noise disturbance; drinking; loitering; littering; urinating or defecating, and production of graffiti.

E. Dispensary will be of an architectural and visual quality and character which harmonizes with, and enhances, the surrounding area, and the design will avoid unduly large or obtrusive signs, un-landscaped parking areas, unduly bright or garish lighting, or design features which encourage loitering as determined by the Zoning Administrator.

F. Dispensaries will ensure that adequate litter receptacles will be provided and maintained where appropriate.

G. Where the dispensary or delivery only dispensary is in proximity to residential uses, it will be limited in hours of operation, and designed and operated so as to avoid disruption of residents' sleep.

H. No Cannabis or Cannabis odors shall be detectable by sight or smell outside of a permitted facility.

I. Dispensaries shall ensure all graffiti is removed from property and parking lots under their control within 24 hours of its appearance.

J. Dispensaries shall operate only between the hours of 9:00 a.m. and 10:00 p.m."

Section 19.02.110 Consumption of Medical Cannabis, tobacco, or alcohol is hereby deleted in its entirety and replaced with the following provisions:

"**19.02.110 Consumption of Cannabis, tobacco, or alcohol.**

A. Smoking of Cannabis is prohibited at Dispensaries, including areas in and around the facility, except as noted herein.

B. Sale, smoking, or consumption of tobacco products is prohibited at Dispensaries.

C. Sale, possession, or consumption of alcoholic beverages at Dispensaries is prohibited, and Dispensaries shall prohibit any person in possession of an alcoholic beverage from entering or remaining on the premises.

D. This subdivision does not prohibit the testing of Medical or Adult Cannabis Products by staff of a Dispensary or the use of tinctures or topical Medical Cannabis Products that do not have intoxicating effects."

Section 19.02.120 Regulatory Fees; Seller's Permit is hereby deleted in its entirety and replaced with the following provisions:

"**19.02.120 Regulatory Fees, Seller's Permit**. In addition to any other required conditions and mitigation measures approved by the City or State, all of the following conditions shall apply to all permits for a Medical or Adult Cannabis dispensary:

A. The Cannabis Dispensary shall allow access to Dispensary facilities and records if requested by the City, its officers, or agents, and shall pay for an annual inspection and submit to other inspections from the City or its officers to verify compliance with all relevant rules, regulations, and conditions.

B. The applicant, owner, and all permittees agree to submit to, and pay for, inspections of the operations and relevant records or documents necessary to determine compliance with this Chapter from any enforcement officer of the City or their designee.

C. Any person operating a Medical or Adult Cannabis Dispensary shall obtain a valid and fully executed Commercial Medical or Adult Cannabis permit pursuant to this Chapter of the Seaside Municipal Code prior to commencing operations, and must maintain such permit in good standing at all times in order to continue operations.

D. Upon implementation of state regulations pursuant to California Business and Professions Code Section 19320, a valid license from the State shall be required to operate any Commercial Medical Cannabis activity.

E. The owner shall post or cause to be posted on site a copy of the Use Permit, the Cannabis Development/Operating Agreement, and all required City, County and state permits and licenses required to operate the Dispensary. Such posting shall be in a central location, visible to the patrons, at the operating site, and in all vehicles that deliver or transport marijuana.

F. The owner shall be responsible for ensuring that all Commercial Medical Cannabis activities at the site operate in good standing with all permits and licenses

required by the Seaside Municipal Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting Commercial Medical Cannabis activities at the site who do not maintain permits or licenses in good standing with the City or State shall be grounds for the suspension or revocation of the required Development/Operating Agreement, and may constitute grounds for cancellation of the required Development/Operating Agreement pursuant to Section 17.80 of the Seaside Municipal Code.

G. Dispensaries shall comply with all physical accessibility requirements of the Americans With Disabilities Act."

Section 19.03 Commercial Cannabis Cultivation and Operating Standard is hereby deleted in its entirety and replaced with the following provisions:

"**19.03 Commercial Cannabis Cultivation and Operating Standards.** It is hereby declared to be unlawful and a public nuisance for any person or persons owning in whole or in part, leasing, occupying, or having charge or possession of any legal parcel or premises within any zoning district in the City of Seaside to undertake any Cannabis operation regulated by Chapters 17 and 19 of the Seaside Municipal Code except as provided therein.

19.03.010. No Medical or Adult Cannabis at the premises or location shall be visible by the public from any public or other private property outside the interior of the facility.

19.03.020 Cultivation. No Medical or Adult Cannabis shall be dispensed from a cultivation site and such cultivation sites shall not be open to the public. In no case shall a building intended for residential use be used for the cultivation of cannabis. The maximum size of any areas of cultivation shall not exceed any restrictions outlined in State law.

Security measures sufficient to restrict access to cultivation sites to only those persons allowed and intended to be there, and to deter trespass and theft of Medical or Adult Cannabis or Medical or Adult Cannabis products shall be provided and maintained. If on-site security is utilized, Security shall be licensed and possess a valid Department of Consumer Affairs "Security Guard Card" at all times.

Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage, or inadvertent damage from rodents, pests, or wildlife.

Water conservation measures, water capture systems, or grey water systems shall be incorporated in Medical Cannabis cultivation operations in order to minimize use of water where feasible.

A Minor Use Permit for Medical Cannabis cultivation shall not be granted by the City unless all of the following findings are made based on substantial evidence:

1. The cultivation, as proposed, will comply with all of the requirements of the State and City, and any additional conditions of license for the cultivation of Medical or Adult Cannabis.

2. The cultivation, as approved and conditioned, will not result in significant unavoidable impacts on the environment.

3. The cultivation includes adequate measures that minimize use of water for cannabis cultivation at the site.

4. The cultivation includes adequate measures to address the projected energy demand for cannabis cultivation at the site.

5. The cultivation includes adequate quality control measures to ensure cannabis cultivated at the site meets industry standards.

6. The cultivation includes adequate measures that address the federal enforcement priorities for cannabis activities including restricting access to minors, and ensuring that cannabis and cannabis products are not supplied to unlicensed and unpermitted persons within the State and not distributed out of state.

7. The applicant, property owner, and permittees agree to submit to, and pay for, inspections of the operations and relevant records or documents necessary to determine compliance with this Chapter from any enforcement officer of the City of Seaside or their designee.

8. Any person cultivating cannabis shall obtain a valid and fully executed Commercial Cannabis permit pursuant to Chapter 5.04 of the Seaside Municipal Code prior to commencing operations and must maintain such permit in good standing in order to continue operations.

9. The owner shall be responsible for ensuring that all Commercial Cannabis activities at the site operate in good standing with all permits and licenses required by State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting Commercial Cannabis activities at the site who do not maintain permits or licenses in good standing with the City,

County or State may be grounds for seeking the suspension or revocation of a Use Permit pursuant to Section 17.80 of the Seaside Municipal Code."

Section 19.04 Commercial Cannabis Testing, Manufacturing, and Research and Development Operating Standards is hereby deleted in its entirety and replaced with the following provisions:

"**19.04 Commercial Cannabis Testing, Manufacturing, and Research and Development Operating Standards.**

19.04.010 It is hereby declared to be unlawful and a public nuisance for any person or persons owning, in whole or in part, leasing, occupying, or having charge or possession of any legal parcel or premises within any zoning district in the City of Seaside to test, manufacture cannabis products, or to engage in research and development of cannabis except as provided for in this chapter.

19.04.020 No cannabis or cannabis products at the premises or location where any action governed by this Chapter takes place shall be visible to anyone outside the facility on public or other private property, nor shall Medical Cannabis or any product containing Medical Cannabis be visible from the exterior of any premises.

19.04.030 No Medical or Adult Marijuana shall be dispensed from a testing, manufacturing or research and development site and such sites shall not be open to the public. Security measures sufficient to restrict access to only those admitted to the site and to deter trespass and theft of Medical or Adult Cannabis or Medical or Adult Cannabis products shall be provided and maintained. If on-site security is utilized, Security shall be licensed and possess a valid Department of Consumer Affairs "Security Guard Card" at all times.

Hazardous materials shall be properly labeled and stored to avoid contamination through erosion, leakage, or inadvertent damage from rodents, pests, or wildlife.

19.04.040 A Minor Use Permit for testing, manufacturing and research and development of Cannabis and Cannabis products shall not be granted by the City unless all of the following findings are made based on substantial evidence:

1. The activity, as proposed, will comply with all of the requirements of the State and City, and any additional conditions of license for the testing, manufacturing, or research and development of Cannabis or Cannabis products, including approval of a Cannabis Development/Operating Agreement by and between the City and Owner.

2. The use, as approved and conditioned, will not result in significant unavoidable impacts on the environment.

3. The use includes adequate measures that minimize use of water at the site.

4. Any cultivation includes adequate quality control measures to ensure Cannabis cultivated at the site meets industry standards.

5. The use shall include adequate measures that address the federal enforcement priorities for Cannabis activities including restricting access to minors, and ensuring that Cannabis and Cannabis products are not supplied to unlicensed and unpermitted persons within the State and not distributed out of state.

6. The applicant, owner, and permittees agree to submit to, and pay for, inspections of the operations and relevant records or documents necessary to determine compliance with this Chapter from any enforcement officer of the City of Seaside or their designee.

7. Any person testing, manufacturing or performing research and development operations using Cannabis shall obtain a valid and fully executed commercial Cannabis Development/Operating Agreement prior to commencing operations and must maintain such Agreement in good standing in order to continue operations.

8. The owner shall be responsible for ensuring that all commercial Cannabis activities at the site operate in good standing with all permits and licenses required by State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial Cannabis activities at the site who do not maintain permits or licenses in good standing with the City, County or State may be grounds to commence an action to suspend or revoke the Minor Use Permit pursuant to Section 17.80 of the Seaside Municipal Code, or to revoke the required Cannabis Development/Operating Agreement."

Section 19.05 Cannabis Transport and Distribution is hereby deleted in its entirety and replaced with the following provisions:

"**19.05 Cannabis Transport and Distribution.**

19.05.010 Cannabis transportation and distribution facilities shall comply with all of the following requirements:

A. Cannabis transportation and distribution facilities shall be located only in zoning districts that specifically provide for this use and where a Minor Use Permit allowing this use to be carried out on the property has been issued.

B. Cannabis and Cannabis products shall only be transported between permitted and licensed commercial Cannabis operations.

C. Prior to transporting Cannabis or Cannabis products, the transporter shall complete an electronic shipping manifest. The shipping manifest shall include unique identifier information from the cultivation source as required by City.

D. A physical copy of the shipping manifest shall be maintained during transportation and shall be made available upon request to law enforcement or any agents of the State or City charged with enforcement of this Chapter.

E. All Cannabis uses that require transport licenses under SB94 but that are not Transport and Distribution Only Businesses shall receive a license for transport from the State of California.

F. Distribution facilities shall maintain appropriate records of transactions and shipping manifests. An organized and clean method of storing and transporting Cannabis and Cannabis products shall be provided to maintain a clear chain of custody.

G. Security measures sufficient to restrict access to only those allowed on the site or in transportation vehicles and to deter trespass and theft of Cannabis or Cannabis products shall be provided and maintained. Security measures at distribution facilities shall include, but are not limited to, the following:

1. Prevention of individuals from loitering on the premises of the distribution facility if they are not engaging in activity expressly related to the operations of the distribution facility at the time;

2. All Cannabis and Cannabis products shall be stored in a secured and locked safe room, safe, or vault, and in such a manner as to prevent diversion, theft, and loss;

3. Appropriate security cameras shall be established on site and approved by City; and

4. Measures that provide for on-site security personnel meeting the requirements and standards contained within Chapter 19.02.070 of this Chapter along with approval from the Chief of Police.

H. The owner shall be responsible for ensuring that all commercial Cannabis activities at the site operate in in accordance with all required permits and licenses required by the City and State. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial Medical Cannabis activities at the site who do not maintain permits or licenses in good standing with the City, County or State shall be grounds for the modification or revocation of the required Cannabis Development/Operating Agreement in accordance with this Chapter.

I. The transportation and distribution facilities and activities shall be maintained in accordance with the operating plans approved by the City."

Section 19.06 Public Hearing is hereby deleted in its entirety and replaced with the following provisions:

"**19.06 Public Hearing.** Applications for dispensaries shall be subject to a noticed public hearing regarding the application in the same manner as provided in Seaside Municipal Code Section 17.78.020. The City Manager or designee shall be the investigating official referred to in Section 17.78.020 to whom the application shall be referred. In recommending the granting or denying of such permit and in granting or denying the same, the City Manager shall give particular consideration to the capacity, capitalization, and complaint history of the applicant and any other factors that in the City Manager's discretion he/she deems necessary to maintain the peace, order and welfare of the public."

Section 19.07 Ranking and Allocation Procedure and Criteria is hereby deleted in its entirety and replaced with the following provisions:

"**19.07.010 Ranking and Allocation Procedure and Criteri**a. In the event that multiple applications are submitted for any Cannabis activity that is restricted in number, the City Manager or designee shall use the following criteria for recommending to the City Council which applicant shall receive approval to operate.

A. Businesses seeking a license to operate a dispensary or cultivation operation must submit the following for evaluation:

1. Business Plan: Applicants shall submit a Business Plan to the City that outlines an operational and financial plan. The Business Plan should include the names and resumes of key staff, operations plan, financial plan, sales projections and market study. Applicants are encouraged to provide a specific, written plan for how their operation will benefit the community.
2. Security Plan: All applicants shall submit a Security Plan outlining how the business expects to address security issues at their location.
3. Property Owner Approval: Applicants shall submit proof of approval of the owner of the real property together with a Use Permit indicating the use is appropriate at this property, and a Cannabis Development/Operating Agreement applicable where the proposed dispensary will be located if approved. Applicants are not required to have a signed lease, but a letter from the property owner indicating that:
    a. The property owner is aware of and approves the use being proposed.

b. The property owner will lease the property to the Cannabis business owner for the related use upon approval of application.
c. The property owner understands that Use Permits for Cannabis activities run with the land; however, a required Development/Operating Agreement that sets forth conditions of operation does not run with the land and can be required to be renewed annually.

4. Live Scan: All principal employees of any Cannabis related use must submit fingerprints for a background investigation through Live Scan and submit the results with their application.
5. Cannabis Knowledge Test: All principal employees of the Cannabis related use must take a Cannabis knowledge test. This test will be administered by the City and will measure the applicant's knowledge of State regulations regarding Cannabis laws, and general knowledge of the Cannabis business."

Section 19.08 Selection Criteria is hereby deleted in its entirety and replaced with the following provisions:

"**19.08.010 Selection Criteria. General Eligibility Review:** In the event that an applicant is unable to meet the following minimum eligibility criteria, their application shall be denied. Applicants will be evaluated on the following:

A. Live Scan Fingerprint Results: Applicant must not have any criminal convictions that would result in ineligibility as defined in section 19.02.020.

B. Application must be complete to be evaluated. Incomplete applications will be denied but may be resubmitted. New Application fees must be paid for resubmittal.

C. Proposed location of business and proof of property owner's approval of use must be supplied.

D. Applicant must agree to enter into a Cannabis Development/Operating Agreement with the City which is subject to annual review and approval which shall be discretionary with the City.

E. Initial Ranking – The City shall open an application period of not less than 30 days to allow prospective Permittees to submit applications. Applicants will be evaluated on the following criteria:

a. Location of business. Locations north of Gigling Road, within the Broadway Urban Village plan area and/or within 2,500 feet of Highway 1 will receive 10 points. Locations outside these areas will receive 1 point.

b. Business Plan. A business plan that demonstrates prior successful business operations (which need not be Cannabis business related) at a similar scale of

annual revenue for at least two years and/or capitalization sufficient to insure at least one year of operation will receive five points as a base, with one additional point for every $250,000 of projected annual revenue. Annual projected revenue should be derived from a market study that includes trade area analysis, actual sales of local similar businesses and should be based on a reasonably sized market area. Revenues and capitalization submitted will be reviewed for reasonableness and scores may be adjusted to meet a reasonableness test. A business plan without such demonstration will receive 1 point.

c. Local Enterprise. Applicants will receive two points for each principal employee that can demonstrate residency in the City of Seaside. A maximum of six points may be awarded in this category.

d. Community Benefit. Community benefit may include commitment to employing Seaside residents, commitment to working with Seaside-located businesses (including capital), commitment to sponsoring non-profits and/or other similar specific commitments within the Seaside community. A maximum of eight points will be awarded, with one point for every Seaside resident employee or specified annual commitment to of the applicant's choice to any non-profit within the community.

e. Neighborhood Compatibility. Applicants which demonstrate neighborhood support with a majority of property owners within 250 feet will receive three points. Applicants that demonstrate neighborhood support from a majority of tenants, residents and businesses within 250 feet will receive two points. Applicants which do not demonstrate neighborhood support with a majority of property owners and tenants, residents and businesses within 250 feet will receive zero points.

f. Security Plan. The Seaside Police Department will review the Security Plan and classify the Plan as inadequate, adequate or exemplary. Plans classified as inadequate will not be permitted to proceed. Plans classified as adequate will receive ten points. Plans classified as exemplary will receive twenty points. An adequate plan must demonstrate that all requirements in Seaside Municipal Code section 19.02.070 as well as any additional requirements that may be required by the State of California Bureau of Cannabis Control. Exemplary plans must demonstrate all requirements for an adequate plan plus additional measures as determined by the Chief of Police or designee.

g. Safety Plan. The Seaside Police Department will review the applicant's Safety Plan and classify the Plan as inadequate, adequate or exemplary. Plans classified as inadequate will not be permitted to proceed. Plans classified as adequate will receive ten points. Plans classified as exemplary will receive twenty points. Adequate plans will meet all requirements of the State of California Bureau of Cannabis Control for reducing harm and avoiding underage access. Exemplary plans must

demonstrate all requirements for an adequate plan plus additional measures as determined by the Chief of Police or designee.

h. From the initial ranking, up to twice as many qualified applicants as there are available licenses will be eligible for final testing and ranking as determined by the aggregate scores of the initial ranking.

F. Final Ranking. The qualified applicants after the initial ranking will be further rated on the following matters:

a. Cannabis Knowledge Test: All principle employees of the Cannabis related use must take a Cannabis Knowledge Test to demonstrate knowledge of state and local compliance standards.

b. The top applicants equal to the number of licenses available will be eligible to apply for a Use Permit and Development/Operating Agreement to engage in a commercial Cannabis business. Qualified applicants from the initial ranking may amend and combine their applications to optimize their scores. If following the opportunity to optimize scores, two or more applicants are tied, both applicants will proceed to the next step.

c. Use Permit. Applicants shall complete phases 1-3 prior to applying for a Use Permit and Development/Operating Agreement.

1. At the next available Planning Commission meeting, allowing time for Staff review, a public hearing for each top application shall be held to consider the application for a Use Permit for the proposed business location.
2. Members of the public, adjacent property owners and other interested parties will be given the opportunity to present concerns or support, and provide additional consideration for potential permit conditions.
3. Planning Commission will make a recommendation to City Council, including any conditions requested for final decision on awarding Use Permits and the Development/Operating Agreement.
4. At the next available City Council meeting, Planning Commission and Staff recommendations will be presented at a public hearing before the City Council for a final decision.
5. If an available permit is not filled for any reason and a business that qualified under phases 1-3 but was not selected to move forward in the process requests consideration for phase 4, consideration shall be granted in order of ranking.

d. State Cannabis Licenses and local Cannabis Development/Operating Agreements are annual in nature and may be revoked at any time for cause, subject to the appeals process outlined in Seaside Municipal Code section 19.10 for failure to comply

with all state laws and requirements and local ordinances and requirements, or for failure to comply with Conditions in the Development/Operating Agreement. Cannabis Development/Operating Agreements may automatically renew as long as the business has complied with all state and local ordinances and with Conditions of Approval, including the timely payment of all fees and taxes, in the sole discretion of the City."

Section 19.09 Enforcement is hereby deleted in its entirety and replaced with the following provisions:

"**Section 19.09.010 Enforcement.** Violations of this Chapter shall constitute a misdemeanor and a public nuisance and may be enforced pursuant to the provisions of the Seaside Municipal Code or any other appropriate law or ordinance.

A. It shall be unlawful for any person to violate any provision, or to fail to comply with any of the requirements, of this Chapter. Any person violating any of the provisions or failing to comply with any of the mandatory requirements of this Chapter shall be guilty of a misdemeanor. No proof of knowledge, intent, or other mental state is required to establish a violation.

B. Any condition caused or allowed to exist in violation of any of the provisions of this Chapter shall be deemed a public nuisance and shall, at the discretion of City, create a cause of action for penalty pursuant to the Seaside Municipal Code.

C. Each and every violation of this Chapter, and each and every day such violation may occur, shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the City of Seaside or otherwise authorized by law. Additionally, as a public nuisance, any violation of this Chapter shall be subject to injunctive relief, disgorgement of any payment to the City of Seaside of any and all monies unlawfully obtained, costs of abatement, costs of restoration, costs of investigation, attorney fees, and any other relief or remedy available at law or equity. The City of Seaside may also pursue any and all remedies and actions available and applicable under state and local laws for any violations committed by the commercial Medical or Adult Cannabis activity or persons related thereto, or associated with, the commercial Medical or Adult Cannabis activity."

Section 19.10 Appeals Procedure is hereby deleted in its entirety and replaced with the following provisions:

"**Section 19.10 Appeals Procedure**

Section 19.10.010. Procedure to Challenge Intent to Suspend of Revoke the Development/Operating Agreement. If the City Manager or his/her designee determines that grounds for suspension or revocation of the Cannabis

Development/Operating Agreement exist pursuant to section 19.09, the City Manager or his/her designee shall issue a written Notice of Intention to revoke or suspend the Development/Operating Agreement, along with such information as required herein. The Notice of Intention shall be served on the property owner, as reported on the latest equalized assessment roll, and shall also be served on permittees operating a Commercial Cannabis Activity on the property. The Notice of Intention shall be served by either personal delivery or by certified U.S. Mail, postage prepaid, return receipt requested. The Notice of Intention shall identify the property owner, permitees, name of business and location of the property, the intended action to be taken, the grounds for the action, the action necessary to abate the violation, the time limit for abatement compliance, and the right to challenge this intended action to a hearing officer. The Notice of Intention shall notify the owner and permittees of the opportunity to request a hearing before a Hearing Officer to present evidence as to why the Development/Operating Agreement should not be suspended or revoked and shall notify them of the 10-day deadline to submit a written request for a hearing.

The owner and permittees shall have ten (10) calendar days from the service of the Notice of Intention to submit a written request for a hearing before a Hearing Officer selected by the City Manager. Failure to submit the written request for a hearing shall be deemed a waiver of the right to challenge the suspension or revocation of the Development/Operating Agreement and a failure to exhaust administrative remedies. If the hearing is not timely requested, the City Manager or his/her designee may suspend or revoke the Use Permit in accordance with the Notice of Intention.

Upon receipt of a timely written request for a hearing, the City Manager or his/her designee shall appoint a hearing officer and set a date for a hearing to be held within 60 days of receipt of the request, unless an immediate threat to the public health, safety and welfare necessitates an earlier hearing date. Notice of the hearing, including the time, date, and location of the hearing, shall be served on the owner and permittees, such service to be accomplished by either personal delivery or by certified U.S. Mail, postage prepaid, return receipt requested.

19.10.020 Hearing of Matter:

The appointed Hearing Officer is authorized to conduct a hearing, receive evidence, administer oaths, rule on questions of law and the admissibility of evidence, prepare a record of the proceedings, and render decisions on the suspension or revocation of the Use Permit.

In any proceeding before a Hearing Officer, oral testimony offered as evidence shall be taken only on oath or affirmation, and the Hearing Officer, his/her clerk, or other

designee shall have the power to administer oaths and affirmations and to certify to official acts.

All parties to the hearing shall have the opportunity to testify, introduce exhibits, call and examine witnesses, and cross examine opposing witnesses on any matter relevant to the issues. The matter shall be informal and not proceed according to the Rules of Evidence. Determination of the true facts shall be the guiding principle in the hearing of the matter.

Within thirty (30) calendar days after the close of the hearing, the Hearing Officer shall issue a written decision, including a statement of the basis for the decision and findings of facts. The Hearing Officer's written decision shall constitute the final administrative decision of the City of Seaside.

In the event a civil action is initiated to obtain enforcement of the decision of the Hearing Officer, and judgment is entered to enforce the decision, the person against whom the order of enforcement has been entered shall be liable to pay the City's total costs of enforcement, including reasonable attorney fees and costs of the hearing.

If neither owner nor any permittee nor their authorized representatives appear at the noticed hearing, such failure to appear shall constitute an abandonment of the hearing request and a failure to exhaust administrative remedies."

Section 19.11 Severability is hereby deleted in its entirety and replaced with the following provisions:

"**Section 19.11.010. Severability.** If any word, phrase, sentence, part, section, subsection, or other portion of this Chapter, or any application thereof to any person or circumstance is declared void, unconstitutional, or invalid for any reason, then such word, phrase, sentence, part, section, subsection, or other portion, or the prescribed application thereof, shall be severable, and the remaining provisions of this Chapter, and all applications thereof, not having been declared void, unconstitutional or invalid, shall remain in full force and effect. The City Council hereby declares that it would have passed this title, and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases had been declared invalid or unconstitutional."