

# AGENDA

## REGULAR MEETING OF THE PLANNING COMMISSION

TUESDAY, JUNE 6, 2017  
6:00 P.M.

Council Chambers, City Hall  
212 S. Vanderhurst Avenue, King City, CA

### 1. CALL TO ORDER

### 2. ROLL CALL:

Planning Commission Members: Michael Barbree, Margaret Raschella, Ralph Lee, Vice Chairperson David Mendez, and Chairperson David Nuck

### 3. FLAG SALUTE

### 4. PUBLIC COMMENTS

*Any person may comment on any item not on the agenda. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD. Action may not be taken on the topic, unless deemed an urgency matter by a majority vote of the Planning Commission. Topics not considered an urgency matter might be referred to City staff and placed on a future agenda, by a majority vote of the Planning Commission.*

### 5. PRESENTATIONS

None

### 6. CONSENT AGENDA

*All matters listed under the Consent Agenda are considered routine and may be approved by one action of the Planning Commission, unless any member of the Planning Commission wishes to remove an item for separate consideration.*

- A. Meeting Minutes of May 16, 2017 Planning Commission Meeting  
Recommendation: approve and file.

### 7. NON-PUBLIC HEARINGS

- A. Consideration: General Plan Consistency Determination on Assessor Parcel No. 245-111-034  
Recommendation: adopt the attached Resolution which finds General Plan consistency for Assessor Parcel No. 245-111-034
- B. Consideration: General Plan Conformance Determination of a Portion of Public Street Right-of-Way (Corner of Broadway Street and San Antonio Drive) Case No. GPC 2017-001  
Recommendation: Planning Commission approve Resolution No. 2017-177 determining that the vacation of Public Street Right-of-Way Area on the corner of Broadway Street and San Antonio Drive is consistent with the City of King's General Plan.

## 8. PUBLIC HEARINGS

- A. **Consideration:** Recommendation to The City Council Re: Amending the King City Municipal Code - Section 17.03; Amending Sections 17.30.020 And 17.31.020; and Amending the East Ranch Business Park Specific Plan

**Recommendation:** Staff recommends that Planning Commission: 1) review proposed amendments to the Ordinances and Environmental Document, 2) receive public comment 3) provide a recommendation to the City Council regarding the amendments to the Ordinances.

In January 2016, the City Council approved amendment to the Municipal Code which allowed Commercial Cannabis Cultivation in the City. In September 2016, the Code was amended to allow Mixed Light Cultivation, Nurseries, Manufacturing and Testing.

This proposed amendment to the Municipal Code clarifies, refines, addresses items identified during the review processes and adds Distributor (CA Type 11) and Transporter (CA Type 12) land uses.

### **Environmental**

**Determination:** The Ordinances are exempt from the California Environmental Quality Act ("CEQA") because it can be seen with certainty that there is no possibility that it will have a significant effect on the environment. (CEQA Guidelines §15061(b)(3).) It is also exempt because it consists of regulations and restrictions on activities to assure the maintenance, restoration, or enhancement of natural resources and the environment by prohibiting environmentally destructive components of unregulated cannabis cultivation. (CEQA Guidelines §§15307, 15308.)

- B. **Consideration:** Conditional Use Permit 2016-012 Medical Cannabis Cultivation (CA Type 3A License) and Nursery (CA Type 4): North of San Antonio Drive, and East of Metz Road, King City.

**Recommendation:** Planning Commission: 1) review request for Conditional Use Permit, 2) receive public comment, and 3) adopt the attached Resolution adopting Conditional Use Permit 2016-012.

### **Environmental**

**Determination:** King City previously prepared and certified (September 2016) a Mitigated Negative Declaration (MND) for the amendment of the City's Zoning Ordinance and the amendment of the East Ranch Business Park Specific Plan (ERBP Specific Plan) (Ordinances 2016-728, 2016-729 and 2016-730) to allow new land uses in the Manufacturing Districts (M-1, M-2, M-3) and in the ERBP Specific Plan.

Staff has conducted an initial study related to this proposed project (CUP2016-012) and has determined the project is fully within the scope of the prior analysis by the MND. The Adoption of a Finding of Consistency has been recommended per CEQA Guidelines Section 15162 and has been noticed for Public Review.

## 9. REGULAR BUSINESS

## 10. PLANNING COMMISSIONER REPORTS

## 11. DIRECTOR'S REPORT

## 12. WRITTEN CORRESPONDENCE

## 13. ADJOURNMENT

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**NOTES**

**WRITTEN MATERIAL:** Any writing or document pertaining to an open session item on this agenda which is distributed to a majority of the Planning Commission after the posting of this agenda will be available for public inspection at the time the subject writing or document is distributed. The writing or document will be available for public review in the Community Development Department, 212 S. Vanderhurst Avenue, King City, Ca, during normal business hours, and may be posted on the City's website identified above.

**AGENDA ITEM SPEAKING TIME:** The Planning Commission may limit persons speaking on an agenda item to three (3) minutes per item.

**AMERICANS WITH DISABILITIES ACT:** Any individual, who because of a disability needs special assistance to attend or participate in this meeting, may request assistance by contacting the City Clerk's Office (831) 385.3281. Whenever possible, requests should be made four (4) working days in advance of the meeting

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**UPCOMING REGULAR MEETINGS**

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<b><u>June 2017</u></b>		
June 6 <sup>th</sup>	6:00 p.m.	Planning Commission
June 12 <sup>th</sup>	6:00 p.m.	Airport Advisory Committee
June 13 <sup>th</sup>	6:00 p.m.	City Council
June 19 <sup>th</sup>	5:00 p.m.	Recreation Commission
June 20 <sup>th</sup>	6:00 p.m.	Planning Commission
June 27 <sup>th</sup>	6:00 p.m.	City Council

<b><u>July 2017</u></b>		
July 4 <sup>th</sup>	6:00 p.m.	Planning Commission (Canceled)
July 10 <sup>th</sup>	6:00 p.m.	Airport Advisory Committee
July 11 <sup>th</sup>	6:00 p.m.	City Council
July 17 <sup>th</sup>	5:00 p.m.	Recreation Commission
July 18 <sup>th</sup>	6:00 p.m.	Planning Commission
July 25 <sup>th</sup>	6:00 p.m.	City Council (Canceled)

**ADT:** Average daily trips made by vehicles or persons in a 24-hour period

**ALUC:** Airport Land Use Commission

**AMBAG:** The Association of Monterey Bay Area Governments. The AMBAG region includes Monterey, San Benito and Santa Cruz Counties, and serves as both a federally designated Metropolitan Planning Organization and Council of Government. AMBAG manages the region's transportation demand model and prepares regional housing, population and employment forecast that are utilized in a variety of regional plans.

**APCD:** Air Pollution Control District

**BMP:** Best Management Practice, Bike Master Plan

**CAP:** Climate Action Plan

**CC&Rs:** Covenants, Conditions, and Restrictions (private agreements among property owners; the City has no authority to enforce these)

**CDBG:** Community Development Block Grant (a federal grant program designed to benefit low and moderate income persons)

**CEQA:** California Environmental Quality Act

**CFD:** Community Facilities District

**COG:** A council of government, or regional council, is a public organization encompassing a multi-jurisdictional regional community. It serves the local governments by dealing with issues that cross political boundaries.

**CUP:** Conditional Use Permit

**EIR:** Environmental Impact Report

**Ex-Parte:** Communication between Planning Commissioners and applicants outside of a public meeting

**FEMA:** Federal Emergency Management Agency

**GHG:** Greenhouse gas

**HOME:** Home Investment Partnership Act (a federal program to assist housing for low and moderate income households)

**HCP:** Habitat Conservation Plan

**HCD:** State Department of Housing & Community Development

**HUD:** U.S. Department of Housing and Urban Development

**LAFCO:** Local Agency Formation Commission

**LID:** Low Impact Development (measures to reduce rainwater runoff impacts)

**LLA:** Landscaping and Lighting District

**LOS:** Level of Service (a measurement of traffic efficiency used by Caltrans)

**MMTC:** A multimodal transit center includes a combination of alternative modes of transportation so people do not have to only rely on vehicles.

**MOU:** Memorandum of Understanding

**MND:** Mitigated Negative Declaration

**MPO:** A metropolitan planning organization is a federally mandated and federally funded transportation policy-making organization, such as AMBAG, that is made up of representatives from local government to help implement transportation projects and projects.

**Neg Dec:** Negative Declaration (a CEQA statement that a project will not have a significant effect on the environment)

**NEPA:** National Environmental Policy Act

**SOI:** Sphere of Influence.

**TAMC:** The Transportation Agency for Monterey County develops and maintains a multimodal transportation system for Monterey County. TAMC consists of local officials from each Monterey city (12 cities) and five (5) county supervisory districts, and ex-officio members from six (6) public agencies.

**TOT:** Transient Occupancy Tax

**Variance:** A form of relief from zoning development regulations based on physical constraints of a property that prevents development of the same type of buildings allowed on other properties within the same zone and in the same neighborhood

**VMT:** Vehicle Miles Traveled

May 16, 2017

**1. Call to Order**

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Chairperson Nuck called the regular meeting of the Planning Commission of the City of King to order at 6:00 p.m.

**2. Pledge of Allegiance**

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Chairperson Nuck led the Commission and audience in the Pledge of Allegiance.

**3. Roll Call**

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Chairperson David Nuck X Vice Chair David Mendez X  
Michael Barbree X Margaret Raschella X Ralph Lee X

**Staff present:** Scott Bruce, Principal Planner, Maricruz Aguilar-Navarro, Assistant Planner; Erica Sonne, Admin. Asst./Deputy City Clerk

**4. Public Comments**

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None

**5. Presentations**

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None

**6. Consent Calendar**

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All matters listed on the Consent Calendar are considered routine and may be approved by one action of the Planning Commission, unless any member of the Planning Commission wishes to remove an item for separate consideration.

**a. Approval of Minutes:** April 18, 2017

**Action:** Motion made by Commissioner Rashella to approve minutes of April 18, 2017. Seconded by Commissioner Lee. Motion carried 5-0.

**7. Public Hearing Items**

- A. **Consideration:** Approval of Conditional Use Permit Case No. CUP 2015-005 and Architectural Review Case No. AR 2015-002 for Construction of a new 8,000 square foot warehouse for multiple light industrial (no-cannabis) uses at 325 Airport Drive, King City, CA. 93930, for Ted Umstead. The property is within the Planned Development/Specific Plan ("P-D/SP") Zoning District and within the Light Industrial ("LI") General Plan Land Use Designation. The Project is within the East Ranch Business Park Specific Plan ("ERBP-SP").

**Recommendation:** Planning Commission conduct the public hearing and approve Resolution No. 2017-175, which approves Master Conditional Use Permit Case No. CUP2015-005 and Architectural Review Case No. AR2015-002 for the construction of an 8,000-square foot warehouse and allow multiple uses based on the Findings of Fact and subject to the Conditions of Approval.

Maricruz Aguilar-Navarro, Assistant Planner presented this item.

Chair Nuck opened the public hearing seeing no one come forward, Chair Nuck closed the public hearing.

Chair Nuck ask for a motion with a roll call vote.

**Action:** Motion made by Commissioner Barbree to adopt the attached Resolution 2017-175 with amendments to the COA's seconded by Raschella.

AYES: Chair Nuck, Vice Chair Mendez, Commissioner Barbree, Lee, Raschella

NOES:

ABSENT:

ABSTAIN:

- B. **Consideration:** Approval of Conditional Use Permit Case No. CUP 2016-008 for Renovation of an existing 15,592 square foot structure adding the second floor of 15,572 square foot inside the existing space at 151 Airport Drive, King City, CA. 93930, for Isaiah Dawid, Boutique Unlimited: Medical Cannabis Cultivation (CA Type 3A License).

**Recommendation:** Planning Commission 1) review request for Conditional Use Permit, 2) receive public comment, and 3) adopt the attached Resolution 2017-176 approving Conditional Use Permit 2016-008.

Scott Bruce, Principal Planner presented this item with a power point.

The applicant presented the project with a video and power point.

Mike project manager thanked the staff and planning commission for the consideration for approval. He introduced the team. Josh Rich, Isaiah Dawid,

Mike went over the process of growing the cannabis.

Principal Planner Bruce further explained the process getting ready to transfer.

Commissioner Barbree asked what they do with the waste.

Mike stated that they are working with Waste Management but they feel there is not that much waste and it is good for composting. Principle Planner explained where the enclosed dumpster site is.

Commissioner Barbree asked about the chemicals and how they will be stored. Mike explained that the chemicals will be locked in and 4X3X5 locker and fertilizers will be locked up as well and on pallets.

Commissioner Barbree asked about mother plant variations. Clarification was that it is all canopy.

Commissioner Barbree asked about working hours and shifts. They plan on having 3 shifts, 24 hours a day, of 16 employees a shift.

Commissioner Barbree wanted to know about the fencing and it blocking the building.

Commissioner Lee asked if this project is highly successful would they be expanding. The applicant said they would like to expand.

Principal Planner Bruce asked the applicant to explain the reclaimed water and air-conditioning.

Chair Nuck opened the public hearing.

Bill Lipe, community member, he is concerned about the chemicals and discharge of water.

The applicant stated that all the pesticides are registered. For wastewater, it will be diluted to the appropriate rate before it is discharged.

Chair Nuck closed the public hearing.

Principal Planner Bruce read the correction to the Resolution into the record.

Chair Nuck ask for a motion with a roll call vote.

**Action:** Motion made by Commissioner Barbree to adopt the attached Resolution 2017-176 as amended seconded by Raschella.

AYES: Chair Nuck, Vice Chair Mendez, Commissioner Barbree, Lee, Raschella

NOES:

ABSENT:

ABSENT:

ABSTAIN:

**8. Regular Business- None**

**9. Planning Commission Report –**

**10. Director Reports-**

**11. Written Correspondence– None**

**12. Adjournment**

There being no further business, the Planning Commission meeting was adjourned at 6:55 p.m.

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David Nuck  
Planning Commission Chairperson  
City of King

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Erica Sonne  
Planning Commission Secretary  
City of King



Item No. 7(A)

**REPORT TO THE PLANNING COMMISSION**

**DATE: JUNE 6, 2017**

**TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION**

**FROM: DOREEN LIBERTO, AICP, COMMUNITY DEVELOPMENT DIRECTOR**

**RE: CONSIDERATION OF A GENERAL PLAN CONSISTENCY DETERMINATION REGARDING CITY OWNED PROPERTY LOCATED NEAR THE WASTEWATER TREATMENT PLANT**

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**RECOMMENDATION:**

The Planning Commission adopt the attached Resolution which finds General Plan consistency for Assessor Parcel No. 245-111-034.

**BACKGROUND:**

The City is selling APN 245-111-034, which is located adjacent to the wastewater treatment plant and located in the unincorporated area. *(Reference Exhibit 1.)* State law requires a General Plan consistency determination by the planning agency before government property can be sold. The future property owner wishes to continue farming the property.

**DISCUSSION:**

Section 65402 (a) of the California Government Code reads, in part, as follows:

*"With few exceptions, "no real property shall be disposed of, no street shall be vacated or abandoned, and no public building or structure shall be constructed or authorized, if the adopted general plan or part thereof applies thereto, until the location, purpose and extent of such acquisition or disposition, such as street vacation or abandonment, or such public building or structure have been submitted to and reported upon by the planning agency as to conformity with said adopted general plan or part thereof."*

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GENERAL PLAN CONSISTENCY DETERMINATION  
JUNE 6, 2017  
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The Planning Commission may recall that consistency determinations were made on other city owned property near the wastewater treatment plant. This city owned property is located in the unincorporated area. The property is designated on the county's General Plan as Farmland 40-acre minimum. The adjacent city properties recently sold are also designated for agriculture.

Analysis

The City is in the process of selling APN 245-111-034. The future owner wishes to continue farming the site. This portion of land was intended for future expansion of the Waste Water Treatment Plant. However, the plant is now proposed to upgrade to a tertiary treatment plant, and the portion of land is no longer needed.

The General Plan provides the following goals for open space/Agricultural lands, and for Public Service and Facilities:

**5. OPEN SPACE AND AGRICULTURAL LANDS GOALS AND POLICIES**

**GOAL: TO PROTECT AND PROVIDE OPEN SPACE LANDS TO SATISFY THE NEEDS OF THE COMMUNITY; TO CONSERVE NATURAL RESOURCES FOR FUTURE GENERATIONS; AND TO PRESERVE VIABLE, PRIME AGRICULTURAL LANDS WITHIN THE PLANNING AREA WHICH ARE NOT DESIGNATED FOR FUTURE URBAN GROWTH.**

**7. PUBLIC SERVICES AND FACILITIES GOALS AND POLICIES**

**GOAL: TO PROVIDE ADEQUATE LAND AREAS FOR PUBLIC AND QUASI-PUBLIC LAND USES; TO PLAN AND PROVIDE FOR ADEQUATE AND EFFICIENT GOVERNMENT OFFICES AND COMMUNITY FACILITIES TO ACCOMMODATE THE EXISTING AND FUTURE NEEDS OF THE CITY; TO PROVIDE POLICE AND FIRE PROTECTION SERVICES AT LEVELS ADEQUATE FOR THE PROTECTION OF LIFE AND PROPERTY; TO ENSURE AN EFFICIENT SYSTEM OF PUBLIC UTILITIES; TO IMPROVE THE AVAILABILITY AND ACCESSIBILITY OF HEALTH AND MEDICAL SERVICES TO ALL RESIDENTS OF THE PLANNING AREA; AND TO PROVIDE ADEQUATE PARK AND RECREATIONAL FACILITIES TO SERVE THE RECREATIONAL NEEDS OF THE CITY.**

Environmental Review

Pursuant to Public Resources Code §15061 (3), and in accordance with the California Environmental Quality Act (CEQA), the project is covered by the general CEQA rule which states if it can be seen with certainty that there is no possibility that an activity may have a significant effect on the environment, the activity is not subject to CEQA. Staff believes that selling property which will remain in farming will not have a significant effect on the environment, and therefore the project is not subject to CEQA.

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GENERAL PLAN CONSISTENCY DETERMINATION  
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**COST ANALYSIS:**

The City will sell the property for \$XX,XXX.

**ALTERNATIVES:**

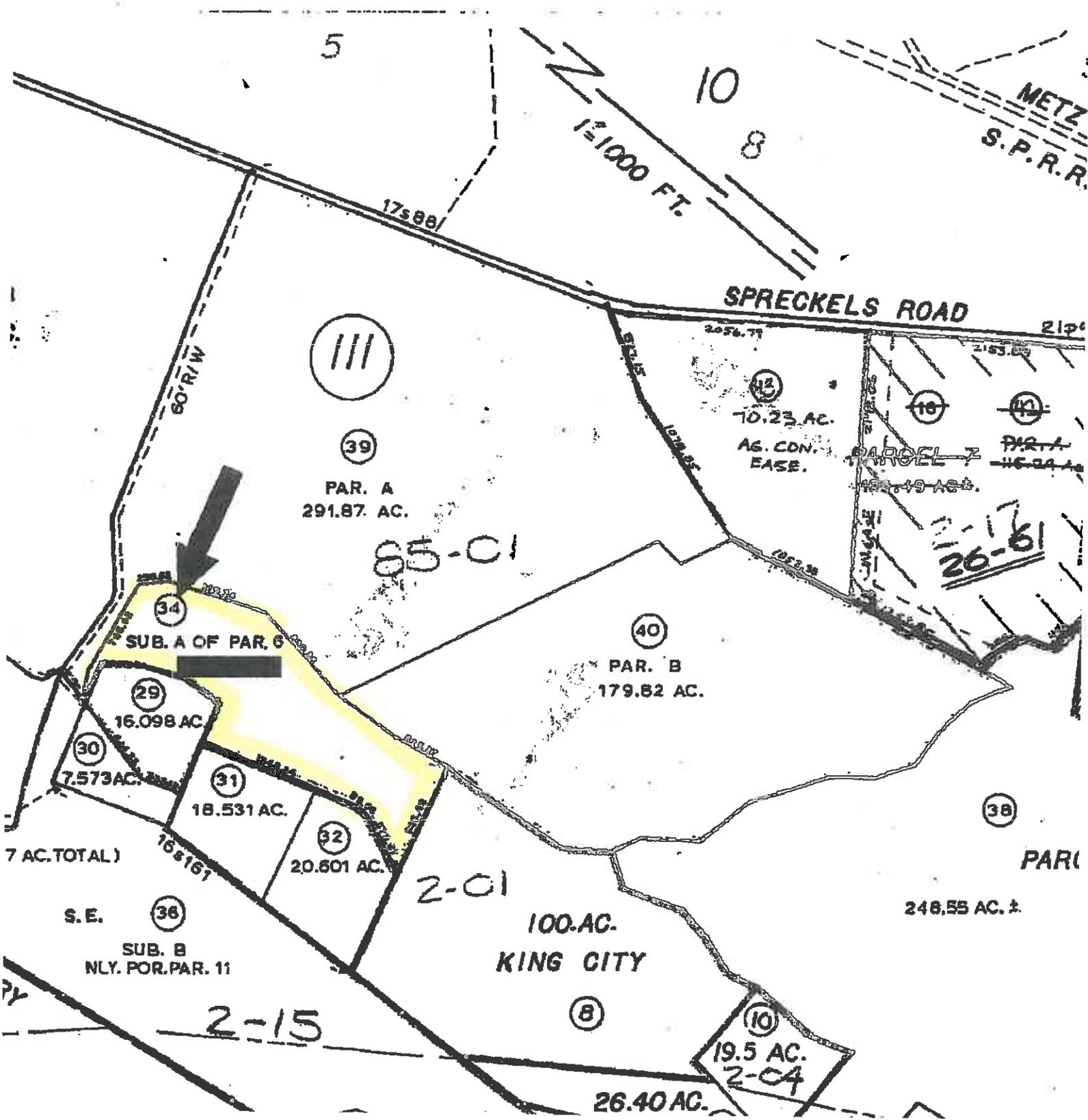
The following alternatives are provided for Council consideration:

1. Adopt the attached Resolution;
2. Do not adopt the attached Resolution and request staff return with a Resolution not recommending the amendments; or
3. Provide other direction to staff.

**Exhibits:**

1. Exhibit 1
2. Resolution

Submitted by: *Deucal Jenne for Doreen Liberto-Blanck*  
Doreen Liberto-Blanck, AICP



## RESOLUTION NO. 2017-180

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING, CALIFORNIA FINDING GENERAL PLAN CONSISTENCY FOR ASSESSOR PARCEL NO. 245-111-034 FOR THE PURPOSE OF DISPOSING LAND.**

**WHEREAS**, Section 65402 (a) of the California Government Code reads, in part, as follows: *"With few exceptions, "no real property shall be disposed of, no street shall be vacated or abandoned, and no public building or structure shall be constructed or authorized, if the adopted general plan or part thereof applies thereto, until the location, purpose and extent of such acquisition or disposition, such as street vacation or abandonment, or such public building or structure have been submitted to and reported upon by the planning agency as to conformity with said adopted general plan or part thereof"; and*

**WHEREAS**, the Community Development Department ("**Department**") of the City of King reviewed a request for a General Plan Consistency determination by the City of King to sell Assessor Parcel Number 245-111-034 for the purpose of disposing land, as shown on **Exhibit 1**; and

**WHEREAS**, pursuant to Public Resources Code §15061 (3), and in accordance with the California Environmental Quality Act ("**CEQA**"), the project is covered by the general CEQA rule which states if it can be seen with certainty that there is no possibility that an activity may have a significant effect on the environment, the activity is not subject to CEQA; and

**WHEREAS**, on June 6, 2017, the City of King Planning Commission ("**Commission**") considered the General Plan consistency, after considering the staff report and all submitted evidence, and determined that there are no conflicts with the City's General Plan and therefore, made a General Plan consistency determination in the affirmative.

**NOW, THEREFORE, BE IT RESOLVED** that the Planning Commission of the City of King does hereby make a consistency determination for the parcel shown in **Exhibit 1** based on the following findings of fact:

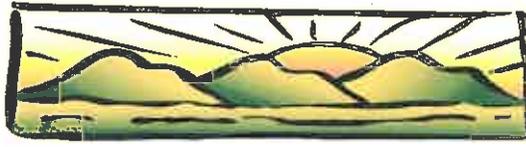
1. The property is designated as Farmland 40-acre minimum and will be continued to be farmed. The agricultural land use designation is consistent with the character of the area, which is predominately agriculture.
2. The projects are statutorily exempt from environmental review pursuant to the State CEQA Guideline §15061(b)(3) because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

PASSED, APPROVED AND ADOPTED this 6<sup>th</sup> day of June, 2017

\_\_\_\_\_  
David Nuck, Planning Commission Chair

ATTEST:

\_\_\_\_\_  
Maricruz Aguilar, Planning Commission Clerk



**KING CITY**  
C A L I F O R N I A

Item No. 7(B)

**REPORT TO THE PLANNING COMMISSION**

**DATE: JUNE 6, 2017**

**TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION**

**BY: DOREEN LIBERTO, AICP, COMMUNITY DEVELOPMENT DIRECTOR**

**RE: GENERAL PLAN CONFORMANCE DETERMINATION OF VACATION OF A PORTION OF PUBLIC STREET RIGHT-OF-WAY (CORNER OF BROADWAY STREET AND SAN ANTONIO DRIVE) CASE NO. GPC 2017-001**

**RECOMMENDATION:**

It is recommended that the Planning Commission approve Resolution No. 2017-177, determining that the vacation of public street right-of-way area on the corner of Broadway Street and San Antonio Drive is consistent with the City of King's General Plan.

**BACKGROUND:**

In order for the City to realize the gateway sign improvements, the City has been looking for funding sources. A portion of public street right-of-way immediately adjacent to the gateway sign location (Corner of Broadway Street and San Antonio Drive) was received by the City in 1969, as a remnant piece of land from Caltrans that was no longer needed, and which the City currently owns.

The City is interested in potentially vacating this piece of land/portion of the public street right-of-way and selling this portion of land. (**Reference Area Map Exhibit 1.**) The sale of the property would be subject to retention of a public service easement, and the proceeds would help fund a portion of the gateway sign improvements.

Pursuant to Government Code Section 65402, prior to the vacation of a street, the Planning Commission must find and determine that such proposed vacation is consistent with the City's adopted General Plan. With few exceptions, "no real property shall be disposed of, no street shall be vacated or abandoned, and no

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CONSISTENCY DETERMINATION  
VACATION OF PUBLIC RIGHT-OF-WAY  
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public building or structure shall be constructed or authorized, if the adopted general plan or part thereof applies thereto, until the location, purpose and extent of such acquisition or disposition, such as street vacation or abandonment, or such public building or structure have been submitted to and reported upon by the planning agency as to conformity with said adopted general plan or part thereof."

**DISCUSSION:**

The project site abuts to King City Motel Investments, LLC "Days Inn" zoned Highway Service ("H-S") and also the King City Cemetery zoned Single Family Residential ("R-1"). The City is exploring options to vacate the street easement and to sell this portion of land, with a public service easement being retained. In order to vacate a street, the City needs to make a General Plan Consistency Determination.

The public street right-of-way vacation helps achieve and is consistent with the following goals and policies of the General Plan:

Circulation Element

Goal #3: To Provide a Public Street and Highway System that accommodates existing and projected traffic volumes within the Planning Area.

*The street vacation and sale of the property would be consistent with Goal #3. This portion of land was relinquished by Caltrans to the City in 1969. This portion of land is no longer needed as a road will not be needed at that location. As part of the City's Circulation Element of 1988, the completion of San Antonio Drive was achieved with the improvements of a traffic light signal at the Broadway Street and Highway 101 intersection and this accommodates the existing and projected traffic volumes within this area. This portion of land will not be used for any future roads and will be retained with a public service easement.*

Policy 3.7: The City shall seek opportunities to enhance the "gateway" areas of the city, and at key entry points for its neighborhoods. Where opportunities are presented, the City shall consider requiring developers to install identity signs, special paving for pedestrian crosswalks, light fixtures, or landscape features to identify the entry or gateway functions.

*The street vacation and sale of the property would be consistent with Policy 3.7. The City is seeking opportunities to help fund the new entryway/welcome sign along the Broadway and San Antonio gateway*

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CONSISTENCY DETERMINATION  
VACATION OF PUBLIC RIGHT-OF-WAY  
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*area of the city. Selling this land will provide funding that could allow the City to do much needed improvements to main gateway area of the City. Additionally, sale of this property would allow it to be utilized, potentially with parking, which would better enhance the gateway area as compared to leaving the small parcel as an empty lot.*

**Advantages**

The advantages of a new welcome sign and new gateway features will add to the City's Economic Development goals. The City is exploring options to sell the land and retain a public service easement.

**Disadvantages**

No known disadvantages were found during the review of this project.

**ENVIRONMENTAL REVIEW:**

Staff has performed a preliminary environmental assessment of this project. The street vacation and sale process will cause only a change in the ownership of the subject property, will not alter the existing physical conditions, and public utility easements will be retained. As such, the project has not potential for resulting in either a direct or indirect adverse physical change in the environment, and is not a "project" for the purposes of the California Environmental Quality Act ("CEQA"). Even if it were, there is no possibility that this project may have a significant adverse effect on the environment. There is currently no street on the portion of the street easement sought to be vacated, no development of the project has been proposed to the City, and the mere transfer of title will not have a significant adverse effect. Finally, even if these were not applicable, the project would also be Categorical Exempt pursuant to Section 15312 (sale of surplus property). None of the exceptions to the Categorical Exemptions under CEQA Guidelines section 15300.2 are applicable.

**COST ANALYSIS:**

The City anticipates sale of this land. The funds are anticipated to go towards making the necessary improvements to enhance the main entry point of Broadway Street and San Antonio Drive with a new sign, new lighting and new landscaping.

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CONSISTENCY DETERMINATION  
VACATION OF PUBLIC RIGHT-OF-WAY  
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**ALTERNATIVES:**

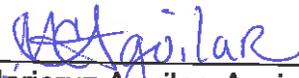
The following alternatives are provided for Planning Commission consideration:

1. Approve Resolution No. 2017-177 and make the findings that the vacation is consistent with the City's General Plan;
2. Deny approval of Resolution No. 2017-177 and return with findings of denial to the next Planning Commission meeting; or
3. Provide other direction to staff.

**Exhibits:**

1. Area Map
2. Resolution No. 2017-177

Submitted by:

  
\_\_\_\_\_

Maricruz Aguilar, Assistant Planner

Approved by:

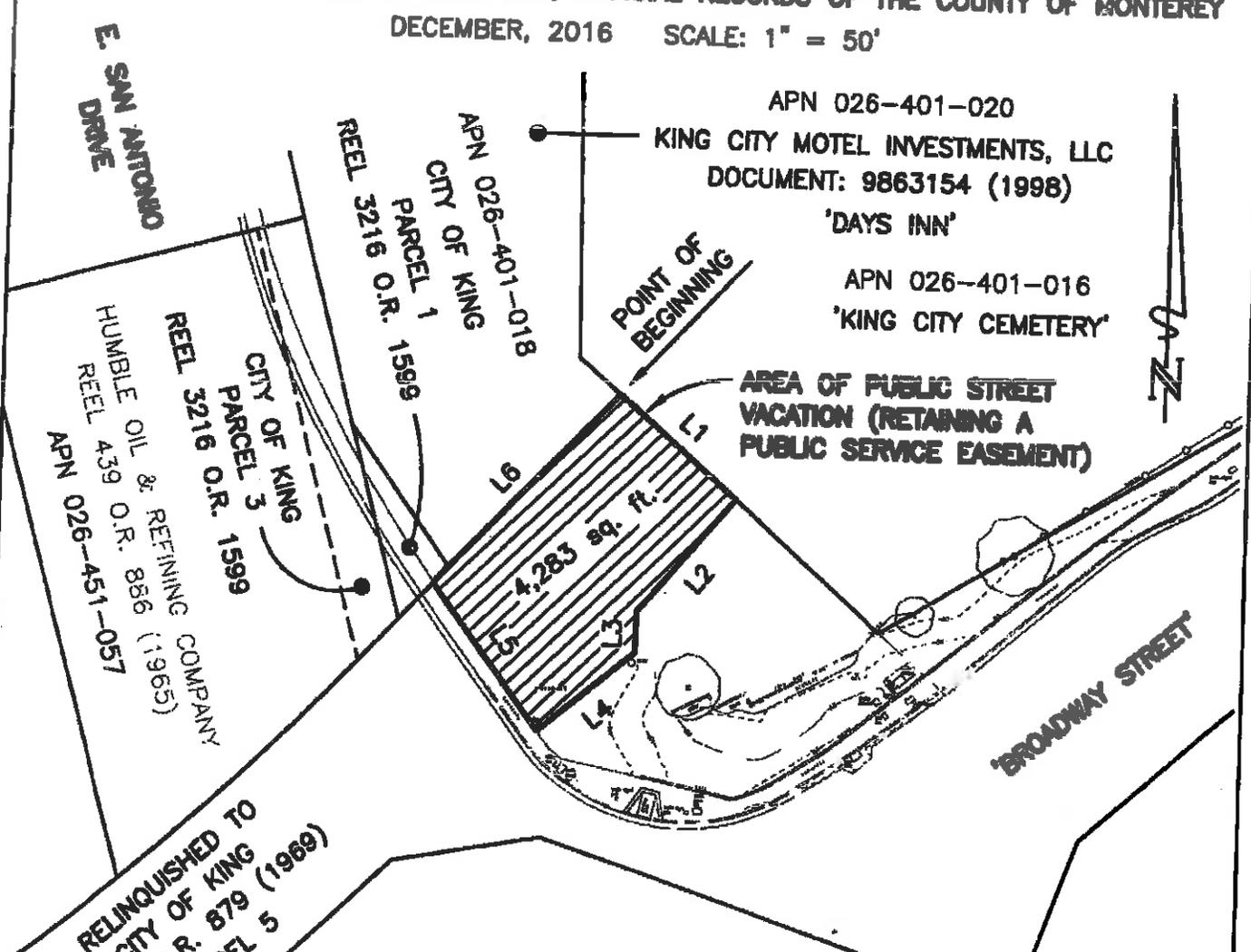
  
\_\_\_\_\_

Doreen Liberto-Blanck, AICP, Community Development Director

# EXHIBIT 1 AREA MAP

PLAT TO ACCOMPANY A VACATION OF PUBLIC STREET RIGHT OF WAY  
IN THE CITY OF KING, COUNTY OF MONTEREY, STATE OF CALIFORNIA  
BEING A PORTION OF PARCEL FIVE RELINQUISHED TO THE CITY OF KING BY THE STATE OF  
CALIFORNIA IN REEL 626, AT PAGE 879, OFFICIAL RECORDS OF THE COUNTY OF MONTEREY

DECEMBER, 2016      SCALE: 1" = 50'



LINE TABLE		
LINE	LENGTH	BEARING
L1	46.50'	S49°37'00"E
L2	44.50'	S40°16'00"W
L3	12.36'	S01°05'42"W
L4	36.77'	N49°25'58"E
L5	53.40'	S36°30'42"E
L6	78.34'	S42°51'18"W



HANNA-BRUNETTI

EST. 1910

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CIVIL ENGINEERS • LAND SURVEYORS  
CONSTRUCTION MANAGERS

7651 EIGLEBERRY ST. | GILROY, CA 95020  
408.842.2173

John K. King, P.L.S. \_\_\_\_\_

Date \_\_\_\_\_

JN 162110

Resolution No. 2017-177

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING,  
CALIFORNIA, DETERMINING THAT THE VACATION OF A PORTION OF PUBLIC  
STREET RIGHT OF WAY CORNER OF BROADWAY STREET AND SAN ANTONIO  
DRIVE IS IN CONFORMITY WITH THE CITY'S GENERAL PLAN (PC CASE NO. GPC  
2017-001: CORNER OF BROADWAY STREET AND SAN ANTONIO DRIVE  
VACATION)**

**WHEREAS**, pursuant to Streets & Highway Code Section 8300, *et seq.*, the City Council of the City of King ("City") is authorized to vacate a portion of street which is located within the City; and

**WHEREAS**, the City intends to improve the gateway sign area on the corner of Broadway Street and San Antonio Drive; and

**WHEREAS**, the City received a remnant piece of land from Caltrans in 1969 for road widening that is no longer needed immediately adjacent to the corner of Broadway Street and San Antonio Drive; and

**WHEREAS**, for the City to realize it's plans for improving the gateway sign area the City a portion of public street right-of-way on the corner of Broadway Street and San Antonio Drive, as described in Exhibit "A" and depicted on Exhibit "B" attached hereto and incorporated herein as ("Public Street Vacation Area"), must be vacated; and

**WHEREAS**, pursuant to Government Code Section 65402, prior to vacation of a street, the Planning Commission must find and determine that such proposed vacation is consistent with the City's adopted General Plan; and

**WHEREAS**, at its meeting on May 23, 2017, the City Council, pursuant to Section 8320 of the Streets & Highway Code, considered and adopted Resolution No. CC2017-4581 and Resolution No. CC 2017-4582, declaring the City Council's intent to initiate vacation proceedings, requesting that the Planning Commission determine whether the proposed vacation is consistent with the City's General Plan, and set the date, hour and place for a public hearing to consider vacation of public street right-of-way; and

**WHEREAS**, pursuant to the City's Council's direction, the Planning Commission has analyzed the issue of whether the proposed vacation is consistent with the City's General Plan and now desires to report back to City Council regarding this issue.

**NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF KING,  
CALIFORNIA DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1:** That all of the above-stated recitals are true and correct and are incorporated herein by this reference.

**SECTION 2:** That the Planning Commission has reviewed a staff report which explains that the proposed vacation is consistent with the Land Use and Circulation elements of the General Plan.

**SECTION 3:** That the Planning Commission makes the findings and hereby declares that the proposed area to be vacated—that portion of public street right-of-way located on the corner of Broadway Street and San Antonio Drive is consistent with the Land Use and Circulation elements of the General Plan.

**PASSED, APPROVED AND ADOPTED THIS 6<sup>TH</sup> DAY OF JUNE 2017.**

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**Chairperson**

I, Erica Sonne, Deputy City Clerk, for the City of King, California, do hereby certify that the foregoing Resolution No. 2017-177 was duly approved and adopted by the Planning Commission of the City of King at a regular meeting of said Commission held on the 6<sup>th</sup> day of June 2017 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Erica Sonne, Deputy City Clerk

**EXHIBIT A**

**Legal Description to Accompany a Vacation of Public Street Right of Way  
In the City of King, County of Monterey, State of California**

All that real property lying within the City of King, County of Monterey, State of California, being a portion of that certain Parcel 5 (Five) relinquished to the City of King as described in that 'RELINQUISHMENT OF HIGHWAY RIGHT OF WAY IN THE CITY OF KING, ROAD 05-MON-101-39.3-41.2 REQUEST NO. 1742' recorded October 28, 1969 in Reel 626, at Page 879, Official Records of said County and as shown on State Highway Map Book No. 5, at Page 26, Records of said County, being more particularly described as follows:

**Beginning** at the most northeasterly terminus of that course shown as " S 42°51'18" W 93.22' " on said State Highway Map, said terminus being an angle point on the boundary of said Parcel 5; thence along the northeasterly boundary of said Parcel 5 South 49°37'00" East 46.50 feet to a point; thence leaving said boundary South 40°16'00" West 44.50 feet to a point; thence South 1°05'42" West 12.36 feet to a point; thence South 49°25'58" West 36.77 feet to a point; thence North 36°30'42" West 53.40 feet to a point on the northwesterly boundary of said Parcel 5; thence along said boundary North 42°51'18" East 78.34 feet to the **Point of Beginning**.

Retaining a Public Service Easement under, over, on and across said lands being vacated by the City of King.

Containing 4,283 square feet of land, more or less.

As shown on **Exhibit B** attached hereto and made a part hereof.

End of Description

This description was prepared by me or under my direction pursuant to the requirements of the Professional Land Surveyor's Act.

\_\_\_\_\_  
John K. King  
P.L.S. 6809

\_\_\_\_\_  
Date

**EXHIBIT B**  
**PLAT TO ACCOMPANY A VACATION OF PUBLIC STREET RIGHT OF WAY**  
**IN THE CITY OF KING, COUNTY OF MONTEREY, STATE OF CALIFORNIA**  
**BEING A PORTION OF PARCEL FIVE RELINQUISHED TO THE CITY OF KING BY THE STATE OF**  
**CALIFORNIA IN REEL 626, AT PAGE 879, OFFICIAL RECORDS OF THE COUNTY OF MONTEREY**  
 DECEMBER, 2016      SCALE: 1" = 50'

**E. SAN ANTONIO DRIVE**

**REEL 3216 O.R. 1599**  
**CITY OF KING**  
**PARCEL 3**  
**HUMBLE OIL & REFINING COMPANY**  
**REEL 439 O.R. 886 (1965)**  
**APN 026-451-057**

**RELINQUISHED TO**  
**CITY OF KING (1969)**  
**R 626 O.R. 879**  
**PARCEL 5**

**'STATE HIGHWAY 101'**

**REEL 3216 O.R. 1599**  
**CITY OF KING**  
**PARCEL 1**  
**APN 026-401-018**

**APN 026-401-020**  
**KING CITY MOTEL INVESTMENTS, LLC**  
**DOCUMENT: 9863154 (1998)**

**'DAYS INN'**

**APN 026-401-016**  
**'KING CITY CEMETERY'**

**POINT OF BEGINNING**

**AREA OF PUBLIC STREET VACATION (RETAINING A PUBLIC SERVICE EASEMENT)**

**4,283 sq. ft.**

**L1**  
**L2**  
**L3**  
**L4**  
**L5**

**'BROADWAY STREET'**

LINE TABLE		
LINE	LENGTH	BEARING
L1	46.50'	S49°37'00"E
L2	44.50'	S40°16'00"W
L3	12.36'	S01°05'42"W
L4	36.77'	N49°25'58"E
L5	53.40'	S36°30'42"E
L6	78.34'	S42°51'18"W



**HANNA-BRUNETTI**

EST. 1910

**CIVIL ENGINEERS • LAND SURVEYORS**  
**CONSTRUCTION MANAGERS**

7651 EIGLEBERRY ST. | GILROY, CA 95020  
 408.842.2173

John K. King, P.L.S.

Date \_\_\_\_\_

JN 162110



Item No. 8(A)

**REPORT TO THE PLANNING COMMISSION**

**DATE: JUNE 06, 2017**  
**TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION**  
**FROM: DOREEN LIBERTO-BLANCK COMMUNITY DEVELOPMENT DIRECTOR;  
ROY SANTOS , ASSISTANT CITY ATTORNEY**  
**BY: SCOTT BRUCE, PRINCIPAL PLANNER**  
**RE: RECOMMENDATION TO THE CITY COUNCIL RE: AMENDING THE KING  
CITY MUNICIPAL CODE - SECTION 17.03; AMENDING SECTIONS  
17.30.020 AND 17.31.020; AND AMENDING THE EAST RANCH  
BUSINESS PARK SPECIFIC PLAN**

**RECOMMENDATION:**

Staff recommends that Planning Commission 1) review proposed amendments to the Ordinances and Environmental Document, 2) receive public comment 3) provide recommendation to the City Council regarding the amendments to the Ordinances.

In January 2016, the City Council approved amendment to the Municipal Code which allowed Commercial Cannabis Cultivation in the City. In September 2016, the Code was amended to allow Mixed Light Cultivation, Nurseries, Manufacturing and Testing.

The proposed amendments to the King City Municipal Code will clarify, refine, and address items identified during the review processes. Also, the amendments will add Distributor (CA Type 11) and Transporter (CA Type 12) land uses.

**BACKGROUND:**

With the adoption of Proposition 215, the California voters approved the Compassionate Use Act (Health and Safety Code § 11362.5) to ensure that seriously ill Californians have the right to obtain and use cannabis for medical purposes where that medical use is deemed appropriate and has been recommended by a physician, without fear of criminal prosecution under limited, specified circumstances. In 2004, the State Legislature enacted SB 420 to clarify the scope of the Compassionate Use Act and provide additional statutory guidance regarding medical cannabis use. These statutes are codified at Health and Safety Code section 11362.7 et seq. and allow cities and counties to adopt supplemental rules and regulations.

In October of 2015, the Governor signed the Medical Marijuana Regulation and Safety Act ("Act"). The Act created a comprehensive state licensing system for the commercial cultivation, manufacture, retail sale, transport, distribution, delivery, and testing of medical

cannabis, all subject to local control. One of the purposes of the Act is to ensure uniformity among jurisdictions that wished to allow commercial cannabis operations.

The Adult Use of Marijuana Act (“AUMA”) was approved by a majority of California voters in the November 2016 election. The purpose of AUMA is to establish a comprehensive system to legalize, control and regulate the cultivation, processing, manufacture, distribution, testing, and sale of nonmedical cannabis, including cannabis products. Adults, age 21 and older, will be allowed to possess cannabis and grow certain amounts at home for personal use.

Unregulated cannabis cultivation can be harmful to the health, safety and welfare of the surrounding community and constitute a public nuisance. Cannabis plants, as they begin to flower and for a period of two months or more, produce a strong odor, offensive to many people, and detectable far beyond property boundaries without proper ventilation, odor control, and other regulations. Also, due to the value of cannabis plants and their strong smell (which alerts others to their locations), cannabis cultivation has been linked to break-ins, robbery, armed robbery, theft and attendant violence and injury, creating an increased risk to public safety.

In addition, cannabis cultivation has been shown to involve avoidance of environmental laws and regulations, and has resulted in the pollution of waters and navigable waterways in the State of California. The indoor cultivation of cannabis has potential adverse effects to the structural integrity of the buildings in which cannabis is cultivated, and the use of high wattage grow lights and excessive use of electricity increases the risk of fire, which presents a clear and present danger to the buildings, its occupants, and neighboring buildings. In fact, there are numerous well publicized studies and reports, as well as numerous documented incident in Monterey County and throughout the State, which show that unregulated cannabis activities have a significant adverse effect on the community.

Health and Safety Code section 11362.2(b) explicitly allows a city to “enact and enforce reasonable regulations to reasonably regulate” the cultivation of cannabis. Countless California cities have reported negative impacts of cannabis cultivation and related activities, including but not limited to offensive odors, criminal activity, (such as trespassing, theft, violent robberies and robbery attempts, and the illegal sale and distribution of cannabis), and public health and safety concerns (such as fire hazards and problems associated with mold, fungus, and pests). Given the continuing lack of formal regulation from the state, the City is considering amendment of the regulations governing commercial cultivation of cannabis. Without a formal regulatory framework, the adverse impacts frequently associated with commercial cannabis activities will occur, and would result in an unregulated and potentially significant negative impact upon the environment and upon public health, safety, and welfare of the community.

On **January 26, 2016**, the City adopted Title 17, Chapter 17.03 of the King City Municipal Code pertaining to commercial cannabis activity. The commercial medical cannabis ordinance places complete bans and regulations on medical cannabis activity in the City

based upon various health, safety and welfare and land use findings relating to cannabis cultivation, distribution, and consumption, which findings are incorporated herein by reference. The City also considered and adopted the Mitigated Negative Declaration ("**MND**") related to the project.

**In September of 2016** the City further amended the King City Municipal Code to facilitate and regulate the allowance of additional types of indoor commercial cannabis activity as well as the manufacturing and testing of commercial medical cannabis products. The commercial medical cannabis related ordinances added regulatory language and amend the land uses / license types that are allowed in the ERBP SP and the M-1 and M-2 Districts. The City also considered and adopted the Mitigated Negative Declaration ("**MND**") related to the project.

## **DISCUSSION:**

In the time since the Code was revised Staff has processed three commercial medical cannabis projects. Through that process Staff has had the opportunity to evaluate that functionality and clarity of the regulations as well as receive comment and suggestions from the applicants. In addition, the City Attorney's Office has conducted a thorough legal analysis of the current regulations and provided suggested amendments.

**Ordinance 2017-743:** Amendments to Title 17, Section 17.03 defines and regulates the Commercial Cannabis Activity related uses that are to be allowed in the City; it does not specifically delineate those additional uses and/or the areas of the City where those uses can be located. Currently, the ERBP and the M-1, M-2 Districts allow indoor cultivation, nurseries, manufacturing and testing.

**Ordinance 2017-743:** Amendments to Title 17, Sections 17.30.020 and 17.31.020 and the ERBP Specific Plan will allow the additional Transporter and Distributer uses in the M-1 and M-2 Districts. A Transporter is Licensed by the State to Transport Commercial Cannabis Products. A Distributer is Licensed by the State to Distribute Commercial Cannabis – selling wholesale to Dispensaries outside of the City. All dispensaries are banned within the city limits of the City of King.

**Ordinance 2017-744:** Amendments to the ERBP Specific Plan, adding allowed Commercial Cannabis related uses (Types 11 and 12) in the ERBP.

The Ordinances are exempt from the California Environmental Quality Act ("CEQA") because it can be seen with certainty that there is no possibility that it will have a significant effect on the environment. (CEQA Guidelines §15061(b)(3).) It is also exempt because it consists of regulations and restrictions on activities to assure the maintenance, restoration, or enhancement of natural resources and the environment by prohibiting

environmentally destructive components of unregulated cannabis cultivation. (CEQA Guidelines §§15307, 15308.)

The State of California, as part of AB 243, AB 266 and SB 643, has defined certain Types of “Licenses”.

**The City’s Municipal Code currently allows:**

- Type 2A: Indoor cultivation with all artificial light from 0 to 10,000 square feet of plant canopy
- Type 3A: Indoor cultivation with all artificial light from 10,001 to 22,000 square feet of plant canopy
- Type 2B: Indoor cultivation with all artificial light from 0 to 10,000 square feet of plant canopy
- Type 3B: Indoor cultivation with all artificial light from 10,001 to 22,000 square feet of plant canopy
- Type 4: Nurseries (the City anticipates limiting this use to a maximum 25,000 sf of plant growth area).
- Type 6: Manufacturing (Level 1)
- Type 8: Testing

**The Amendments Include (but are not limited to):**

Refinements to:

- Definitions
- Work Permit Approval Process
- Inspection and Enforcement
- Violations
- Insurance Coverage Limits
- Application Review and Approval Procedures

Also:

- The Public Education Plan has been removed
- Limits to Storage of Alcohol and CO2 are now to be approved by Fire Chief and / or Chief of Police
- Distributer and Transporter Uses are allowed in the M-Districts and the ERBP

**ALTERNATIVES:**

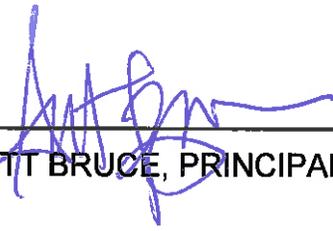
The following alternatives are provided for Commission consideration:

1. Provide recommendations to City Council regarding Ordinances 2017-743, 2017-744
2. Provide other direction to staff.

**EXHIBITS:**

1. Ordinance No. 2017- 743 (Section 17.03, Regulatory Ordinance and (Sections 17.30 and 17.31 (M-1 and M-2 Districts)
2. Ordinance No. 2017-744 (East Ranch Business Park Specific Plan Amendment).
3. Resolution no. 2017- 179

Submitted by:

  
\_\_\_\_\_  
SCOTT BRUCE, PRINCIPAL PLANNER

Approved by:

  
\_\_\_\_\_  
DOREEN LIBERTO-BLANCK, AICP, COMMUNITY DEVELOPMENT  
DIRECTOR



**ORDINANCE NO. 2017-743****AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KING AMENDING CHAPTER 17.03 OF TITLE 17 OF THE KING CITY MUNICIPAL CODE PERTAINING TO COMMERCIAL CANNABIS ACTIVITY; AMENDING CHAPTER 17.30 OF TITLE 17 OF THE KING CITY MUNICIPAL CODE PERTAINING TO M-1 INDUSTRIAL DISTRICT; AND AMENDING CHAPTER 17.31 OF TITLE 17 OF THE KING CITY MUNICIPAL CODE PERTAINING TO M-2 INDUSTRIAL DISTRICT**

**WHEREAS**, the City of King (“the City”) has the authority, under its police power, to enact regulations for the public peace, morals, and welfare of the City, California Constitution Article XI, section 7; and

**WHEREAS**, in 1996, with the adoption of Proposition 215, the California voters approved the Compassionate Use Act (Health and Safety Code § 11362.5) to ensure that seriously ill Californians have the right to obtain and use cannabis for medical purposes where that medical use is deemed appropriate and has been recommended by a physician, without fear of criminal prosecution under limited, specified circumstances; and

**WHEREAS**, in 2004, the State Legislature enacted SB 420 to clarify the scope of the Compassionate Use Act and provide additional statutory guidance regarding medical cannabis use. These statutes are codified at Health and Safety Code § 11362.7 et seq. and allow cities and counties to adopt supplemental rules and regulations; and

**WHEREAS**, on October 9, 2015, almost 20 years after passage of the Compassionate Use Act, the Governor signed the Medical Marijuana Regulation and Safety Act (“Act”), comprised of California legislative bills AB 243, AB 266, and SB 643. The Act creates a comprehensive state licensing system for the commercial cultivation, manufacture, retail sale, transport, distribution, delivery, and testing of medical cannabis, all subject to local control. One of the purposes of the Act is to ensure uniformity among jurisdictions that wished to allow commercial cannabis operations; and

**WHEREAS**, on June 27, 2016, the Governor signed SB 837, effective immediately, changing the terms in the Act from “medical marijuana” or “marijuana” to “medical cannabis” or “cannabis”, and making other technical changes to the Act. SB 837 also adopted regulations relating to the use and diversion of water in connection with the cultivation of cannabis; and

**WHEREAS**, in 2016, the City adopted Title 17, Chapter 17.03 et seq., of the King Municipal Code pertaining to Medical Cannabis Activity. The Medical Cannabis Ordinance places complete bans and regulations on medical cannabis activity in the City based upon various health, safety and welfare and land use findings relating to cannabis cultivation, dispensing, and consumption, which findings are incorporated herein by reference; and

**WHEREAS**, in November of 2016 the Adult Use of Marijuana Act (“AUMA”) was approved by a majority of California voters. The purpose of AUMA is to establish a comprehensive system to legalize, control and regulate the cultivation, processing, manufacture, distribution,

testing, and sale of nonmedical cannabis, including cannabis products. Adults, age 21 and older, will be allowed to possess cannabis and grow certain amounts at home for personal use; and

**WHEREAS**, the AUMA did not provide for a specific effective date, thus the provisions of the AUMA regarding personal use, possession, and cultivation of cannabis became effective the day after the November 8, 2016; and

**WHEREAS**, the AUMA's proposed Health & Safety Code section 11362.1(a)(3), will make it lawful under state and local law for any person twenty-one (21) years of age or older to "Possess, plant, cultivate, harvest, dry, or process not more than six living cannabis plants and possess the cannabis produced by the plants"; and

**WHEREAS**, the City wishes to enact regulations governing commercial cultivation of cannabis at this time; and

**WHEREAS**, the AUMA's proposed Health & Safety Code section 11362.2(b) explicitly allows a city to "enact and enforce reasonable regulations to reasonably regulate" the cultivation of cannabis so long as the City does not prohibit the cultivation of up to six plants "inside a private residence, or inside an accessory structure to a private residence located upon the grounds of a private residence that is fully enclosed and secure"; and

**WHEREAS**, several California cities have reported negative impacts of cannabis cultivation and related activities, including but not limited to offensive odors, criminal activity, (such as trespassing, theft, violent robberies and robbery attempts, and the illegal sale and distribution of cannabis), and public health and safety concerns (such as fire hazards and problems associated with mold, fungus, and pests); and

**WHEREAS**, cannabis plants, as they begin to flower and for a period of two months or more, produce a strong odor, offensive to many people, and detectable far beyond property boundaries if grown outdoors or if grown indoors without proper ventilation, odor control, and other regulations; and

**WHEREAS**, due to the value of cannabis plants and their strong smell (which alerts others to their locations), cannabis cultivation has been linked to break-ins, robbery, armed robbery, theft and attendant violence and injury, creating an increased risk to public safety; and

**WHEREAS**, unregulated cannabis cultivation can be harmful to the welfare of the surrounding community and its residents and constitute a public nuisance, in that cannabis cultivation has been shown to involve avoidance of environmental laws and regulations, and has resulted in the pollution of waters and navigable waterways in the State of California; and

**WHEREAS**, the indoor cultivation of cannabis has potential adverse effects to the structural integrity of the buildings in which cannabis is cultivated, and the use of high wattage grow lights and excessive use of electricity increases the risk of fire, which presents a clear and present danger to the buildings, its occupants, and neighboring buildings and residents; and

**WHEREAS**, unregulated indoor cultivation of cannabis can be harmful to the public health, safety and welfare, given electrical modifications risk fires, poor irrigation can cause mold, overloaded circuits can leave entire neighborhoods in the dark, plant chemicals can cause illness,

improper carbon dioxide mixed with insufficient ventilation can cause injury or death, and structural changes put first responders in danger if they rush into the unknown; and

**WHEREAS**, the Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use recognize that the cultivation or other concentration of cannabis in any location or premises without adequate security increases the risk that nearby homes or businesses may be negatively impacted by nuisance activity such as loitering and/or crime; and

**WHEREAS**, MMRSA and AUMA mandated comprehensive state licensing and regulatory framework for cultivation, manufacturing, distribution, transporting, testing and dispensing cannabis and cannabis products; however, implementing regulations have yet to be written and state licenses may not be available until 2018; and

**WHEREAS**, there are numerous well publicized studies and reports, as well as numerous documented incident in Monterey County and throughout the State, which show that unregulated cannabis activities have a significant adverse effect on the community; and

**WHEREAS**, the City finds that the absence of a formal regulatory framework the adverse impacts frequently associated with commercial cannabis activities will occur, resulting in an unregulated and potentially significant negative impact upon the environment and upon public health, safety, and welfare of the community; and

**WHEREAS**, outdoor cannabis cultivation and unregulated indoor cannabis cultivation are likely to generate these negative effects on the public health, safety, and welfare in the City, based on the experiences of other cities; and

**WHEREAS**, pursuant to the above-described express statutory authority and its police power, the City desires to explicitly prohibit the outdoor cultivation of commercial cannabis for both recreational and medical use; and

**WHEREAS**, pursuant to the above-described express statutory authority and its police power, the City also desires to enact reasonable regulations for the indoor cultivation, manufacturing, testing, distribution, or consumption of commercial recreational and medical cannabis; and

**WHEREAS**, absent clear regulation, cannabis cultivation in the City poses a potential threat to the public peace, health, and safety, and, unless the City takes action to regulate it, the secondary impacts described above are likely to occur very soon after the passage of the AUMA; and

**WHEREAS**, the City has a compelling interest in protecting the public health, safety, and welfare of its citizens, residents, visitors and businesses, and in preserving the peace and quiet of the neighborhoods within the City by regulating the commercial cultivation of recreational and medical cannabis; and

**WHEREAS**, nothing in this Ordinance shall be construed to: (1) allow any person to engage in conduct that endangers others or causes a public nuisance; or (2) allow any activity

relating to the cultivation, manufacturing, testing, distribution, or consumption of cannabis which is illegal under state or federal law; and

**WHEREAS**, it is the intent of the City to regulation commercial cannabis activities, both recreational and medical, within the boundaries of the City.

**NOW THEREFORE**, the City Council of the City of King does hereby ordain as follows:

**SECTION 1.** The above recitals are incorporated are hereby by reference.

**SECTION 2.** The Ordinance is exempt from the California Environmental Quality Act (“CEQA”) because it can be seen with certainty that there is no possibility that it will have a significant effect on the environment. (CEQA Guidelines §15061(b)(3).) It is also exempt because it consists of regulations and restrictions on activities to assure the maintenance, restoration, or enhancement of natural resources and the environment by prohibiting environmentally destructive components of unregulated cannabis cultivation. (CEQA Guidelines §§15307, 15308.)

**SECTION 3.** Chapter 17.03, of Title 17, of the King City Municipal Code is amended in its entirety to read as follows:

### **Chapter 17.03**

## **COMMERCIAL CANNABIS ACTIVITY**

### **Section 17.03.010 Purpose and Intent.**

- (a) It is the purpose and intent of this Chapter to adopt local regulations applicable to commercial cannabis activity as may be permitted by Medical Marijuana Regulation and Safety Act (“MMRSA”) and Adult Use of Marijuana Act (“AUMA”), or subsequently enacted State law pertaining to the same or similar uses for commercial cannabis and imposing regulations on the use of land to protect City of King neighborhoods, residents, and businesses from negative impacts. It is a further purpose and intent of this Chapter to regulate the cultivation, manufacturing and testing of cannabis and cannabis-related products in a manner which is responsible and which protects the health, safety, and welfare of the residents of the City of King; to enforce rules and regulations consistent with state law including, but not limited to, the Compassionate Use Act, the Medical Marijuana Program Act, the MMRSA and AUMA. In part to meet these objectives, an annual permit shall be required in order to own and to operate a commercial cannabis business within the City of King as authorized under this Ordinance or the King City Municipal Code. Nothing in this Chapter is intended to authorize the cultivation, possession or use of cannabis in violation of state or federal law. The provisions of this Chapter are in addition to the business license otherwise required to conduct business in the City of King and in addition to permits and approvals otherwise required by the King City Municipal Code.

- (b) Pursuant to Section 7 of Article XI of the California Constitution, the City of King is authorized to adopt ordinances that establish standards, requirements, and regulations for local licenses and permits for commercial cannabis activity. Any standards, requirements, and regulations regarding health and safety, testing, laboratory operations and safety, security, and worker protections established by the state of California, or any of its departments or divisions, shall be the minimum standards applicable in the City of King to commercial cannabis activity.

**Section 17.03.020 Definitions.**

When used in this Chapter, the following terms shall have the meanings ascribed to them in this Section. Any reference to California statutes includes any regulations promulgated thereunder and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

- (a) “*Cannabis*” means all parts of the medical Cannabis sativa Linnaeus, medical Cannabis indica, or medical Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “*Cannabis*” also means the separated resin, whether crude or purified, obtained from marijuana. “*Cannabis*” also means marijuana as defined by Section 11018 of the California Health and Safety Code as enacted by Chapter 14017 of the Statutes of 1972. “*Cannabis*” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this Chapter, “*Cannabis*” does not mean recreational marijuana, cannabis or industrial hemp as that term is defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.
- (b) “*Cannabis concentrate*” means manufactured cannabis that has undergone a process to concentrate the cannabinoid active ingredient, thereby increasing the product’s potency. 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.
- (c) “*Cannabis product*” means live unharvested cannabis, dried cultivated cannabis, live plants and/or a product containing cannabis, including, but not limited to, concentrates and extractions. For purposes of this Chapter, “*cannabis product*” does not include industrial hemp as defined by Section 81000 of the

California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

- (d) “*Chief of Police*” means the Chief of Police for the King City Police Department or his/her designee.
- (e) “*City Manager*” means the City Manager for the City of King or his/her designee.
- (f) “*Commercial cannabis activity*” or “*commercial cannabis business*” includes any business or operation which engages in cultivation, nursery, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, or sale of cannabis or a cannabis product, except as set forth in California Business and Professions Code Section 19319, related to qualifying patients and primary caregivers.
- (g) “*Commercial cannabis permit*” means a permit issued by the City of King pursuant to this Chapter to a commercial cannabis business.
- (h) “*Cultivation*” means any activity involving the propagation, planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.
- (i) “*Cultivation site*” means a facility where cannabis is propagated, planted, grown, harvested, dried, cured, graded, or trimmed, or that does all or any combination of those activities, which holds both a valid state license and a permit issued by the City of King.
- (j) “*Delivery*” means the commercial transfer of cannabis or cannabis products from a cultivation site, up to an amount determined by the State of California, or any of its departments or divisions, to a manufacturer or a testing laboratory.
- (k) “*Dispensary*” means a facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment (whether fixed or mobile) that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale.
- (l) “*Dispensing*” means making cannabis or cannabis products available to, delivering to, or distributing to two (2) or more persons and/or any activity involving the wholesale of cannabis or cannabis products.
- (m) “*Distribution*” means the sale or transportation of cannabis or cannabis products between entities licensed pursuant to the

MMRSA, AUMA and/or any subsequent State of California legislation regarding cannabis and/or cannabis products.

- (n) “*Distributor*” means a person licensed under the MMRSA, AUMA and any subsequent State of California legislation to engage in the business of selling wholesale cannabis or cannabis products for sale to a licensed dispensary.
- (o) “*Dried flower*” means all cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.
- (p) “*Edible cannabis product*” means manufactured cannabis that is intended to be used, in whole or in part, for human consumption. 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.
- (q) “*License*” means a license issued by the State of California, or one of its departments or divisions, under the MMRSA and/or AUMA to engage in commercial cannabis activity.
- (r) “*Live plants*” means living cannabis flowers and plants, including seeds, sprouts, immature plants (including unrooted clones), and vegetative stage plants.
- (s) “*Manufacturer*” means a person that conducts the production, preparation, propagation, or compounding of manufactured cannabis, as defined in this Section, or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container, that holds a valid state license and holds a permit issued by the City of King.
- (t) “*Manufactured cannabis*” means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate or manufactured product, including but not limited to products intended for internal consumption or topical application.
- (u) “*Manufacturing site*” means a location that produces, prepares, propagates, or compounds cannabis or 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 person issued a license by the State of California, or one of its departments or divisions, for these activities.

- (v) “*Nursery*” means a licensed facility which produces only cannabis clones, immature cannabis plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.
- (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) “*Topical cannabis*” means a product intended for external application. A topical cannabis product is not considered a drug as defined by Section 109925 of the California Health and Safety Code.
- (y) “*Transport*” means the transfer of cannabis or cannabis products from a licensed and permitted commercial cannabis business location to another licensed and permitted commercial cannabis business location, for the purposes of the wholesale delivery of cannabis and/or cannabis products and/or the transfer of cannabis to a manufacturing site or testing site as authorized pursuant to state law and/or the King City Municipal Code.
- (z) “*Transporter*” means a person issued a license by the State of California, or one of its departments or divisions, to transport commercial cannabis or cannabis products in an amount above a threshold determined by the State of California, or one of its departments or divisions for personal use.

**Section 17.03.030 Non-Commercial Cannabis Activity.**

All non-commercial cannabis activities shall be governed by the mandatory regulations established within Chapter 7.55 of Title 7 of the King City Municipal Code or as may be repealed or amended by the City Council from time to time and any other applicable provisions of the King City Municipal Code.

**Section 17.03.040 Licenses and Permits.**

- (a) Commercial cannabis activity shall be authorized in the City of King only as expressly provided in this Chapter and if not expressly authorized by this Chapter shall be prohibited.
- (b) Cannabis dispensaries, cooperatives and/or collectives shall be prohibited in all zoning districts within the City. The establishment, development, construction, maintenance, or operation of a cannabis dispensary, cooperative and/or collective are hereby prohibited, and is not an authorized or conditionally permitted use in any zoning district, even if located within an otherwise permitted use. No person shall establish, develop, construct,

maintain, or operate a cannabis dispensary, cooperative and/or collective, and no application for a building permit, use permit, variance, or any other entitlement authorizing the establishment, development, construction, maintenance, or operation of any cannabis dispensary, cooperative and/or collective shall be approved by any officer or employee of the City. A violation of this Section is declared to be a public nuisance and punishable pursuant to the provisions of the King City Municipal Code.

- (c) The retail sale, gift, trade, barter or making available of cannabis or cannabis products by two or more persons shall be prohibited in all zoning districts of the City.
- (d) In addition to those other requirements which may be imposed pursuant to this Chapter, no person shall establish, develop, construct, maintain, or operate a commercial cannabis activity and/or open a commercial cannabis business without possessing both a commercial cannabis permit issued by the City and within one (1) year of the ability to obtain a license, a license issued by the State of California or one of its departments or divisions.
- (e) The City Manager is hereby authorized to issue commercial cannabis permits on behalf of the City. The City Manager, in their sole discretion, may issue a commercial cannabis permit pursuant to the mandatory requirements of this Chapter and the King City Municipal Code as may be repealed or amended by the City Council from time to time.
- (f) A commercial cannabis permit shall be governed by the following requirements and/or limitations:
  - (1) There shall be no retail sales of cannabis and/or cannabis products.
  - (2) Excluding repair, maintenance and delivery services, there shall be no public access to the commercial cannabis business.
  - (3) It shall be unlawful to employ or grant access to any individual under eighteen (18) years of age, or older as set by state law.
  - (4) Each commercial cannabis permit issued pursuant to this Chapter shall expire twelve (12) months after the date of its issuance.
  - (5) An application for renewal of a commercial cannabis permit shall be filed with the City Manager at least sixty (60) calendar days prior to the expiration date of the permit.
  - (6) An application for renewal of a commercial cannabis permit shall be denied if any of the following exists:
    - (A) The application for renewal of the commercial cannabis permit is filed less than sixty (60) days before its expiration.

- (B) The commercial cannabis permit is suspended or revoked at the time the application for renewal is submitted or suspended or revoked while the application for renewal is pending.
  - (C) The commercial cannabis business or activity has not been in regular and continuous operation during the four (4) months prior to the submission of the application for renewal.
  - (D) The commercial cannabis business or activity fails to conform to the requirements of this Chapter, any provision of the King City Municipal Code, any condition(s) imposed as part of a conditional use permit, and/or zoning requirement.
  - (E) The applicant for renewal of the commercial cannabis permit fails to renew its State of California license.
- (7) If a renewal application is denied, the applicant may file an appeal. The appeal must be in writing, identify the grounds for reversing the denial and be submitted to the City Clerk within ten (10) days from the date of the denial. The appeal shall be conducted as established within this Chapter and/or the King City Municipal Code. In the alternative, the applicant may file a wholly new application for a commercial cannabis permit as established within this Chapter. Upon expiration of the commercial cannabis permit and regardless of a pending appeal or new application for a commercial cannabis permit, all applicant's commercial cannabis activity shall immediately cease. Violations of this Section shall be subject to denial of the appeal or new application for a commercial cannabis permit and/or the enforcement, penalties and cost recovery proscribed within this Chapter and/or the King City Municipal Code.
- (8) An applicant seeking multiple licenses for different types of commercial cannabis activity shall be required to comply with the multiple licensing restrictions contained within Business and Professions Code Section 19328.
- (g) Prior to commencing operation, a commercial cannabis business shall obtain a City of King business license and comply with all applicable provisions and requirements of that license.
  - (h) Prior to commencing operation, a commercial cannabis business shall be subject to a mandatory building inspection and must obtain all required permits or approvals which would otherwise be required including, but not limited to, building permit(s), King City Fire Department permit(s), and

planning-level permit(s) required by Title 17 Zoning of the King City Municipal Code.

- (i) Revocation, termination, denial, non-issuance or suspension of a license issued by the State of California, or any of its departments or divisions, shall immediately terminate the commercial cannabis permit and all commercial cannabis activity shall immediately cease. Upon reinstatement or receipt of a new license from the State of California, or any of its departments or divisions, the commercial cannabis activity may file for a new permit from the City. While a new application for a commercial cannabis permit is pending, applicant shall not engage in any commercial cannabis activity. Violations of this Section shall be subject to denial of the application for a commercial cannabis permit and/or the enforcement, penalties and cost recovery proscribed within this Chapter and/or the King City Municipal Code.

**Section 17.03.050 Existing Commercial Cannabis Businesses.**

Currently operating commercial cannabis businesses shall apply for a commercial cannabis permit pursuant to this Chapter and otherwise meet all other conditions and requirements of this Chapter imposed on newly established commercial cannabis businesses. Any facility or entity that can demonstrate to the City's satisfaction that it is in good standing and otherwise in compliance with all applicable local and state laws and regulations promulgated thereunder may be permitted to continue current operations while its application for a commercial cannabis permit and license issued by the State of California, or its departments or divisions, are pending.

**Section 17.03.060 Security Measures.**

- (a) The City Manager is authorized to promulgate additional regulations necessary to implement the requirements and fulfill the policies of this Chapter related to commercial cannabis activities.
- (b) A permitted commercial cannabis business shall implement sufficient security measures to both deter and prevent unauthorized entrance into areas containing cannabis or cannabis products and theft of cannabis or cannabis products at the commercial cannabis business. Except as may otherwise be determined by the City Manager, these security measures shall include, but shall not be limited to, all of the following:
  - (1) Preventing both non-employees and employees from remaining on the premises of the commercial cannabis business if they are not engaging in the activity expressly related to the operations of the commercial cannabis business.
  - (2) Establishing limited access areas accessible only to authorized commercial cannabis business personnel.

- (3) Except for live growing plants which are being cultivated at a cultivation facility, all cannabis and cannabis products shall be stored in a secured and locked room, safe, or vault. All cannabis and cannabis products, including live plants which are being cultivated, shall be kept in a manner as to prevent diversion, theft, and loss.
- (4) Installing twenty-four (24) hour security surveillance cameras with night vision capability and of at least HD-quality to monitor all entrances and exits to and from the premises and to monitor all interior spaces, excluding all restroom and changing room facilities, within the commercial cannabis business. The security surveillance system shall be compatible with software and hardware utilized by the King City Police Department. The security surveillance system shall be capable of providing the King City Police Department with remote real-time/live access to the video footage during emergency situations, including but not limited to armed robbery, active shooter, hostage, and exposure to hazardous or volatile substances. Video recordings shall be maintained for a minimum of forty-five (45) days. Upon request by the Chief of Police, video recordings will provided to the King City Police Department within twenty-four (24) hours. If the commercial cannabis business refuses to provide the Chief of Police access to the real-time/live video feed or the requested video recordings, the City Attorney shall be authorized to seek reimbursement of all costs, including but not limited to court costs, attorney's fees, filing fees, administrative time and fees and employee time, incurred by the City while seeking a warrant and/or judicial intervention granting the requested access. The requirements of this Section shall be in addition to any other provision provided for within the King City Municipal Code.
- (5) Sensors shall be installed to detect entry and exit from all secure areas.
- (6) Panic buttons shall be installed in all commercial cannabis businesses.
- (7) A professionally installed, maintained, and monitored alarm system.
- (8) Any bars installed on the windows or the doors of the commercial cannabis business shall be installed only on the interior of the building and installed in compliance with all applicable requirements of the King City Municipal Code, California Building Code and California Fire Code.
- (9) Security personnel hired by the commercial cannabis business shall be certified by the State of California and submit to and pass a background check conducted by the King City Police Department, including but not limited to finger print analysis utilizing the

California Department of Justice Live Scan system. In the alternative, the security personnel or commercial cannabis permit holder may provide the City Manager with a completed background check performed by a third party vendor approved by the City.

- (10) Each commercial cannabis business shall have the capability to remain secure and operational during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
- (c) Each commercial cannabis business shall provide the Chief of Police with the identity and contact information for a liaison who shall be reasonably available to meet and discuss compliance with the requirements of the King City Municipal Code, state law and/or any other regulations relating to the commercial cannabis activity.
- (d) As part of the application and permitting process, each commercial cannabis business shall provide the Chief of Police with a detailed transportation plan describing the procedures for safely and securely transporting cannabis, cannabis products and/or currency.
- (e) A commercial cannabis business shall notify the Chief of Police within twenty-four (24) hours after discovering any of the following:
  - (1) Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the City Manager.
  - (2) Diversion, theft, loss or any criminal activity involving the commercial cannabis business, an employee or any agent of the commercial cannabis business.
  - (3) The loss or unauthorized alteration of records referring or related to cannabis, cannabis products, employees or agents of the commercial cannabis business.
  - (4) Any other breach of security.

**Section 17.03.070 Employee Work Permits.**

- (a) Every employee or independent contractor working at the commercial cannabis business or involved in the transportation related services for the commercial cannabis business shall obtain an Employee Work Permit. It shall be the responsibility of the commercial cannabis permit holder to ensure that Employee Work Permits are obtained from the City Manager prior to the employee or independent contractor commencing work. Persons who are listed as the commercial cannabis permit holder shall not be

required to obtain an Employee Work Permit if such person also serves as an employee or contractor.

- (b) Each prospective employee or independent contractor shall be required to submit an application to the City Manager so that a background check can be performed by the Chief of Police. The application shall contain the following:
- (1) Name, current resident address, and telephone number.
  - (2) Date of birth.
  - (3) Social security number, tax identification number or State of California identification card.
  - (4) Height, weight, eye color and hair color.
  - (5) Photographs for identification purposes (photographs shall be taken by the King City Police Department).
  - (6) Be fingerprinted by the King City Police Department and agree to a criminal history records check conducted by the King City Police Department based upon their fingerprints.
  - (7) Such other identification and information as deemed necessary by the Chief of Police and pertinent to the Employee Work Permit.
  - (8) Authorization for the City Manager to seek verification of the information contained within the application.
  - (9) The name of the commercial cannabis permit holder for which the applicant is seeking to work.
- (c) Every applicant for an Employee Work Permit shall provide the City with a non-refundable fee, as established by resolution of the City Council, to process their application. The fee shall include an amount to cover the costs of fingerprinting, photographing, background checks as well as general review and processing of the application. In the alternative, the applicant may provide the City Manager with a completed background check performed by a third party vendor approved by the City.
- (d) The Chief of Police, upon receiving a properly completed application and payment of the application fee or a completed third party background check, shall conduct an investigation into the information provided by the applicant. The background check and investigation or review shall be complete within thirty (30) days of receiving the properly completed application and completed background check. The City Manager shall provide the applicant with notice either approving or denying the requested Employee Work Permit within fifteen (15) days of completing the background check and investigation. The City Manager, in their sole

discretion, may conditionally approve the issuance of an Employee Work Permit pending completion of the background check and investigation. Notice of the decision shall be personally served or mailed to the applicant via U.S. mail. Notice of the decision is presumed served upon the applicant at the time it is deposited within the U.S. mail. The decision of the City Manager on an Employee Permit shall be final, subject to judicial review.

(e) An Employee Work Permit shall be denied based upon any of the following grounds:

- (1) The applicant has been issued a local or state permit or license to conduct commercial cannabis activities at any other location within the State of California or another state and the permit or license was suspended or revoked, or the applicant has had disciplinary action relating to the permit or license.
- (2) The applicant has been convicted of a serious or violent offense as listed within California Penal Code sections 667.5 and 1192.7(c).
- (3) The applicant has been convicted of any offense listed within Business and Professions Code section 19323.
- (4) The applicant has been convicted of a misdemeanor involving theft, dishonesty, fraud, narcotics sales or narcotic trafficking within the five (5) years preceding the date of the application.
- (5) The applicant has been convicted of a felony involving the illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined within the Federal Controlled Substance Act, unless the applicant received a Certificate of Rehabilitation as defined in the Act.
- (6) The applicant has engage in misconduct related to the qualifications, functions or duties of their position with the commercial cannabis business.
- (7) The applicant has engaged in unlawful, fraudulent, unfair, or deceptive business practices as defined by the King City Municipal Code and/or state or federal law.
- (8) The applicant is under the age of eighteen (18), or any older age as may be set by state law.

(f) The City Manager may suspend or revoke an Employee Work Permit when the employee or independent contractor has committed any of the following acts:

- (1) Any action which would be grounds for denial of an Employee Work Permit.

- (2) Any violation of this Chapter, the King City Municipal Code, or any other applicable state or federal law governing the commercial cannabis business or activity.
- (g) Prior to suspending or revoking an Employee Work Permit, the City Manager shall conduct a hearing. Written notice of the hearing shall be provided to the employee or independent contractor at least five (5) calendar days prior to the hearing. The notice shall contain the basis for suspending or revoking the Employee Work Permit. Notice may be provided by either personal service or U.S. mail. After the hearing, the City Manager shall provide notice of the decision whether to suspend or revoke the Employee Work Permit. The decision of the City Manager shall be final, subject to judicial review. The employee or independent contractor has no right to appeal the decision to the City Council.
- (h) The City Manager may immediately suspend an Employee Work Permit without notice or hearing, subject to appeal rights as set forth in this Chapter, under the following circumstances:
  - (1) The employee or independent contractor is convicted of a public offense in any court for the violation of any law which would be grounds for denial of an Employee Work Permit.
  - (2) The Chief of Police determines immediate suspension is necessary to protect the health, safety and welfare of the community. The City Manager shall provide notice of the grounds for immediate suspension of the Employee Work Permit and the suspension shall only be for as long as reasonably necessary to address the grounds which led to the suspension.

**Section 17.03.080 Right to Occupy and to Use Property.**

As a condition precedent to the City's issuance of a commercial cannabis permit pursuant to this Chapter, any person intending to open and to operate a commercial cannabis business shall provide sufficient evidence of the legal right to occupy and to use the proposed location. In the event the proposed location is leased from another person, the applicant for a permit under this Chapter shall provide a signed and notarized statement from the owner of the property to demonstrate the property owner has acknowledged and has consented to the operation of a commercial cannabis business on the property.

**Section 17.03.090 Location of Commercial Cannabis Business—Proximity to Sensitive Uses.**

- (a) No commercial cannabis business may operate within any wholly residential area or district of the city or adjacent to a residential area or district if, in the opinion of City Manager, the operation of a commercial cannabis business in such location would tend to cause a public nuisance or

a situation which may result in repeated police department response or a negative impact on the adjacent residential units.

- (b) Commercial cannabis businesses shall be required to comply with all zoning, land use, and development regulations applicable to the underlying zoning district in which they are permitted to establish and operate as set forth in Title 17 of the King City Municipal Code.
- (c) Any commercial cannabis business which has been determined by the City Manager to be an existing commercial cannabis business on the effective date of the ordinance codified in this Chapter shall be exempt from compliance with the limitations proscribed in this Section, unless such location is otherwise determined to constitute a public nuisance or otherwise a disturbance to the adjacent or neighboring uses as determined by the provisions of this Chapter.

**Section 17.03.100 Restriction on Alcohol Sales.**

No person shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on or about the premises of any commercial cannabis business. No commercial cannabis business may operate at the same location as an alcohol-related use as that term is defined in the King City Municipal Code.

**Section 17.03.110 Concurrent Regulation with State.**

It is the stated intent of this Chapter to regulate commercial cannabis activity in the City of King concurrently with the State of California.

**Section 17.03.120 Compliance with Laws.**

It is the responsibility of the commercial cannabis permit holder, owners and operators of the commercial cannabis business to ensure that it is, at all times, operating in a manner compliant with all applicable state and local laws and any regulations promulgated thereunder. Nothing in this Chapter shall be construed as authorizing any actions which violate state law or local law with respect to the operation of a commercial cannabis business. It shall be the responsibility of the commercial cannabis permit holder, owners and the operators of the commercial cannabis business to ensure that the commercial cannabis business is, at all times, operating in a manner compliant with all applicable state and local laws, any subsequently enacted ordinance, resolution, state law or regulatory, licensing, or certification requirements, and any specific, additional operating procedures or requirements which may be imposed as conditions of approval of the commercial cannabis permit. Nothing in this Chapter shall be construed as authorizing any actions which violate state law with regard to the operation of a commercial cannabis business. Further, nothing in this Chapter shall be construed as the City, City Council (individually or collectively), City Employees (individually or collectively) and/or consultants authorizing any violation of federal law.

**Section 17.03.130 Inspection and Enforcement.**

- (a) The City Manager, upon twenty-four (24) hour notice, may enter the location of a commercial cannabis business at any time during the regular hours of operation and inspect the location of any commercial cannabis business.
- (b) The City Manager, upon twenty-four (24) hour notice, may enter the location of a commercial cannabis business at any time during the regular hours of operation to obtain samples of the cannabis to test for law enforcement and/or public safety purposes. Any samples obtained by the City Manager shall be logged, recorded, and maintained in accordance with the King City Police Department standards for evidence.
- (c) If, after twenty-four (24) hour notice is provided, the commercial cannabis permit holder or anyone acting on their behalf refuses to allow the City Manager to enter the commercial cannabis business to conduct an inspection and/or collect samples, the City is authorized to seek a warrant or judicial intervention to grant the requested access. Further, the City is authorized to seek reimbursement from the commercial cannabis permit holder and/or the commercial cannabis business for all costs, including but not limited to court costs, attorney's fees, filing fees, administrative time and fees and employee time, incurred while obtaining a warrant and/or judicial intervention granting the requested access and for the return inspection. The requirements of this Section shall be in addition to any other provision provided for within the King City Municipal Code.

**Section 17.03.140 Fees and Charges.**

- (a) No person may commence or continue any commercial cannabis activity in the City without timely paying in full all fees, costs, penalties and charges associated with the operation of a commercial cannabis activity. Fees and charges associated with the operation of a commercial cannabis activity shall be established by Resolution of the City Council.
- (b) All commercial cannabis businesses operating pursuant to this Chapter shall pay any and all applicable sales, use, business or other taxes, and all license, registration, or other fees required pursuant to federal, state, and local law.

**Section 17.03.150 Violation and Enforcement.**

- (a) Any person that violates any provision of this Chapter shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized pursuant to this Chapter and/or the provisions of the King City Municipal Code.
- (b) Each and every violation of this Chapter shall constitute a separate violation and shall be penalized pursuant to this Chapter and/or the provisions of the King City Municipal Code.

- (c) Any person who violates, causes, continues or permits another to violate the provisions of this Chapter commits a misdemeanor and shall be punishable in accordance with Chapter 1.04.010 of the King City Municipal Code. The City may also pursue all applicable civil and administrative remedies, including but not limited to injunctive relief and administrative citations. Should a court of competent jurisdiction subsequently determine that the misdemeanor criminal penalty provision renders the provisions of this Chapter, or the provisions of any Chapter adopted by reference within the King City Municipal Code unlawful, the City intends that the misdemeanor provision be severable from the remaining penalty provisions and the City will only pursue criminal infraction penalties and/or non-criminal remedies for violations of this Chapter.
- (d) Each and every violation of the provisions of this Chapter is hereby deemed unlawful and a public nuisance which may be abated by the City pursuant to the King City Municipal Code.
- (e) The administrative citation penalty for all violations of this Chapter, within a rolling twelve (12) month period shall be as follows: one thousand and no/100ths dollar (\$1,000.00) per violation.
- (f) In addition to any other remedy or enforcement mechanism provided within this Chapter or any other provision of the King City Municipal Code, the City may commence a civil action seeking any other relief or remedy available at law or in equity.
- (g) The provisions of this Chapter are complimentary, cumulative, supplementary, and additional to any other legal remedies available, whether found in the King City Municipal Code, state or federal laws, regulations, or case law.
- (h) The City Manager may suspend or revoke a commercial cannabis permit when the permit holder or anyone acting on their behalf has committed any of the following acts:
  - (1) Any action which would be grounds for denial of an commercial cannabis permit.
  - (2) Any violation of this Chapter, the King City Municipal Code, or any other applicable state or federal law governing the commercial cannabis business or activity.
- (i) Prior to suspending or revoking a commercial cannabis permit, the City Manager shall conduct a hearing. Written notice of the hearing shall be provided to the permit holder at least five (5) calendar days prior to the hearing. The notice shall contain the basis for suspending or revoking the commercial cannabis permit. Notice may be provided by either personal service, U.S. mail and/or posting or depositing the notice at the commercial cannabis business. After the hearing, the City Manager shall provide notice

of the decision whether to suspend or revoke the commercial cannabis permit. The decision of the City Manager shall be final, subject to judicial review. The commercial cannabis permit holder has no right to appeal the decision to the City.

- (h) The City Manager may immediately suspend a commercial cannabis permit without notice or hearing, subject to appeal rights as set forth in this Chapter, under the following circumstances:
  - (1) The commercial cannabis permit holder is convicted of a public offense in any court for the violation of any law which would be grounds for denial of a commercial cannabis permit.
  - (2) The Chief of Police determines immediate suspension is necessary to protect the public health, safety and welfare of the community. The City Manager shall provide notice of the grounds for immediate suspension of the commercial cannabis permit and the suspension shall only be for as long as reasonably necessary to address the grounds which led to the suspension.

**Section 17.03.160 Limitations on City’s Liability.**

To the fullest extent permitted by law, the City shall not assume any liability whatsoever with respect to having issued a commercial cannabis permit pursuant to this Chapter or otherwise approving the operation of any commercial cannabis business pursuant to this Chapter. As a condition of approval of any commercial cannabis permit issued pursuant to this Chapter, the person to which a commercial cannabis permit is issued shall be required to meet all of the following conditions:

- (a) Execute an agreement indemnifying, defending (at its sole cost and expense), and holding the City and its officers, employees, representatives, and agents harmless from any and all claims, losses, damages, injuries or liabilities associated with the permitting or approving the operation of a commercial cannabis activity or the operation thereof or associated with the commercial cannabis business or its members’ violation of any federal, state or local laws.
- (b) Maintain insurance at coverages, limits, and with conditions thereon determined necessary by the City Attorney. The insurance coverage limits shall meet or exceed one million dollars (\$1,000,000.00) per occurrence. In the alternative to maintaining Commercial General Liability, a commercial cannabis permit holder may post a bond, in a form subject to approval by the City Attorney, with the City in the minimum amount of one million dollars (\$1,000,000.00). The City Manager may, in their sole discretion, increase the minimum bond amount required by a commercial cannabis permit holder.
- (c) Reimburse the City for any and all costs and expenses, including attorney fees and costs and court costs that the City may be required

to pay as a result of any legal challenge related to the City's approval of a commercial cannabis permit pursuant to this Chapter or the City of King's approval of the operation of a commercial cannabis activity. The City may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve the obligations imposed under this section.

**Section 17.03.170 Application Procedures and Application Requirements.**

Permittee Selection Process; Criteria for Review; Renewal, Suspension or Revocation of a Permit; Appeals. In addition to those requirements set forth in this section and elsewhere in this chapter, the City Council may by resolution or ordinance adopt such forms, fees, and procedures as are necessary to implement this Chapter with respect to the initial selection, future selection, investigation process, renewal, revocation, and suspension of commercial cannabis business permits and appeals for the revocation or suspension of a commercial cannabis permit.

- (a) At a minimum, the application shall contain the following requirements:
  - (1) The printed full name, signature, date of birth, social security number, and present address and telephone number of all persons and entities responsible for the operation of the commercial cannabis business including managers, corporate officers, investors, any individual with an ownership interest, any member of a board of directors, any general or limited partner, and/or any member of a decision-making body for the commercial cannabis business.
  - (2) The address to which correspondence from the City of King is to be sent.
  - (3) The names and addresses of all businesses operated by and the employment of the applicant(s) for the five (5) years immediately preceding the date of the application.
  - (4) Any litigation in which the applicant(s) has been involved within the five (5) years immediately preceding the date of the application and a statement of whether any business currently operated by the applicant(s) or operated by the applicant(s) within the five (5) years immediately preceding the date of the application has been investigated or the permit or license authorizing the operation of such business has been revoked or suspended within the five (5) years immediately preceding the date of the application.

- (5) The address of any commercial cannabis business currently being operated by the applicant(s), or any of them, or which have been previously operated by them.
- (6) The supply sources for all cannabis and cannabis products sold at the commercial cannabis business. Product supply chain including the site(s) where cultivation occurs, the product is processed or manufactured, any required testing of cannabis or cannabis products, transportation, and packaging and labelling criteria.
- (7) The names and telephone numbers of the person(s) to be regularly engaged in the operation of the proposed commercial cannabis business, whether an employee, volunteer or contractor. The application shall also have the names and telephone numbers of those persons having management and supervisory responsibilities for the proposed commercial cannabis business.
- (8) Odor control devices and techniques to prevent odors from marijuana from being detectable off-site.
- (9) Procedures for identifying, managing, and disposing of contaminated, adulterated, deteriorated or excess medical cannabis product.
- (10) Procedures for inventory control to prevent diversion of cannabis and cannabis product, employee screening, storage of cannabis and cannabis product, personnel policies, and record-keeping procedures.
- (11) A detail of the procedures to be utilized at the facility including a description of how chemicals and fertilizers will be stored, handled, used and disposed of; manufacturing methods, the transportation process, inventory procedures, and quality control procedures.
- (12) A site plan and floor plan of the commercial cannabis business denoting the property lines and the layout of all areas of the commercial cannabis business including storage, cultivation, manufacturing, testing, distributing, reception/waiting, and all ancillary support spaces, and the relationship of the facility to adjacent properties and land uses.
- (13) Size, height, colors, and design of any proposed signage at the site. A City of King sign permit issued pursuant to the King City Municipal Code shall be required.

- (14) An operations and security plan.
  - (15) Standard operating procedures detailing how operations will comply with state and local regulations, how safety and quality of products will be ensured, record-keeping procedures for financing, testing, and adverse event recording, and product recall procedures.
  - (16) Proposed hours of operation.
  - (17) Recycling and Waste disposal information.
  - (18) Youth access restriction procedures.
  - (19) A statement in writing by the applicant that he or she certifies under penalty of perjury that all the information contained in the application is true and correct.
  - (20) Detailed description of energy and water usage plan enumerating best practices and leading industry practices in efficient utilization of both resources.
- (b) An application shall be denied based upon any of the following grounds:
- (1) The applicant has been issued a local or state permit or license to conduct commercial cannabis activities at any other location within the State of California or another state and the permit or license was suspended or revoked, or the applicant has had disciplinary action relating to the permit or license.
  - (2) The applicant has been convicted of a serious or violent offense as listed within California Penal Code sections 667.5 and 1192.7(c).
  - (3) The applicant has been convicted of any offense listed within Business and Professions Code section 19323.
  - (4) The applicant has been convicted of a misdemeanor involving theft, dishonesty, fraud, narcotics sales or narcotic trafficking within the five (5) years preceding the date of the application.
  - (5) The applicant has been convicted of a felony involving the illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined within the Federal Controlled Substance Act, unless the applicant received a Certificate of Rehabilitation as defined in the Act,

within the ten (10) years preceding the date of the application.

- (6) The applicant has engaged in misconduct related to the ownership, qualifications, functions or duties of their position with the commercial cannabis business.
- (7) The applicant has engaged in unlawful, fraudulent, unfair, or deceptive business practices as defined by the King City Municipal Code and/or state or federal law.
- (8) The applicant is under the age of eighteen (18), or any older age as may be set by state law.

A conviction within the meaning of this Section means a plea or verdict of guilty or a conviction following a plea of nolo contendere.

This Section shall not constitute an exhaustive list of grounds for denying an application. The City Manager and/or the Planning Commission may identify any additional grounds for denying an application or conditional use permit.

- (c) The City Manager shall review each application to determine whether it contains all of the required information. If the application does not contain all of the required information, it shall be returned to the applicant for completion. The City Manager shall endeavor to conclude their review within ninety (90) days of the filing of the application. If additional time is necessary, the City Manager will advise the applicant of an estimated review time.
- (d) In reviewing an application for a permit pursuant to this Chapter or in reviewing the proposed commercial cannabis business, the City Manager or designee may request whatever additional information is deemed necessary to carry out the purposes of this Chapter.
- (e) The City Manager shall have the authority to either grant or deny the application for a commercial cannabis permit. Notwithstanding what is otherwise provided in this Chapter, the City Manager, when approving a commercial cannabis permit, may place any additional limitations and conditions on the operation of a commercial cannabis business as he or she deems necessary, consistent with the public interest and with this Chapter.
- (f) When an application is denied, the City Manager shall provide a statement of decision giving the reasons for the denial and the findings upon which the decision is based. Notice of the denial may be provided by either personal service or U.S. mail. Notice is presumed to be served upon the applicant once deposit into the U.S.

mail. Any person denied a commercial cannabis permit shall have the right to appeal such denial in accordance with this Section.

- (h) Any appeal of a denial of an application shall be filed and conducted as prescribed in this subsection.
  - (1) Within ten (10) calendar days from the date of the denial of an application, an aggrieved party may appeal such action by filing with the City Clerk a written appeal setting forth the grounds for reversing the denial.. The time requirement for filing an appeal shall be deemed jurisdictional and may not be waived. Appeals not timely filed or not setting forth the basis for the appeal are defective and shall be dismissed.
  - (2) Upon receipt of such written appeal, the City Clerk shall set the matter for a hearing before the City Manager. The hearing shall be conducted pursuant to the procedures set forth pursuant to King City Municipal Code section 7.51.604 and shall be set within a reasonable time after the date of filing the appeal with the City Clerk, but in no event later than ninety (90) days from the date of such filing. At least ten (10) days prior to the date of the hearing on the appeal, the City shall notify the appellant of the time and the place of the hearing. Notice may be provided by either personal service or U.S. mail. Notice is presumed to be served upon deposit into the U.S. mail. At such hearing, the City Manager and the appellant may present any information they deem relevant to the decision appealed, provided the information complies with the requirements of section 7.51.604 of the King City Municipal Code. The formal rules of evidence and procedure applicable in a court of law shall not apply to such hearing.
  - (3) At the conclusion of the hearing, the City Manager shall deliberate and reach a decision within fifteen (15) calendar days. The decision and the reason(s) for the decision shall be reduced to writing. The City Manager may affirm, reverse, or modify the denial issued pursuant to this Code as the facts and law warrant, subject to the following limitations:
    - (i) The City Manager shall not have authority to waive any requirements of the Code or law.
    - (ii) Nothing in these procedures shall be deemed to authorize the City Manager to deviate from unambiguous provisions of the governing code or statute, or well established interpretations of the

same, based upon expert opinions or other reliable evidence.

A copy of the decision shall be sent by mail or otherwise to the appellant. Where known, a copy may also be provided by email.

- (4) The decision of the City Manager shall be final with no further administrative appeals. Unless the governing ordinance or statute provides otherwise, if the appellant seeks further relief, the appellant shall file a petition for writ of mandate in superior court pursuant to Code of Civil Procedure Sections 1094.5 and 1094.6 within ninety (90) calendar days of the date of the decision.

**Section 17.03.180 Records and Reporting.**

- (a) Subject to the Health Insurance Portability and Accountability Act (HIPAA) regulations, each commercial cannabis business shall allow City of King officials to have access to the commercial cannabis business's books, records, accounts, and any and all data relevant to its permitted activities for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data shall be produced within later than twenty-four (24) hours after receipt of the City's request. Failure to timely provide the requested records may result in immediate suspension of the commercial cannabis permit.
- (b) Each commercial cannabis business shall file with the City Manager an audit of its financial operations for the previous fiscal year, complete and certified by an independent certified public accountant in accordance with generally accepted auditing and accounting principles. The audit shall include, but not be limited to, a discussion, analysis, and verification of each of the records required to be maintained pursuant to this Chapter. The information contained in the audit shall be made available in standard electronic format which shall be compatible with Microsoft Office programs and software and which can easily be imported into either Excel, Access or any other contemporary software designated by the City Manager.
- (c) All commercial cannabis businesses shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the growing and production or manufacturing, laboratory testing and distribution processes until sold or delivered.
- (d) Each owner and/or operator of a commercial cannabis business shall maintain a current register of all employees currently employed by the

commercial cannabis business and shall disclose such register to any City official upon request.

All records required by this Chapter shall be maintained by the commercial cannabis business for a period of not less than three (3) years and shall otherwise keep accurate records of all commercial cannabis business activity and provide such records for inspection consistent with California Business and Professions Code Section 19327 and any additional rules promulgated by the licensing authority pursuant to that section or the City Council by resolution or ordinance.

**Section 17.03.190 Prohibition on Transfer of Commercial Cannabis Permits.**

- (a) No person shall operate a commercial cannabis business under a commercial cannabis permit issued pursuant to this Chapter at any place or location other than that identified on the permit.
- (b) Any permit issued pursuant to this Chapter shall be null and void upon sale or transfer of ownership of the commercial cannabis business unless prior approval is given by the City Manager and the proposed transferee submits all required application materials and pays all applicable fees and charges and independently meets the requirements of this Chapter.
- (c) Any attempt to transfer or any transfer of a commercial cannabis permit issued pursuant to this Chapter is hereby declared void and the commercial cannabis permit deemed immediately revoked and no longer of any force or effect.

**Section 17.03.200 Packaging and Labelling.**

Prior to the sale or the delivery of any edible cannabis or edible cannabis product the same shall be labeled and in tamper-evident packaging which at least meets the requirements of California Business and Professions Code Section 19347, as the same may be amended from time to time or superseded or replaced by subsequent state legislation or by any department or division of the State of California. The City Council may impose additional packaging and labelling requirements on cannabis or cannabis products by resolution.

**Section 17.03.210 Operating Requirements.**

In addition to those operating requirements specifically set forth elsewhere in this Chapter and except as may otherwise be expressly set forth in this Chapter, the following operating requirements shall apply to all commercial cannabis businesses operating in the City of King.

- (a) Hours of Operation. Commercial cannabis businesses may be open for access to the public only between the hours of eight (8:00) a.m. and seven (7:00) p.m. Monday through Sunday.

- (b) **Restriction on Consumption.** Cannabis shall not be consumed on the premises of any commercial cannabis businesses or elsewhere in the City other than within private residences.
- (c) **No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of the property.** No outdoor storage of cannabis or cannabis products is permitted at any time.
- (d) **Reporting and Tracking of Product and of Gross Sales.** Each commercial cannabis business shall have in place a point-of-sale tracking system to track and to report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, and gross sales (by weight and by sale) and shall ensure that such information is compatible with the city's recordkeeping systems. The system must have the capability to produce historical transactional data for review by the City. All information provided to the city pursuant to this subsection shall be confidential and shall not be disclosed, except as may otherwise be required under law.
- (e) **All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.**
- (f) **Emergency Contact.** Each commercial cannabis business shall provide the City Manager with the name, telephone number (mobile preferred, if available) of an on-site employee or owner to whom emergency notice can be provided.
- (g) **Signage and Notices.**
  - (1) **In addition to the requirements otherwise set forth in this section, business identification signage for a commercial cannabis business shall conform to the requirements of the King City Municipal Code, including, but not limited to, a issuance of a City of King sign permit.**
  - (2) **Business identification signage shall be limited to that needed for identification only and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered. No commercial cannabis business shall advertise by having a person holding a sign and advertising the business to passersby, whether such person is on the premises of the commercial cannabis business or elsewhere including, but not limited to, the public right-of-way.**
  - (3) **No signs placed on the premises of a commercial cannabis business shall obstruct any entrance or exit to the building or any window.**

- (4) Each entrance to a commercial cannabis business shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.
- (5) Signage shall not be directly illuminated, internally or externally. No banners, flags or other prohibited signs may be used at any time.
- (h) Minors. Persons under the age of eighteen (18) years shall not be allowed on the premises of a commercial cannabis business.

It is unlawful and a violation of this Chapter for any person to employ any other person at a commercial cannabis business who is not at least eighteen (18) years of age.

The entrance to the commercial cannabis business shall be clearly and legibly posted with a notice that no person under the age of eighteen (18) years of age is permitted to enter upon the premises of the commercial cannabis business.

- (i) Odor Control. Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from marijuana are not detectable off-site. Commercial cannabis businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the medical marijuana facility that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business. As such, commercial cannabis businesses must install and maintain the following equipment or any other equipment which the City Manager determines has the same or better effectiveness:
  - (1) An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
  - (2) An air system that creates negative air pressure between the commercial cannabis business's interior and exterior so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.
- (j) Display of Permit and City Business License. The original copy of the permit issued by the City pursuant to this Chapter and the business license issued by the City pursuant to the King City Municipal Code shall be posted inside the commercial cannabis business in a location readily visible to the public.

- (k) **Background Check.** Every person listed as an owner, manager, supervisor or employee of the commercial cannabis business must submit fingerprints and other information deemed necessary by the Chief of Police for a background check by the King City Police Department. In the alternative, the applicant can submit a completed background check from a City approved vendor which shall be reviewed by the Chief of Police. No person shall be issued a permit to operate a commercial cannabis business unless they have first cleared the background check, as determined by the Chief of Police, as required by this Section. A fee for the cost of the background investigation, which shall be the actual cost to the City to conduct the background investigation as it deems necessary and appropriate, shall be paid at the time the application for a commercial cannabis permit is submitted. The applicant(s) shall provide an initial deposit in an amount the Chief of Police estimates will cover the cost of the background investigation, which shall be used and drawn upon as a retainer to cover the actual costs of such investigation. If this amount is not sufficient, the applicant shall provide additional amounts that are necessary and if the applicant is unable to provide the additional amounts necessary to complete the investigation, the investigation shall cease and shall not continue until such additional amounts are paid. Upon completion of the investigation or in the event the applicant withdraws their application, any unused amount will be refunded to the applicant within thirty (30) days.
- (l) **Loitering.** The owner and/or operator of a commercial cannabis business shall prohibit loitering by persons outside the facility both on the premises and within fifty (50) feet of the premises.
- (m) **Permits and other Approvals.** Prior to the establishment of any commercial cannabis business or the operation of any such business, the person intending to establish a commercial cannabis business must first obtain all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate.

**Section 17.03.220 Cultivation, Manufacture, Waste, and Storage Requirements.**

- (a) Any person issued a permit pursuant to this Chapter must follow all pesticide use requirements of local, state and federal law. The Monterey County Agricultural Commissioner may inspect the commercial cannabis business at any time during regular business hours to ensure compliance with this Section.
- (b) All weighing devices must be maintained in compliance with local, state or federal law and comply with applicable regulations regarding device registration with the Agricultural Commissioner.

- (c) Any person issued a permit pursuant to this Chapter must follow all local, state and federal requirements for solid waste and hazardous waste disposal. The Monterey County Environmental Health Bureau may inspect the commercial cannabis business at any time during regular business hours to ensure compliance with this Section.
- (d) In no case shall any hazardous, flammable or explosive substances be used to process or manufacture cannabis products on site. Food grade alcohol solely for the purposes of cleaning machinery and dissolving wax, unless otherwise prohibited by the State of California, is permitted. The City and Monterey County Environmental Health Bureau may inspect the commercial cannabis business at any time during regular business hours to ensure compliance with this Section.
- (e) All food products, food storage facilities, food-related utensils, equipment and materials shall be approved, used, managed and handled in accordance to the provisions of the California Retail Food Code, California Health and Safety Code sections 113700 through 114437. All food products shall be protected from contamination at all times, and all food handlers must be clean, in good health and free from communicable diseases. The Monterey County Environmental Health Bureau may inspect the commercial cannabis at any time during regular business hours to ensure compliance with this Section.
- (f) Stacking shall be allowed in a given structure but only to the point that measuring the total canopy of each level of stacking is cumulatively no greater than the maximum canopy size allowed under state licensing. For purposes of this Section, “stacking” is defined as the practice of growing marijuana plants on platforms or tables and stacking them in multiple layers on top of each other.

**Section 17.03.230 Limitation on the Number of Cultivation and Nursery Facilities.**

No more than one million, three hundred fifty thousand (1,350,000) square feet of total canopy whether under cultivation or nursery activity will be allowed within the City at any one time and commercial cannabis permits shall be issued by the City for cultivation and nursery activity up to a maximum one million three hundred fifty thousand (1,350,000) square feet of total canopy within the City. Nurseries shall be limited to a total of twenty-five thousand (25,000) square feet in size per Type 4 “Nursery” license issued by the City.

**Section 17.03.240 Periodic Review by the City Council.**

In the sole discretion of the City Manager; the City Attorney, the Chief of Police, and the Community Development director shall report to the City Council findings on the operation of any cultivation facilities permitted pursuant to this Chapter and shall make a recommendation whether the cultivation facilities should be permitted to continue in operation for the remaining period of the term of their license (in

addition to whatever other recommendations may be made) and whether the City should renew one or more of the permits for an additional period. Any termination or revocation of a license or permit, shall be in accordance with the provisions of the King City Municipal Code.

**Section 17.03.250 Operating Requirements for Cultivation and Nurseries.**

- (a) Outdoor Cultivation and Nursery activity Prohibited. All outdoor cultivation and nursery activity is prohibited.
- (b) In no case shall cannabis plants be visible from a public or private road, sidewalk, park or any common public viewing area.
- (c) If a premises includes nursery activities as defined in Business and Professions Code Section 19332, the premises may have only one nursery located on the premises and the nursery activity must be permitted pursuant to this Chapter and state law. The nursery shall be limited to a maximum size of twenty-five thousand (25,000) square feet of canopy for each premises.
- (d) Cannabis cultivation and nursery activity shall be conducted in accordance with state and local laws related to land conversion, grading, electricity, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters.
- (e) Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage or inadvertent damage from pests, rodents or other wildlife.
- (f) In no case shall any hazardous, flammable or explosive substances be used to process or manufacture cannabis products on site. Food grade alcohol solely for the purposes of cleaning machinery and dissolving wax, unless otherwise prohibited by the State of California, is permitted.
- (g) The cultivation of cannabis and any nursery activity shall at all times be operated in such a way as to ensure the health, safety, and welfare of the public, the employees working at the commercial cannabis business, visitors to the area, neighboring properties, and the end users of the cannabis being cultivated, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard against the diversion of cannabis.
- (h) All applicants for a cannabis cultivation or nursery permit shall submit the following in addition to the information generally otherwise required for a commercial cannabis business:
  - (1) An operations plan that meets or exceeds minimum legal standards for water usage, conservation and use; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of

fertilizers, pesticides, and other regulated products to be used on the parcel, and a description of the nursery or cultivation activities and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting.

- (2) A description of a legal water source, irrigation plan, and projected water use.
- (3) Identification of the source of electrical power and plan for compliance with applicable Building Codes and related codes.
- (4) Plan for addressing odor and other public nuisances which may derive from the nursery or cultivation site.

**Section 17.03.260 Cannabis Manufacturing - Edibles and other Cannabis Products - Sale or Distribution of Edible and other Cannabis Products.**

The manufacturing of food or other products infused with or which otherwise contain cannabis may be manufactured within the appropriate zoning districts as defined in Title 17, Zoning, of the King City Municipal Code, subject to the regulations set forth in this Section and subject to whatever additional regulations may be promulgated hereunder by an ordinance or resolution of the City Council or otherwise pursuant to this Chapter.

- (a) No edible cannabis products shall be sold or distributed on a retail basis at a commercial cannabis business operating under a permit issued pursuant to this Chapter. Edible cannabis products may be sold wholesale for retail sale outside of the City boundaries.
- (b) All items to be sold or distributed wholesale shall be individually wrapped at the original point of preparation. Labeling must include a warning if nuts or other known allergens are used, and must include the total weight (in ounces or grams) of cannabis in the package. A warning that the item is a medication and not a food must be clearly legible on the front of the package. The package must have a label warning that the product is to be kept away from children. The label must also state that the product contains cannabis and must specify the date of manufacture.
- (c) Any edible cannabis product that is made to resemble a typical food product must be in a properly labeled opaque (non-see-through) package before it leaves the commercial cannabis business. Deliveries must be in a properly labeled opaque package when delivered.

**Section 17.03.270 Cannabis Manufacturing - Extraction, etc.**

- (a) Cannabis manufacturing facilities requiring a Type-6 state license (non-volatile manufacturing) as defined in Business and Professions Code

Section 19341, may be permitted to operate within the appropriate industrial districts as defined in Title 17 of the King City Municipal Code. Cannabis manufacturing facilities requiring a Type-7 state license, Manufacturing Level 2, as defined in Business and Professions Code Section 19341 is prohibited in all zone districts in the City. No volatile fluid or material, shall be used in Type-6 licensed manufacturing facilities unless otherwise authorized and approved by the State of California. For purposes of this Section, food grade alcohol may be utilized solely to clean machinery and dissolve wax, unless otherwise prohibited by the State of California. Food grade alcohol may be stored at any Type-6 or testing facility; however, no facility shall store food grade alcohol in an amount which exceeds the maximum authorized amount determined by the Fire Chief and/or Chief of Police for the City of King.

- (b) Any compressed gases used in the manufacturing process shall not be stored on any property within the City in containers which exceeds the maximum authorized amount determined by the Fire Chief and/or Chief of Police for the City of King.
- (c) No more than six (6) commercial cannabis manufacturing businesses may operate within the City at any one time and no more than six (6) commercial cannabis manufacturing permits shall be issued by the City for commercial cannabis manufacturing businesses to operate within the City.

**Section 17.03.280 Promulgation of Regulations and Standards.**

- (a) The City Manager is authorized to promulgate reasonable regulations necessary to implement the requirements and fulfill the policies of this chapter related to cannabis and cannabis products.
- (b) Regulations may be published on the City's website.
- (c) Regulations promulgated by the City Manager shall have the same force and effect of law and become effective upon date of publication.

**Section 17.03.290 Community Relations.**

- (a) Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial cannabis business shall also provide the above information to all businesses and residences located within one hundred (100) feet of the commercial cannabis business.
- (b) The owner, manager, and community relations representative from any commercial cannabis business holding a permit issued pursuant to this Chapter shall at the request of the City Manager meet to discuss costs, benefits, and other community issues arising as a result of implementation of this Chapter.

**Section 17.03.300 Fees Deemed Debt to City of King.**

The amount of any fee, cost or charge imposed pursuant to this Chapter shall be deemed a debt to the City that is recoverable in any court of competent jurisdiction.

**Section 17.03.310 Permit Holder Responsible for Violations.**

The person to whom a permit is issued pursuant to this Chapter shall be responsible for all violations of the laws of the State of California or of the regulations and the ordinances of the City, whether committed by the permittee or any employee or agent of the permittee, which violations occur in or about the premises of the commercial cannabis business whether or not said violations occur within the permit holder's presence.

**SECTION 4:** Chapter 17.30, of Title 17, of the King City Municipal Code is amended in its entirety to read as follows:

**Chapter 17.30**

**M-1 Industrial District**

**Section 17.30.020 Uses Permitted Subject to Obtaining a Use Permit.**

- (1) Manufacture, processing and packing of beverages (except distilleries), food or food products (except commercial cannabis activity as defined within subsection (14) of this Section) completely within a structure or processing and packing of food products when the major operation takes place in unenclosed structures and where products, materials and equipment are stored in the open;
- (14) Commercial cannabis cultivation and nurseries consistent with those activities authorized under the State of California cultivator and nursery license types issued by the Department of Food and Agriculture under Business and Professions Code section 19332(g)(5) Type 2A "small indoor," 19332(g)(6) Type 2B "small mixed-light," 19332(g)(8) Type 3A "indoor," 19332(g)(9) Type 3B "mixed-light" and 19332(g)(10) Type 4 "nursery." Cultivation for purposes of this provision shall be limited to those activities defined within California Business and Professions Code section 19300.5(l) and the delivery or transport of the harvested cannabis or cannabis product outside of the City. No retail deliveries or dispensing of any cannabis or cannabis product shall be allowed within the jurisdictional boundaries of the City;
- (16) Commercial cannabis distribution and transportation consistent with those activities authorized under State of California distribution and transportation license types issued by the Department of Food and Agriculture under Business and Professions Code 19334 (2) "Distributor" Type 11 and (4) "Transporter" Type 12;

- (17) Any other use which the Planning Commission finds not to be inconsistent with the uses set out herein.

**Section 17.30.150 Commercial Cannabis Cultivation Property Development Standards.**

All commercial cannabis activity shall be subject to and comply with all provisions of the King City Municipal Code.

**SECTION 5:** Chapter 17.31, of Title 17, of the King City Municipal Code is added and adopted in its entirety to read as follows:

**Chapter 17.31**

**M-2 Industrial District**

**Section 17.31.020 Uses Permitted Subject to Obtaining a Use Permit.**

- (18) Commercial cannabis cultivation and nurseries consistent with those activities authorized under the State of California cultivator and nursery license types issued by the Department of Food and Agriculture under Business and Professions Code Section 19332(g)(5) Type 2A “small indoor,” 19332(g)(6) Type 2B “small mixed-light,” 19332(g)(8) Type 3A “indoor,” 19332(g)(9) Type 3B “mixed light” and 19332(g)(10) Type 4 “nursery.” Commercial cannabis distribution and transportation consistent with those activities authorized under State of California distribution and transportation license types issued by the Department of Food and Agriculture under Business and Professions Code 19334 (2) “Distributor” Type 11 and (4) “Transporter” Type 12. Cultivation for purposes of this provision shall be limited to those activities defined within California Business and Professions Code section 19300.5(l) and the delivery or transport of the harvested cannabis or cannabis product outside of the City. No retail deliveries or dispensing of any cannabis or cannabis product shall be allowed within the jurisdictional boundaries of the City. All cultivation shall be conducted indoors.

**Section 17.31.150 Commercial Cannabis Cultivation Property Development Standards.**

All commercial cannabis activity shall be subject to and comply with all provisions of the King City Municipal Code.

**SECTION 6: EFFECTIVE DATE.**

This Ordinance shall take effect and be in full force and effect from and after thirty (30) calendar days after its final passage and adoption. Within fifteen (15) calendar days after its adoption, the Ordinance, or a summary of the Ordinance, shall be published once in a newspaper of general circulation.

**I HEREBY CERTIFY** that the foregoing Ordinance was introduced by the City Council after waiving reading, except by Title, at a regular meeting thereof held on the \_\_\_\_ day of \_\_\_\_\_ 2017, and adopted the Ordinance after the second reading at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_ 2017, by the following roll call vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**ATTEST**

\_\_\_\_\_  
**STEVEN ADAMS, City Clerk**

**CITY OF KING**

By: \_\_\_\_\_  
**MIKE LEBARRE, Mayor**

I, \_\_\_\_\_, City Clerk of the City of King, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Ordinance passed and adopted by the City Council of the City of King on the date and by the vote indicated herein.



**ORDINANCE NO. 2017-744****AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KING AMENDING SECTION D.3(G) OF CHAPTER 4 (DEVELOPMENT STANDARDS) OF THE EAST RANCH BUSINESS PARK SPECIFIC PLAN FOR THE PURPOSE OF ADDING ADDITIONAL COMMERCIAL CANNABIS USES**

**WHEREAS**, the City of King (“the City”) has the authority, under its police power, to enact regulations for the public peace, morals, and welfare of the City, California Constitution Article XI, section 7; and

**WHEREAS**, in 1996, with the adoption of Proposition 215, the California voters approved the Compassionate Use Act (Health and Safety Code § 11362.5) to ensure that seriously ill Californians have the right to obtain and use cannabis for medical purposes where that medical use is deemed appropriate and has been recommended by a physician, without fear of criminal prosecution under limited, specified circumstances; and

**WHEREAS**, in 2004, the State Legislature enacted SB 420 to clarify the scope of the Compassionate Use Act and provide additional statutory guidance regarding medical cannabis use. These statutes are codified at Health and Safety Code § 11362.7 et seq. and allow cities and counties to adopt supplemental rules and regulations; and

**WHEREAS**, on October 9, 2015, almost 20 years after passage of the Compassionate Use Act, the Governor signed the Medical Marijuana Regulation and Safety Act (“Act”), comprised of California legislative bills AB 243, AB 266, and SB 643. The Act creates a comprehensive state licensing system for the commercial cultivation, manufacture, retail sale, transport, distribution, delivery, and testing of medical cannabis, all subject to local control. One of the purposes of the Act is to ensure uniformity among jurisdictions that wished to allow commercial cannabis operations; and

**WHEREAS**, on June 27, 2016, the Governor signed SB 837, effective immediately, changing the terms in the Act from “medical marijuana” or “marijuana” to “medical cannabis” or “cannabis”, and making other technical changes to the Act. SB 83 7 also adopted regulations relating to the use and diversion of water in connection with the cultivation of cannabis; and

**WHEREAS**, in 2016, the City adopted Title 17, Chapter 17.03 et seq., of the King Municipal Code pertaining to Medical Cannabis Activity. The Medical Cannabis Ordinance places complete bans and regulations on medical cannabis activity in the City based upon various health, safety and welfare and land use findings relating to cannabis cultivation, dispensing, and consumption, which findings are incorporated herein by reference; and

**WHEREAS**, in September of 2016, the City amended Section D.3(g) of Chapter 4 (Development Standards) of the East Ranch Business Park Specific Plan for the purpose of including additional commercial cannabis uses, nurseries, manufacturing and testing within the City; and

**WHEREAS**, in November of 2016 the Adult Use of Marijuana Act (“AUMA”) was approved by a majority of California voters. The purpose of AUMA is to establish a comprehensive system to legalize, control and regulate the cultivation, processing, manufacture, distribution,

testing, and sale of nonmedical cannabis, including cannabis products. Adults, age 21 and older, will be allowed to possess cannabis and grow certain amounts at home for personal use; and

**WHEREAS**, the AUMA did not provide for a specific effective date, thus the provisions of the AUMA regarding personal use, possession, and cultivation of cannabis became effective the day after the November 8, 2016; and

**WHEREAS**, the AUMA's proposed Health & Safety Code section 11362.2(b) explicitly allows a city to "enact and enforce reasonable regulations to reasonably regulate" possession and cultivation of cannabis; and

**WHEREAS**, several California cities have reported negative impacts of cannabis cultivation and related activities, including but not limited to offensive odors, criminal activity, (such as trespassing, theft, violent robberies and robbery attempts, and the illegal sale and distribution of cannabis), and public health and safety concerns (such as fire hazards and problems associated with mold, fungus, and pests); and

**WHEREAS**, cannabis plants, as they begin to flower and for a period of two months or more, produce a strong odor, offensive to many people, and detectable far beyond property boundaries if grown outdoors or if grown indoors without proper ventilation, odor control, and other regulations; and

**WHEREAS**, due to the value of cannabis plants and their strong smell (which alerts others to their locations), cannabis cultivation has been linked to break-ins, robbery, armed robbery, theft and attendant violence and injury, creating an increased risk to public safety; and

**WHEREAS**, unregulated cannabis cultivation can be harmful to the welfare of the surrounding community and its residents and constitute a public nuisance, in that cannabis cultivation has been shown to involve avoidance of environmental laws and regulations, and has resulted in the pollution of waters and navigable waterways in the State of California; and

**WHEREAS**, the indoor cultivation of cannabis has potential adverse effects to the structural integrity of the buildings in which cannabis is cultivated, and the use of high wattage grow lights and excessive use of electricity increases the risk of fire, which presents a clear and present danger to the buildings, its occupants, and neighboring buildings and residents; and

**WHEREAS**, unregulated indoor cultivation of cannabis can be harmful to the public health, safety and welfare, given electrical modifications risk fires, poor irrigation can cause mold, overloaded circuits can leave entire neighborhoods in the dark, plant chemicals can cause illness, improper carbon dioxide mixed with insufficient ventilation can cause injury or death, and structural changes put first responders in danger if they rush into the unknown; and

**WHEREAS**, the Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use recognize that the cultivation or other concentration of cannabis in any location or premises without adequate security increases the risk that nearby homes or businesses may be negatively impacted by nuisance activity such as loitering and/or crime; and

**WHEREAS**, MMRSA and AUMA mandated comprehensive state licensing and regulatory framework for cultivation, manufacturing, distribution, transporting, testing and dispensing cannabis and cannabis products; however, implementing regulations have yet to be written and state licenses may not be available until 2018; and

**WHEREAS**, there are numerous well publicized studies and reports, as well as numerous documented incident in Monterey County and throughout the State, which show that unregulated cannabis activities have a significant adverse effect on the community; and

**WHEREAS**, the City finds that the absence of a formal regulatory framework the adverse impacts frequently associated with commercial cannabis activities will occur, resulting in an unregulated and potentially significant negative impact upon the environment and upon public health, safety, and welfare of the community; and

**WHEREAS**, outdoor cannabis cultivation and unregulated indoor cannabis cultivation are likely to generate these negative effects on the public health, safety, and welfare in the City, based on the experiences of other cities; and

**WHEREAS**, pursuant to the express statutory authority and its police power, the City desires to enact reasonable regulations for the indoor cultivation, manufacturing, testing, distribution, or consumption of commercial recreational and medical cannabis; and

**WHEREAS**, absent clear regulation, cannabis cultivation in the City poses a potential threat to the public peace, health, and safety, and, unless the City takes action to regulate it; and

**WHEREAS**, the City has a compelling interest in protecting the public health, safety, and welfare of its citizens, residents, visitors and businesses, and in preserving the peace and quiet of the neighborhoods within the City by regulating the commercial cultivation of recreational and medical cannabis; and

**WHEREAS**, nothing in this Ordinance shall be construed to: (1) allow any person to engage in conduct that endangers others or causes a public nuisance; or (2) allow any activity relating to the cultivation, manufacturing, testing, distribution, or consumption of cannabis which is illegal under state or federal law; and

**WHEREAS**, it is the intent of the City to regulation commercial cannabis activities, both recreational and medical, within the boundaries of the City.

**NOW THEREFORE**, the City Council of the City of King does hereby ordain as follows:

**SECTION 1.** The above recitals are incorporated are hereby by reference.

**SECTION 2.** The Ordinance is exempt from the California Environmental Quality Act (“CEQA”) because it can be seen with certainty that there is no possibility that it will have a significant effect on the environment. (CEQA Guidelines §15061(b)(3).) It is also exempt because it consists of regulations and restrictions on activities to assure the maintenance, restoration, or enhancement of natural resources and the environment by prohibiting environmentally destructive components of unregulated cannabis cultivation. (CEQA Guidelines §§15307, 15308.)

**SECTION 3.** Section D.3(g) of Chapter 4 (Development Standards) of the East Ranch Business Park Specific Plan is amended to read as follows:

Section D.3.(g). Commercial Cannabis Activity consistent with those activities authorized under Business and Professions Code section 19300.7, (e) Type 2A Cultivation, Indoor; Small, (f) Type 2B Cultivation; Mixed-light; Small, (h) Type 3A Cultivation; Indoor; Medium, (i) Type 3B Cultivation; Mixed-light; Medium, (j) Type 4 Cultivation; Nursery, (k) Type 6 Manufacturing 1, (m) Type 8 Testing, ~~(p) Type 11 Distribution, and (q) Type 12 Transporter.~~ Commercial Cannabis Activity shall be subject to and comply with all provisions of the King City Municipal Code: ~~Chapter 17.03.~~

**SECTION 4: EFFECTIVE DATE.**

This Ordinance shall take effect and be in full force and effect from and after thirty (30) calendar days after its final passage and adoption. Within fifteen (15) calendar days after its adoption, the Ordinance, or a summary of the Ordinance, shall be published once in a newspaper of general circulation.

**I HEREBY CERTIFY** that the foregoing Ordinance was introduced by the City Council after waiving reading, except by Title, at a regular meeting thereof held on the \_\_\_\_ day of \_\_\_\_\_ 2017, and adopted the Ordinance after the second reading at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_ 2017, by the following roll call vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**ATTEST**

\_\_\_\_\_  
**STEVEN ADAMS, City Clerk**

**CITY OF KING**

By: \_\_\_\_\_  
**MIKE LEBARRE, Mayor**

I, \_\_\_\_\_, City Clerk of the City of King, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Ordinance passed and adopted by the City Council of the City of King on the date and by the vote indicated herein.

## RESOLUTION NO. 2017-179

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING, COUNTY OF MONTEREY, STATE OF CALIFORNIA, RECOMMENDING TO THE CITY COUNCIL THE APPROVAL OF TEXT AMENDMENTS AMENDING THE KING CITY MUNICIPAL CODE CHAPTER 17.03 OF TITLE 17; CHAPTER 17.30, SUBSECTION 17.30.020 AND CHAPTER 17.31, SUBSECTION 17.31.020 (THE M-1 AND M-2 ZONING DISTRICTS); AND, THE EAST RANCH BUSINESS PARK SPECIFIC PLAN ("ERBP-SP") AND RELATED PLANNING AND ZONING DOCUMENTS TO REGULATE COMMERCIAL CANNABIS ACTIVITY**

**WHEREAS**, in 1996, the voters of the State of California approved Proposition 215, which was codified as "The Compassionate Use Act of 1996," at California Health and Safety Code, section 11362.5 ("CUA") which had the stated intent to ensure that seriously ill individuals have the right to obtain and use marijuana for medical purposes when recommended by a physician. The Proposition further provides that "nothing in this section shall be construed to supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes, and

**WHEREAS**, the ballot arguments supporting Proposition 215 expressly acknowledged that "Proposition 215 does not allow unlimited quantities of marijuana to be grown anywhere", and

**WHEREAS**, in 2004, the Legislature enacted Senate Bill 420 (codified as California Health & Safety Code § 11362.7 et seq. and referred to as the "Medical Marijuana Program" or "MMP" to clarify the scope of Proposition 215 and to provide qualifying patients and primary caregivers who collectively or cooperatively cultivate marijuana for medical purposes with a limited defense to certain specified State criminal statutes. Assembly Bill 2650 (2010) and Assembly Bill 1300 (2011) amended the MMP to expressly recognize the authority of counties and cities to "adopt local ordinances that regulate the location, operation, or establishment of a medical, and

**WHEREAS**, in the *City of Riverside v. Inland Empire Patients Health and Wellness Center, Inc.*, 56 Cal.4th 729 (2013), the California Supreme Court upheld the right of local public agencies to regulate medical marijuana operations through their land use powers, and

**WHEREAS**, on November 26, 2013, the Third District Court of Appeal issued its opinion in *Maral v. City of Live Oak* 221 Cal.App.4th 975, which held cities have the authority to ban marijuana cultivation within their boundaries consistent with their local regulations; and

**WHEREAS**, on October 9, 2015, California Governor Brown approved the Medical Marijuana Regulation and Safety Act ("MMRSA"), which goes into effect on January 1, 2016, and establishes a comprehensive State licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, and sale of medical marijuana, also known as cannabis, through Assembly Bills 243 and 266 and Senate Bill 643, and

**WHEREAS**, on June 27, 2016, the Governor signed SB 837, effective immediately, changing the terms in the Act from "medical marijuana" or "marijuana" to "Commercial Cannabis" or "cannabis", and making other technical changes to the Act. SB 837 also adopted regulations relating to the use and diversion of water in connection with the cultivation of cannabis; and

**WHEREAS**, in January 2016, the City adopted Title 17, Chapter 17.03 et seq., of the King Municipal Code pertaining to commercial cannabis activity. The Commercial Cannabis Ordinance places complete bans and regulations on commercial cannabis activity in the City based upon various health, safety and welfare and land use findings relating to cannabis cultivation, dispensing, and consumption, which findings are incorporated herein by reference; and

**WHEREAS**, on January 26, 2016, the City Council approved Ordinance 2016-718, amending the City's Municipal Code to allow limited Commercial Cannabis Cultivation uses within the M-1 and M-2 Districts and the East Ranch Business Park; and

**WHEREAS**, in September 2016, the City amended Title 17, Chapter 17.03 et seq., of the King Municipal Code pertaining to commercial cannabis activity. The amendments permitted additional use types in the Manufacturing Districts and the East Ranch Business Park; and

**WHEREAS**, on September 27, 2016 the City Council approved Ordinances 2016-728, 2016-729 and 2016-730 amending: the Establishment, Operation and Regulation of Commercial Cannabis Activity, Manufacturing and Testing of Commercial Cannabis; the M-1 and M-2 zoning districts and the East Ranch Business Park Specific Plan and underlying the zoning being consistent with the General Plan as described in the Mitigated Negative Declaration certified by the Council on that date.

**WHEREAS**, in November of 2016 the Adult Use of Marijuana Act ("AUMA") was approved by a majority of California voters. The purpose of AUMA is to establish a comprehensive system to legalize, control and regulate the cultivation, processing, manufacture, distribution, testing, and sale of non-commercial cannabis, including cannabis products. Adults, age 21 and older, will be allowed to possess cannabis and grow certain amounts at home for personal use; and

**WHEREAS**, the AUMA did not provide for a specific effective date, thus the provisions of the AUMA regarding personal use, possession, and cultivation of cannabis became effective the day after the November 8, 2016; and

**WHEREAS**, the AUMA's proposed Health & Safety Code section 11362.1(a)(3), will make it lawful under state and local law for any person twenty-one (21) years of age or older to "Possess, plant, cultivate, harvest, dry, or process not more than six living cannabis plants and possess the cannabis produced by the plants"; and

**WHEREAS**, the City wishes to enact regulations governing commercial cannabis activities at this time; and

**WHEREAS**, the AUMA's proposed Health & Safety Code section 11362.2(b) explicitly allows a city to "enact and enforce reasonable regulations to reasonably regulate" the cultivation of cannabis so long as the City does not prohibit the cultivation of up to six plants "inside a private residence, or inside an accessory structure to a private residence located upon the grounds of a private residence that is fully enclosed and secure"; and

**WHEREAS**, the City intends to regulate and maintain local control over any dispensing, delivery, manufacturing, testing and/or cultivation of commercial cannabis in accordance with this ordinance; and

**WHEREAS**, mindful of the fact that marijuana possession and use is prohibited under federal law and partially decriminalized under state law, it is the City's intention that nothing in these ordinances shall be construed, in any way, to expand the rights of anyone to use or possess marijuana under state law; engage in any public nuisance; violate federal law, or engage in any activity in relation to the cultivation, distribution, or consumption of marijuana that is otherwise illegal. It is further the intent of the City of King to maintain local control over these matters to the fullest extent permitted by law.

**WHEREAS**, the City is considering adding to the allowed commercial cannabis activities land uses; and,

**WHEREAS**, on June 06, 2017, the Planning Commission held a public hearing to receive oral and written testimony relative to the proposed amendments; and,

**WHEREAS**, the proposed attached ordinances amending: the Establishment, Operation and Regulation of Commercial Cannabis Activity and Nurseries, Manufacturing, Testing, and adding Distributing and Transporting of Commercial Cannabis in the M-1 and M-2 zoning districts and the East Ranch Business Park Specific Plan and underlying zoning are consistent with the General Plan.

**NOW, THEREFORE, BE IT RESOLVED, by the Planning Commission of the City of King as follows:**

**Section 1:** The Planning Commission has reviewed the project and recommends that the City Council find that the attached ordinances will not create potentially significant environmental impacts pursuant to the California Environmental Quality Act ("CEQA") because it can be seen

with certainty that there is no possibility that it will have a significant effect on the environment. (CEQA Guidelines § 15061(b)(3).) It is also exempt because it consists of regulations and restrictions on activities to assure the maintenance, restoration, or enhancement of natural resources and the environment by prohibiting environmentally destructive components of unregulated cannabis cultivation. (CEQA Guidelines §§ 15307 and 15308.)

**Section 2.** After reviewing the proposed zoning and specific plan amendments and considering all oral and written information regarding the text amendments, that the Planning Commission does recommend the City Council approve the proposed amendments to Chapter 17.03 of Title 17, Commercial Cannabis Activity and the proposed amendment to Chapter 17.30, Subsection 17.030.020 and Chapter 17.31, Subsection 17.31.020, M-1 and M-2 Zoning, (*Attachment 1*); and the proposed amendments to the ERBP-SP (*Attachment 2*).

**Section 3.** The Planning Commission Chairman of the City of King is hereby authorized to affix his signature to this Resolution signifying its adoption by the Planning Commission. The Community Development Director is directed to forward this Resolution to the City Council with the recommendations of the Planning Commission.

PASSED, APPROVED, AND ADOPTED by Planning Commission on this 06th day of June, 2017.

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Dave Nuck, Chairperson

ATTEST:

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Erica Sonne for  
Planning Commission Secretary

I, Erica Sonne, Planning Secretary to the City Planning Commission, do hereby certify that Resolution No. 2017- 179 was duly and regularly passed and adopted by the Planning Commission on the 06th day of June, 2017, by the following roll call vote as the same appears on file and of record in Office of the Community Development Department.

AYES:

NOES:

ABSENT:

ABSTAIN:

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Erica Sonne for:  
Planning Commission Secretary  
City of King



Item No. 8(B)

**REPORT TO THE PLANNING COMMISSION**

**DATE: JUNE 06, 2017**

**TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION**

**FROM: DOREEN LIBERTO BLANCK, COMMUNITY DEVELOPMENT DIRECTOR;  
SHANNON L. CHAFFIN, CITY ATTORNEY**

**BY: SCOTT BRUCE, PRINCIPAL PLANNER**

**RE: CUP 2016-012, MEDICAL CANNABIS CULTIVATION (CA TYPE 3A) AND  
NURSERY (CA TYPE 4): NORTH OF SAN ANTONIO DRIVE, AND EAST  
OF METZ ROAD, CITY OF KING**

**RECOMMENDATION:**

Staff recommends the Planning Commission 1) review Conditional Use Permit Application, 2) receive public comment; and 3) adopt the attached Resolution approving Conditional Use Permit 2016-012.

**BACKGROUND:**

In September 2016 the City Council approved an amendment to the City's Zoning Code and to the East Ranch Business Park (ERBP) Specific Plan, authorizing expansion of land uses related to Medical Cannabis. As a result of that action, Indoor Cultivation under artificial or mixed light, Medical Cannabis Nurseries, Manufacturing and Testing are allowed in the M-1, M-2 and M-3 Districts and in the ERBP. Since that time, Staff has been in regular discussion with potential Medical Cannabis applicants. In March 2017, to the Commission heard and approved a request for Medical Cannabis *Manufacturing* at 190 East San Antonio Drive. An application for *Cultivation* in an existing structure was heard on May 16, 2017. This application is for Medical Cannabis *Cultivation* in multiple new structures on a site that is currently vacant.

The process to approve a Medical Cannabis operation is complex. It includes:

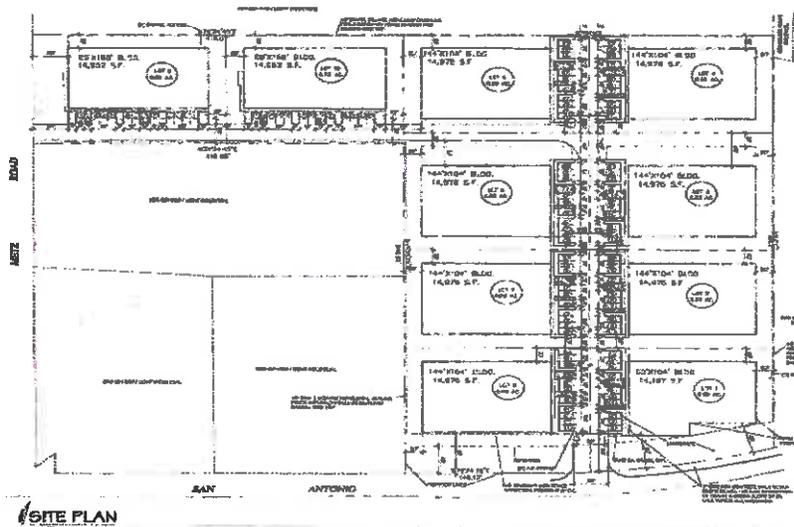
- Conditional Use Permit (CUP)
- Medical Cannabis License
- Subdivision (if applicable)
- Building Permit
- Business License

The Planning Commission's primary role in the process is to make a determination regarding the Conditional Use Permit. Community Development Staff has been tasked by the City Manager with reviewing and evaluating the Application for Operating Permit and the Building Department will approve the appropriate building permit.

In the period of time since the City Council action, Staff has performed a detailed review of the Code and ERBP Amendments and prepared instructions to Applicants. The goal is to ensure that the application(s) address the elements of Code and of the ERBP. As such the information included in the application packages is rather detailed.

While not required for the CUP, the Permit Application process provides much information that informs the CUP process and potentially makes the Commission's determination easier and more complete.

CUP 2016-012 is a Proposal to develop two parcels located on San Antonio Drive East of Metz Road (APN's 026-521-040 and 026-521-008). The projected development is on approximately 7.6 acres and includes 10 new structures; two (2) will be used for Medical Cannabis (nursery) and eight (8) will be used for Medical Cannabis Cultivation. The City has required the project to also be designed so that, if necessary, it may be readily subdivided into 10 parcels from the existing two parcels without changes to the project as proposed by the CUP. The potential for such subdivision has been included in this environmental assessment as part of the project. Using this approach, a site plan approved by the Commission should not have to be amended if the State regulations eventually require one parcel per Permit.



The applicant has prepared a comprehensive information package that informs the CUP discussion and will be used during Permit Application Review. Information in this report is excerpted from that Package. The package itself is attached as a part of this Report. **See Exhibit 11.**

**DISCUSSION:**

**Overview:**

The proposed structures are located on a 7.6 acre site. The site and the surrounding area are located in the East Ranch Business Park Specific Plan which has underlying zoning of Light Industrial

- The parcel to the north is the site of CalPine.
- The parcel to the east is vacant
- To the south is San Antonio Drive with L.A. Hearne beyond
- The parcel to the west is vacant with the CA Dept of Motor Vehicles beyond. Metz Road abuts a portion of the site.



The site is vacant, generally flat and has recently been over-excavated and recompactd, per the soils report. Site access is from San Antonio Drive with an “exit only” onto Metz Road

Eight (8) two story buildings are proposed to allow Medical Cannabis Cultivation, compliant with future State License 3A (indoor, artificial light). While total allowed plant canopy space under a future 3A license is limited to 22,000 sf, additional allowed activities include: harvesting, drying, curing and trimming of cannabis. Two (2) two story buildings are proposed to allow Medical Cannabis Nursery, compliant with the future CA State License Type 4.

The CUP Plan Set Package indicates that seven (7) of the Cultivation structures will have a footprint of 14,768 sf in size, with one (1) being 13,968 sf in size. The two (2) Nursery facilities will have footprints of 12,640sf and 12,160 sf, respectively.

Total floor area for each building will be two times (2X) the footprint. Total impervious area will be approximately 68 %.

**Building Setbacks:** Buildings will be set back from San Antonio Drive and Metz Road a minimum of forty feet (40'). Setback from San Antonio Drive is forty feet (40') at minimum and sixty one feet (61') at maximum.

It appears that the state regulations will ultimately allow more than one permit per lot of record. However, because future state requirements are unclear a Tentative Tract Map has been prepared (not yet submitted) which would create an individual lot for each structure. Reciprocal agreements / easements will allow joint access / utilities should individual parcels be required.

**CUP Information:**

**Architecture:**

The proposed structures are constructed with metal buildings with insulated wall panels. The metal roof will be high ribbed and the windows will have fiberglass frames. Windows and entry doors will be bronze glass for appearance and energy conservation, per the Specific Plan. The primary color will be Straw Gold with Cool Sierra Tan trim and Cool Parchment accent. Air Conditioning screens will be Cool Sierra in color. **See Exhibit 2.**

Air conditioning units will be a potential visual impact due to their number (eight (8) per building (four (4) per floor) and their large size

The applicant is requesting a height of 35'. The current height limit in the Specific Plan area is 30'. However, Chapter 4 "*Development Standards*", Section G.1. allows for increased height with a Conditional Use Permit. Staff has reviewed the request with Fire Chief George Young who approves of the request with escape ladders and sprinkling.

**Floor Plan and Interior Uses:**

As noted above, maximum canopy space (plant tip to plant tip) is 22,000 sf. Floor area of proposed structures varies between 24,320 and 29,536 sf. **See Exhibit 3**

**Landscape:**

The site will be landscaped per plans as submitted. The primary landscaped areas will be adjacent to San Antonio Drive Road and Metz Road. Planter areas in the parking area and building fronts will be present. On site bio-retention basins between buildings will also be landscaped. Planted areas will include shredded Redwood Bark Mulch for moisture retention. The remainder of the site outside parking and landscaping (between buildings and between buildings and screening fence) will be surfaced with permeable crushed granite. Landscaped area is approximately 46,650 sf or 13.8% of the site.

Proposed landscaping includes Common Yarrow, Red Yucca, Deer Grass, Euryops Daisy, Copper Canyon Daisy, Australian Fuschia, Spreading Lantana, Purple Leaf Plum, Weeping Bottle Brush, Catalina Ironwood, Purple Robe Locust. **See Exhibit 5.**

**Grading:**

As noted above, over excavation and re-compaction has been accomplished – after providing a Storm Water Pollution Prevention Plan in compliance with the requirements of the Central Coast Water Quality Control Board. Earth movement for over-excavation and re-compaction was approximately 25,000 cubic yards (cy). Remaining earth movement for pad construction and final grading will be approximately 8,000 cy, balanced on site. Approximately 200 truck loads of gravel and base material (approximately 4,500 cy) will be brought on site as base for the private drive and parking areas.

**Access, Parking, Paving:**

The primary, gate guarded, access to the site is from San Antonio Drive. A turn-around area has been provided for those not granted access. A paved travel way (30' in width) will be constructed to the north property line where it turns to the west, terminating at an "exit only" intersection with Metz Road. Paved parking is provided on each side of the north / south spine with parking on the south side of the east / west connector. **See Exhibit 4**

Ten (10) parking spaces are provided for each Cultivation structure and eleven (11) are provided for each nursery. Parking exceeds minimum requirements (1 per 3 employees on largest shift but not less than 1 per 3,000 sf of floor area). The maximum number of employees for any building on any shift is fifteen (15).

**Signage:**

A single faced monument sign is proposed for the San Antonio Drive Entry. Text will be limited to company names / occupants of each building. The logo will be for the project in general and not Cannabis related. The base of the sign will be 16' in length at its widest point; the sign itself will be 12' in width and 11' 6" in height from the bottom of the base to the top of the sign.

Building signage will be limited to addresses, on-site signage will be limited to directional signage for deliveries and emergency response personnel.

The proposed amendment to the City's signage regulations allows a monument sign to be a maximum of eight (8) feet in height (anticipated to be in force prior to beginning of construction). Section 17.55.30 (b)(2)(B) allows the Commission to approve a sign that exceeds the design standards (height limitation). **See Exhibit 7.**

**Security:**

**Fencing:** The facility will be surrounded on the north and east sides and a portion of the south adjacent to the vacant lot and the Department of Motor Vehicles by a non-climbing chain link fence with small square visibility with privacy screening and barbed wire tops, of a height to be determined by the City. Fencing facing San Antonio Drive and Metz Road will consist of eight (8) foot high wrought iron. **See Exhibit 6.** Access / exit at San Antonio Drive and exit at Metz Road will be gated.

**Exterior Lighting:** The parking area and building exterior will be illuminated with LED powered lighting placed to eliminate shadows and / or dark areas. Lights will include building mounted and poles. Lighting will be designed to present spread beyond the property boundaries and / or into the night sky. Poles will not exceed thirty (30) feet in height.

**Cameras:** Security cameras with motion sensors and night vision will be mounted on all exterior doors, perimeter fencing and entry gates. Interior motion / night vision cameras will be placed per the Application Package concept. The 24/7 surveillance will be accessible by the City of King Police Department through real time live access feed. A City of King camera will be placed by applicant at the San Antonio Drive and Metz Road gates. **See Document "H"**.

**Solid Waste:** Daily plant waste will be approximately six (6) cubic yards per structure per week. (Approximately 1700 lbs per week or 240 per day). Dimensions of a six yard dumpster are approximately 6'8"W, 6'6"L, 5'4" H.

The entire plant is used and approximately 99% of cannabinoids are removed. Plant wastes are rendered unusable by grinding the remaining plant material and combining it with non-marijuana material. Conversation with Waste Management indicates that, there are currently no State of California regulations for solid waste. **See Document "J"**.

**Water:** The Mitigated Negative Declaration (MND) that resulted from the Initial Study prepared during evaluation of the Zone Change estimated water use for Cultivation at 2,640 gallons per day (gpd). Water use for Nurseries was estimated at 6,314 gpd. Water use as indicated by the Applicant for this total project will be between 25,000 and 30,000(gpd). Water used allowed for the total project, per the estimates used to prepare the MND, (eight (8) structures for cultivation and two (2) structures for nurseries) is 33,388 gpd. **See Document "K"**.

**Water (Landscaped Area):** The Applicant has prepared a detailed landscaping plan with irrigation and detailed water analysis in conformance with the State of California's Department of Water Resources.

A number of water conservation measures are employed including drip irrigation, weather or moisture based controllers, non-invasive/ climate appropriate species and similar. The estimated yearly water use for this site is 485,726 gallons (1.48 ac/ft). This number is not included in the analysis of water use under the previous MND – outdoor / landscaping water is common for all sites in the ERBP, regardless of land use.

On-site plumbing to access future recycled water (purple pipe) in San Antonio Drive will be required.

**Power:** The Applicant estimates 2,550 Amps for each structure as the 80% power allocation for lighting and air conditioning (3,200 Amps as the 100% power allocation) . 1,000 watt lights (High Pressure Sodium) will be located every 29 sf. A 4,000 Amp transformer is required for each of the 10 structures. PG&E permits a maximum of four (4) transformers per lot, therefore the larger lot (to the east) will have to be split into two prior to construction.

Each building will require eight 90 ton air conditioning units. **See Exhibit 2.** Internal temperature for grow rooms will range between 70 and 78 degrees. **See Document "L"**.

**Noise:** The General Plan and the Zoning Code address maximum noise levels. Section 17.56.030, Table 1 indicates that maximum noise levels at the property line for industrial uses is 68dba and at the property line for residential land uses is 55dba. The Mills Ranch Specific Plan places multi-family units near the north west corner of the intersection of San Antonio Drive and Metz Road. Maximum on-site noise levels are 75 dba for commercial / industrial use without additional noise study / attenuation.

Additional post-operations noise study may be required. Please refer to Conditions of Approval, **Exhibit 8.**

**Regulatory Permit Related Information:**

The item before the Commission is the consideration of a Conditional Use Permit to allow construction of eight (8) Indoor Cultivation facilities and two (2) nurseries. A site plan has been provided and infrastructure plans are being reviewed by the City Engineer. A separate Regulatory Permit will be required for each structure.

Each of the Cultivators on site propose to grow, dry, trim and package Cannabis grown for shipment to Manufacturers – most of them outside the City of King. Those manufacturers will prepare oils, topicals and may prepare food products. The two nurseries (one Regulatory Permit for each) will provide new plants for the Cultivators.

**Employee Traffic:**

The applicant has indicated that maximum employee count will run between 5 and 15 per structure per shift with a maximum of 150 employees on site at any one time. Not all buildings will have the same numbers of employees and nursery and cultivation employee counts will differ. Note that Standard employee generation rates for an Industrial Use are approximately 61 employees per acre. Business Park rates are higher. The project site is 7.6 acres in size. Therefore, at a minimum, the site under Industrial Use could generate 463 employees. The site, as proposed might generate a maximum of 450 employees (total of three shifts) if all shifts were fully staffed at 15 persons per structure.

**Shipping and Transport:** Cannabis bud will be transported from the facility in unmarked vehicles. Transactions will be recorded on a manifest with details regarding the driver, vehicle, weight and / or count of all products. Delivery vehicles will be loaded inside the structure with cars traps and security personnel present. Cameras will be placed to record shipping from the facility. **See Document “F” and “G”**. One to two semi-truck and trailers are anticipated per week – providing fertilizers and materials.

**Odor Control:** The Odor Control Program will operate in conformance with the requirements of Municipal Code Section 17.03.210 (i) including an exhaust filtration system and an air filtration system that creates negative air pressure between the interior and exterior building area. Ventilation will pass through a series of HEPA and Syneco systems or similar. **See Document “I”**.

**Security, Interior:** Each structure will provide an armed guard on site at any time the facility is in operation. Access to enter the facility and various portions of the facility will be controlled by key-card access. All visitors will be required to fill out a questionnaire and sign in at the administrative office. Visitors will be accompanied by Boutique Unlimited personnel at all times during their visit. Persons under the age of 18 will not be allowed on site. employee and guest access and records all visits and access to secure areas by identity. Persons under the age of 18 are not allowed on-site. **See Document “H”**.

**Employee Vetting:** No person under 18 years of age will be employed on this site. The employee vetting process is being finalized at this time. At present it is anticipated that a third party will receive fingerprints and provide the City of King Police Department with background review. The Department will verify and the employee will sign, under oath, an agreement that verifies the accuracy of the background check and that delineates the responsibilities of and expectations for the employee. **See Document “C”**

**Employee Training:** Initial and on-going training in preventing contamination, grow techniques (including approved pesticide application) and inventory security / control. OSHA and personal protective equipment requirements, documentation, testing, hazard response, chemical handling, labeling documentation and emergency procedures.

**Quality Control:** All material will be batch tested by a local laboratory for pesticides, fungus, pests, molds and contaminants. If a product were to be called into question the remaining inventory will be quarantined and all customers notified. All material will be returned. **See Document “C”**.

**Public Information Program:** The Applicant will provide a Public Information program to be available electronically and in print in conformance with 17.03.290.(c). The program will provide information on the effects of drug use and provide resources available. The applicant will also provide one (1) to (2) workshops per year. It should be noted that the City is considering a change to Section 17.03.290(c) of the Zoning Code to eliminate the education program. In the event of a Code Change the applicant will comply.

**Compliance with Evolving State and Local Regulations:** The applicant's operating procedures will comply with State and local regulations. The applicant engages a team of lawyers, community relations staff and industry advisors to assist with governance, compliance, legal adherence and updates to laws and regulations. **See Document "C"**. In addition, the City requires that an Indemnification Agreement be executed (draft completed, in process). **See Document "N"**.

**ENVIRONMENTAL COMPLIANCE:**

King City previously prepared and certified (September 2016) a Mitigated Negative Declaration (MND) for the amendment of the City's Zoning Ordinance and the amendment of the East Ranch Business Park Specific Plan (ERBP Specific Plan) (Ordinances 2016-728, 2016-729 and 2016-730) to allow new land uses in the Manufacturing Districts (M-1, M-2, M-3) and in the ERBP Specific Plan.

Staff has conducted an Initial Study related to this proposed project (CUP 2016-012) and has determined the project is fully within the scope of the prior analysis by the MND. The Adoption of a Finding of Consistency has been recommended per CEQA Guidelines Section 15162 and has been noticed for Public Review.

**ALTERNATIVES:**

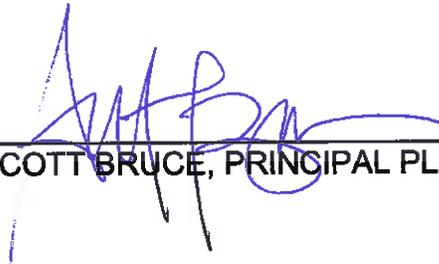
1. Hear the item, invite public comment and approve the item as presented.
2. Deny the item. If the Planning Commission wishes to deny the CUP, the item needs to be continued, directing Staff to return with a Resolution of Denial.
3. Provide alternative direction to Staff.

**EXHIBITS:**

- |                            |                                  |
|----------------------------|----------------------------------|
| 1. Photos of Existing Site |                                  |
| 2. Elevations              | Section R Sheets A-2 and A-2.1   |
| 3. Floor Plan              | Section S Sheets A-3 through A-8 |
| 4. Site Plan               | Section R Sheet A-1              |
| 5. Landscape Plan          | Section U Sheets L-1 and L-2     |
| 6. Fencing                 | Section R Sheet A-2              |
| 7. Signage                 | Section T Sheet A-9              |
| 8. Conditions of Approval  |                                  |
| 9. Resolution 2017 – 178   |                                  |
| 10. Initial Study          |                                  |
| 11. Application Package    |                                  |

*Exhibits are available for public review at front counter, City of King City Hall, 212, South Vanderhurst, King City, CA*

Submitted by:

  
SCOTT BRUCE, PRINCIPAL PLANNER

Approved by:

  
DOREEN LIBERTO-BLANCK, AICP, COMMUNITY DEVELOPMENT  
DIRECTOR



**METZ ROAD AT APPROXIMATE GATE LOCATION – LOOKING EAST**



**SAN ANTONIO DRIVE AT SE PROJECT CORNER – LOOKING NORTH WEST**



**SAN ANTONIO DRIVE AT APPROXIMATE LOCATION OF MAIN ENTRY GATE**

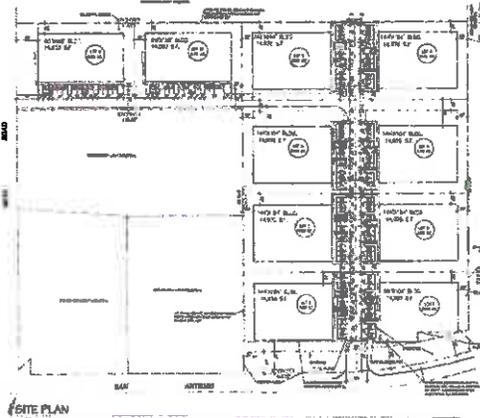


**EXHIBIT No. 08**

**Case Number: COA 2017 - 012  
CONDITIONS OF APPROVAL**

**NOTICE TO PROJECT APPLICANT**

**In accordance with the provisions of Government Code Section 66020(d)(1), the imposition of fees, dedication, reservations or exactions for this project are subject to protest by the project applicant at the time of approval or conditional approval of the development or within 90 days after the date of imposition of fees, dedications, reservation, or exactions imposed on the development project.**



**This notice does not apply to those fees, dedications, reservations, or exactions which were previously imposed and duly noticed; or, where no notice was previously required under the provisions of Government Code Section 66020(d)(1) in effect before January 1, 1997.**

**PART A - PROJECT INFORMATION**

1. Assessor's Parcel No(s): 026-521-040 and 026-521-008
2. Job Address: (No current address assigned; see diagram, above, for location)
3. Street Location: North of San Antonio Drive and East of Metz Road
4. Existing Zoning: PD / SP (Planned Development / Specific Plan)
5. Planned Land Use: General Plan: LI (Light Industrial); East Ranch Business Park Specific Plan: M-(1)
6. Plan Area: East Ranch Business Park Specific Plan ("ERBP SP")
7. Project Description: Conditional Use Permit 2016-012 (CUP) requests to develop two parcels located on San Antonio Drive East of Metz Road as generally depicted in the attached diagram, below. The projected development is on approximately 7.6 acres and includes 10 new structures; two will be used for Medical Cannabis (nursery) and eight will be used for Medical Cannabis Cultivation. The City has required the project to also be designed so that, if necessary, it may be readily subdivided into 10 parcels from the existing two parcels without changes to the project as proposed by the CUP.

**PART B – GENERAL CONDITIONS AND REQUIREMENTS**

An environmental assessment/initial study was conducted and resulted in a Finding of Consistency to the previously prepared Mitigated Negative Declaration for the amendment of the City's Zoning Ordinance and the amendment of East Ranch Business Park Specific Plan (Ordinances 2016-728, 2016-729 and 2016-730) adopted by the City on September 27, 2016.

01222.0005/381072.1

212 S. VANDERHURST AVENUE • KING CITY, CA 93930  
PHONE: (831) 385-3281 • FAX: (831) 385-6887  
WWW.KINGCITY.COM



The Notice of Intent to adopt a Finding of Consistency was published in the King City Rustler commencing a 20-day public review and comment period on ending on June 6, 2017. This project is required to comply with all applicable mitigation from the Mitigated Negative Declaration and the City of King Municipal Code (including Chapter 17.03 (Medical Cannabis Activity), Title 17 (Zoning), and ordinances regulating noise).

**IMPORTANT: PLEASE READ CAREFULLY**

Please note that this project may be subject to a variety of discretionary conditions of approval. These include conditions based on adopted City plans and policies, those determined through site plan review and environmental assessment essential to mitigate adverse effects on the environment including the health, safety, and welfare of the community, and recommended conditions for development that are not essential to health, safety, and welfare, but would on the whole enhance the project and its relationship to the neighborhood and environment.

In the event you wish to appeal the Planning Commission's decision or discretionary conditions of approval, you may do so by filing a written appeal with the Clerk. The appeal shall include a statement of your interest in or relationship to the subject property, the decision or action appealed and specific reasons why you believe the decision or action appealed should not be upheld. Your appeal must be filed within 15 days of the Planning Commission's decision. Please refer to City of King Municipal Code Chapter 2.12.050

Approval of this use permit shall be considered null and void in the event of failure by the applicant and/or the authorized representative, architect, engineer, or designer to disclose and delineate all facts and information relating to the subject property and the proposed development including, but not limited to, the following:

1. All existing and proposed improvements including but not limited to buildings and structures, signs and their uses, trees, walls, driveways, outdoor storage, and open land use areas on the subject property and all of the preceding which are located on adjoining property and may encroach on the subject property;
2. All public and private easements, rights-of-way and any actual or potential prescriptive easements or uses of the subject property; and,
3. Existing and proposed grade differentials between the subject property and adjoining property zoned or planned for residential use.

Approval of this use permit may become null and void in the event that development is not completed in accordance with all the conditions and requirements imposed on this use permit and the Zoning Ordinance. This use permit is granted, and the conditions imposed, based upon the Applicant Package provided by the applicant. The Applicant Package is material to the issuance of this use permit. Unless the conditions of approval specifically require operation inconsistent with the Applicant Package, a new or revised use permit is required if the operation of this establishment changes or becomes inconsistent with the Applicant Package. Failure to operate in accordance with the conditions and requirements imposed may result in revocation of the use permit or any other enforcement remedy available under the law. The City shall not assume responsibility for any deletions or omissions resulting from the use permit review process or for additions or alterations to construction plans not specifically submitted and reviewed and approved pursuant to this use permit or subsequent amendments or revisions. (Include this note on the site plan.)

No uses of land, buildings, or structures other than those specifically approved pursuant to the approved site plan shall be permitted. (Include this note on the site plan.)

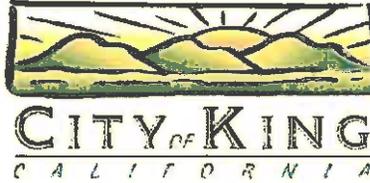


Please contact Scott Bruce at 805.439.0617 or via email at [scottbruce11@gmail.com](mailto:scottbruce11@gmail.com) if you have any questions regarding the conditions of approval (COA).

## **PART C – SPECIFIC CONDITIONS AND REQUIREMENTS**

### **COMMUNITY DEVELOPMENT DEPARTMENT:**

1. **Allowed Use:** Medical Cannabis (CA Type 3A) and Nursery (CA type 4) uses are allowed.
2. **Site Development:** The existing site is vacant. The project as presented includes ten (10) new structures, eight (8) of which will be Cannabis Cultivation, two (2) of which will be Nursery. Total maximum floor area is 271,000 sf, maximum building coverage will be 49%, maximum impervious area will be 70%. Exterior building changes are limited to minor repainting. Colors will be as presented. Future painting and exterior maintenance will conform to Design Standards of the East Ranch Business Park Specific Plan. Maximum structure height shall be 35' or as approved by Planning Commission at the public hearing.. Minor changes to the approved site plan and / or interior changes, which are determined by the Community Development Director to be substantially in conformity with the plans and Application Package as presented, may be granted by the Community Development Director.
3. **Parking:** Parking will conform to the Plan and Application Package as submitted. Gravel areas around structures may be used by emergency vehicles and solid waste removal.
4. **Landscaping:** Landscaping is required to conform to plans and Application Package as submitted. Irrigation Plans shall be presented to and approved by Building Official prior to Landscape Installation. The landscaping and water retention areas shall be maintained in a healthy condition in perpetuity.
5. **Lighting:** Security lighting is required to be mounted on the structures and on poles in the parking area not to exceed 30 feet in height. A lighting plan must be approved by the Director before installation. All new outdoor lighting associated with the use shall be hooded and directed so as not to shine on public roads, onto surrounding properties or into the night sky.
6. **Signage:** One sign at the project entry has been requested. Signage shall conform to plans as submitted. Any additional signage shall conform to the requirements of Section 17.03 of the City of King Municipal Code and the requirements of the ERBP SP. Additional signage may be approved by the Community Development Department and may be submitted to the Planning Commission at the Director's discretion.
7. **Fencing:** Fencing abutting San Antonio Road and Metz Road shall be wrought iron and eight (8) in height. All other fences shall be "no climb" chain link, six (6') foot in height with one foot of barbed wire, to a maximum of seven (7) feet with screening as presented. Screening material shall be same or equivalent to the material presented to the Planning Commission. Screening material will be reviewed by Staff with a determination of condition / requirement for replacement of damaged areas to be presented to Planning Commission every three (3) years.
8. **Security:** Cameras, site access and security personnel shall be as presented in the Application Package. One camera compatible with the City of King Surveillance System will be placed at the San Antonio Drive and Metz Road gates.



9. **Power:** Current information indicates that PG&E will install a maximum of four (4) 4,000 amp transformers per lot. One transformer is required per structure. Therefore, a maximum of four (4) permits for structures may be issued on APN 026-521-008 prior to the lot being split to accommodate PG&E requirements. Additional permits may be issued prior to the lot being split if PG&E changes its requirements to allow additional transformers such that the additional structures may be safely served..
10. **City Noise Ordinance:** The Project shall comply with the City of King Noise Ordinance, Zoning Code and General Plan requirements. Post construction / occupancy testing may be required at City's discretion

**BUILDING AND SAFETY DEPARTMENT:** (No application for Building Permit has been submitted. An application must be submitted after CUP approval and prior to any interior renovations).

**Building Plans:** All Planning Commission COA shall be imprinted on plans submitted for building permits.

- 1 **Scope of Work Description:** Scope of work shall conform with that found in the CUP / Application Package.
- 2 **Sprinklers:** Buildings shall be sprinkled.

**PUBLIC WORKS DEPARTMENT:** (The Applicant should contact Octavio Hurtado, Hanna & Brunetti 408-842-2173, [ohurtado@hannabrunetti.com](mailto:ohurtado@hannabrunetti.com).) to discuss the following COAs as needed).

- 1 **Scope of Work Description:** Grading, utilities, parking and drainage are subject to City Engineer review and approval. Grading and drainage shall conform to the Storm Water Pollution Prevention Plan (SWPPP) as presented.
- 2 **Right of Way Improvements:** Curb, gutter and sidewalks must be installed along San Antonio Drive and Metz Road frontages with 2% maximum cross-fall per ADA requirements (including areas of Driveway Approaches.)
- 3 **Recycled Water Connection:** At such time as the irrigation for the landscaped area is improved or installed, a connection shall be available at the sidewalk, sufficient to access and utilize the City's recycled "Purple Pipe" system at such time as it made available. "Purple Pipe" will be located in the San Antonio Drive Right-of-Way. A lateral line to the subject property will be installed by the City.
- 4 **Subdivision:** APN 026-521-008 may be split to comply with PG&E requirements. A maximum of three lots may be created. Additional subdivision of either APN's 026-521-040 or 026-521-008 will require a Subdivision (Tract) Map.
- 5 **Joint Access and Utilities:** The project as currently proposed includes two (2) lots. All access will be from San Antonio Drive, exit is permitted onto Metz Road. Water, Sanitary Sewer and Storm Drain are common infrastructure, used by both lots. The applicant shall provide proof of joint access / infrastructure agreement, in a form acceptable to the City Attorney, prior to occupancy of any structures.



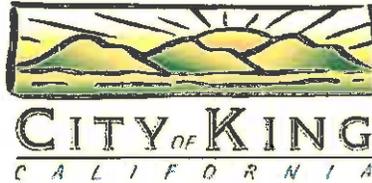
- 6 **Private Drive Structural Section:** The structural section of the private drive shall conform to the recommendation of a Registered Soils Engineer, licensed in the State of California.
- 7 **Private Drive Geometry:** Gate locations, queuing space and turning dimensions (at entry and at right angle turn at northern limits of private drive) shall be submitted to the City Engineer and Police and Fire and receive approval from the same.
- 8 **Grant of Avigation Easement and Release:** Before issuance of a building permit, a Grant of Avigation Easement and Release shall be recorded by the Applicant against the property within the boundary of the project, substantially in the form provided by the Deputy City Clerk, if found needed by City Attorney. Revisions to the Grant of Avigation Easement and Release must be approved by the City Attorney. A reference to the Grant of Avigation Easement and Release shall be placed in on the final construction plans.

**COMMERCIAL CANNABIS PERMIT:** New Construction shall comply with and Operations be subject to full compliance with Section 17.03 of the City of King Municipal Code as amended and with the Application Package as approved.

- A. **Regulatory Permit:** The project must obtain and maintain a commercial cannabis permit from the City Manager. Each commercial cannabis permit is in force for the period of one year. It shall be renewed annually. No operations shall occur without a current permit.
- B. **Security Cameras:** Security cameras shall be installed in quantity and location per the Application. Package City of King Police personnel shall have access to the system for real time review. One camera that is part of the City's City wide system shall be installed at each driveway access from or exit to the street.
- C. **CO2:** The Applicant has indicated a desire to review existing Code Regulations related to CO2 storage. CO2 stored on site shall comply with existing King City Municipal Code as may be amended.
- D. **Alcohol:** The Applicant has indicated a desire to review existing Code Regulations related to Ethanol / Alcohol storage. Ethanol / Alcohol stored on site shall comply with existing King City Municipal Code as may be amended.
- E. **Internal Runoff:** All interior runoff from irrigation from the project site shall drain into the City's Sanitary Sewer system.
- F. **Solid Waste:** Solid waste disposal from the project site shall be in compliance with County of Monterey Health Department and Waste Management, Inc. requirements, as applicable.
- G. **Odor Control:** Odor shall be controlled per the Regulatory Application Section I and Section 17.03.210 (i) of the City of King Municipal Code. At the beginning of operations, applicant shall obtain an inspection from the City for odor not less than once monthly for a period of no less than three months. In the event that compliance has not been achieved as determined by the City, mechanical equipment will be reviewed. In the event that compliance is still not achieved, City Staff may make a recommendation to City Council per Section 17.03.240 of the City Municipal Code. Odor caused by outdoor dumpsters will be addressed in a similar manner. Regardless, the project must comply with the current odor control requirements of the City King Municipal Code until an amendment takes affect.



- H. **Air Quality:** Venting of CO<sub>2</sub> and / or Ethanol / Alcohol shall be in compliance with Monterey County Air Resources Board Standards as applicable.
- I. **Employee Background Checks:** Employees shall be vetted (background checks) to the satisfaction of the City of King Chief of Police and in compliance with the Regulatory Application Package and Section 17.03.210 (k) of the City's Municipal Code. A third party acceptable to the City shall perform the check. Results will be provided to Applicant, the City's monitoring consultant and City of King Police Chief. The Police Chief for a determination as to satisfaction.
- J. **Hours of Operation and Employees:** The Applicant has indicated that the facility will potentially be in operation 24 hours a day 7 days a week. A maximum of 15 persons per structure per structure shift may be employed. On-site parking will be sufficient to cover overlap periods.
- K. **Work Permits and Fees:** Work Permits shall be required in conformance with Section 17.03.070 (a) of the Municipal Code as may be amended. Fees shall be as set by the City Council as updated from time to time.
- L. **Indemnification Agreement:** A signed Indemnification Agreement shall be in place prior to Issuance of the commercial cannabis permit. Such agreement shall be approved by the City Attorney and conform to the requirements of Section 17.03.160. Said agreement shall supersede the Hold Harmless and Indemnification Clause attached hereto.
- M. **Record Keeping:** Financial and Product Record for the project shall comply with the Regulatory Application Package and the requirements of Section 17.03.180.
- N. **Youth Education Information:** Youth Education Information consistent with the Regulatory Permit Application Package Section Q and Section 17.03.290 (c) shall be in place prior to Issuance of a Regulatory Permit. In the event that the City of King Municipal Code is amended prior to that time, Youth Education Information shall comply with the requirements of the Code as updated..



### **HOLD HARMLESS AND INDEMNIFICATION CLAUSE:**

The applicant agrees, as part of and in connection with each and all the applications and approvals, to defend, indemnify, and hold harmless the City of King ("**City**") and its elected officials, officers, contractors, consultants (including Earth Design, Inc., Aleshire & Wynder, LLP attorneys; and Hanna & Brunetti,), employees and agents from any and all claim(s), action(s), or proceeding(s) (collectively referred to as "*proceeding*") brought against City or its officers, contractors, consultants, attorneys, employees, or agents to challenge, attack, set aside, void, or annul:

- a. *Any approvals issued in connection with all approvals, actions and applications by City covered by the conditions of approval and/or mitigation measures; and/or*
- b. *Any action or approvals taken related to the California Environmental Quality Act of 1970, as amended ("**CEQA**") by City's advisory agencies, boards or commissions; appeals boards or commissions; Planning Commission, or City Council. The applicant's indemnification is intended to include, but not be limited to, damages, fees and/or costs awarded against or incurred by City, if any, and costs of suit, claim or litigation, including without limitation attorneys' fees and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, City, and/or parties initiating or involved in such proceeding.*

The applicant agrees to indemnify City and its elected officials, officers, contractors, consultants, attorneys, employees and agents for all of City's costs, fees, and damages incurred in enforcing the **indemnification** provisions of this Agreement.

The applicant agrees to defend, indemnify and **hold harmless** City, its elected officials, officers, contractors, consultants, attorneys, employees and agents from and for all costs and fees incurred in additional investigation or study of, or for supplementing, redrafting, revising, or amending, any document (including, but not limited to, an environmental impact report, sphere of influence amendment, annexation, pre-zoning, general plan amendment, specific plan, vesting tentative tracts, sign applications, variances, conditional use permits, architectural review, etc.), if made necessary by said proceeding, and if the applicant desires to pursue such City approvals and/or clearances, after initiation of the proceeding and that are conditioned on the approval of these documents.

In the event that the applicant is required to defend City in connection with such proceeding, City shall have and retain the right to approve which approval shall not be unreasonably withheld, conditioned or delayed:

- a. *The counsel selected by applicant to so defend City, which approval shall not be unreasonably withheld, delayed or conditioned;*
- b. *All significant decisions concerning the manner in which the defense is conducted, which approval shall not be unreasonably withheld, delayed or conditioned; and*
- c. *Any and all settlements.*
- d. *Any motions or court documents filed on behalf of the city.*



City shall have and retain the right to have the City attorney defend the City and and indemnified parts in connection with such proceeding. City shall also have and retain the right to not participate in the defense, except that City agrees to reasonably cooperate with the applicant in the defense of the proceeding. If City chooses to have counsel of its own defend any proceeding where the applicant has already retained counsel to defend City in such matters, the fees and expenses of the additional counsel selected by City shall be paid by City. Notwithstanding the immediately preceding sentence, if City's Attorney's Office participates in the defense, any and all City Attorney, Staff and consultants' actual and reasonable fees and costs arising from their support of the defense shall be paid by the applicant.

The applicant's defense and indemnification of City set forth herein shall remain in full force and effect throughout all stages of litigation including any and all appeals of any lower court judgments rendered in the proceeding. Notwithstanding the preceding, this obligation to indemnify shall not apply to any claim to the extent arising from the gross negligence or willful misconduct of the indemnified party or of any agent, employee or licensee of the indemnified party.

**Conditional Use Condition Agreement:**

The conditional use permit is **not** valid until all Conditions of Approval ("**COA**") and mitigated measures imposed by the Planning Commission are signed for and agreed to by the applicant.

I have received a copy of the conditional use permit conditions of approval and mitigated measures and agree with them. I understand that if I do not abide by them the Planning Commission has the authority to revoke my conditional use permit, pursuant to the Municipal Code. (*Reference Municipal Code §17.64.040.*)

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**RESOLUTION NO. 2017- 178****RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING,  
APPROVING CONDITIONAL USE PERMIT CASE NO. CUP 2016-012**

**WHEREAS**, on **November 15, 2016** King City Cultivation submitted an application to allow Medical Cannabis Cultivation (CA Type 3A) in eight (8) new structures and Medical Cannabis Nursey (CA Type 4) in a structure two (2) new structures located north of San Antonio Drive and East of Metz Road, located in the East Ranch Business Park Specific Plan (ERBPSP);

**WHEREAS**, on **December 14, 2016** a Letter of Incompleteness was provided by the City and on **May 29, 2017** a formal Letter of Completeness was provided by the City;

**WHEREAS**, the proposed use is consistent with the General Plan and is allowed in the ERBPSP with the approval of a Conditional Use Permit (Ordinance 2016-729 September 27, 2016);

**WHEREAS**, the proposed project conforms to the requirements of Chapter 17.03 of the City of King Zoning Code;

**WHEREAS**, an Initial Study was prepared and a Public Notice filed indicating Intent to Find Consistency with the certified Mitigated Negative Declaration (MND) that was prepared to address potential cumulative impacts of the **September 27, 2016** changes to the Zoning Code;

**WHEREAS**, the project has been evaluated in relation to the previously prepared MND for the amendment of the City's Zoning Ordinance and the amendment of ERBPSP (Ordinances 2016-728, 2016-729 and 2016-730) to allow new land uses in the Manufacturing Districts (M-1, M-2, M-3) and designation the ERBP Specific Plan. An initial study was prepared for the project, which determined that the project is fully within the scope of the prior analysis of the MND, such that the adoption of a Finding of Consistency is warranted;

**WHEREAS**, all notices have been provided as required by law;

**WHEREAS**, the Commission has reviewed the staff report, provided an opportunity for public testimony, and considered all other relevant information during the duly noticed public hearing on **June 06, 2017**; and

**WHEREAS**, after due consideration of the administrative record, the Commission desires to adopt a Finding of Consistency with the MND and approve CUP No. 2016-12.

**NOW, THEREFORE, BE IT HEREBY RESOLVED** by the Planning Commission of the City of King as follows:

**Section 1:** The recitals are true and correct and are incorporated herein as if set forth in full.

**Section 2:** The City has conducted an initial study of the project and has determined the project is fully within the scope of the prior analysis of the MND. There is no substantial new evidence in the record that this project may have additional significant impacts that were not analyzed in the MND. Additionally, there is no substantial new evidence of potentially significant off-site impacts or cumulative impacts that were not discussed in the MND, and no potentially significant adverse effects peculiar to the project. There are no previously identified significant effects, which as a result of substantial new information which was not known at the time the MND was adopted, determined to have a more severe adverse impact than discussed in the MND. The Commission further finds:

- a. The General Plan Land Use Map designates this area as LI (Light Industrial) and the City Zoning Map designates this area as PD / SP (Planned Development / Specific Plan). The East Ranch Business Park Specific Plan as amended by Ordinance 2016 - 730 specifically allows the proposed Cannabis Cultivation and Nursery land uses. The subject property is proposed to be developed at an intensity and scale that is permitted by the East Ranch Business Park Specific Plan.

- b. The future development of the subject property will not adversely impact existing City service systems or the traffic circulation system that serves the subject property beyond those analyzed by the MND.
- c. There are no unique topographic, soil, or geologic conditions at the site that will be impacted by this project, and no aspects of this project that will result in impacts to air quality, water supply or quality, plant life or animal life beyond those analyzed in the MND.
- d. There are no hazards or hazardous materials at the site or which would be created by the project beyond those analyzed by the MND.
- e. There is no evidence that the site contains any habitats for wildlife, unique, rare, or endangered plants or animals, or historic buildings or resources.
- f. All applicable MND mitigation measures from the MND have been applied to this project.

As this project does not fall within any of the categories identified by CEQA Guidelines section 15162, no subsequent environmental review is required. Therefore, the Planning Commission adopts a Finding of Consistency with the MND

**Section 3:** The Commission makes the following findings of facts:

1. The purpose of the proposed uses (cultivate cannabis for medical purposes, including nursery) are in accordance with the description, process and standards provided in the Application Package as reviewed by Staff and presented at the public hearing.
2. The establishment, operation and maintenance of the use as presented will not be detrimental to the property, improvements, health, safety, morals and general welfare of persons in the surrounding area (ERBPSP/neighborhood) and / or the City;
3. The proposed use is consistent with the General Plan Land Use Designation (LI) Light Industrial and the Uses and Standards of the ERBP and the underlying (M-1) Zoning District.
4. The proposed uses will be contained within ten (10) new two story structures that include a total of approximately 271,000 sf of floor area in two story structures. No more than 22,000 sf of plant canopy per structure is permitted.
5. The entire lot will be fenced – existing fencing will be improved and / or replaced and new screening will be installed.
6. The existing lot is accessed (gated) from one point of entry at Antonio Drive. One exit-only gate is located at Metz Road.
7. Landscaping will be installed per the Application Package.
8. Structures are allowed to a maximum 35' in height, as approved by City of King Fire Department. No significant visual impacts are created.
9. All processes and interior construction/building improvements, security/operating procedures will be in conformance with the CUP/ Application Package, as submitted and/or as conditioned (See COA's Exhibit 1: Attached) and with City of King Zoning Code Chapter 17.03 (Medical Cannabis Activity).
10. Power and Water are available and are required to be provided prior to/concurrent with building construction.
11. The project is required to comply with the City of King Zoning Code and General Plan requirements for noise per the Conditions of Approval.

Based on the foregoing and evidence in the administrative record, the Commission determines that the establishment, maintenance or operation of the use applied for will, under the circumstances of the particular case, will not be detrimental to the health, safety morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use. The Commission further determines that the use will not will be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the City. Therefore, the Commission approves Conditions Use Permit Case No. CUP 2016-012.

This resolution was passed and adopted this **06th day of June 2017** by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
DAVID NUCK, CHAIRPERSON

ATTEST: \_\_\_\_\_  
ERICA SONNE DEPUTY CITY CLERK



**CITY OF KING  
ZONING CODE AMENDMENTS  
INITIAL STUDY/MITIGATED NEGATIVE  
DECLARATION**

Prepared for:

**CITY OF KING**  
Community Development Department  
212 S. Vanderhurst Avenue  
King City, CA 93930

Prepared by:

**DOUGLAS WOOD & ASSOCIATES, INC.**  
1461 Higuera Street  
San Luis Obispo, California 93401

August 15, 2016

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## **I. INTRODUCTION AND PURPOSE**

This Initial Study/Mitigated Negative Declaration assesses the potential environmental impacts and identifies appropriate mitigation measures associated with the proposed commercial cultivation, manufacturing and testing of medical cannabis (to be referred to herein as the "proposed project"). The City of King (to be referred to herein as "the City") as Lead Agency for this environmental document, has the responsibility for determining whether or not to approve the proposed project.

As part of their decision-making process, the City is required to review and consider the potential environmental effects that could result from the proposed project. Together with the technical analyses applicable to this project and any other documents incorporated by reference, this analysis will serve as the initial environmental review for the proposed project. This review is required by the California Environmental Quality Act of 1970 (CEQA) as amended (Public Resources Code Section 21000 et. seq.) and the State CEQA Guidelines as well as Guidelines for the Implementation of CEQA adopted by the City.

The City is preparing this Initial Study to assist in their consideration as to whether to prepare a Negative Declaration, a Mitigated Negative Declaration or an Environmental Impact Report (EIR) for this proposed project.

Section 15070 of the State CEQA Guidelines states that "a public agency shall prepare or have prepared a proposed negative declaration or mitigated negative declaration for a project subject to CEQA when the Initial Study shows that there is no substantial evidence, in light of the whole record before the agency, that the project may have a significant effect on the environment." Section 15064 (a) (1) states "if there is substantial evidence, in light of the whole record before a lead agency, that a project may have a significant effect on the environment, the agency shall prepare a Draft EIR." The determination as to which document is appropriate in this situation will be based upon the information and analyses contained in this Initial Study in combination with any other documents incorporated by reference.

This Initial Study/Mitigated Negative Declaration has been prepared in a manner which provides complete and adequate California Environmental Quality Act (CEQA) coverage for all actions and approvals associated with the proposed project as currently described herein (See Section III Project Description). However, this Initial Study/Mitigated Negative Declaration may not be the final environmental document for the proposed project. In the event that future development applications for the commercial cultivation of medical cannabis contain specific design or operational elements not addressed by this Initial Study, additional, more detailed environmental documentation may be necessary at that time. When applications for individual projects are submitted, they will be subject to additional environmental review by the City in order to 1) determine the nature and extent of any potentially significant impacts not addressed in this document and 2) ensure that the individual project does not exceed the maximum development levels and cumulative impacts identified in

this analysis. These individual projects will be approved by the City through the approval and issuance of Conditional Use Permits ("CUP's").

This approach, known as "tiering", is addressed in Sections 15152 and 15385 of the State CEQA Guidelines. These sections state that tiering refers to the use of an analysis of general issues contained in a broad environmental document within a later, more detailed environmental document. These guidelines further state that tiering is appropriate when the sequence of analyses for a proposed project is from an environmental document prepared for a general plan, policy or program to a document for another, more detailed plan, policy or program of lesser scope or to a site specific project. In this case, the previously approved (January, 2016) modifications to various zoning designations represents the "broader" program and environmental document while the current project proposal reflected in this document is considered a more detailed analysis of potential impacts associated with the proposed commercial cultivation, manufacturing and testing of medical cannabis. This analysis also provides an indication of the maximum probable "worst case" impacts of full development of medical cannabis cultivation facilities throughout the City. Subsequent environmental documents may also be required for future development applications in order to address environmental issues with specific design or operational elements associated with these more detailed proposals.

This Initial Study/Mitigated Negative Declaration begins with Section I. Introduction and Purpose, which provides an introductory discussion of the purpose and scope of the document. Section II. Summary/Mitigation Monitoring Program summarizes the potential impacts and proposed mitigation measures. This section also contains the State-mandated Mitigation Monitoring Program (pursuant to AB3180). Section III. Project Description provides a detailed description of the proposed commercial cultivation of medical cannabis. Section IV. Environmental Setting provides an overview description of existing environmental conditions within and in the vicinity of the project site.

Section V. Environmental Evaluation contains the environmental checklist required by Section 15063(d)(3) of the State CEQA Guidelines. This checklist is intended to determine the nature and extent of various environmental effects of the proposed project followed by an explanation to justify the determination. In many instances, project impacts are identified as "not significant" The summary discussion following the checklist item provides the basis for this determination. Checklist items identified as "potentially significant and mitigated", "unknown potential significant" or "significant" are discussed within Section V. Environmental Evaluation. Section VI. provides the required Mandatory Findings of Significance pursuant to CEQA Section 15065. Section VII. Environmental Determination makes the final determination as to whether an EIR, Negative Declaration or Mitigated Negative Declaration is appropriate. Section VIII. Certification provides the required Lead Agency Certification Statement.

Section 15150 of the State CEQA Guidelines permits an environmental document to incorporate by reference other documents that provide relevant data to the proposal currently being considered. The City General Plan, and Zoning Code as well as any other long-range planning documents prepared by the City as well as engineering and other technical studies as noted within this Initial Study are hereby incorporated by reference.

Section 15151 of the State CEQA Guidelines states that :

**“An EIR [or any other environmental document] should be prepared with a sufficient degree of analysis to provide decision makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of a proposed project need not be exhaustive, but the sufficiency of an EIR [or any other environmental document] is to be reviewed in the light of what is reasonably feasible. The courts have looked not for perfection but for adequacy, completeness, and a good faith effort at full disclosure.”**

This Initial Study/Mitigated Negative Declaration provides a full and objective discussion of the potential environmental impacts of the proposed commercial cultivation of medical cannabis. In preparing this document, the City decision-makers, staff and members of the public will be fully informed as to the potential impacts and required mitigation measures associated with the proposed project. In accordance with Section 15021 of the State CEQA Guidelines, this document is intended to enable the City, as Lead Agency, to fully evaluate these environmental impacts and mitigation measures in their consideration of the proposed project. The Lead Agency has an obligation to balance potential adverse effects of the project against a variety of public objectives, including economic, environmental and social factors, in determining whether the project is acceptable and approved for construction and operation.

Pursuant to California Public Resources Code 21082.1, the City has independently reviewed and analyzed the information contained in this Initial Study/Mitigated Negative Declaration prior to its consideration and certification. The conclusions and discussions contained herein reflect the independent judgment of the City of King relative to that information at the time of publication.

## II. SUMMARY/MITIGATION MONITORING PROGRAM

### **1. Aesthetics**

***Impacts:*** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will involve the construction of greenhouse structures which will range in size from approximately 13,000 to 30,000 square feet. The greenhouse buildings will have glass roofs and sidewalls consisting of solid materials (i.e., brick, metal, wood, etc.).

In addition, other structures necessary to house manufacturing facilities, security offices, storage facilities and administrative offices will also be constructed.

All structures and other project facilities will be subject to the City's design standards applicable to the M-1 and M-2 zoning or the East Ranch Business Park. These proposed facilities will also be visually compatible with the existing industrial and commercial uses in adjacent areas.

None of the proposed structures or other project facilities will have a substantial adverse effect upon any scenic vistas or scenic resources nor will they degrade the visual character or quality of the site or its surroundings.

Lighting within the greenhouses will be provided by natural sunlight and/or artificial lighting systems. All lighting shall be directed downward and oriented in a manner to mitigate potential light and glare impacts upon surrounding areas.

#### **Mitigation Measures:**

1-1 - All proposed project structures and facilities shall be subject to the City's design standards applicable to the M-1 and M-2 zoning or the East Ranch Business Park.

1-2 -As part of the Conditional Use Permit application process, the project applicant shall submit to the City for review and approval a Lighting Plan which describes all proposed interior and exterior lighting and provides feasible methods by which all light is directed downward which prevents substantial light and glare impacts to adjacent areas.

**Implementation Responsibility:** Applicant/Owner/Developer of future individual projects

**Monitoring Agency:** City of King

**Timing:** Prior to the issuance of Conditional Use Permit

## 2. Agricultural Resources

***Impacts:*** Areas designated for future development of medical cannabis cultivation, manufacturing and testing facilities are either developed or highly disturbed and do not contain existing agricultural operations nor any areas designated as prime farmland, unique farmland, or farmland of statewide importance. These proposed future uses will, therefore, not conflict with any areas zoned for agricultural use or covered by a Williamson Act contract nor will they result in any conversion of existing farmland to non-agricultural use.

***Mitigation Measures:*** Given the lack of potentially significant impacts to agricultural resources, no mitigation measures are required.

## 3. Air Quality

***Impacts:*** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will generate additional motor vehicle trips associated with employee travel to and from the facilities as well as occasional truck trips associated with facility operations. This generation of additional motor vehicle trips is not expected to conflict with any applicable air quality plans or regulations or violate any established air quality standards or substantially contribute to a projected air quality violation. These proposed future uses will not result in any cumulative net increase of any pollutant for which the region is in non-attainment.

The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will not generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment nor will they conflict with any applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases.

Medical cannabis cultivation, manufacturing and testing facilities have the potential to generate odors that can become a source of complaints from local residents adjacent to the facility. The high degree of humidity and moisture required for the cultivation and production of medical cannabis can result in the generation of mold.

### ***Mitigation Measures:***

3-1 - All proposed project structures and facilities shall be subject to permit conditions that monitor and prevent the production of odors outside of the building as well as the monitoring and prevention of mold within and near the buildings by the inclusion of air filters, recirculation of internal air or other appropriate means of filtering odors that may otherwise escape from the subject facilities.

***Implementation Responsibility:*** Applicant/Owner/Developer of future individual projects

***Monitoring Agency:*** City of King

**Timing:** Prior to the issuance of Conditional Use Permit

#### **4. Biological Resources**

**Impacts:** Areas designated for future development of medical cannabis cultivation, manufacturing and testing facilities are either developed or highly disturbed and do not include areas containing any rare or endangered plant or animal species. These proposed future uses will, therefore, not result in any modification to sensitive biological habitats nor will they impact any species identified as a candidate, sensitive or special status species. No significant impacts to existing riparian habitats or other sensitive natural communities, Federally protected wetlands, or established migratory wildlife corridors are anticipated. Future project facilities will not conflict with any local policies or ordinances protecting biological resources or provisions of any approved local, regional or state habitat conservation plan.

**Mitigation Measures:** Given the lack of potentially significant impacts to biological resources, no mitigation measures are required.

#### **5. Cultural Resources**

**Impacts:** Areas designated for future development of medical cannabis cultivation, manufacturing and testing facilities are either highly developed or highly disturbed and do not contain any known archaeological sites, paleontological resources or historical structures. However, significant archaeological, paleontological or historic resources may be discovered during project grading or construction. In that event, these resources will either be excavated or protected in a manner consistent with all applicable State and local laws, and all work will be halted and the resources will be evaluated by a qualified professional.

**Mitigation Measures:**

5-1 - In the event of an accidental discovery or recognition of any human remains, archaeological resources, paleontological resources or historical resources on the project site, if said resources are found during excavation or construction, work will be halted at a minimum of 30 feet from the find and the area will be staked off. There shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie cultural resources, paleontological resources, historical resources or, in the case of adjacent human remains until the coroner of Monterey County is contacted to determine that no investigation of the cause of death is required. If the coroner determines the remains to be Native American, the coroner shall contact the Native American Heritage Commission within 24 hours. A qualified professional (to be hired by the applicant and accepted by the City) in cultural resources, paleontological resources or historical resources shall evaluate the resources discovered at the site and provide recommendations for disposition of those resources. In the case of human remains, the Native American Heritage

Commission shall identify the person or persons it believes to be the most likely descendent ("MLD") from the deceased Native American. The MLD may then make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code Section 5097.98. The landowner or its authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further disturbance if: a) the Native American Heritage Commission is unable to identify a MLD or the MLD failed to make a recommendation within 24 hours after being notified by the commission; b) the descendent identified fails to make a recommendation; or c) the landowner or its authorized representative rejects the recommendation of the descendent, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner.

5-2 - Pursuant to CEQA requirements, mitigation measures shall be required in the event that unique archaeological resources are not preserved in place or not left in an undisturbed state. The project applicant shall provide a guarantee to the City, as Lead Agency, to pay one half the estimated cost of mitigating the significant effects of the project on any unique archaeological resources. In determining payment, the City shall give due consideration to the in-kind value of project design or expenditures that are intended to permit any or all archaeological resources or California Native American culturally significant sites to be preserved in place or left in an undisturbed state. When a final decision is made to carry out or approve the project, the City shall, if necessary, reduce the specified mitigation measures to those which can be funded with the money guaranteed by the project applicant plus the money voluntarily guaranteed by any other person or persons for those mitigation purposes. In order to allow time for interested persons to provide funding, a final decision to carry out or approve a project shall not occur sooner than sixty (60) days after completion of any required environmental documentation pursuant to applicable CEQA requirements.

5-3 - Excavation as mitigation shall be restricted to those parts of the unique archaeological resource that would be damaged or destroyed by the project. Excavation as mitigation shall not be required for a unique archaeological resource if the City determines that testing or studies already completed have adequately recovered the scientifically consequential information from and about the resource.

**Implementation Responsibility:** Applicant/Owner/Developer of future individual project

**Monitoring Agency:** City of King

**Timing:** During grading or construction of future individual projects

## **6. Geology/Soils**

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities is not expected to significantly affect the geologic and soils conditions found in areas designated for these proposed future uses. Future project facilities are not expected to expose people or structures to substantial geologic risks due to rupture of a known earthquake fault, strong seismic ground shaking or seismic related ground failure. Given the relatively flat topography of areas designated for these future uses, little in the way of substantial erosion or exposure to unstable or expansive soils are expected to occur.

### **Mitigation Measures:**

6-1 - All future structures will be required to meet the requirements of the applicable criteria contained in the City Building Code.

**Implementation Responsibility:** Applicant/Owner/Developer of future individual projects

**Monitoring Agency:** City of King

**Timing:** Prior to or during grading or construction of future individual projects

## **7. Hazards/Hazardous Materials**

**Impacts:** Areas designated for future development of medical cannabis cultivation, manufacturing and testing facilities currently contain nine identified subsurface sites that are contaminated. These known contaminated sites as well as any unknown contaminated locations will require subsurface investigations in order to determine the need for remediation measures.

The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will not utilize or transport any hazardous materials which are capable of creating a significant hazard to the public or the environment. These proposed future uses will not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan and will not expose people or structures to significant risk of loss, injury or death involving wildfires.

### **Mitigation Measures:**

7-1 - In the event that subsurface contamination is discovered in the review or construction phase of a project, work shall cease and the contamination shall be remediated in a manner acceptable to California Environmental Protection Agency and the California State Water Resources Control Board.

The Environstor Geotracker system can identify sites and determine what measures, if any, are required to mitigate subsurface contamination.

**Implementation Responsibility:** Applicant/Owner/Developer of future individual projects

**Monitoring Agency:** City of King

**Timing:** Prior to or during grading or construction of future individual projects

## **8. Hydrology/Water Quality**

### **Impacts:**

The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will involve grading and construction of greenhouse structures which will range in size from approximately 13,000 to 30,000 square feet. In addition, other structures necessary to house manufacturing facilities, security offices, storage facilities and administrative offices will also be constructed

Project grading and construction may potentially impact surface stormwater quality. Developers are required to meet all measures for stormwater pollution control, waste management, and provide public utility connections that comply with the City and other service providers pursuant to the requirements of Municipal Code Section 17.56.100 Stormwater Pollution Prevention. These standards protect against stormwater pollution during grading and construction. No discharge runoff from areas devoted to cultivation will be allowed during post construction stages of each project. Given adherence to these requirements as noted below, proposed future uses will not violate any water quality standards or waste discharge requirements or substantially alter existing drainage patterns or create or contribute runoff water which would exceed the capacity of existing or planned stormwater discharge systems or otherwise degrade water quality. In addition, future project development will not place any housing within a 100-year floodplain hazard area or expose people or structures to significant loss, injury or death involving flooding. Future project facilities will not be exposed to inundation due to a seiche, tsunami or mudflow.

### **Mitigation Measures:**

8-1 - Development shall minimize stormwater runoff by implementing one or more of the following site design measures identified by the Regional Water Quality Control Board:

- (1) Direct roof runoff into cisterns or rain barrels for reuse:

- (2) Direct roof runoff onto vegetated areas safely away from building foundations and footings, consistent with California Building Code;
- (3) Direct runoff from sidewalks, walkways, and/or patios onto vegetated areas safely away from building foundations and footings, consistent with the City Building Code;
- (4) Direct runoff from driveways and/or uncovered parking lots onto vegetated areas safely away from building foundations and footings, consistent with City Building Code;
- (5) Construct bike lanes, driveways, uncovered parking lots, sidewalks, walkways, and patios with permeable surfaces;
- (6) The directing of runoff to bioretention basins and
- (7) Other similar measures as identified by the City Engineer.

**Implementation Responsibility:** Applicant/Owner/Developer of future individual projects

**Monitoring Agency:** City of King

**Timing:** Prior to the issuance of Conditional Use Permit

## 9. Land Use/Planning

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will not divide an established community. As a result of the previously-approved (January, 2016) modifications to the City Zoning Code (see Section III. Project Description) and the currently proposed Zoning Code Additional Amendments, these proposed future uses will not conflict with any applicable land use plans, policies or regulations adopted by the City or any other agency that has jurisdiction over the areas designated for future project facilities nor will they conflict with any applicable habitat conservation plan or natural community conservation plan.

**Mitigation Measures:** Given the lack of potentially significant land use and planning impacts, no mitigation measures are required.

## 10. Noise

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will generate construction noise which would impact surrounding areas. Construction noise represents a short-term impact on ambient noise levels. The primary source of construction noise is heavy equipment,

including trenching equipment, trucks, graders, bulldozers, concrete mixers and portable generators that can reach high levels. The peak noise level for most of the heavy equipment that will be used during project construction is 70 to 95 dBA at a distance of 50 feet. At 200 feet, the peak construction noise levels range from 58 to 83 dBA. At 400 feet, the peak noise levels range from 52 to 77 dBA. These noise levels are based upon worst-case conditions. Typically, construction-related noise levels near the construction site will be less.

Areas designated for future development of medical cannabis cultivation, manufacturing and testing facilities are currently developed with industrial and commercial facilities and with one exception do not contain any noise sensitive uses. The sole exception is the 20-acre parcel located at the northeast intersection of First Street and Lonoak Road. Existing residential uses are located within one-quarter mile of this parcel. Any potential noise impacts upon these noise-sensitive uses can be mitigated through compliance with the City Noise Ordinance.

**Mitigation Measures:**

**10-1 - All project construction activities shall comply with the City Noise Ordinance which limits the hours of noise-generating construction activities.**

**Implementation Responsibility: Applicant/Owner/Developer of future individual projects**

**Monitoring Agency: City of King**

**Timing: During grading or construction of future individual projects**

## **11. Population and Housing**

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities is estimated to require a total of 1,860 employees. This employee generation will likely generate demand for housing within or adjacent to the King City area. The extent of this additional demand is difficult to accurately estimate without knowing the number of future employees that currently reside in the area and the number of employees that will be new residents. Employees from outside the area are expected to create additional housing demand. However, this potential impact is offset by the benefits of providing employment for a significant number of local residents. Future development of proposed project facilities is not expected to result in any displacement of population or existing housing in the area.

**Mitigation Measures:** Given the lack of potentially significant population and housing impacts, no mitigation measures are required.

## **12. Public Services**

***Impacts:*** The proposed future development of medical cannabis cultivation manufacturing and testing facilities is estimated to require a total of 1,860 employees. As previously noted, this employee generation will likely generate demand for housing within or adjacent to King City. This additional housing demand, the extent of which is difficult to accurately estimate, will likely result in an incremental increase in demand for fire and police protection services as well as an indirect increase in demand for schools, parks, or other governmental facilities.

According to FEMA and the U.S. Fire Administration, indoor medical cannabis growing facilities pose safety risks for fire and emergency personnel due to the potential for inhalation of chemical fumes or the ignition of flammable materials in the event of a fire.

The cultivation of medical cannabis within buildings will require a significant amount of electrical power in order to support the cultivation operations. The two primary sources of energy demand are lighting and air conditioning. Greenhouses will either utilize mixed lighting (a combination of sunlight and artificial lighting) or all artificial lighting. It is estimated that the total maximum electrical load for lighting the entire proposed future development of medical cannabis growing facilities is 53,760 amperes. The total maximum electrical load for air conditioning the entire proposed future development of medical cannabis growing facilities is 81,468 amperes. This results in a total maximum electrical load for the entire proposed future development of medical cannabis growing facilities of 135,228 amperes. According to their representatives, Pacific Gas & Electric has recently completed major upgrade work on the transmission lines into King City and has upgraded the King City substation. They have further indicated that with these improvements, P.G. & E should have available capacity to accommodate future growth in the area.

### **Mitigation Measures:**

**12-1 –** As part of the Conditional Use Permit application process, the project applicant shall submit to the City for review and approval site plans that address and reduce where feasible safety risks for fire and emergency personnel.

**12-2 –** As part of the Conditional Use Permit application process, the project applicant shall submit to the City of review and approval a Lighting Plan which includes the use of low energy lighting systems and other energy conserving methods.

**12-3 -** As part of the Conditional Use Permit application process, the project applicant shall submit to the City for review and approval a Power Plan which indicates projected power demands of the project, identifies the source of power and provides

evidence of adequate availability of power supply and sufficient infrastructure to supply the project.

**Implementation Responsibility:** Applicant/Owner/Developer of future individual projects

**Monitoring Agency:** City of King

**Timing:** Prior to the issuance of Conditional Use Permit

### 13. Recreation

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will not directly generate any additional demand for recreation facilities or services. However, these proposed future uses will likely generate additional new employees (an estimated total of 1,860 employees) that will require housing and an indirect demand for additional recreation facilities within or adjacent to the King City area. The extent of this additional demand is difficult to accurately estimate without knowing the number of future employees that currently reside in the area and the number of employees that will be new residents. Employees from outside the area are expected to indirectly generate demand for recreation facilities and services. However, this potential impact is offset by the benefits of providing employment for a significant number of local residents. Future development of the proposed project facilities is not expected to result in the substantial physical deterioration of any existing recreational facilities nor generate enough demand that would require the construction or expansion of existing recreation facilities and the provision of additional recreation services.

**Mitigation Measures:** Given the lack of potentially significant impacts to recreation facilities, no mitigation measures are required.

### 14. Transportation/Circulation

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will generate additional motor vehicle trips associated with employee travel to and from the facilities as well as occasional truck trips associated with facility operations.

It is estimated that future project development will generate a total of 3,720 vehicle trips per day. Vehicle trip generation is estimated to total 1,114 vehicle trips per day within the first year (2017) of operations and 2,316 vehicle trips per day by the year 2020.

According to the project Traffic Engineer, based on a comparison of the "per acre" trip generation rates, the proposed future development of medical cannabis growing facilities could generate daily trips in the range of 40 to 60 daily trips per acre while

the uses or combination of uses permitted under the current zoning would generate trips in the range of 51.8 to 61.17 daily trips per acre for lands designated for industrial uses and as high as 149.79 daily trips per acre for parcels designated for business park uses. Based on this comparative analysis, the proposed project use types would involve daily trip generation rates within the approximate anticipated range for uses permitted under the City's current zoning for the subject lands. As such, traffic generation totals associated the proposed future development of medical cannabis growing facilities would not generate any additional traffic -related impacts upon adjacent roadways or other street and roads in the King City area.

Future project development will be required to meet all access and parking requirements of the City.

**Mitigation Measures:**

14-1 - As part of the Conditional Use Permit application process, the project applicant shall submit project plans to the City for review and approval site plans which insure compliance with all access and parking requirements of the City.

**Implementation Responsibility:** Applicant/Owner/Developer of future individual projects

**Monitoring Agency:** City of King

**Timing:** Prior to the issuance of Conditional Use Permit

## 15. Utility/Service Systems

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities at full development in the year 2025 will generate demand for water as well as additional demand for wastewater treatment services. It is estimated that future project development will require a total of 193,890 gallons of water per day or 70,769,920 gallons (or 217 acre-feet) per year. This water will be used for cultivation in greenhouses and propagation in nursery facilities. Water demand is estimated to total approximately 20 million gallons (or 62 acre-feet) per year within the first year (2017) of operations and approximately 44 million gallons (or 135.5 acre-feet) per year by the year 2020. This use of irrigation water is similar to other indoor nursery crops. In addition, a minor amount of water will be needed for exterior landscaping. The California Water Service (or Cal Water) prepared an Urban Water Management Plan (UWMP) in 2015. Within the UWMP, Cal Water provided estimates of projected future water use by land use/zoning categories. The projected estimate for water demand within areas zoned Industrial (without the proposed project) totaled 72 acre-feet in the year 2020 and 76 acre-feet in the year 2025. Projected project water demands for proposed future development of medical cannabis growing facilities, therefore, represent a 188% increase in industrial water demand in 2020 and a 285% increase in 2025. According to well level records, the groundwater level in the King City area has been relatively consistent over time.

It is estimated that future project development will generate a total of 16,393 gallons (or 16.4 MGD) of wastewater per day or 5,983,528 gallons (or 5.98 MGD) of wastewater per year. This wastewater will contain a variety of nutrients typically found in commercial nursery facilities. Wastewater generation is estimated to total approximately 1.80 million gallons per year within the first year (2017) of operations and approximately 3.78 million gallons per year by the year 2020.

The City Public Works Department has indicated that the chemicals and nutrients contained in the wastewater generated by individual projects are common to wastewater released from other typical wastewater sources. It should also be noted that the City Public Works Department samples wastewater on a daily basis, provides samples to a testing laboratory weekly and performs a wastewater audit twice a year. Given this level of monitoring coupled with the anticipated dilution of wastewater generated by these projects, the City does not anticipate any major issues with wastewater treatment.

Individual projects will also be required to submit project plans to the City in order to assess individual project water demands in relation to the available water supplies and infrastructure and individual project wastewater generation in relation to the existing wastewater transmission and treatment facilities at that time. In addition, individual projects will also be responsible for the extension of public water system lines to their project facilities.

**Mitigation Measures:**

15-1 - As part of the Conditional Use Permit application process, the project applicant shall submit to the City for review and approval a Water Plan which indicates projected water demands of the project, identifies the source of water and provides evidence of adequate availability of water supply and sufficient infrastructure to supply the project.

15-2 - As part of the Conditional Use Permit application process, the project applicant shall submit site plans to the City for review and approval which indicate projected wastewater generation of the project, identifies the existing wastewater transmission and treatment facilities and provides evidence of sufficient wastewater transmission facilities and treatment capacity to serve the project.

15-3 - The proposed future development of medical cannabis growing facilities shall be required to extend public water system lines to the project facilities as needed.

**Implementation Responsibility:** Applicant/Owner/Developer of future individual projects

**Monitoring Agency:** City of King

**Timing:** Prior to the issuance of Conditional Use Permit

### III. PROJECT DESCRIPTION

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In January, 2016, the City of King (or "City") approved several modifications to : 1) the General Industrial ("M-1" and "M-2") zoning designations; 2) the East Ranch Business Park Specific Plan ("ERBP-SP"), and 3) changed the M-1 zoning in the ERBP-SP to Planned Development District ("PD"). These zoning changes allowed, through the approval and issuance of Conditional Use Permits ("CUP's"), the cultivation of medical cannabis. At that time, the City also prepared an Initial Study ("IS") and Mitigated Negative Declaration ("MND") which examined the potential environmental impacts of these proposed actions. The areas zoned M-1 and the ERBP-SP are located in the northeast corner of the City near the Mesa del Rey Airport. The areas zoned M-2 are located east of the airport and near the corner of First Street and Lonoak Road.

Table 1, Zoning Breakdowns, provides a listing of the various zoned parcels noted above.

TABLE 1  
ZONING BREAKDOWNS

<u>Parcel</u>	<u>Zoning</u>	<u>Acres</u>	<u>Location</u>
East Ranch Business Park Specific Plan (ERBP-SP)	Specific Plan	107	Northeast corner of the City
Areas Adjacent to ERBP	M-1	20	Adjacent to and northeast Of ERBP
Adjacent to Mesa del Rey Airport	M-2	40	Adjacent to Mesa del Rey Airport
First Street and Lonoak Road	M-2	20	Northeast of the Intersection of First Street And Lonoak Road

These approved zoning modifications establish a mechanism for local level regulation allowing the cultivation of medical cannabis within buildings and/or greenhouse structures at locations approved by the City with a Conditional Use Permit. These approved zoning modifications, which became effective in February 2016, allow the commercial cultivation of medical cannabis on a large scale basis. All other commercial cannabis activity, including but not limited to cultivation (other than cultivation allowed by these zoning regulations) delivery, dispensaries, distribution, manufacturing or transporting (other than to transport cultivated product outside of the jurisdictional boundaries of the City) are strictly prohibited. These approved

zoning regulations do not apply to nor allow the personal cultivation and/or use of cannabis nor the sale of such products within the City.

**B. Project Characteristics**

**1. Zoning Code Amendments**

Since the approval of the zoning modifications noted above, the City has proposed amendments to various zoning ordinances, including City Ordinance Section 17.03 (general cannabis discussions), Sections 17.30.020 and 17.31.020 governing the M-1 and M-2 zoning designations and the ordinance governing the East Ranch Business Park. These additional zoning code amendments are intended to more specifically design and regulate any proposed facilities associated with medical cannabis cultivation, manufacturing and testing. Listed below are the various categories (or types) of facilities that will require permits from the City.

Type 2A	All Artificial Light Structures, maximum 10,000 s.f.
Type 2B	Mixed Light Structure, maximum 10,000 s.f.
Type 3A	All Artificial Light Structure, maximum 22,000 s.f.
Type 3B	Mixed Light Structure, maximum 22,000 s.f.
Type 4	Nursery
Type 6	Manufacturing
Type 8	Testing

**2. Future Development of Medical Cannabis Growing Facilities**

The City has not received any development applications at this time for medical cannabis growing facilities. In order to fully assess the potential environmental impacts associated with the proposed zoning code additions/amendments, the City has estimated the nature and extent of additional medical cannabis growing facilities. This estimate of future medical cannabis growing facilities within the City, as listed below, is intended to provide the basis for the maximum probable ("worst-case") assessments of potential impacts of the cumulative development of these facilities within this document.

- 4 Type 2A (all artificial light) greenhouse buildings (10,000 square foot plant canopy within a 13,000 square foot structure)
- 13 Type 2B (mixed light) greenhouse buildings (10,000 square foot plant canopy within a 13,000 square foot structure)
- 8 Type 3A (all artificial light) greenhouse buildings (22,000 square foot plant canopy within a 28,000 to 30,000 square foot structure)
- 34 Type 3B (mixed light) greenhouse buildings (22,000 square foot plant canopy within a 28,000 to 30,000 square foot structure)
- 6 Manufacturing Facilities
- 4 Nurseries (25,000 s.f.)

- 4 Security Offices
- 6 Plantonics Stores and Storage Facilities
- 4 Executive and Administrative Offices

(Note: The Type 2A and 3A greenhouse buildings are allowed pursuant to the previously approved (January, 2016) zoning modifications discussed above but are included in order to provide the maximum probable (“worst-case”) assessments of potential project impacts).

Type 2 greenhouse structures will cover a total of 13,000 square feet. Of this total, 10,000 square feet will be devoted to cannabis growing areas. Type 3 greenhouse structures will cover a total of 28,000 to 30,000 square feet. Of this total, 22,000 square feet will be devoted to cannabis growing areas. An additional 3,000 square feet in Type 2 greenhouses and an additional 6,000 to 8,000 square feet in Type 3 structures which will be devoted to the following functions: 1) trimming room, 2) drying room, 3) watering and mixing station, and 4) office space, bathrooms and employee break area. In addition, Type 2 greenhouses will have approximately 9,000 square feet devoted to exterior landscaping and parking while Type 3 greenhouses will have approximately 12,000 to 15,000 square feet devoted to exterior landscaping and parking. The greenhouse buildings will have glass roofs and side walls consisting of solid materials (i.e. brick, metal, wood, etc.) in order to provide security and eliminate a potential attractive nuisance.

Lighting will be provided by natural sunlight and/or artificial lighting. Artificial lighting will utilize energy efficient lighting systems with a finely tuned light spectrum which promotes the highest possible plant production rates. Type 2 greenhouses will have approximately 400 lights while Type 3 greenhouses will have 880 lights and Type 4 nurseries will have 1,000 lights.

Power use is primarily associated with lighting and cooling of the greenhouse structures. It is estimated that the total maximum electrical load for lighting the entire proposed future development of medical cannabis facilities is 53,760 amperes. The total maximum electrical load for air conditioning the entire proposed future development of medical cannabis facilities is 81,468 amperes. This results in a total maximum electrical load for the entire proposed future development of medical cannabis facilities of 135,228 amperes.

It is estimated that future project development will require a total of 193,890 gallons of water per day or 70,769,920 gallons (or 217 acre-feet) per year. This water will be used for cultivation in greenhouses and propagation in nursery facilities. Water demand is estimated to total approximately 20 million gallons (or 62 acre-feet) per year within the first year (2017) of operations and approximately 44 million gallons (or 135.5 acre-feet) by the year 2020. It is estimated that future project development will generate a total of 16,393 gallons (or 16.4 MGD) of wastewater per day or 5,983,528 gallons (or 5.98 MGD) of wastewater per year. This wastewater will

contain a variety of nutrients typically found in commercial nursery facilities. Wastewater generation is estimated to total approximately 1.80 million gallons per year within the first year (2017) of operations and approximately 3.78 million gallons per year by the year 2020.

It is estimated that the development of all future medical cannabis growing facilities will generate a total 3,720 vehicle trips per day. Vehicle trip generation is estimated to total 1,114 vehicle trips per day within the first year (2017) of operations and 2,316 vehicle trips per day the year 2020.

This Initial Study/Mitigated Negative Declaration has been prepared in a manner which provides complete and adequate California Environmental Quality Act (CEQA) coverage for all actions and approvals associated with the proposed project as currently described herein. However, this Initial Study/Mitigated Negative Declaration may not be the final environmental document for the proposed project. In the event that future development applications for the commercial cultivation of medical cannabis contain specific design or operational elements not addressed by this Initial Study, additional, more detailed environmental documentation may be necessary at that time. When applications for individual projects are submitted, they will be subject to additional environmental review by the City in order to 1) determine the nature and extent of any potentially significant impacts not addressed in this document and 2) insure that the individual project does not exceed the maximum development levels and cumulative impacts identified in this analysis. These individual projects will be approved by the City through the approval and issuance of Conditional Use Permits ("CUP's"),

## **IV. EXISTING CONDITIONS**

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The City of King is located in the southern end of Salinas Valley along the US Highway 101 approximately in the center of Monterey County. King City is the hub of the southern part of the agricultural industry of the Salinas Valley. The Salinas Valley is one of the most productive agricultural valleys in the world, producing many of the fruits and vegetables consumed throughout the United States. It is also at the northern edge of the Paso Robles Wine Region. The Highway 101 corridor connects the San Francisco Bay Area and the Central Coast.

The City is approximately 50 miles south of the City of Salinas, 150 miles south of San Francisco, 105 miles south of San Jose, 50 miles north of Paso Robles and 300 miles north of Los Angeles. The City of King is important for its proximity to Pinnacles National Park and as the hub of the south Salinas Valley agricultural center. It is a relatively small agriculture-based community located south of the small towns of Greenfield, Soledad, and Gonzales, other agricultural communities in the Salinas Valley.

The topography of the City and surrounding valley is flat alluvial plane between mountain ranges to the east and west of the City. San Lorenzo Creek and Salinas River floodplains are a potential hazard, bordering the southwestern portion of the City and traversing the City in a northeasterly direction to intersect the Salinas River. The City is located near the border of the Pacific and Continental Plates and is within an area known to have frequent seismic movement.

The properties covered impacted by the proposed cultivation of medical cannabis are located in the northeastern and eastern parts of the City. The area affected is partially developed with industrial and commercial uses, with numerous interspersed vacant properties. Approximately 75 percent of the area is developed. Surrounding land uses generally include agricultural uses to the north and east and commercial, industrial and residential uses to the south and west. The area has an existing street system providing access to major transportation corridors such as Highway 101. Products from the cultivated medical cannabis facilities would likely be shipped to processing facilities located in other areas of the State.

## V. ENVIRONMENTAL EVALUATION

The environmental factors checked below would be potentially affected by the proposed project, involving at least one impact that is a "Significant", "Unknown Potential Significant" or "Potential Significant and Mitigated" impact as indicated by the Environmental Checklist:

X	1. Aesthetics		9. Land Use/Planning
	2. Agricultural Resources		X 10. Noise
X	3. Air Quality/Greenhouse Gas Emissions		11. Population/Housing
	4. Biological Resources		X 12. Public Services
X	5. Cultural Resources		13. Recreation
X	6. Geology/Soils		X 14. Transportation/Circulation
X	7. Hazards/Hazardous Materials		X 15. Utility/Service Systems
X	8. Hydrology/Water Quality		16. Mandatory Findings of Significance

The following checklist indicates the potential level of impact and based upon the following categories:

**Known Significant:** Known significant environmental impacts.

**Unknown Potentially Significant:** Unknown potentially significant impacts, which require further review to determine significance level.

**Potentially Significant and Mitigable:** Potentially significant impacts which can be mitigated to less than significant levels.

**Not Significant:** Impacts which are not considered significant.

**Impact Reviewed in Previous Document:** Adequate previous analysis exists regarding the issue; further analysis is not required due to tiering process (Section 21094 of CEQA and Section 15162 of the State CEQA Guidelines). Discussion should include reference to the previous documents and identification of mitigation measures incorporated from those previous documents. Where applicable, this box should be checked in addition to one indicating significance of the potential environmental impact.

1.	AESTHETICS:	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
	Would the project:					
a.	Have a substantial adverse effect on a scenic vista?				X	
b.	Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within view of a state scenic highway?				X	
c.	Substantially degrade the existing visual character or quality of the site and its surroundings?			X		
d.	Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area?			X		

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will involve the construction of greenhouse structures which will range in size from approximately 13,000 to 30,000 square feet. The greenhouse buildings will have glass roofs and sidewalls consisting of solid materials (i.e., brick, metal, wood, etc.).

In addition, other structures necessary to house manufacturing facilities, security offices, storage facilities and administrative offices will also be constructed.

All structures and other project facilities will be subject to the City's design standards applicable to the M-1 and M-2 zoning or the East Ranch Business Park. These proposed facilities will also be visually compatible with the existing industrial and commercial uses in adjacent areas.

None of the proposed structures or other project facilities will have a substantial adverse effect upon any scenic vistas or scenic resources nor will they degrade the visual character or quality of the site or its surroundings.

Lighting within the greenhouses will be provided by natural sunlight and/or artificial lighting systems. All lighting shall be directed downward and oriented in a manner to mitigate potential light and glare impacts upon surrounding areas.

**Mitigation Measures:**

1-1 - All proposed project structures and facilities shall be subject to the City's design standards applicable to the M-1 and M-2 zoning or the East Ranch Business Park.

1-2 -As part of the Conditional Use Permit application process, the project applicant shall submit to the City for review and approval a Lighting Plan which describes all proposed interior and exterior lighting and provides feasible methods by which all light is directed downward which prevents substantial light and glare impacts to adjacent areas.

<p>2. <b>AGRICULTURAL RESOURCES:</b></p> <p>In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland.</p> <p>Would the project:</p>	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
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a.	Convert prime farmland, unique farmland, or farmland of statewide importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?					X	
b.	Conflict with existing zoning for agricultural use, or a Williamson Act contract?					X	
c.	Involve other changes in the existing environment, which, due to their location or nature could result in conversion of farmland, to non-agricultural use?					X	

**Impacts:** Areas designated for future development of medical cannabis cultivation, manufacturing and testing facilities are either developed or highly disturbed and do not contain existing agricultural operations nor any areas designated as prime farmland, unique farmland, or farmland of statewide importance. These proposed future uses will, therefore, not conflict with any areas zoned for agricultural use or covered by a Williamson Act contract nor will they result in any conversion of existing farmland to non-agricultural use.

**Mitigation Measures:** Given the lack of potentially significant impacts to agricultural resources, no mitigation measures are required.

3.	AIR QUALITY/GREENHOUSE GAS EMISSIONS	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed In Previous Document
	Would the project:					
a.	Conflict with or obstruct implementation of the applicable air quality plan?				X	
b.	Exposure of sensitive receptors to substantial pollution concentrations (emissions from direct, indirect, mobile and stationary sources)?				X	
c.	Violate any air quality standard or contribute substantially to an existing or projected air quality violation?				X	
d.	Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is in non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors)?				X	
e.	Create objectionable smoke, ash, dust or odors affecting a substantial number of people?			X		
f.	Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?				X	
g.	Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?				X	

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will generate additional motor vehicle trips

associated with employee travel to and from the facilities as well as occasional truck trips associated with facility operations. This generation of additional motor vehicle trips is not expected to conflict with any applicable air quality plans or regulations or violate any established air quality standards or substantially contribute to a projected air quality violation. These proposed future uses will not result in any cumulative net increase of any pollutant for which the region is in non-attainment.

The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will not generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment nor will they conflict with any applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases.

Medical cannabis cultivation, manufacturing and testing facilities have the potential to generate odors that can become a source of complaints from local residents adjacent to the facility. The high degree of humidity and moisture required for the cultivation and production of medical cannabis can result in the generation of mold.

Mitigation Measures:

3-1 - All proposed project structures and facilities shall be subject to permit conditions that monitor and prevent the production of odors outside of the building as well as the monitoring and prevention of mold within and near the buildings by the inclusion of air filters, recirculation of internal air or other appropriate means of filtering odors that may otherwise escape from the subject facilities.

4.	BIOLOGICAL RESOURCES	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed In Previous Document
	Would the project:					
a.	Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X	
b.	Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife service?				X	
c.	Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc) through direct removal, filling, hydrological interruption, or other means?				X	
d.	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X	

e.	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X	
f.	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional or state habitat conservation plan?				X	

**Impacts:** Areas designated for future development of medical cannabis cultivation, manufacturing and testing facilities are either developed or highly disturbed and do not include areas containing any rare or endangered plant or animal species. These proposed future uses will, therefore, not result in any modification to sensitive biological habitats nor will they impact any species identified as a candidate, sensitive or special status species. No significant impacts to existing riparian habitats or other sensitive natural communities, Federally protected wetlands, or established migratory wildlife corridors are anticipated. Future project facilities will not conflict with any local policies or ordinances protecting biological resources or provisions of any approved local, regional or state habitat conservation plan.

**Mitigation Measures:** Given the lack of potentially significant impacts to biological resources, no mitigation measures are required.

5. CULTURAL RESOURCES		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:						
a.	Cause a substantial adverse change in the significance of a historical resource as defined in CEQA Guidelines Section 15064.5?			X		
b.	Cause a substantial adverse change in the significance of an archaeological resource pursuant to CEQA Guidelines Section 15064.5?			X		
c.	Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?			X		
d.	Disturb any human remains, including those interred outside of formal cemeteries?			X		

**Impacts:** Areas designated for future development of medical cannabis cultivation, manufacturing and testing facilities are either highly developed or highly disturbed and do not contain any known archaeological sites, paleontological resources or historical structures.

However, significant archaeological, paleontological or historic resources may be discovered during project grading or construction. In that event, these resources will either be excavated or protected in a manner consistent with all applicable State and local laws, and all work will be halted and the resources will be evaluated by a qualified professional.

**Mitigation Measures:**

5-1 - In the event of an accidental discovery or recognition of any human remains, archaeological resources, paleontological resources or historical resources on the

project site, if said resources are found during excavation or construction, work will be halted at a minimum of 30 feet from the find and the area will be staked off. There shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie cultural resources, paleontological resources, historical resources or, in the case of adjacent human remains until the coroner of Monterey County is contacted to determine that no investigation of the cause of death is required. If the coroner determines the remains to be Native American, the coroner shall contact the Native American Heritage Commission within 24 hours. A qualified professional (to be hired by the applicant and accepted by the City) in cultural resources, paleontological resources or historical resources shall evaluate the resources discovered at the site and provide recommendations for disposition of those resources. In the case of human remains, the Native American Heritage Commission shall identify the person or persons it believes to be the most likely descendent ("MLD") from the deceased Native American. The MLD may then make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code Section 5097.98. The landowner or its authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further disturbance if: a) the Native American Heritage Commission is unable to identify a MLD or the MLD failed to make a recommendation within 24 hours after being notified by the commission; b) the descendent identified fails to make a recommendation; or c) the landowner or its authorized representative rejects the recommendation of the descendent, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner.

5-2 - Pursuant to CEQA requirements, mitigation measures shall be required in the event that unique archaeological resources are not preserved in place or not left in an undisturbed state. The project applicant shall provide a guarantee to the City, as Lead Agency, to pay one half the estimated cost of mitigating the significant effects of the project on any unique archaeological resources. In determining payment, the City shall give due consideration to the in-kind value of project design or expenditures that are intended to permit any or all archaeological resources or California Native American culturally significant sites to be preserved in place or left in an undisturbed state. When a final decision is made to carry out or approve the project, the City shall, if necessary, reduce the specified mitigation measures to those which can be funded with the money guaranteed by the project applicant plus the money voluntarily guaranteed by any other person or persons for those mitigation purposes. In order to allow time for interested persons to provide funding, a final decision to carry out or approve a project shall not occur sooner than sixty (60) days after completion of any required environmental documentation pursuant to applicable CEQA requirements.

5-3 - Excavation as mitigation shall be restricted to those parts of the unique archaeological resource that would be damaged or destroyed by the project. Excavation as mitigation shall not be required for a unique archaeological resource if

the City determines that testing or studies already completed have adequately recovered the scientifically consequential information from and about the resource.

6. GEOLOGY/SOILS		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant or Not Applicable	Impact Reviewed In Previous Document
Would the project:						
a.	Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:			X		
i)	Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist or based on other substantial evidence of a known fault (Refer to Division of Mines and Geology Publication 42)				X	
ii)	Strong seismic ground shaking?			X		
iii)	Seismic-related ground failure, including liquefaction?				X	
iv)	Landslides?				X	
b.	Result in substantial erosion or the loss of topsoil?				X	
c.	Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				X	
d.	Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X	
e.	Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X	

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities is not expected to significantly affect the geologic and soils conditions found in areas designated for these proposed future uses. Future project facilities are not expected to expose people or structures to substantial geologic risks due to rupture of a known earthquake fault, strong seismic ground shaking or seismic related ground failure. Given the relatively flat topography of areas designated for these future uses, little in the way of substantial erosion or exposure to unstable or expansive soils are expected to occur.

**Mitigation Measures:**

6-1 - All future structures will be required to meet the requirements of the applicable criteria contained in the City Building Code.

7. HAZARDS/HAZARDOUS MATERIALS		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed In Previous Document
Would the project:						
a.	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X	

b.	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X	
c.	Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X	
d.	Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would create a significant hazard to the public or the environment?			X		
e.	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X	
f.	Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				X	

**Impacts:** Areas designated for future development of medical cannabis cultivation, manufacturing and testing facilities currently contain nine identified subsurface sites that are contaminated. These known contaminated sites as well as any unknown contaminated locations will require subsurface investigations in order to determine the need for remediation measures.

The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will not utilize or transport any hazardous materials which are capable of creating a significant hazard to the public or the environment. These proposed future uses will not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan and will not expose people or structures to significant risk of loss, injury or death involving wildfires.

**Mitigation Measures:**

7-1 - In the event that subsurface contamination is discovered in the review or construction phase of a project, work shall cease and the contamination shall be remediated in a manner acceptable to California Environmental Protection Agency and the California State Water Resources Control Board. The Environstor Geotracker system can identify sites and determine what measures, if any, are required to mitigate subsurface contamination.

8.	HYDROLOGY/WATER QUALITY	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
	Would the project:					
a.	Violate any water quality standards or waste discharge requirements?				X	

b.	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X	
c.	Substantially alter the existing drainage pattern on the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on or off-site?				X	
d.	Substantially alter the existing drainage pattern on the site or area, including through the alteration of the course of a stream or substantially increase the rate or amount of surface runoff in a manner, which would result in flooding on- or off-site?			X		
e.	Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff or fail to meet the new CCRWQCB standards for stormwater control?			X		
f.	Otherwise substantially degrade water quality?				X	
g.	Place housing within a 100-year flood hazard area as mapped on a federal flood hazard boundary or flood insurance rate map or other flood hazard delineation map?				X	
h.	Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X	
i.	Inundation by seiche, tsunami, or mudflow?				X	

**Impacts:**

The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will involve grading and construction for greenhouse structures which will range in size from approximately 13,000 to 30,000 square feet. In addition, other structures necessary to house manufacturing facilities, security offices, storage facilities and administrative offices will also be constructed

Project grading and construction may potentially impact surface stormwater quality. Developers are required to meet all measures for stormwater pollution control, waste management, and provide public utility connections that comply with the City and other service providers pursuant to the requirements of Municipal Code Section 17.56.100 Stormwater Pollution Prevention. These standards protect against stormwater pollution during the grading and construction. No discharge runoff from areas devoted to cultivation will be allowed during post construction stages of each project. Given adherence to these requirements as noted below, proposed future uses will not violate any water quality standards or waste discharge requirements or substantially alter existing drainage patterns or create or contribute runoff water which would exceed the capacity of existing or planned stormwater discharge systems or otherwise degrade water quality. In addition, future project development will not place any housing within a 100-year floodplain hazard area or expose people or structures to significant loss, injury or death involving flooding. Future project facilities will not be exposed to inundation due to a seiche, tsunami or mudflow.

**Mitigation Measures:**

8-1 - Development shall minimize stormwater runoff by implementing one or more of the following site design measures identified by the Regional Water Quality Control Board:

- (1) Direct roof runoff into cisterns or rain barrels for reuse;
- (2) Direct roof runoff onto vegetated areas safely away from building foundations and footings, consistent with California Building Code;
- (3) Direct runoff from sidewalks, walkways, and/or patios onto vegetated areas safely away from building foundations and footings, consistent with the City Building Code;
- (4) Direct runoff from driveways and/or uncovered parking lots onto vegetated areas safely away from building foundations and footings, consistent with City Building Code;
- (5) Construct bike lanes, driveways, uncovered parking lots, sidewalks, walkways, and patios with permeable surfaces;
- (6) The directing of runoff to bioretention basins and
- (7) Other similar measures as identified by the City Engineer.

9.	LAND USE AND PLANNING	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed In Previous Document
	Would the project:					
a.	Physically divide an established community?				X	
b.	Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X	
c.	Conflict with any applicable habitat conservation plan or natural community conservation plan?				X	

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will not divide an established community. As a result of the previously-approved (January, 2016) modifications to the City Zoning Code (see Section III. Project Description) and the currently proposed Zoning Code Additional Amendments, these proposed future uses will not conflict with any applicable land use plans, policies or regulations adopted by the City or any other agency that has jurisdiction over the areas designated for future project facilities nor will they conflict with any applicable habitat conservation plan or natural community conservation plan.

**Mitigation Measures:** Given the lack of potentially significant land use and planning impacts, no mitigation measures are required.

10.	NOISE	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed In Previous Document
	Would the project:					
a.	Expose people to, or generate, noise levels exceeding established standards in the local general plan, coastal plan, noise ordinance or other applicable standards of other agencies?			X		
b.	Expose persons to or generate excessive ground borne vibration or ground borne noise levels?			X		
c.	Cause a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				X	
d.	Cause a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?				X	

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will generate construction noise which would impact surrounding areas. Construction noise represents a short-term impact on ambient noise levels. The primary source of construction noise is heavy equipment, including trenching equipment, trucks, graders, bulldozers, concrete mixers and portable generators that can reach high levels. The peak noise level for most of the heavy equipment that will be used during project construction is 70 to 95 dBA at a distance of 50 feet. At 200 feet, the peak construction noise levels range from 58 to 83 dBA. At 400 feet, the peak noise levels range from 52 to 77 dBA. These noise levels are based upon worst-case conditions. Typically, construction-related noise levels near the construction site will be less.

Areas designated for future development of medical cannabis cultivation, manufacturing and testing facilities are currently developed with industrial and commercial facilities and with one exception do not contain any noise sensitive uses. The sole exception is the 20-acre parcel located at the northeast intersection of First Street and Lonoak Road. Existing residential uses are located within one-quarter mile of this parcel. Any potential noise impacts upon these noise-sensitive uses can be mitigated through compliance with the City Noise Ordinance.

**Mitigation Measures:**

10-1 - All project construction activities shall comply with the City Noise Ordinance which limits the hours of noise-generating construction activities.

11.	POPULATION AND HOUSING	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed In Previous Document
	Would the project:					

a.	Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X	
b.	Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X	
c.	Induce substantial growth in an area either directly (for example, by proposing new homes and businesses) or indirectly (e.g. through extension of roads or other infrastructure)?				X	

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities is estimated to require a total of 1,860 employees. This employee generation will likely generate demand for housing within or adjacent to the King City area. The extent of this additional demand is difficult to accurately estimate without knowing the number of future employees that currently reside in the area and the number of employees that will be new residents. Employees from outside the area are expected to create additional housing demand. However, this potential impact is offset by the benefits of providing employment for a significant number of local residents. Future development of proposed project facilities is not expected to result in any displacement of population or existing housing in the area.

**Mitigation Measures:** Given the lack of potentially significant population and housing impacts, no mitigation measures are required.

12. PUBLIC SERVICES		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed In Previous Document
Would the project result in a substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:						
a.	Fire protection?			X		
b.	Police protection?				X	
c.	Schools?				X	
d.	Parks or other recreational facilities?				X	
e.	Other governmental services? (Power)			X		

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities is estimated to require a total of 1,860 employees. As previously noted, this employee generation will likely generate demand for housing within or adjacent to King City. This additional housing demand, the extent of which is difficult to accurately estimate, will likely result in an incremental increase in demand for fire and police protection services as well as an indirect increase in demand for schools, parks, or other governmental facilities.

According to FEMA and the U.S. Fire Administration, indoor medical cannabis growing facilities pose safety risks for fire and emergency personnel due to the

potential for inhalation of chemical fumes or the ignition of flammable materials in the event of a fire.

The cultivation of medical cannabis within buildings will require a significant amount of electrical power in order to support the cultivation operations. The two primary sources of energy demand are lighting and air conditioning. Greenhouses will either utilize mixed lighting (a combination of sunlight and artificial lighting) or all artificial lighting. It is estimated that the total maximum electrical load for lighting the entire proposed future development of medical cannabis growing facilities is 53,760 amperes. The total maximum electrical load for air conditioning the entire proposed future development of medical cannabis growing facilities is 81,468 amperes. This results in a total maximum electrical load for the entire proposed future development of medical cannabis growing facilities of 135,228 amperes. According to their representatives, Pacific Gas & Electric has recently completed major upgrade work on the transmission lines into King City and has upgraded the King City substation. They have further indicated that with these improvements, P.G. & E should have available capacity to accommodate future growth in the area.

**Mitigation Measures:**

12-1 – As part of the Conditional Use Permit application process, the project applicant shall submit to the City for review and approval site plans that address and reduce where feasible safety risks for fire and emergency personnel.

12-2 – As part of the Conditional Use Permit application process, the project applicant shall submit to the City of review and approval a Lighting Plan which includes the use of low energy lighting systems and other energy conserving methods.

12-3 - As part of the Conditional Use Permit application process, the project applicant shall submit to the City for review and approval a Power Plan which indicates projected power demands of the project, identifies the source of power and provides evidence of adequate availability of power supply and sufficient infrastructure to supply the project.

13. RECREATION		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
	Would the project:					
a.	Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X	
b.	Include recreational facilities or require the construction or expansion of recreational facilities, which might have an adverse physical effect on the environment?				X	

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will not directly generate any additional demand for recreation

facilities or services. However, these proposed future uses will likely generate additional new employees (an estimated total of 1,860 employees) that will require housing and an indirect demand for additional recreation facilities within or adjacent to the King City area. The extent of this additional demand is difficult to accurately estimate without knowing the number of future employees that currently reside in the area and the number of employees that will be new residents. Employees from outside the area are expected to indirectly generate demand for recreation facilities and services. However, this potential impact is offset by the benefits of providing employment for a significant number of local residents. Future development of the proposed project facilities is not expected to result in the substantial physical deterioration of any existing recreational facilities nor generate enough demand that would require the construction or expansion of existing recreation facilities and the provision of additional recreation services.

**Mitigation Measures:** Given the lack of potentially significant impacts to recreation facilities, no mitigation measures are required.

14. TRANSPORTATION/CIRCULATION		Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:						
a.	Cause an increase in traffic, which is substantial in relation to the existing traffic load and capacity of the street system (i.e. result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?				X	
b.	Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?				X	
c.	Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?			X		
d.	Substantially increase hazards due to a design feature (e.g. limited sight visibility, sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?				X	
e.	Result in inadequate emergency access?			X		
f.	Result in inadequate parking capacity?			X		
g.	Conflicts with adopted policies supporting alternative transportation (e.g. bus turnouts, bicycle racks)?				X	

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities will generate additional motor vehicle trips associated with employee travel to and from the facilities as well as occasional truck trips associated with facility operations.

It is estimated that future project development will generate a total of 3,720 vehicle trips per day. Vehicle trip generation is estimated to total 1,114 vehicle trips per day within the first year (2017) of operations and 2,316 vehicle trips per day by the year 2020.

According to the project Traffic Engineer, based on a comparison of the "per acre" trip generation rates, the proposed future development of medical cannabis growing facilities could generate daily trips in the range of 40 to 60 daily trips per acre while the uses or combination of uses permitted under the current zoning would generate trips in the range of 51.8 to 61.17 daily trips per acre for lands designated for industrial uses and as high as 149.79 daily trips per acre for parcels designated for business park uses. Based on this comparative analysis, the proposed project use types would involve daily trip generation rates within the approximate anticipated range for uses permitted under the City's current zoning for the subject lands. As such, traffic generation totals associated the proposed future development of medical cannabis growing facilities would not generate any additional traffic -related impacts upon adjacent roadways or other street and roads in the King City area.

Future project development will be required to meet all access and parking requirements of the City.

Mitigation Measures:

14-1 - As part of the Conditional Use Permit application process, the project applicant shall submit project plans to the City for review and approval site plans which insure compliance with all access and parking requirements of the City.

15. UTILITIES & SERVICE SYSTEMS		Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed in Previous Document
Would the project:					
a.	Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?		X		
b.	Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?			X	
c.	Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?			X	
d.	Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?		X		
e.	Result in a determination by the wastewater treatment provider, which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?		X		
f.	Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?			X	
g.	Comply with federal, state, and local statutes and regulations related to solid waste?			X	

**Impacts:** The proposed future development of medical cannabis cultivation, manufacturing and testing facilities at full development in the year 2025 will generate demand for water as well as additional demand for wastewater treatment services. It is estimated that future project development will require a total of 193,890 gallons of water per day or 70,769,920 gallons (or 217 acre-feet) per year. This water will be used for cultivation in greenhouses and propagation in nursery facilities. Water demand is estimated to total approximately 20 million gallons (or 62 acre-feet) per year within the first year (2017) of operations and approximately 44 million gallons (or 135.5 acre-feet) per year by the year 2020. This use of irrigation water is similar to other indoor nursery crops. In addition, a minor amount of water will be needed for exterior landscaping. The California Water Service (or Cal Water) prepared an Urban Water Management Plan (UWMP) in 2015. Within the UWMP, Cal Water provided estimates of projected future water use by land use/zoning categories. The projected estimate for water demand within areas zoned Industrial (without the proposed project) totaled 72 acre-feet in the year 2020 and 76 acre-feet in the year 2025. Projected project water demands for proposed future development of medical cannabis growing facilities, therefore, represent a 188% increase in industrial water demand in 2020 and a 285% increase in 2025. According to well level records, the groundwater level in the King City area has been relatively consistent over time.

It is estimated that future project development will generate a total of 16,393 gallons (or 16.4 MGD) of wastewater per day or 5,983,528 gallons (or 5.98 MGD) of wastewater per year. This wastewater will contain a variety of nutrients typically found in commercial nursery facilities. Wastewater generation is estimated to total approximately 1.80 million gallons per year within the first year (2017) of operations and approximately 3.78 million gallons per year by the year 2020.

The City Public Works Department has indicated that the chemicals and nutrients contained in the wastewater generated by individual projects are common to wastewater released from other typical wastewater sources. It should also be noted that the City Public Works Department samples wastewater on a daily basis, provides samples to a testing laboratory weekly and performs a wastewater audit twice a year. Given this level of monitoring coupled with the anticipated dilution of wastewater generated by these projects, the City does not anticipate any major issues with wastewater treatment.

Individual projects will also be required to submit project plans to the City in order to assess individual project water demands in relation to the available water supplies and infrastructure and individual project wastewater generation in relation to the existing wastewater transmission and treatment facilities at that time. In addition, individual projects will also be responsible for the extension of public water system lines to their project facilities.

**Mitigation Measures:**

**15-1 - As part of the Conditional Use Permit application process, the project applicant shall submit to the City for review and approval a Water Plan which indicates projected water demands of the project, identifies the source of water and provides evidence of adequate availability of water supply and sufficient infrastructure to supply the project.**

**15-2 - As part of the Conditional Use Permit application process, the project applicant shall submit site plans to the City for review and approval which indicate projected wastewater generation of the project, identifies the existing wastewater transmission and treatment facilities and provides evidence of sufficient wastewater transmission facilities and treatment capacity to serve the project.**

**15-3 - The proposed future development of medical cannabis growing facilities shall be required to extend public water system lines to the project facilities as needed.**

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## VI. MANDATORY FINDINGS OF SIGNIFICANCE

A project may have a significant effect on the environment and thereby require an focused or full environmental impact report to be prepared for the project where any of the following conditions occur (CEQA §15065):

	Significant	Unknown Potential Significant	Potential Significant And Mitigated	Not Significant	Impact Reviewed In Previous Document
<i>Potential to degrade:</i> Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				X	
<i>Cumulative:</i> Does the project have impacts that are individually limited but cumulatively considerable? (Cumulatively considerable means that incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?				X	
<i>Substantial adverse:</i> Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?				X	

a. The proposed future development of medical cannabis growing facilities does not have the potential to substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of an endangered, rare, or threatened species. It is possible during grading and construction activities that unknown cultural resources may be unearthed, which may result in a potentially significant impact. Implementation of the mitigation measures for Cultural Resources would ensure the proposed project would not eliminate important examples of the major periods of California history or prehistory.

b. Construction-related activities of the proposed future medical cannabis growing facilities have the potential to generate storm-related runoff pollutants. These future projects will be required to prepare a plan that addresses all potential pollutants, including but not limited to soil erosion and sediment which shall be followed during grading and construction as well as maintained for the entire term of their use. Other measures to address the protection against all subsurface and surface pollution shall also be implemented during construction and for the full duration of the use of the properties.

c. The proposed future development of medical cannabis growing facilities could potentially result in the generation of construction dust and equipment exhaust emissions and noise will be required to reduce air quality and noise impacts to less than significant levels.

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## VII. ENVIRONMENTAL DETERMINATION

On the basis of the facts contained within this Initial Study:

I find that the proposed project COULD NOT have a significant effect on the environment and a NEGATIVE DECLARATION will be prepared.	<input type="checkbox"/>
I find that although the project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described in this document have been added to the project. A NEGATIVE DECLARATION will be prepared.	<input checked="" type="checkbox"/>
I find that the project MAY have a significant effect on the environment and an ENVIRONMENTAL IMPACT REPORT is required.	<input type="checkbox"/>
I find that the project MAY have a significant effect(s) on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards and 2) has been addressed by mitigation measures based on an earlier analysis. If the effect is a potentially significant impact or potentially significant unless mitigated, an ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that need to be addressed.	<input type="checkbox"/>
I find that although the proposed project could have a significant effect on the environment, there WILL NOT be a significant effect in this case because all potentially significant effects (a) have been analyzed adequately in an earlier EIR pursuant to applicable standards and (b) have been avoided or mitigated pursuant to that earlier EIR, including project revisions or mitigation measures that are imposed upon the proposed project.	<input type="checkbox"/>



Steven Adams  
City Manager  
City of King

8/25/16

Date

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## VIII. CERTIFICATION

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I hereby affirm to the best of my knowledge, based on available information provided to me through specialist's technical reports, public documents and original research, analysis and assessments, the statements and information contained within this environmental document are true and correct to the degree of accuracy necessary for public disclosure purposes in accordance with Public Resources Code Section 21003, 21061 and 21100.



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Steven Adams  
City Manager  
City of King



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Date