

AGENDA

REGULAR MEETING OF THE PLANNING COMMISSION

TUESDAY, DECEMBER 18, 2018
6:00 P.M.

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

1. CALL TO ORDER

2. FLAG SALUTE

3. ROLL CALL:

Planning Commission Members: Oscar Avalos, Ralph Lee, David Mendez,
Domingo Uribe and Chairperson David Nuck

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 November 20, 2018 Planning Commission Meeting
Recommendation: Approve and file.

7. PUBLIC HEARINGS

- A. Project: CUP 2018-006
- Applicant: Stone Services, Gabriel Torres
- Location: 300 East San Antonio Dr., King City, CA. 93930
- Consideration: Cup 2018-006, Medical Cannabis Manufacturing Level 2 (Ca Type 7), Distribution (Ca Type 11), Non-Storefront Delivery (Ca Type 10): 300 East San Antonio Drive APN 026-522-023. Mr. Nice Guy.)
- 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 Case No. 2018-006.

Environmental Determination: The project qualifies as a Class 32 Exemption per CEQA Guidelines §15332 (Infill Projects), being surrounded by urban uses and not having significant impacts to traffic, noise, air quality or water quality. No expansion to the existing footprint will occur.

- B. Project:** CUP 2018-007
- Applicant:** Sol Invictus, Ron Glantz
- Location:** 589 Bitterwater Road
- Consideration:** Conditional Use Permit 2018-007, Medical Cannabis Manufacturing Level 2 (CA Type 7), Distribution (CA Type 11), and Non-Storefront Dispensary (CA Type 10) 589 Bitterwater Road (APN 026-521-005) Sol Invictus, LLC.
- Recommendation:** Planning Commission 1) review Conditional Use Permit Application, 2) receive public comment; and 3) adopt the attached Resolution approving Conditional Use Permit 2018-007.

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. The Municipal Code was amended in June and August of 2017 to allow Manufacturing Level 2 (CA Type 7 and Distribution (CA Type 11.) The Municipal Code was amended in August 2018 to allow Non-Storefront Delivery (CA Type 10).

Staff review of the proposed use and its impacts indicates that the use as proposed is consistent with the evaluation and findings of the previously approved MND with no potentially significant impacts. It is therefore exempt from additional CEQA review per CEQA Guidelines §15332 (infill development projects).

- C. Project:** King City Cultivation: Commercial Cannabis Manufacturing (CA Type 7), Distribution (CA Type 11), Cultivation (CA Type 3B); Non-Storefront Delivery (CA Type 10)
- Applicant:** King City Cultivation
- Case No.:** CUP 2016-012 (a)18
- Location:** 135 East San Antonio Dr. King City, CA. 93930
- Consideration:** CUP 2016-012(A)18, Commercial Cannabis Manufacturing (Ca Type 7), Distribution (CA Type 11) and Non-Storefront Dispensary (CA Type 10): 135 E San Antonio Drive, City of King. APN's 026-521-040 And 026-521-008). King City Cultivation.

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 Case No. 2016-012(a)18.

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 ERBP-SP (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-SP.

Staff conducted an Initial Study related to this proposed project (CUP 2016-012) and determined the project was fully within the scope of the prior analysis by the MND. The Planning Commission Adopted a Finding of Consistency per CEQA Guidelines Section 15162.

Staff review of the proposed uses (Manufacturing (Type 7), Distribution (Type 11), Non-Storefront Delivery (Type 10) and their impacts indicates that the uses as proposed are consistent with the evaluation and findings of the previously approved MND with no potentially significant impacts. This request is therefore exempt from additional CEQA review per CEQA Guidelines §15332 (infill development projects).

8. NON-PUBLIC HEARINGS

None

9. PLANNING COMMISSIONER REPORTS

10. DIRECTOR'S REPORT –

11. WRITTEN CORRESPONDENCE

12. ADJOURNMENT

UPCOMING REGULAR MEETINGS

DECEMBER

December 17 th	6:00 p.m.	Recreation Commission
December 18 th	6:00 p.m.	Planning Commission
December 25 th	6:00 p.m.	City Council (Canceled)

JANUARY

January 1 st	6:00 p.m.	Planning Commission (canceled)
January 8 th	6:00 p.m.	City Council

January 14 th	6:00 p.m.	Airport Advisory Committee (canceled)
January 15 th	6:00 p.m.	Planning Commission
January 21 st	6:00 p.m.	Recreation Commission
January 22 nd	6:00 p.m.	City Council

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)

MIMTC: 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 supervisorial 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

Planning Commission Minutes

November 20, 2018

1. Call to Order

Chair Nuck called the regular meeting of the Planning Commission of the City of King to order at 6:02 p.m.

2. Pledge of Allegiance

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

3. Roll Call

Chairperson David Nuck X Oscar Avalos A

Ralph Lee X David Mendez A Domingo Uribe X

Commissioner Uribe made a motion to excuse Commissioner Avalos and Commissioner Mendez, seconded by Commissioner Lee. Motion carried 3-0.

Staff present: Community Development Director Doreen Liberto; City Engineer Octavio Hurtado; Admin. Asst./Deputy City Clerk, Erica Sonne.

4. Public Comments

5. Presentations

6. Consent Calendar

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: November 6, 2018

Action: Motion made by Commissioner Uribe to approve minutes of November 6, 2018. Seconded by Commissioner Lee. Motion carried 3-0.

7. PUBLIC HEARINGS

- | | | |
|----|------------------------------|---|
| A. | Project: | All-Temp Refrigeration Warehouse CUP Amendment No. 1 |
| | Applicant: | Tom Willoughby |
| | Case No.: | CUP2017-011(A1) |
| | Location: | 740 S. First Street, King City CA. 93930 |
| | Consideration: | Amend Condition of Approval No. 11 and No.13 of Conditional Use Permit Case No. CUP 2017-011 which changes the timing of providing improvements for public accessibility and sidewalks. |
| | Recommendation: | The Planning Commission adopt Resolution No. 2018-243, which approves amending condition of approval No. 11 and No. 13 of CUP 2017-011A1. |
| | Environmental Determination: | Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Class 32 In-Fill |

Development Projects, Categorical Exemption set forth in CEQA Guidelines, section 15332 as this project involves development within the city limits on a project site of no more than five acres substantially surrounded by urban uses. The site is adequately serviced by all required utilities and public services. The project is consistent with the general plan designation and zoning regulations. The Project site has no value as habitat for endangered, are or threatened species. The applicant will be required to provide street, gutter, curb sidewalk and other public improvements as identified for South First Street. Site drainage will be required to meet the City's and Central Coast Regional Water Quality Control Board standards. The project would not result in significant effects related to traffic, noise, air quality or water quality

Community Development Director Doreen Liberto introduced this item.

Commissioners feel that 10 years is too long. Commissioner Uribe wants to see improvements sooner than later feels we need to start somewhere. City Engineer Hurtado state that curb and cutter would make the property an island and would be concentrating flow towards one end of the property. The other concern is having sidewalk going to nowhere on both ends. Chair Nuck feels that 10 years is too long of a time. City Engineer Hurtado wants to see it happen as well and may be able to happen with grants down the road. Commissioner Uribe feels that it should be part of the plans when a project is submitted. City Engineer stated that it was part of the project when it was submitted, and the applicant requested the change. Commissioner Uribe stated maybe it should be 3 years that it should be completed by.

Chair Nuck and City Engineer Hurtado suggests that we allow 5 years and if a grant comes in Mr. Willoughby would have to do it then.

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

Commissioner Uribe made a motion to include in the deferred agreement grant funding when available the applicant would need to put in his curb and cutter. Commissioner Lee seconded. Motion carried 3-0.

Commissioner Uribe made a motion for the City to pursue grant funding for gap closure of curb and cutter. Seconded by Commissioner Lee. Motion carried 3-0.

Commissioner Uribe made a motion to adopt Resolution No. 2018-243, which approves amending condition of approval No. 11 and No. 13 of CUP 2017-011A1 with the correction of the 4th whereas to 5 years and pursue grant funding for gap closure. Seconded by Commissioner Lee. Approved 3-0.

8. NON- PUBLIC HEARINGS –

A. None

9. Regular Business- None

10. Planning Commission Report –

11. Director Reports- Linear park may not be on the December 4th agenda which means the December 18th meeting will be a full agenda.

12. Written Correspondence– None

13. Adjournment

There being no further business, the Planning Commission meeting was adjourned at 6:24 p.m.

David Nuck
Planning Commission Chairperson
City of King

Erica Sonne
Planning Commission Secretary
City of King



Item No. 7(A)

REPORT TO THE PLANNING COMMISSION

DATE: DECEMBER 18, 2018

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO BLANCK, COMMUNITY DEVELOPMENT DIRECTOR;

BY: SCOTT BRUCE, PRINCIPAL PLANNER

RE: CUP 2018-006, MEDICAL CANNABIS MANUFACTURING LEVEL 2 (CA TYPE 7), DISTRIBUTION (CA TYPE 11), NON-STOREFRONT DELIVERY (CA TYPE 10): 300 EAST SAN ANTONIO DRIVE APN 026-522-023. MR. NICE GUY.

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 Case No. 2018-006.

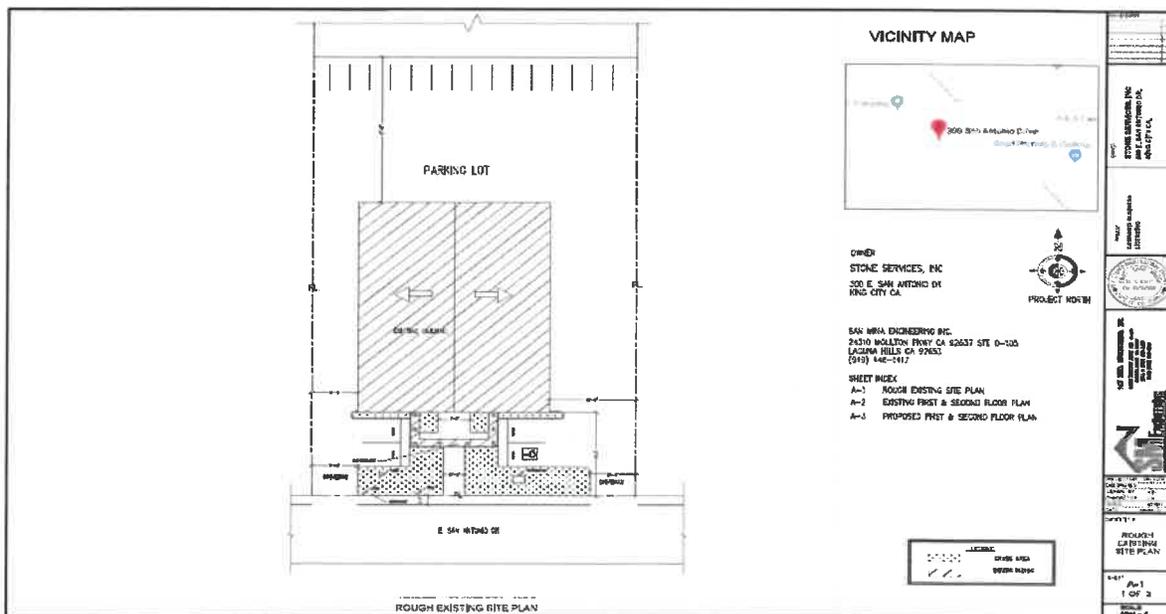
BACKGROUND:

In September 2016 the City Council (Council) approved an amendment to the City's Zoning Code and to the East Ranch Business Park Specific Plan (ERBP-SP), 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 Light Industrial (M-1), M-2 and M-3 Districts and in the ERBP-SP. Since that time, the Code has been amended twice (June and August 2017) and a number of Permits have been approved through the Conditional Use Permit CUP and Operations Permits processes. This current application is for use of an existing structure for Commercial Cannabis Uses on a lot at 300 East San Antonio Drive. The space is the site of Heritage Cabinets.

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.

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

CUP Case No. 2017-006 is a request to allow Commercial Cannabis uses in an existing structure located at 300 East San Antonio Drive within the ERBP-SP as generally depicted in the attached diagram, below. The projected development is on approximately 1.55-acres which currently includes an existing structure of approximately 12,013-sf – the site of Heritage Cabinets. Heritage Cabinets will move to the western portion of the structure and Cannabis Uses (Manufacturing (Volatile), Distribution and Non-Storefront Delivery) will be located in 7,700-sf in the eastern portion of the structure. Existing parking will be added to, landscaping will remain.



DISCUSSION:

Overview:

As noted above, the existing structure is located on a 1.55-acre site. The site and the surrounding area are located ERBP-SP on the south side of San Antonio Drive.

- San Antonio Drive is located to the north with industrially zoned office use beyond.
- To the east is a vacant lot with Kasey's Printing beyond
- Industrial Use (Trucking) is located to the south
- To the west is Industrial Use (AG Pumping)

The site contains an existing structure, with parking and landscaping and is generally flat. No required right-of-way improvements are anticipated. Two points of access will be from San Antonio Drive. No additions to the structure will occur.

CUP Information:

Site:

Building setbacks and existing paving and drainage will remain. New parking is will be added to the south. Access will be via two existing driveways on the east and west sides of the structure. Both will be gated. The addition of impervious surface and any related drainage issues will be reviewed and addressed by City Engineer.

Architecture:

The existing structure is metal with metal roof. No changes to the exterior are proposed.

Floor Plan and Interior Uses:

The eastern portion (toward San Antonio Drive) of the existing structure is two story. The uses in this area will be Cannabis Level 2 (CA Type 7) Manufacturing, Distribution (CA Type 11) and Non-Storefront Delivery (CA Type 10). Extraction and Distillation will occur in the northwest corner of the building, packaging in the southeast, product storage and Distribution in the southwest / rear and Non-Storefront Deliveries and storage in the northeast / rear. Administrative uses will be on the second floor toward the street. Visitor entry will be per the existing lobby area facing San Antonio Drive.

Three man-doors are located on the northwest side of the structure with one roll up door. One-man door is located on the southeast side of the structure with one roll up door.

Heritage Cabinets will move to the southwest portion of the structure, a demising wall without penetrations will separate the two. Two man-doors and one roll up door are located on the southwestern face of the building.

SEE EXHIBIT 4.

Landscape:

Parking and landscaping were present as part of the previous operations. Parking will be expanded to the south to accommodate the added employees and will be to the satisfaction of the City Engineer. There are no plans for landscaping alterations / additions although some freshening may occur.

Grading:

The site is generally flat and was previously developed. No significant grading will occur, only that related to new parking areas. Drainage and SWPPP (as required) will be to satisfaction of City Engineer prior to issuance of Building Permits.

Access, Parking, Paving:

The two existing points of access will remain, both to be gated for security. Heritage Cabinet employees will enter at northern gate, Cannabis employees will enter at the southern gate. Staff is currently reviewing the parking concept with HdL. Our information at this time is that the state of California does not require employee separation. However, the City may require separation to ensure separation of groups / product security.

Staff requests discussion and input from the Planning Commission regarding the issue, please **See Exhibit 5** for a concept that illustrates one proposed method of separation. The Applicant has indicated that fencing in the parking lot to separate employees is acceptable.

In any event, additional paved area will be added to west side of the existing lot. 20 – 25 full time individuals per shift (2 shifts) are anticipated for Cannabis Use, 9 employees are employed at the Cabinet Shop.

Signage:

Signage is currently limited to address. Any additional signage will conform to the King City Municipal Code including Section 17.03 which addresses signs related to Cannabis Operations.

Signage must be approved by Community Development Director or designee, per City requirements, prior to construction.

Security:

Fencing: Fencing along the San Antonio Drive frontage will be 8' wrought iron curved to the exterior. The remainder of the property will be fenced with 6' high non-climbing chain link to include a maximum of 2' barbed wire at the top for security. Chain link will include slats.

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 primary entrance from San Antonio Drive. The document also proposes internal security camera locations which will reviewed and approved by HdL.

Because of the potential security concern in the parking lot, additional cameras will be required to monitor any employee interaction. HdL will be asked to review.

Solid Waste: This is a manufacturing and delivery facility. Plant material will be delivered to be used in extraction. Three types of solid waste will be produced; General, Non-Hazardous Cannabis Waste and, Hazardous Waste.

General waste will be disposed in a dumpster location to the rear of the building. This dumpster may be used jointly with Heritage Cabinets. Non-Hazardous Cannabis Waste will be stored in sealed containers in an internal storage room and removed by a designated hauler. Hazardous Waste will be stored in containers specific to the type of waste to be removed, in an internal storage room and removed by Waste Management when contacted by the Applicant.

Maximum daily waste has not yet been estimated. A six-yard dumpster (approximately 6'8"W, 6'6"L, 5'4" H) can accept approximately 450 lbs. per day or 3,150 lbs. per week.

The process uses 99% of the cannabinoids so that there is only a trace amount (if any) left in the waste. The remaining material is combined with non-cannabis material to a ration of no more than 50%. When mixed with a compostable material it will be sent to a composting facility, when mixed with a non-compostable material it will be picked up by Waste Management.

Conversation with Monterey County Health Department indicates that there are currently no State of California regulations for solid waste. The project will comply with emerging regulation.

Water: Water use in Manufacturing Operations is similar to or less than water use for other uses in an industrial or business setting. Water will be primarily for cleaning purposes. Water use with Heritage Cabinets is minimal.

Water (Landscaped Area): The site has existing landscaping along San Antonio Drive, no additional landscaping is proposed. CA Code of Regulations, Title 23, Div. 7, Chapter 2.7, Section 490.1 discusses the requirements for a landscaping plan. Chapter 15.50 of the City's Municipal Code implements the state's Model Landscape Ordinance.

Section 490.1 indicates that a landscaping plan with water budget and similar is required for projects that include over 2,500sf of new landscaping or rehabilitation. This project does not propose rehabilitation.

On-site plumbing to access future recycled water (purple pipe), in San Antonio Drive, for use in landscaping, will be discussed at the hearing and is recommended. A connection is required for all new landscaping.

Power: The building may be occupied 24 hours a day, year 'round. Light and air conditioning / heating requirements are consistent with standard industrial / business park use. LED lighting is being used, providing reduction in power use.

The Applicant indicates that operations require less than 540 amps (90% of a 600 amp breaker). Manufacturing is estimated at a minimum of 472 amps. Total power usage is estimated at 150,000 kWh per year.

Noise: Given the nature of manufacturing operations no noise related issues have been identified.

Regulatory Permit Related Information:

The item before the Commission is the consideration of a Conditional Use Permit to allow Cannabis Manufacturing Level 2 (CA Type 7), Distribution (CA Type 11) and Non-Storefront Delivery (CA Type 10). 7,700 sf of the existing structure will be renovated to accommodate these uses. The western portion of the structure (4313 sf) will be retained for cabinet uses.

Employee Traffic:

The applicant has indicated that maximum employee count (one shift) will be 25 persons. Operating hours are 6AM to 10PM.

Standard employee generation rates for an Industrial Use are approximately 61 employees per acre with Business Park rates higher.

Shipping and Transport: Raw plant material to be delivered (mix of bud and shake) has not been estimated at this time.

Outbound transport will vary based on sales of product (transdermal patches, lozenges, tinctures, ointments). quantity of product to be delivered and the number of trips to deliver it have not been estimated.

Product 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.

Manufacturing:

Although the Applicant is applying for a Type 7 (volatiles) license, not all process will require chemicals and can be accomplished through mechanical means. However, butane, propane and similar. The chemicals to be held on site will be located in a limited access floor mounted storage unit, located beneath the stairway leading to the second floor. Piping to the manufacturing equipment has not yet been determined.

A complete description of the Manufacturing process has been provided in Section G of the Application.

Chemicals will include:

- Isopropanol 99.9% (IPA99)
- Inland 19 Ultra
- CDA 12A, 200 Proof
- Ethyl Alcohol 200 proof
- A-200
- Activated Carbon

The Applicant has provided safety data sheets as part of the application.

Volumes of each chemical to be stored on site have not yet been determined. KC Municipal Code Section 17.03.270 indicates that the maximum amount of volatile chemical and / or compressed gasses to be allowed on site is to be determined by the Fire Chief and / or Chief of Police. Art Black, Fire Marshall and the City's Building Official will review and approve the construction plans prior to approval. Those plans will quantify amount to be stored, location of storage, method of delivery (internal system and to the structure) and method of disposal.

Odor Control: The Odor Control Program will continuously operate in conformance with the most current requirements of Municipal Code Section 17.03.210(i). It includes odor absorbing ventilation, an exhaust filtration system and a negative air pressure system as described in Section I, Odor Control.

Waste Disposal:

The Applicant indicates that three separate types of waste must be managed. These include:

- General Waste: Collected once or twice weekly by Waste Management
- Cannabis Waste: Stored in Waste Storage Room, removed by a contractor
- Hazardous Waste: Kept in designated containers in separate Waste Storage Room, removed by Waste Management.

Systems for removal must be approved by HdL prior to final Operations Authorization.

Security : The rolling gates for access from San Antonio Drive are security code controlled and access limited to employees and delivery. Access points into the structure are limited. Access points for Cannabis and Cabinet are separated – a demising wall separates the two uses inside the structure.

The visitor entry is at the front of the structure. of the parking lot. Shipping and Delivery vans are loaded and unloaded inside the structure. The remaining doors are alarmed emergency exits. The emergency exits open only from the inside using push bars that activate a battery powered alarm.

Any roll up doors are securely locked at all times except for deliveries and do not provide entrance or egress. All entries will be coded, and non-employees will have to correspond via intercom prior to admittance. Any non-employee must be escorted at all times while onsite.

A security plan (Appendix D) has been provided. It covers a range of topics including camera locations, security training, inventory reconciliation, internal product movement, delivery overview, intrusion detection system and similar. HdL will review and approve of the Security Program and Systems prior to issuance of Authorization to Operate.

At least one armed guard will be on site at all times.

Employee Vetting: No person under 21 years of age will be employed on this site. The King City verification process will be followed where the applicant will be fingerprinted at King City Police Department and City Staff will coordinate with a third party reviewed (HdL / Intelifi) who provide the City with background review. 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.

Employee Training: All managers and supervisors will be trained in basic cGMP principles, and on how to administer cGMP practices for training, production, documentation and product tracking in their areas. Training will also include secure facility protocols to ensure against theft and diversion.

Employees will be trained in safety practices and manufacturing protocols.

Quality Control: All of the source materials are to be tested for pesticides, fungus, pests, molds, and other contaminants throughout processing using a Quality Assurance system that meets cGMP standards for good manufacturing practices and processes to guard against adulteration. The Applicant will source from only the most responsible cultivators to ensure that cannabis material is clean and pure.

A product recall is indicated when a manufactured product is found to fall outside of our product specifications or standards or could represent a hazard to the consumer. Recall procedure is initiated when it is determined that a product or batch has been mislabeled, contaminated or adulterated in any capacity. The General Manager will issue the recall, the POS Track and Trace System will identify the customers who received the identified product.

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. In addition, the Applicant has executed the City's required Indemnification Agreement.

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. The Municipal Code was amended in June and August of 2017 to allow Manufacturing Level 2 (CA Type 7 and Distribution (CA Type 11.) The Municipal Code was amended in August 2018 to allow Non-Storefront Delivery (CA Type 10).

Staff review of the proposed use and its impacts indicates that the use as proposed is consistent with the evaluation and findings of the previously approved MND with no potentially significant impacts. It is therefore exempt from additional CEQA review per CEQA Guidelines §15332 (infill development projects).

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. Location
2. Site Photos
3. Site Plan
4. Floor Plan
5. Parking Concept
6. Resolution No. 2017 – 245
7. Conditions of Approval

*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

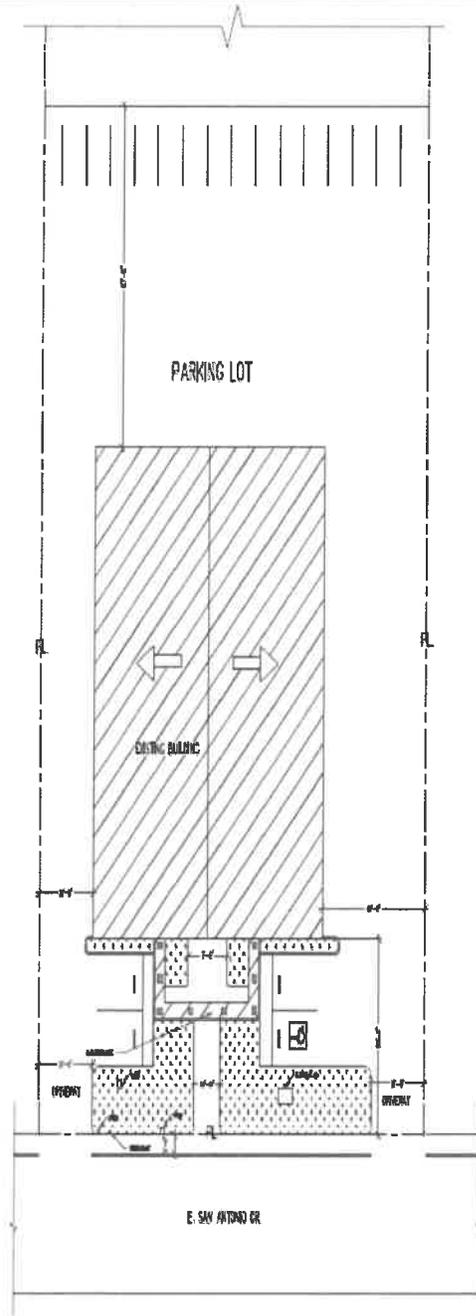
CUP 2018 – 006
EXHIBIT 1: LOCATION



CUP 2018 – 006
EXHIBIT 2: PHOTOS



CUP 2018 – 006
EXHIBIT 3: SITE PLAN



ROUGH EXISTING SITE PLAN

VICINITY MAP

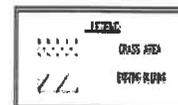


OWNER:
 STONE SERVICES, INC
 300 E. SAN ANTONIO DR.
 KING CITY, CA.



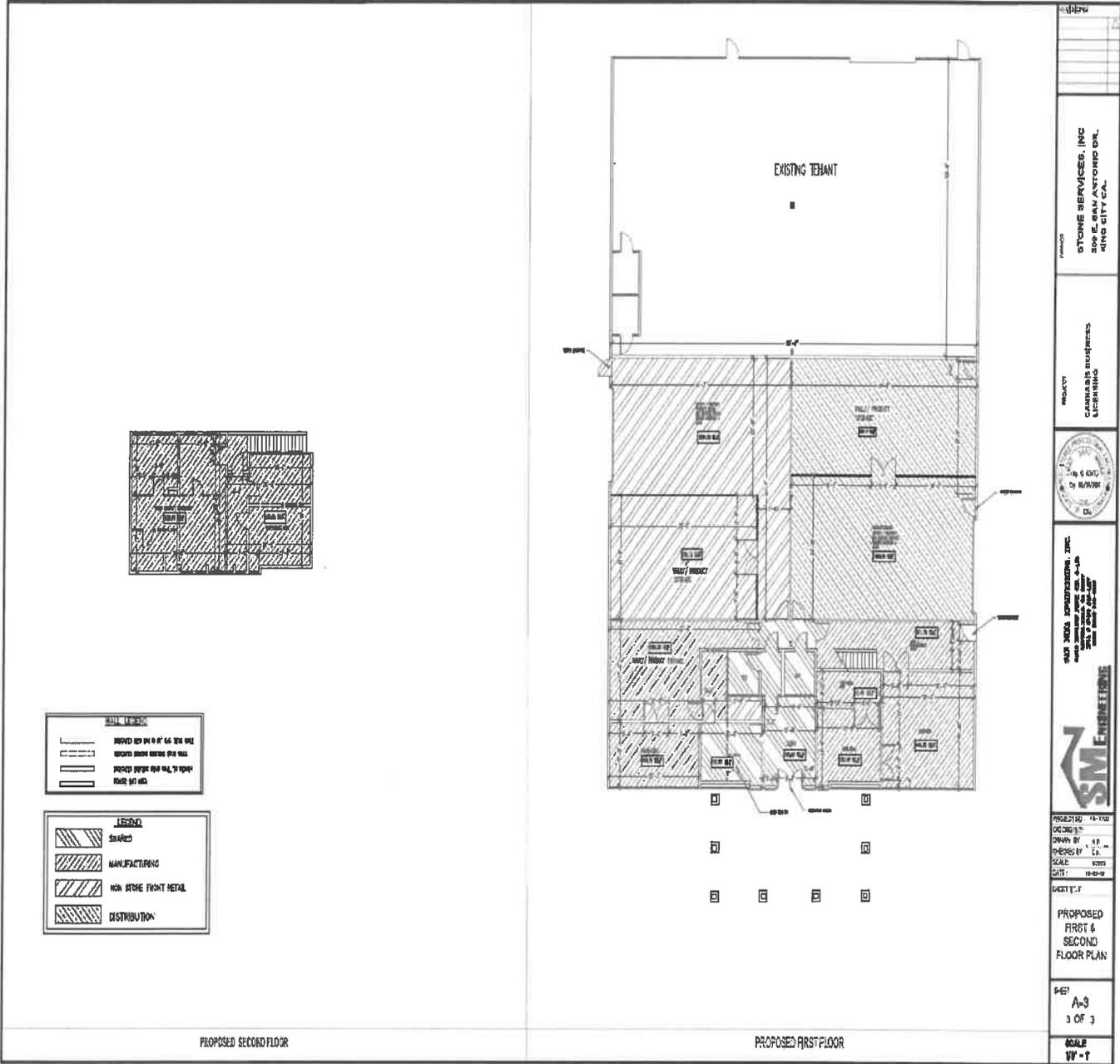
SAN MIHA ENGINEERING INC.
 24310 MOLLTON PKWY CA 92637 SITE 0-105
 LAZARUS HILLS CA 92653
 (949) 446-4417

- SHEET INDEX**
- A-1 ROUGH EXISTING SITE PLAN
 - A-2 EXISTING FIRST & SECOND FLOOR PLAN
 - A-3 PROPOSED FIRST & SECOND FLOOR PLAN



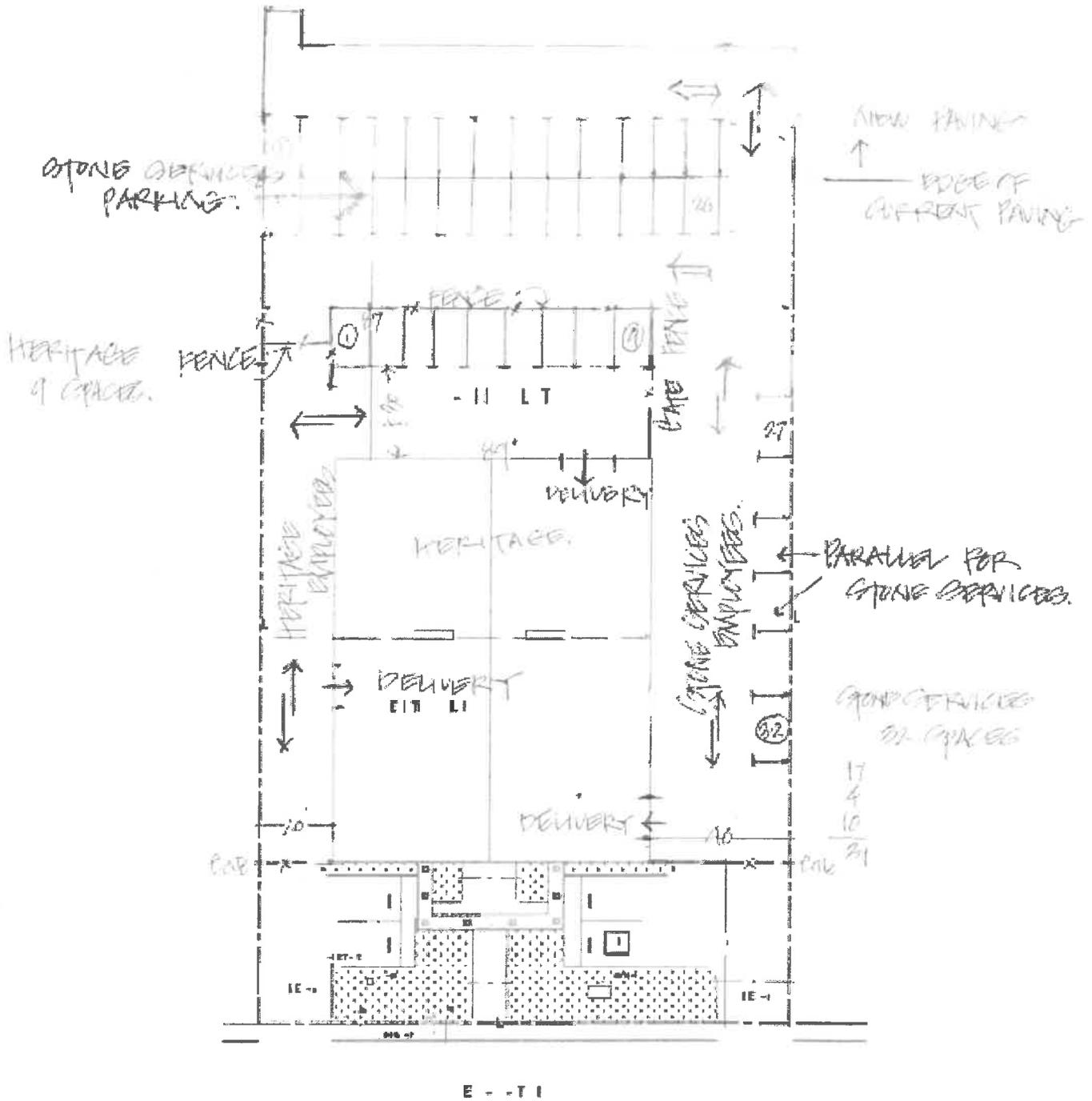
<p>OWNER: STONE SERVICES, INC 300 E. SAN ANTONIO DR. KING CITY, CA.</p>
<p>PROJECT OF: STONE SERVICES, INC 300 E. SAN ANTONIO DR. KING CITY, CA.</p>
<p>SAN MIHA ENGINEERING INC. 24310 MOLLTON PKWY CA 92637 SITE 0-105 LAZARUS HILLS CA 92653 (949) 446-4417</p>
<p>PROJECT NO.: CUP 2018 - 006</p> <p>DATE: 08/14/18</p> <p>SCALE: 1/8" = 1'</p>
<p>ROUGH EXISTING SITE PLAN</p>
<p>DATE: 08/14/18</p> <p>SCALE: 1/8" = 1'</p>

CUP 2018 – 006
EXHIBIT 4: FLOOR PLAN



CUP 2018 - 006

EXHIBIT 5: PARKING CONCEPT



RESOLUTION NO. 2018-245

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING,
APPROVING CONDITIONAL USE PERMIT CASE NO. CUP 2018-006**

WHEREAS, on **October 29, 2018**, Stone Services, Inc submitted an application to allow Medical Cannabis Manufacturing (CA Type 7), Distribution (CA Type 11), Non-Storefront Delivery (CA Type 10) in an existing structure located at 300 East San Antonio Drive in the East Ranch Business Park Specific Plan (ERBPSP);

WHEREAS, on **November 28, 2018** notice of Public Hearing was provided by the City in the Rustler

WHEREAS, the proposed use is allowed with the approval of a Conditional Use Permit in the ERBP (Ordinances 2017-746 August 22, 2017 and 2018-746, July 10, 2018).

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

WHEREAS, the Project is Categorically Exempt under CEQA §15332 (Infill Projects), and there are no applicable exceptions to the Categorical Exemption per CEQA Guidelines §15300.2;

WHEREAS, the Commission has reviewed the staff report, accepted public testimony, and considered all other relevant information during the duly noticed public hearing on **December 18, 2018**.

WHEREAS, the establishment, operation and maintenance of the use as presented will not be detrimental to the health, safety, morals and general welfare of persons in the East Ranch Business Park (the Neighborhood);

WHEREAS, the establishment, operation and maintenance of the use as presented will not be injurious or detrimental to property and improvements in the neighborhood or to the general welfare of the City;

WHEREAS, the Commission makes the followings findings of facts:

1. The purpose of the proposed uses (Manufacture, Distribution, Non-Storefront Dispensary) is 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 proposed uses are consistent with the General Plan Land Use Designation (LI) Light Industrial and the Uses and Standards of the (ERBP SP) – East Ranch Business Park Specific Plan.
3. The proposed use (and existing Heritage Cabinets) will be accomplished within the existing structure. No additions will occur.
4. The entire lot will be fenced – existing fencing will be improved, and / or replaced and new screening will be installed. An eight (8) foot high wrought iron fence will be installed along the San Antonio Drive frontage.
5. The existing lot is accessed at two points of entry. No new access points will be established.
6. Existing landscaping will remain. Parking will be revised to accommodate additional employees, separated from cabinet employees to satisfaction of Community Development Director. Future landscaping will be installed per the Application Package and will conform to the requirements of Chapter 15.50 of the City of King Municipal Code.
7. All processes and interior construction / building improvements, security / operating procedures will be in conformance with the CUP / Regulatory Permit Application Package, as submitted and / or as conditioned (See COA's Exhibit 7: Attached) and with City of King Zoning Code section 17.03.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Planning Commission of the City of King adopts a finding of a Class 32 Categorical Exemption per CEQA Guidelines Section §15332 (Infill Projects) and approves Conditional Use Permit Case No. CUP 2018-007.

This resolution was passed and adopted this **18th day of December 2018** by the following vote:

AYES:

NAYS:

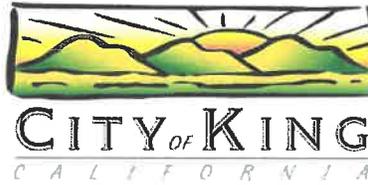
ABSENT:

ABSTAIN:

DAVID NUCK, CHAIRPERSON

ATTEST: _____

ERICA SONNE DEPUTY CITY CLERK for MARICRUZ AGUILAR-NAVARRO, ASSISTANT PLANNER /
PLANNING COMMISSION SECRETARY



PART A - PROJECT INFORMATION: MD BIODESIGN.

1. Assessor's Parcel No(s): 026-522-023
2. Job Address: 300 E San Antonio Drive
3. Street Location: 300 E San Antonio Drive
4. Existing Zoning: East Ranch Business Park Specific Plan
5. Planned Land Use: General Plan: LI (Light Industrial);
6. Plan Area: East Ranch Business Park Specific Plan
7. Project Description: . CUP Case No. 2017-006 is a request to allow Commercial Cannabis uses in an existing structure located at 300 East San Antonio Drive within the ERBP-SP as generally depicted in the attached diagram, below. The projected development is on approximately 1.55-acres which currently includes an existing structure of approximately 12,013-sf – the site of Heritage Cabinets. Heritage Cabinets will move to the western portion of the structure and Cannabis Uses (Manufacturing (Volatile), Distribution and Non-Storefront Delivery) will be located in 7,700-sf in the eastern portion of the structure. Existing parking will be added to, landscaping will remain.

PART B – GENERAL CONDITIONS AND REQUIREMENTS

On September 27, 2016 the City Council approved Ordinances 2016- 728, 729 and 730, amending Municipal Section 17.03 of the Zoning Code to allow Medical Cannabis cultivation, nursery, manufacturing and testing uses (Types 2A,2B, 3A,3B, 4, 6 and 8.) The M-1, M-2 and M-3 Districts and the East Ranch Business Park Specific Plan (ERBPSP) were amended at that time to allow the uses in those specific zoning districts

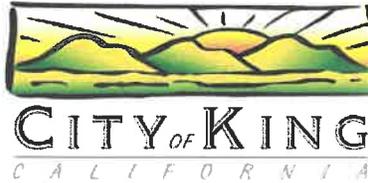
A Mitigated Negative declaration (MND) was also prepared to evaluate potential and cumulative impacts of the proposed use types. It was approved on September 27, 2016 at the time that the change to the Zoning Code was approved. In August 2017 Ordinances 2017- 745 and 746 amended the Municipal Code to allow Manufacturing Level 2 (CA Type 2) and Distribution (CA Type 11). Ordinances 763 and 764 amended the Municipal Code to allow Non-Storefront Delivery.

Staff review of the proposed use and its impacts indicates that the use as proposed is consistent with the evaluation and findings of the previously approved MND with no potentially significant impacts. It is therefore exempt from additional CEQA review per CEQA Guidelines §15332 (infill development projects).

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.

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.

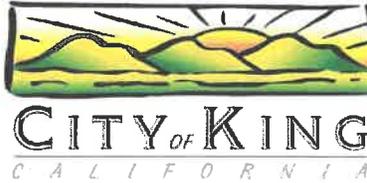
Approval of this use permit may become null and void in the event that development is not completed in accordance with all the conditions and requirements imposed on this use permit and the Zoning Ordinance. This use permit is granted, and the conditions imposed, based upon the Applicant Package provided 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 via email at scottbruce11@gmail.com if you have any questions regarding the conditions of approval (COA).

COMMUNITY DEVELOPMENT DEPARTMENT:

1. **Allowed Use:** Manufacturing (CA Type 7), Distribution (CA Type 11), Non-Storefront Delivery (CA Type 10)
2. **Interior Renovation and Exterior:** The existing structure is approximately 12,013-sf in size, accessed from San Antonio Drive. There will be no expansion of the structure and no external changes. The existing Heritage Cabinets shop will move to the western portion of the structure. Cannabis uses will be located in the central and eastern portion of the structure.
3. **Parking:** Parking will conform to the Plan and Application Package as Submitted. New parking and paving area will be installed. Separation between cabinet and cannabis employees in parking area shall be to satisfaction of Community Development Director or designee. Parking and drainage shall be to satisfaction of City Engineer.
4. **Landscaping:** No landscaping improvement are proposed at this time. Future landscape improvements will be in conformance with Municipal Code Chapter 15.50, to be reviewed and approved by Planning Commission during separate Architectural Review. Landscape / Irrigation Plans shall be presented to and approved by City Engineer prior to Building Permit approval and Landscape Installation. The landscaping shall be maintained in a healthy condition in perpetuity.
5. **Lighting:** Security Lighting shall be per Application package. Poles in the parking area are not to exceed 30 feet in height. A lighting plan must be approved 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:** No signage has been requested at this time. Any signage shall conform to the requirements of Section 17.03 of the City of King Zoning Code. 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:** New fencing along San Antonio Drive shall be wrought iron and eight (8) feet in height. All other perimeter fences shall be "no climb" chain link, six (6') foot in height with barbed wire, to a maximum of eight (8) feet with vertical slats woven into the chain link.
8. **Odor:** Odor management measures shall be as per the project application and shall at all times conform to the most recent version of Municipal Code Section 17.03.210(i). Charcoal filters shall be replaced every three months or less. If a complaint is filed with the City Manager's Office, it shall be addressed per the most recent version of the Municipal Code.
9. **Waste Disposal:** Waste disposal procedures shall be in accordance with Application Package.

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 / Regulatory Permit Package
2. **Sprinklers:** Building will be improved with sprinklers.

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

1. **Scope of Work Description:** Scope of work shall conform with that found in the CUP / Regulatory Permit Package.
2. **Sidewalk:** Right of Way improvements (if any) shall be to satisfaction of City Engineer.
3. **Driveway Approach Revisions:** Sidewalk to be at 2% maximum cross fall across driveways per ADA requirements.
4. **Recycled Water Connection:** If, in the future, 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 Way.
5. **Parking, and Paving:** All parking spaces and access to spaces will be paved.. All paving to be to satisfaction of City Engineer.
6. **Grading and Drainage:** Grading and drainage will be to satisfaction of City Engineer and Regional Water Quality Control Board.

OPERATIONS PERMIT:

Renovations shall comply with and Operations be subject to full compliance with Section 17.03 of the City of King Zoning Code as amended and the Regulatory Application Package.

- A. **Operations Permit:** The Conditioned Operations Permit and / or Authorization to Operate shall be approved by the City Manager will be 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 as approved by HdL. 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 the driveway access to the street.
- C. Security Systems:** Security systems shall be in conformance with those presented in the Application Package, to the satisfaction of the Chief of Police and the City's Consultant. A camera compatible with the City-wide surveillance system shall be located at the primary entry to the site.
- D. Solvents:** The Applicant has indicated that CO₂, Ethanol and volatiles will be used in the extraction process. Volume, storage techniques, deliveries and safety pre-cautions must be to the satisfaction of the City of King Fire Marshall and Police Departments in compliance with Section 17.03.270 (a) and (b).
- E. Solid Waste:** Solid waste disposal shall be in compliance with County of Monterey Health Department and Waste Management, Inc. requirements. Procedures shall conform to those outlined in the Application Package.
- F. Odor Control:** Odor shall be controlled at all times per the Application Package Section I and the most current version of Section 17.03.210 (i) of the City of King Zoning Code. If an odor related complaint is received by the City Manager's Office, it will be addressed per the direction of the Municipal Code. City Zoning Code. Odor caused by outdoor dumpsters will be addressed in a similar manner.
- G. Air Quality:** Venting shall be in compliance with Monterey County Air Resources Board Standards.
- H. Employee Background Checks:** Employees shall be vetted (background checks) through the standardized King City process, in compliance with the Regulatory Application Package and Section 17.03.210 (k) of the City's Zoning Code. After the Applicant is fingerprinted at the Police Department, Staff will send the Applicant additional information, to be submitted to a third party HdL / Intelifi who will then perform the check. Results will be provided to Applicant and City of King.
- I. Hours of Operation and Employees:** The Applicant has indicated that the facility will be potentially be in operation between 6 AM and 10PM. Maximum employees on one shift has been indicated to be 25. Heritage Cabinets employs 9 persons. Onsite parking will be sufficient to cover overlap periods. No persons under the age of 21 will be allowed on site.
- J. Work Permits and Fees:** Work Permits shall be issued in conformance with Section 17.03.070 (a). Fees shall be as set by the City Council.
- K. Indemnification Agreement:** A signed Indemnification Agreement shall be in place prior to Issuance of the Regulatory Permit. Such agreement shall be approved by the City Attorney and conform to the requirements of Section 17.03.160. Said agreement shall prevail over Hold Harmless and Indemnification Clause attached hereto.
- L. Record Keeping:** Financial and Product Record shall comply with the Regulatory Application Package and the requirements of Section 17.03.180.



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 International, Aleshire & Wynder, LLP attorneys; Hanna & Brunetti, Aleshire & Wynder, LLP attorneys), employees and agents (including Earth Design, International, and Hanna & Brunetti) 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 (including Earth Design, Inc, Aleshire & Wynder, LLP, and Hanna & Brunetti) 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 and approvals taken to provide related environmental clearance under 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.*

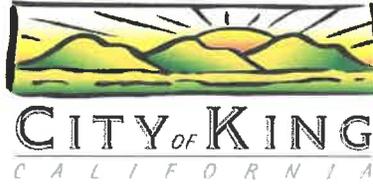
The applicant agrees to indemnify City and its elected officials, officers, contractors, consultants, attorneys, employees and agents (including Earth Design, Inc., Aleshire & Wynder, LLP, Hanna & Brunetti,) for all of City's costs, fees, and damages incurred in enforcing the **indemnification** provisions of this Agreement.

The applicant agrees to defend, indemnify and **hold harmless** City, its elected officials, officers, contractors, consultants (including Earth Design, Inc., Hanna & Brunetti, Aleshire & Wynder, LLP attorneys), attorneys, employees and agents (including Earth Design, Inc., and Hanna & Brunetti) 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 its staff 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: _____



Item No. 7(B)

REPORT TO THE PLANNING COMMISSION

DATE: DECEMBER 18, 2018

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO BLANCK, COMMUNITY DEVELOPMENT DIRECTOR;

BY: SCOTT BRUCE, PRINCIPAL PLANNER

RE: CUP 2018-007, MEDICAL CANNABIS MANUFACTURING LEVEL 2 (CA TYPE 7), DISTRIBUTION (CA TYPE 11), NON-STOREFRONT DELIVERY (CA TYPE 10): 589 BITTERWATER ROAD. APN 026-521-005. SOL INVICTUS, LLC.

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 Case No. 2018-007.

BACKGROUND:

In September 2016 the City Council (Council) approved an amendment to the City's Zoning Code and to the East Ranch Business Park Specific Plan, (ERBP-SP) 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 Light Industrial (M-1), M-2 and M-3 Zoning Districts and in the ERBP-SP. Since that time, the Code has been amended twice (June and August 2017) and a number of Permits have been approved through the conditional use permit (CUP) and Operations Permits processes. This current application is for use of an existing structure for Cannabis Manufacturing on a lot at 589 Bitterwater Road.

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.

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

Three Operators will be located on the site, Testa Sol, LLC, Air, Water, Sunlight LLC and Vitalic Brands, LLC. Each will include Manufacturing, Distribution and Non-Storefront Delivery Operations.

DISCUSSION:

Overview:

As noted above, the existing structures are located on a .82-acre site (35,531-sf). The site and the surrounding area are located adjacent to the ERBP-SP on the north side of Bitterwater Drive.

- North: Vacant parking area with vehicle storage with office use beyond.
- East: Veterans of Foreign Wars meeting hall.
- South: Bitterwater Drive with agricultural land (County) beyond.
- West: Office use.

The site is generally flat and will require significant parking and landscaping upgrades with new landscaping between Building A and Bitterwater Road and new pavement on the rear of the lot (north). Sidewalk, curb and gutter are present, Americans with Disabilities Act (ADA) improvements may be required. Three points of access will be from Bitterwater Road. Additions to the structure will be to the north and south at the west end of the building.

The existing structures (7,826-sf) are single story. Nine (9) new C1D1 “pods” will be located on the site. Total floor area will be 10,226-sf. Paving area will be 10,712-sf. Therefore, total coverage will be 20,938-sf (58.9%). Landscaping will be 14,614-sf (41.1%) The uses will be Cannabis Level 2 (CA Type 7) Manufacturing, Distribution (CA Type 11) and Non-Storefront Delivery (CA Type 10). The individual Operators will be functioning from different portions of the site. **See Exhibit 6.**

The site will be developed in two Phases.

Operator	Phase 1		Phase 2	
Vitalic	Bldg A, Ste B 2 pods	Extraction, Distribution, NSF	Bldg A Ste A	Production, Administration
Air, Water, Sun	Bldg A, Ste C 1 1/2 pods	Extraction Distribution NSF	1 Pod	Extraction
Testa Sol	Bldg B, 2 Pods	Extraction, Production Distribution, NSF	1 Pod	Extraction

CUP Information:

Site:

Building setbacks on sides and rear are 20'. Front setback along Bitterwater is 40'. Structure footprints will not change, new "pods" will not encroach into the setback. **See Exhibit 3.**

Architecture:

The existing structure is metal with metal roof. The exterior is to be pressure washed and replaced as needed. Rib walls will be used to replace existing roll up doors. Wall panels will be repainted "Cool Straw Gold", trim to be "Cool Dark Bronze". C1D1 "pods" Containers will be white or gray and are generally not highly visible from Bitterwater Road.

Formal Architectural review to occur at time that final landscaping plan is completed.

Floor Plan and Interior Uses:

As noted above, the proposed uses are Cannabis Manufacturing Level 2 (CA Type 7), Distribution (CA Type 11) and Non-Storefront Delivery (CA Type 10) with support administrative uses. The buildings will remain as one floor.

The interior will be divided into a number of suites. Building A will be divided into Suites A, B, C, D, E and F. Building B will be divided into Suites A, B and C. **See Exhibit 4.**

Landscape and Parking:

Previously, visitor parking was located between Building A and Bitterwater Road. Landscaping was minimal. The central portion of the property was largely dirt. The proposed project will include landscaping in the front setback with paved parking in much of the interior of the site. A paved travel way will be located along the exterior of the site. Three gated access points are proposed, one on each side of the of the site and one in the center. The existing driveway in front of Building B will be removed. **See Exhibit 3.**

Although areas for landscaping have been identified and examples of plant material provided with the Application Package, no specific plant types and quantities have been presented. Materials and quantities and irrigation will be consistent with other approved Cannabis projects in the East Ranch Business Park / M Districts, to the satisfaction of the Community Development Director or designee. Final landscaping plans in accordance with Municipal Code Section 15.50 will be approved prior to issuance of Building Permit. Final landscaping plans will be reviewed as part of Architectural review. **See Exhibit 7**

Grading:

The site is generally flat and was previously developed. No significant grading will occur. Significant impervious surface will be added. Therefore, drainage plans and SWPPP will be required / to satisfaction of City Engineer prior to issuance of Building Permits.

Access, Parking, Paving:

Three points of access are proposed, each to include a rolling electric gate for security. 15 parking spaces are shown. Therefore, a maximum of 22 employees will be allowed on-site at any one time. Deliveries will be to the west side of Building A and east side of Building B.

Signage:

Proposed signage is currently limited to single 18" high internally lit sign on the building face, showing address. Colors will be compatible with the building. Signage will conform to the King City Municipal Code including Section 17.03 which addresses signs related to Cannabis Operations.

Signage must be approved by Community Development Director or designee, per City requirements, prior to construction.

Security:

Fencing: Fencing along the Bitterwater Road frontage will be 8' wrought iron curved to the exterior. The remainder of the property will be fenced with 6' high non-climbing chain link to include a maximum of 2' barbed wire at the top for security. Chain link will include slats.

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 the Applicant at the primary entrance from San Antonio Drive. The document also proposes internal security camera locations which will reviewed and approved by HdL **See Exhibit 5.**

Solid Waste: Two locked dumpster locations are proposed. One is located along near the front (east side) of the property closer to Building A, the other is located toward the rear of the property closer to building B. Each location will contain two six-yard dumpsters. A six-yard dumpster (approximately 6'8"W, 6'6"L, 5'4" H) can accept approximately 450 lbs. per day or 3,150 lbs. per week. Four (4) dumpsters can accommodate approximately 1,800 lbs. per day or 12,600 lbs. per week.

Combined estimates for the three entities equal approximately 3,600 lbs per week. Disposal will be to satisfaction of Monterey County Health Department.

The process uses 99% of the cannabinoids so that there is only a trace amount (if any) left in the waste. The remaining material is combined with non-cannabis material to a ration of no more than 50%. When mixed with a compostable material it will be sent to a composting facility, when mixed with a non-compostable material it will be picked up by Waste Management.

Conversation with Monterey County Health Department indicates that there are currently no State of California regulations for solid waste. The project will comply with emerging regulation.

Water:

Water use in Manufacturing Operations is similar to or less than water use for other uses in an industrial or business setting. Water will be primarily for cleaning purposes.

Water (Landscaped Area):

The Applicant has not yet prepared a detailed landscaping plan with irrigation and detailed water analysis in conformance with the State of California's Department of Water Resources. Such plan will be in conformance with Municipal Code Chapter 15.50 and will be approved through Architectural Review prior to issuing building permit approval.

A number of water conservation measures must be employed. They include techniques such as drip irrigation, weather or moisture-based controllers, non-invasive/ climate appropriate species and similar. Water for landscaping irrigation 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) for use in landscaping will be required when provided in Bitterwater Road.

Power:

The building may be occupied 24 hours a day, year 'round. Light and air conditioning / heating requirements are consistent with standard industrial / business park use. The anticipated load for all three entities has not been estimated yet. Final Authorization for Operations will require verification from PG&E regarding availability of power.

Noise:

Given the nature of manufacturing operations no noise related issues have been identified.

Regulatory Permit Related Information:

The item before the Commission is the consideration of a Conditional Use Permit to allow Cannabis Manufacturing Level 2 (CA Type 7), Distribution (CA Type 11) and Non-Storefront Delivery (CA Type 10). The uses will be housed in two existing buildings and 8 new CIDI "pods".

Employee Traffic:

The Applicant has indicated that maximum employee count (one shift) will be 22 persons. There will be a maximum of 3 eight-hour shifts.

Standard employee generation rates for an Industrial Use are approximately 61 employees per acre with standard Business Park rates higher.

Shipping and Transport:

Each entity anticipates plant material (mix of bud and shake) delivery of approximately 5,000 lbs per week in two deliveries are estimated to be twice weekly.

Outbound transport will vary based on sales of product (transdermal patches, lozenges, tinctures, ointments) but is anticipated to be twice weekly.

Total trips (delivery to and shipping from) can be estimated at 12 – 15 weekly.

Storage space for finished product (project wide) is approximately 615-sf.

Product 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.

Manufacturing:

Extraction will be carried out by applying CO₂ and ethanol to extract medical cannabis oils using closed loop extraction state of the art technology. Solvent is recovered for re-use. All manufacturing will occur in ISO 5,7 and 8 clean rooms. Manufacturing, inventory, personnel and distribution processes will be designed to meet current Good Manufacturing Practices (cGMP) for manufacturing, processing or holding of drugs; for finished pharmaceuticals, for producing processed food and for dietary supplements.

Volatiles

CO₂: Up to 5 times/week delivered by a 25ft open flatbed truck in 1-2 secure skids of up to 8 tanks holding up to 150lbs of CO₂ each or as allowed by King City Municipal Code. Empty tanks will be removed by the same vendor.

BUTANE: To be delivered with CO₂.

ETHYL ALCOHOL: Up to a 55-gallon barrel or as allowed by the King City Municipal Code will be delivered as often as once per week by a cargo truck with a lift gate. No more than 100 gallons or as allowed by the KCMC will be on site at any given time

ISOPROPYL ALCOHOL: 8-gallon containers will be delivered as often as once per week accompanying the ethyl alcohol

Volatiles Storage:

The Applicant has provided a conceptual plan for the storage / use / disposal of volatiles. The plan will be reviewed and approved by Fire Marshall and Building Official during the Building Permit process, before Authorization to Operate.

Odor Control:

The Odor Control Program will continuously operate in conformance with the most current requirements of Municipal Code Section 17.03.210(i). It includes odor absorbing ventilation, an exhaust filtration system and a negative air pressure system.

Waste Disposal:

Packaging Waste: Under cGMP standards, all packaging and labels must be accounted for. Damaged or used packaging will be rendered un-usable and recycled or thrown into the secure trash. Damaged or broken capsules that are unfilled will be thrown into the secure trash.

Product / Production Waste: Production waste will follow typical waste rates for food, pharmaceutical or other commercial production. Where a product that contains medical cannabis fails quality assurance checks, it will be accounted for and logged into our QA database as well as MJ Freeway, and disposed of in a secure and controlled manner to render the product un-recognizable and un-usable.

Alcohol Waste: Most ethanol used in the processing is recycled and reused. What cannot be recycled or reused is disposed of by sanitary sewer mixed with tap water

CO2 Waste: CO2 is recycled and reused by our closed loop, recirculating CO2 extraction system. A small amount of CO2 is released into the air safely upon completion of the extraction. There is no onsite storage of CO2 waste.

Security, Interior:

The rolling gates for access from Bitterwater Road are security code controlled and access limited to employees and delivery. Access points into the structure are limited. Several of the existing entrance points have been permanently sealed. A concept camera plan has been provided. Final plans will be approved by HdL prior to Authorization to Operate.

The visitor entry is at the front of the structure adjacent to Bitterwater Road. Access is via the locked gate to the west. The emergency exits open only from the inside using push bars that activate a battery powered alarm.

Any roll up doors are securely locked at all times except for deliveries and do not provide entrance or egress. All entries will be coded, and non-employees will have to correspond via intercom prior to admittance. Any non-employee must be escorted at all times while onsite.

Two armed guards will be on site during hours of operation. An armed guard will be on site 24 / 7.

Employee Vetting:

No person under 21 years of age will be employed on this site. The King City verification process will be followed where the Applicant will be fingerprinted at King City Police Department and City Staff will coordinate with a third party reviewed (HdL / Intelifi) who provide the City with background review. 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.

Employee Training:

MJ Freeway conducts extensive training on the tracking software that will be in use to document and monitor movement of cannabis material. Training will also include secure facility protocols to ensure against theft and diversion.

All managers and supervisors will be trained in basic cGMP principles, and on how to administer cGMP practices for training, production, documentation and product tracking in their areas.

Quality Control:

All of the source materials are to be tested for pesticides, fungus, pests, molds, and other contaminants throughout processing using an internally built Quality Assurance system that meets cGMP standards for good manufacturing practices and processes to guard against adulteration. MD Bio will source from only the most responsible cultivators to ensure that cannabis material is clean and pure, when the sister facility (Industrial Drive) is functional, the major of the raw materials will be sourced from there. The Applicant will deploy a vendor auditing program that meets cGMP standards for materials sourcing. It is anticipated that all inbound and outbound materials (component and manufactured product) will be tracked using the MJ Freeway platform in addition to our internal Quality Assurance database.

A product recall is indicated when a manufactured product is found to fall outside of our product specifications or standards or could represent a hazard to the consumer. Our recall program will effectively remove that product from circulation using an internally built Quality Assurance system that meets pharmaceutical industry cGMP standards for an Adverse Event/Recall tracking database.

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. In addition, the Applicant has executed the City's required Indemnification Agreement.

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. The Municipal Code was amended in June and August of 2017 to allow Manufacturing Level 2 (CA Type 7 and Distribution (CA Type 11.) The Municipal Code was amended in August 2018 to allow Non-Storefront Delivery (CA Type 10).

Staff review of the proposed use and its impacts indicates that the use as proposed is consistent with the evaluation and findings of the previously approved MND with no potentially significant impacts. It is therefore exempt from additional CEQA review per CEQA Guidelines §15332 (infill development projects).

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:

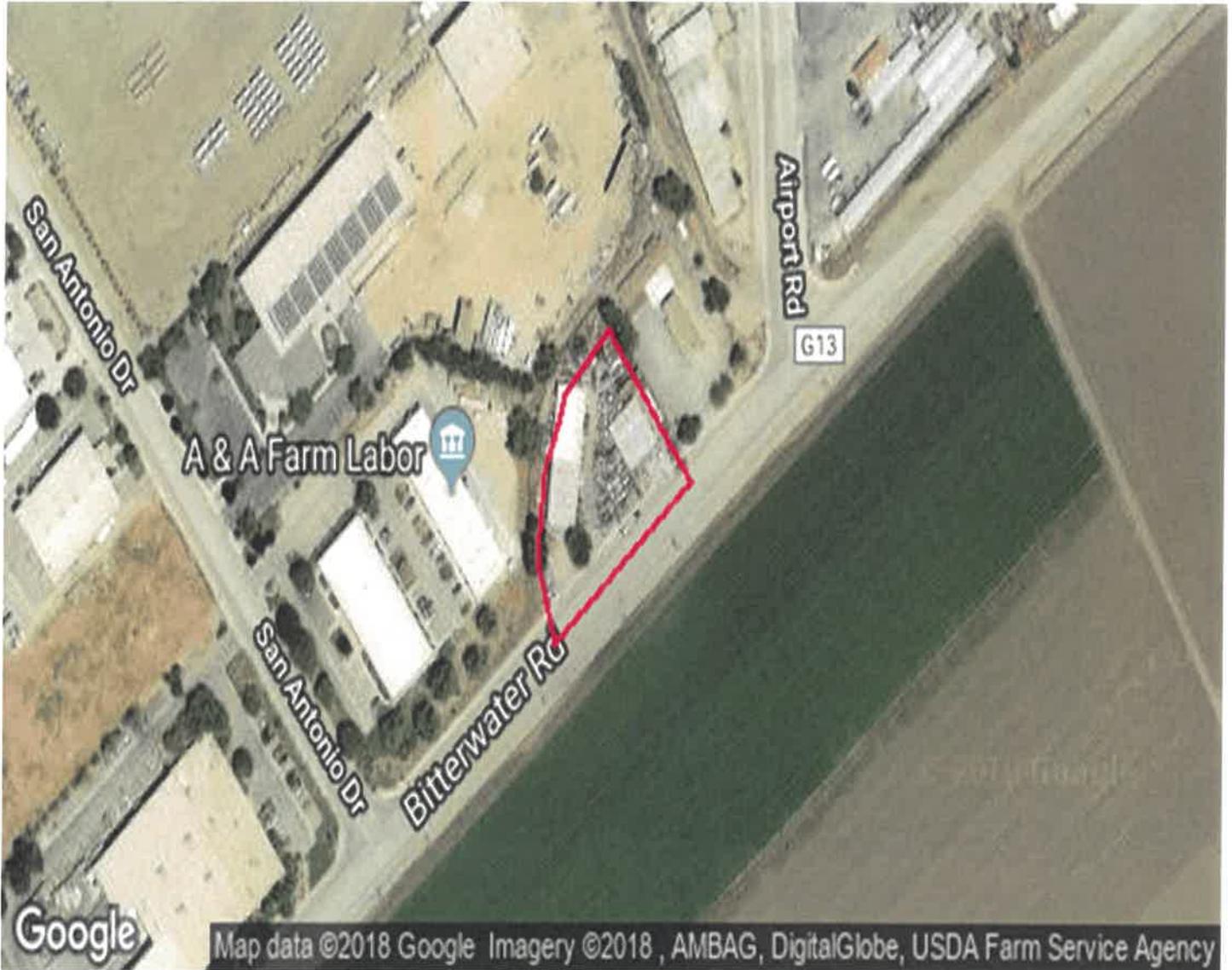
1. Location
2. Photos of Existing Site
3. Site Plan
4. Floor Plan
5. Camera Plan
6. Phasing
7. Landscape and Fencing
8. Conditions of Approval
9. Resolution No. 2017 – 246

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

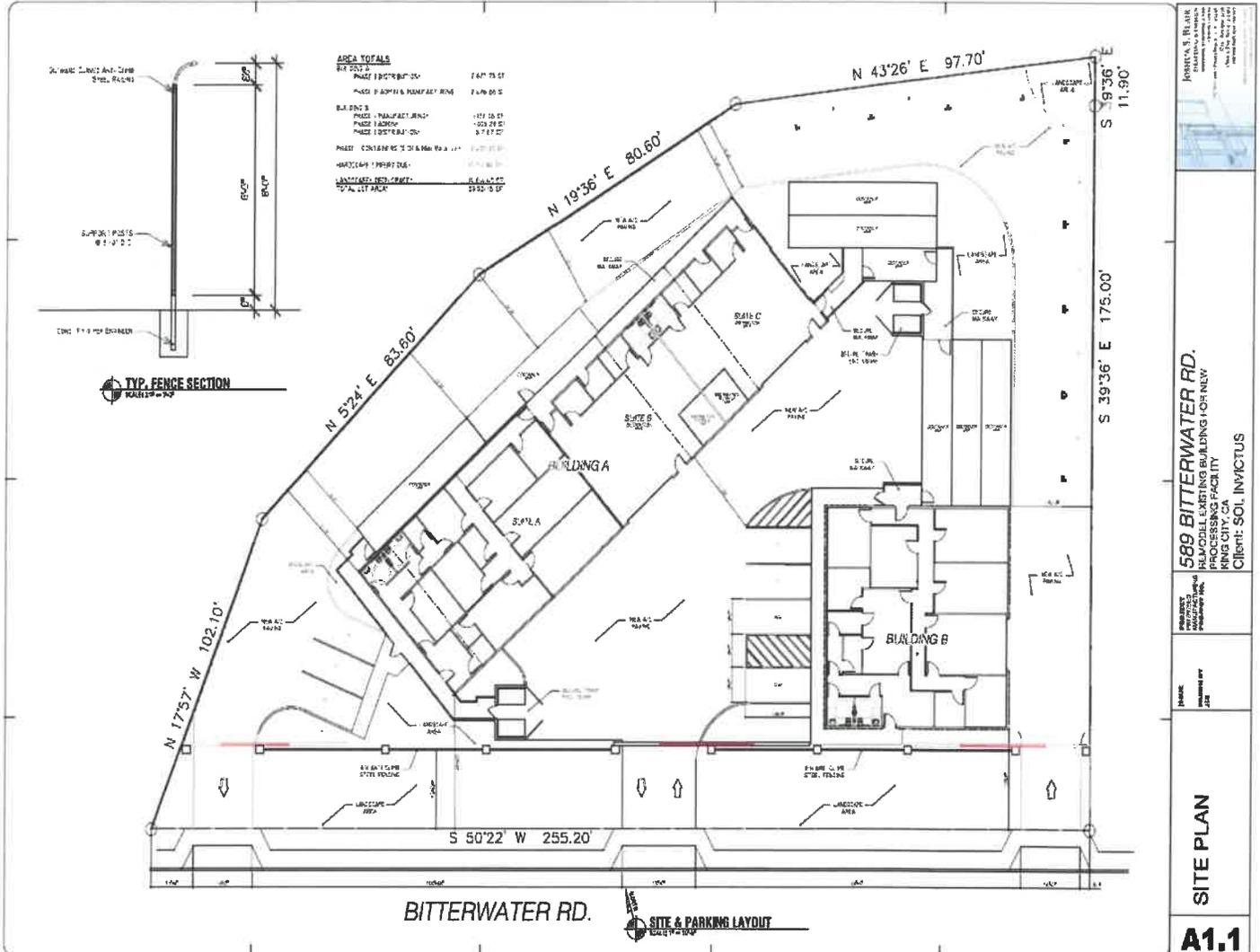
CUP 2018 – 007
EXHIBIT 1: LOCATION



CUP 2018 – 007
EXHIBIT 2: SITE PHOTOS

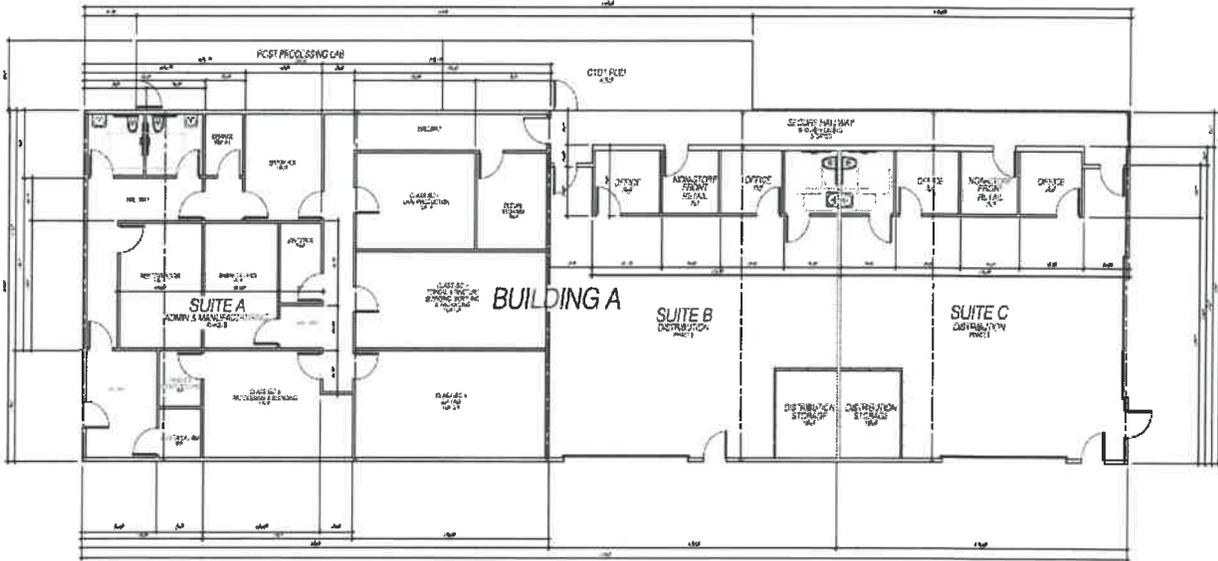


CUP 2018 – 007
EXHIBIT 3: SITE PLAN



A1.1

CUP 2018 – 007
EXHIBIT 4: FLOOR PLAN



PROPOSED FLOOR PLAN BUILDING A

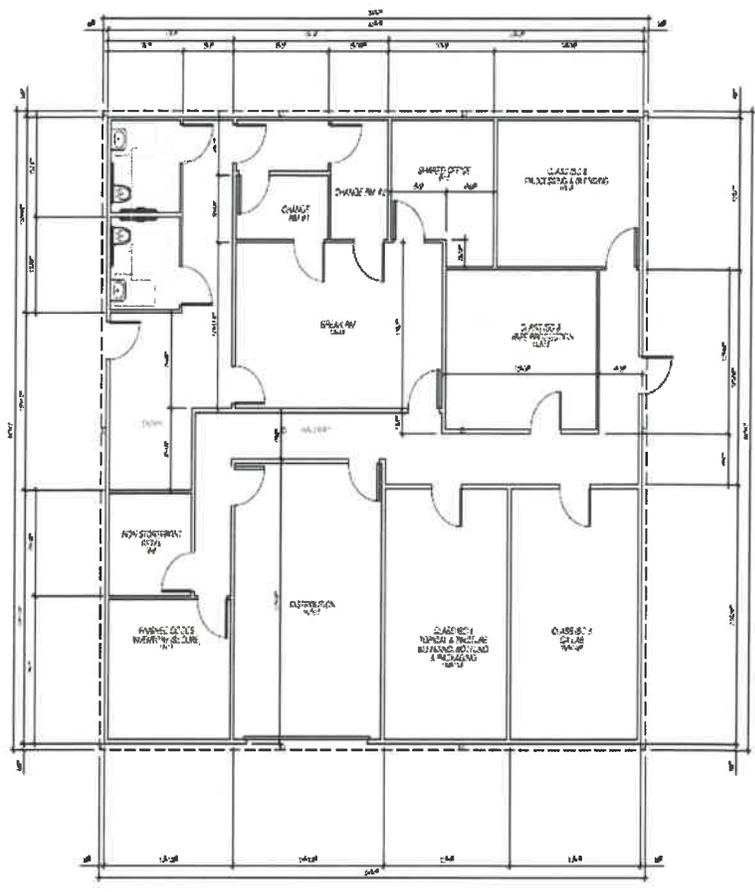


589 BITTERWATER RD.
 REMODEL EXISTING BUILDING FOR NEW
 PROCESSING FACILITY
 KING CITY, CA
 Client: SOL INVICTUS

ARCHITECT
 PROJECT NO. 18-001
 DATE: 08/2018

**BUILDING A
 LAYOUT**

A2.1



BUILDING B
 8/23/2018



589 BITTERWATER RD.
 REMODEL EXISTING BUILDING FOR NEW
 PROCESSING FACILITY
 KING CITY, CA
 Client: SOL INVICTUS

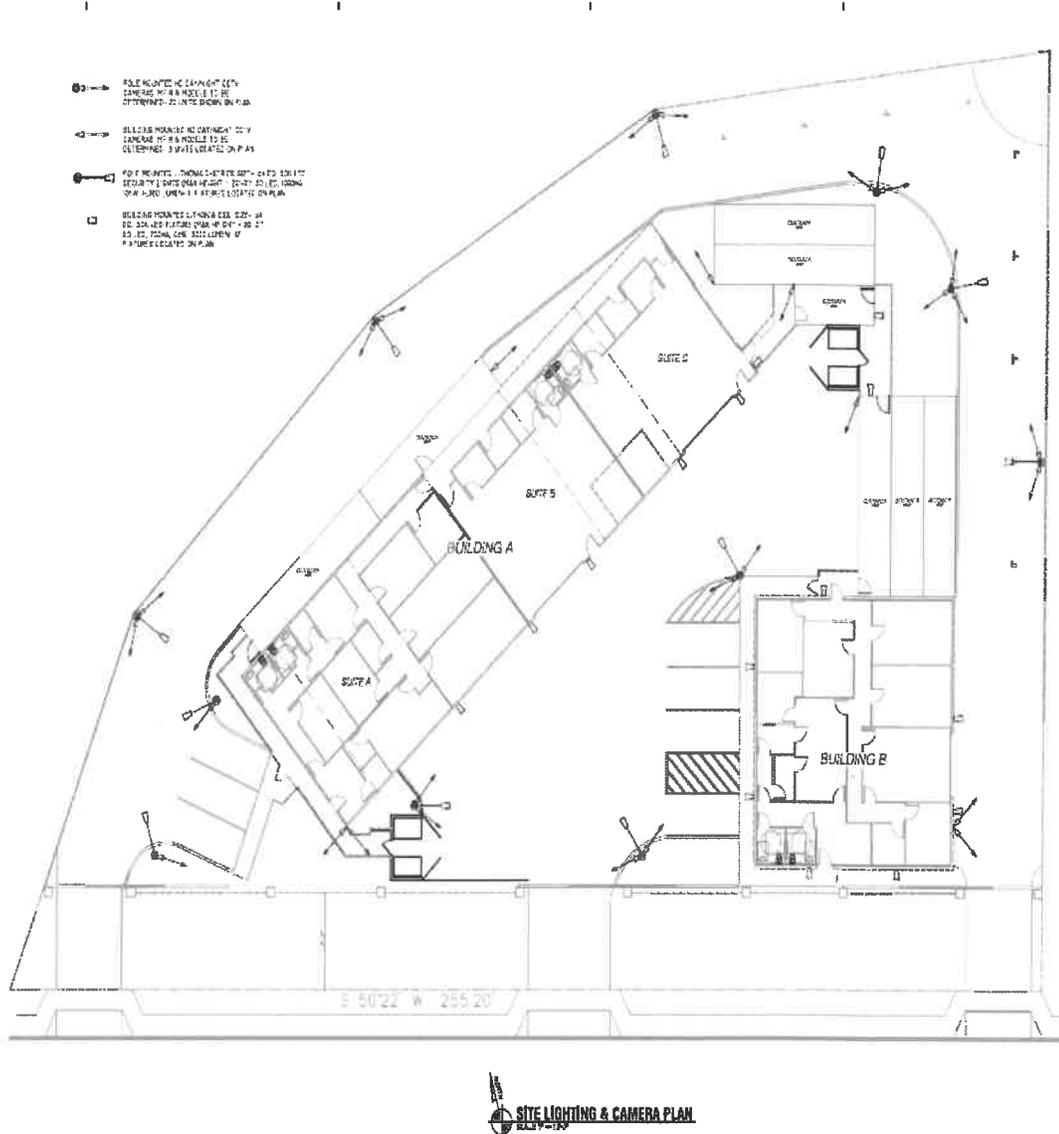
PROJECT
 ARCHITECT
 8/23/2018

SCALE
 1/8" = 1'-0"

BUILDING B
LAYOUT

A2.2

CUP 2018 – 007
EXHIBIT 5: CAMERA PLAN



589 BITTERWATER RD.
 PROPOSED BUILDING FOR NEW
 PROCESSING FACILITY
 KING CITY, CA
 Client: SOL INVICTUS

SITE LIGHTING & CAMERA PLAN

A1.2

CUP 2018 – 007
EXHIBIT 6: PHASING



Conditional Use Permit Application
Cannabis Permit Application
APN: 026-521-005-000

EXHIBIT 4: Phase 1 and Phase 2 of site development and Building

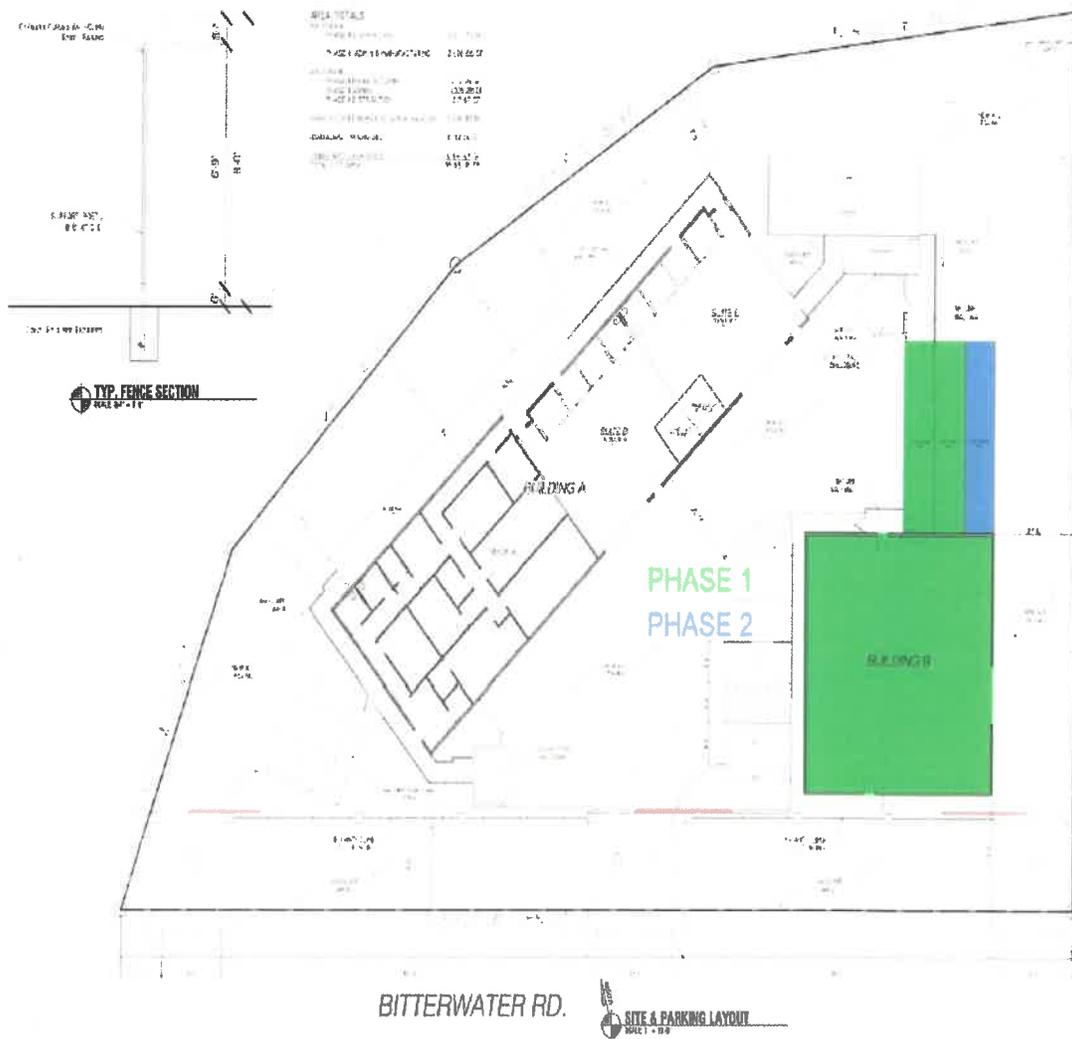


Air Water Sunlight, LLC
Conditional Use Permit Application
Cannabis Permit Application
APN: 026-521-005-000

EXHIBIT 4: Phase 1 and Phase 2 of site development and Building



EXHIBIT 4: Phase 1 and Phase 2 of site development and Building



Pending final design - To be added upon completion of architectural & engineering plans

White Dots Herb



Yucca

White Flowering Asterisk Plant



Lily

Purple Leaf Flowering Plant



Copper Canyon City

Evergreen Tree



Plant Notes

- 1) Read working drawings to determine irrigation plan.
- 2) Check location of plants on site to be assured as to best concrete and adjacent road locations, utility locations, and notes.
- 3) Use 1-2/2 inch deep mulch in all planting areas. Provide same with different width samples and prices. Use samples that will not blow away in the strong wind.
- 4) All plants with hollows must have permanent underground watering holes 2' high.
- 5) Install plants for all plant orders shown on the plan even if they aren't labeled. Call for information. For planting purposes, if no size is available to serve quantities, assume that any plant order should be less than 1/2 size to 5 gal size and any other noted larger to 15 gal. size.
- 6) The plan is not to scale. Don't install plants too close to edges of parking or buildings. If two plants are not showing against their plans, coordinate, the location. Make sure they are properly spaced and 4' to 6' apart.

PLANT LIST

- C/Size Name
- Trees
- 1/15 gal - Pines Knolls - Douglas Pine
 - 1/15 gal - Pines Knolls - Purple Leaf Flowering Plant
- Shrub
- 2 1/2 gal - Eucalyptus parviflora 'nana' - Yellow Damp Bush
 - 2 1/2 gal - Copper Canyon City - White Flowering Asterisk Plant
- * Plants listed in quotes
- 2 1/2 gal - Name of the following:
- Adiantum species - Fern
 - Hebe species - Shrub
 - Yucca species - Shrub
 - Yucca species - Shrub
- GRAVEL



CHAIN LINK



METAL ROD FENCE-GALV



5889 BITTERWATER RD.
 BEECHER BLDG BUILDING FOR NEW
 RECREATION FACILITY
 KING CITY, CA
 Client: SOL INVICTUS

PREPARED BY
 LANDSCAPE ARCHITECT
 FARMERS INC.

SCALE
 1" = 10'

LANDSCAPE
 PLAN

L2



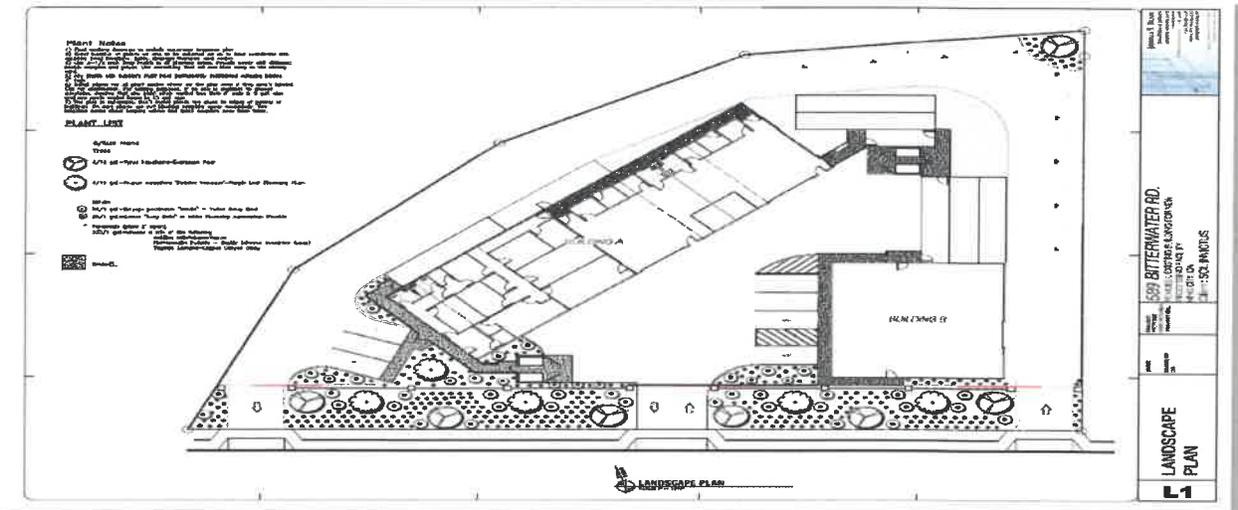
EXHIBIT No. 8

**Case Number: COA 2018 – 008
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: MD BIODESIGN.

1. Assessor's Parcel No(s): 026-521-005
2. Job Address: 589 Bitterwater Road
3. Street Location: Same
4. Existing Zoning: M-1 District
5. Planned Land Use: General Plan: LI (Light Industrial);
6. Plan Area: East Ranch Business Park Specific Plan
7. Project Description: CUP Case No. 2018-007 is a request to allow Commercial Cannabis uses two existing structures located at 589 Bitterwater Road adjacent to the ERBP-SP, in the M-1 Zoning District, as generally depicted in the attached diagram, below.

The projected development is on approximately .82-acres which currently includes two existing structures of approximately 7,826-sf – formerly the site of Leyva's Towing. No new additions to the structures are proposed, however, new manufacturing “pods” will be located to rear of the site. Existing parking and landscaping will be substantially renovated.



PART B – GENERAL CONDITIONS AND REQUIREMENTS

On September 27, 2016 the City Council approved Ordinances 2016- 728, 729 and 730, amending Municipal Section 17.03 of the Zoning Code to allow Medical Cannabis cultivation, nursery, manufacturing and testing uses (Types 2A,2B, 3A,3B, 4, 6 and 8.) The M-1, M-2 and M-3 Districts and the East Ranch Business Park Specific Plan (ERBPSP) were amended at that time to allow the uses in those specific zoning districts

A Mitigated Negative declaration (MND) was also prepared to evaluate potential and cumulative impacts of the proposed use types. It was approved on September 27, 2016 at the time that the change to the Zoning Code was approved. In August 2017 Ordinances 2017- 745 and 746 amended the Municipal Code to allow Manufacturing Level 2 (CA Type 2) and Distribution (CA Type 11). Ordinances 763 and 764 amended the Municipal Code to allow Non-Storefront Delivery.

Staff review of the proposed use and its impacts indicates that the use as proposed is consistent with the evaluation and findings of the previously approved MND with no potentially significant impacts. It is therefore exempt from additional CEQA review per CEQA Guidelines §15332 (infill development projects).

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.

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 via email at scottbruce11@gmail.com if you have any questions regarding the conditions of approval (COA).

COMMUNITY DEVELOPMENT DEPARTMENT:

1. **Allowed Use:** Manufacturing (CA Type 7), Distribution (CA Type 11), Non-Storefront Delivery (CA Type 10)
2. **Structures :** The existing structures total 7,826-sf in one story, accessed off of Bitterwater Road. Nine new CIDI “pods” will be added totaling 2,400-sf . Colors are to be Cool Straw Gold and Cool Dark Bronze – to be reviewed / approved by Planning Commission during separate Architectural Review. These colors are consistent with the surrounding area. Minor 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 / designee. Construction / Development shall conform to Application Package as presented, to the satisfaction of the Community Development Director or designee
3. **Parking:** Parking will conform to the Plan and Application Package as Submitted. New parking and paving area will be installed. Parking shall drain to landscaped areas – post development runoff shall not exceed the existing condition, to satisfaction of City Engineer. Future parking expansion (if any) must be approved through CUP amendment..
4. **Landscaping:** Landscaping will conform to concept plans and Application Package as submitted. Final plans will be in conformance with Municipal Code Chapter 15.50, to be reviewed and approved by Planning Commission during separate Architectural Review. Landscape / Irrigation Plans shall be presented to and approved by City Engineer prior to Building Permit approval and Landscape Installation. The landscaping shall be maintained in a healthy condition in perpetuity.
5. **Lighting:** Security Lighting is proposed to be mounted on the structure and on poles in the parking area not to exceed 30 feet in height. A lighting plan must be approved 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:** No signage has been requested at this time. Any signage shall conform to the requirements of Section 17.03 of the City of King Zoning Code. 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:** New fencing along Bitterwater Drive shall be wrought iron and eight (8) feet in height. All other perimeter fences shall be “no climb” chain link, six (6’) foot in height with barbed wire, to a maximum of eight (8) feet with vertical slats woven into the chain link.
8. **Odor:** Odor management measures shall be as per the project application and shall at all times conform to the most recent version of Municipal Code Section 17.03.210(i). Charcoal filters shall be replaced every three months or less. If a complaint is filed with the City Manager’s Office, it shall be addressed per the most recent version of the Municipal Code.,

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 / Regulatory Permit Package
2. **Sprinklers:** Building will be improved with sprinklers.



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

- 1 **Scope of Work Description:** Scope of work shall conform with that found in the CUP / Regulatory Permit Package.
- 2 **Sidewalk:** Right of Way improvements (if any) shall be to satisfaction of City Engineer.
- 3 **Driveway Approach Revisions:** Sidewalk to be at 2% maximum cross fall across driveways per ADA requirements.
- 4 **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 Bitterwater Road Right-of-Way.
- 5 **Parking and Paving:** All parking spaces and access to spaces will be paved. Access to dumpster must be paved. All paving to be to satisfaction of City Engineer.
- 6 **Grading and Drainage:** Grading and drainage will be to satisfaction of City Engineer and Regional Water Quality Control Board.

OPERATIONS PERMIT:

Renovations shall comply with and Operations be subject to full compliance with Section 17.03 of the City of King Zoning Code as amended and the Regulatory Application Package.

- A. **Operations Permit:** A Conditioned Operations Permits and / or Authorization to Operate shall be approved by the City Manager and will remain 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 Regulatory Application / as approved by HdLCity 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 the driveway access to the street.
- C. **Security Systems:** Security systems shall be in conformance with those presented in the Application Package, to the satisfaction of the Chief of Police and the City's Consultant. A camera compatible with the City-wide surveillance system shall be located at the primary entry to the site.
- D. **Volatiles:** The Applicant has indicated that CO₂, Butane and Ethanol will be used in the extraction process. Volume, storage techniques, deliveries and safety pre-cautions must be to the satisfaction of the City of King Fire Marshall and Police Departments in compliance with Section 17.03.270 (a) and (b)
- E. **Solid Waste:** Solid waste disposal shall be in compliance with County of Monterey Health Department and Waste Management, Inc. requirements.
- F. **Odor Control:** Odor shall be controlled at all times per the Regulatory Application Section I and the most current version of Section 17.03.210 (i) of the City of King Zoning Code. If an odor related complaint is received by the City Manager's Office, it will be addressed per the direction of the Municipal Code. City Zoning Code. Odor caused by outdoor dumpsters will be addressed in a similar
- G. **Air Quality:** Venting shall be in compliance with Monterey County Air Resources Board Standards.



- H. Employee Background Checks:** Employees shall be vetted (background checks) through the standardized King City process, in compliance with the Regulatory Application Package and Section 17.03.210 (k) of the City's Zoning Code. After the Applicant is fingerprinted at the Police Department, Staff will send the Applicant additional information, to be submitted to a third party HdL / Intelifi who will then perform the check. Results will be provided to Applicant and City of King.
- I. Hours of Operation and Employees:** The Applicant has indicated that the facility will be potentially be in operation between 24 hours per day. Shifts of no more than 22 employees will be on site during this period. Onsite parking will be sufficient to cover overlap periods. No persons under the age of 21 will be allowed on site.
- J. Work Permits and Fees:** Work Permits shall be issued in conformance with Section 17.03.070 (a). Fees shall be as set by the City Council.
- K. Indemnification Agreement:** A signed Indemnification Agreement shall be in place prior to Issuance of the Regulatory Permit. Such agreement shall be approved by the City Attorney and conform to the requirements of Section 17.03.160. Said agreement shall prevail over Hold Harmless and Indemnification Clause attached hereto.
- L. Record Keeping:** Financial and Product Record shall comply with the Regulatory Application Package and the requirements of Section 17.03.180.



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 International., Aleshire & Wynder, LLP attorneys; Hanna & Brunetti, Aleshire & Wynder, LLP attorneys), employees and agents (including Earth Design, International, and Hanna & Brunetti) 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 (including Earth Design, Inc, Aleshire & Wynder, LLP, and Hanna & Brunetti) 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 and approvals taken to provide related environmental clearance under 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 (including Earth Design, Inc., Aleshire & Wynder, LLP, Hanna & Brunetti,) 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 (including Earth Design, Inc., Hanna & Brunetti, Aleshire & Wynder, LLP attorneys), attorneys, employees and agents (including Earth Design, Inc., and Hanna & Brunetti) 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 its staff 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. 2018-246

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING,
APPROVING CONDITIONAL USE PERMIT CASE NO. CUP 2018-007**

WHEREAS, on **November 15, 2018** Sol Invictus, LLC submitted an application to allow Medical Cannabis Manufacturing (CA Type 7), Distribution (CA Type 11), Non-Storefront Delivery (CA Type 10) in two (2) existing structures and nine (9) CIDI “pods” located at 589 Bitterwater Road in the M-1 (Light industrial) zoning district;

WHEREAS, on **November 28, 2018** notice of Public Hearing was provided by the City in the Rustler;

WHEREAS, the proposed uses are consistent with the General Plan and are allowed in the Light Industrial land use designation and M-1 (light industrial) zoning district with the approval of a Conditional Use Permit

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

WHEREAS, the Project is Categorically Exempt under CEQA §15332 (Infill Projects), and there are no applicable exceptions to the Categorical Exemption per CEQA Guidelines §15300.2;

WHEREAS, the establishment, operation and maintenance of the use as presented will not be detrimental to the health, safety, morals and general welfare of persons in the surrounding area and East Ranch Business Park (the Neighborhood);

WHEREAS, the Commission has reviewed the staff report, accepted public testimony, and considered all other relevant information during the duly noticed public hearing on **December 18, 2018**;

WHEREAS: The Commission makes the followings Findings of Facts:

1. The purpose of the proposed Commercial Cannabis Uses (Manufacturing, Distribution, Non-Storefront Delivery) is 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 proposed use is consistent with the General Plan Land Use Designation (GI) General Industrial and the Uses and Standards of the Light Manufacturing (M-1) Zoning District.
3. The proposed uses will be wholly contained within the existing structures and new C1D1 “pods”;
4. The entire lot will be fenced – existing fencing will be improved and / or replaced, (6’ non-climb chain link with 2’ maximum barbed wire, with slats) to meet the Conditions of Approval. An 8’ wrought iron fence will be located along Industrial Drive.
5. The lot will be accessed through three gates from Bitterwater Road.
6. New pavement and parking area will occur per the Application Package.
7. Right of Way improvements shall be to the satisfaction of the City Engineer.
8. New landscaping will be installed per the Application Package concept. Architectural Review will occur at the time that construction plans are available. Plans must be, in conformance with Chapter 15.50 of the Municipal Code. Detailed plans must be submitted and approved prior to issuance of any Building Permit.
9. All processes and interior construction / building improvements, exterior painting and, security / operating procedures will be in conformance with the CUP / Regulatory Permit Application Package, as submitted and / or as conditioned and with City of King Zoning Code section 17.03.

10. Architectural Review for colors, materials and landscape architecture / plans has not occurred and will be scheduled prior to Building Permit approval.
11. The buildings will be sprinkled.
12. Maximum Number of Employees and approximate number of delivery trips (to satisfaction of Community Development Department) shall be consistent with Application Package
13. Power and Water are available and are required prior to/concurrent with building construction

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 not will be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the City. Therefore, the Commission approves Conditional Use Permit Case No. CUP 2018-007..

This resolution was passed and adopted this **16th day of October, 2018** by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

DAVID NUCK, CHAIRPERSON

ATTEST: _____

ERICA SONNE DEPUTY CITY CLERK for MARICRUZ AGUILAR-NAVARRO, ASSISTANT PLANNER /
PLANNING COMMISSION SECRETARY



Item No. 7(C)

REPORT TO THE PLANNING COMMISSION

DATE: DECEMBER 18, 2018

TO: HONORABLE CHAIR AND MEMBERS OF THE PLANNING COMMISSION

FROM: DOREEN LIBERTO BLANCK, COMMUNITY DEVELOPMENT DIRECTOR;

BY: SCOTT BRUCE, PRINCIPAL PLANNER

RE: CUP 2016-012(a)18, COMMERCIAL CANNABIS MANUFACTURING (CA TYPE 7), DISTRIBUTION (CA TYPE 11) and NON-STOREFRONT DISPENSARY (CA TYPE 10): 135 E SAN ANTONIO DRIVE, CITY OF KING; APN's 026-521-040 and 026-521-008); KING CITY CULTIVATION.

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 Case No. 2016-012(a)18.

BACKGROUND:

In September 2016 the City Council approved an amendment to the City's Zoning Code and to the East Ranch Business Park Specific Plan (ERBP-SP, 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 (Light Industrial) M-1, M-2 and M-3 Districts and in the ERBP-SP. Since that time, the Code has been amended twice (June and August 2017) and a number of Permits have been approved through the conditional use permit (CUP) and Operations Permits processes. This current application is to add uses (Manufacturing (CA Type 7), Distribution (CA Type 11, Non-Storefront Delivery (CA Type 10) to an approved Conditional Use Permit on a lot at 135 East San Antonio Drive.

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.

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

DISCUSSION: *The following was presented as part of CUP 2016-012, approved by the Commission on June 06, 2017.*

Overview:

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 be the MTS Location)
- To the south is San Antonio Drive with L.A. Hearne beyond
- The parcel to the west is under construction (Santa Maria Seeds) 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 per the previous site plan is from East San Antonio Drive with an “exit only” onto Metz Road

Eight (8) two story buildings were previously proposed to be used for Medical Cannabis Cultivation, compliant with 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 were proposed to allow Medical Cannabis Nursery, compliant with the future CA State License Type 4.

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

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

Building Setbacks: Buildings were to 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.

Reciprocal agreements / easements were required to allow joint access / utilities unless the two parcels were combined.

CUP Information: *The following is taken from the previous Staff Report, approved as presented.*

Architecture:

The proposed structures will be 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 3.**

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.

No changes to the previously architecture have been presented.

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.

No revisions to floor plans to allow the newly requested use types have been presented.

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 4.**

No changes to Landscape Plans have been presented.

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.

No changes to grading and / or drainage concepts have been presented.

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 2**

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).

No changes to access, paving, parking (or employee counts) have been presented.

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 5**

No changes to signage have been presented

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. 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. **Per Original Document, "H"**.

No changes to Security have been presented.

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. **Per Original Document, Document "J"**.

No changes to Solid Waste have been presented. It is anticipated that replacing Cultivation Area with other uses would reduce the amount of Solid Waste produced.

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. **Per Original Document "K"**.

No changes to Water Use have been presented. It is anticipated that replacing Cultivation Area with other uses would reduce the amount of Water Used.

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.

No changes to the Landscaped Area have been presented.

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 3.** Internal temperature for grow rooms will range between 70 and 78 degrees. **Per Original Document, "L"**.

No changes to the Power Use have been presented. It is anticipated that replacing Cultivation Area with other uses would reduce the amount of power being used.

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 Original Conditions of Approval, Exhibit 8.

No changes to air conditioning have been presented. It is anticipated that replacing Cultivation Area with other uses would reduce the need for air conditioning and reduce the level of noise.

Regulatory Permit Related Information:

10 Conditioned Operations Permits were issued on June 30, 2017. Since that time, financial issues have forced the anticipated Operator to separate from the project. The 10 Permits have expired.

The Land Owner remains the same. Note that the CUP runs with the land. The owner has identified a potential Operator for a portion of the site.

Although the CUP is more than one year old, a significant amount of design work and search for new Operator(s) has occurred and is occurring.

The Applicant has not submitted an Operations Package outlining specific Manufacturing, Distribution and / or Non-Storefront Dispensary locations, procedures and impacts. An Application Package addressing Operations must be reviewed and approved by Staff prior to issuance of Conditioned Operations Permits

The following is taken from the previous Staff Report, approved as presented.

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.

No changes to employee counts have been presented.

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. **Per Document “F” and “G”**. One to two semi-truck and trailers are anticipated per week – providing fertilizers and materials.

No changes to Shipping and Transport have been presented.

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. **Per Original Document “I”**.

No changes to Odor Program have been presented. It is anticipated that replacing Cultivation Area

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 King City Cultivation personnel at all times during their visit who will record employee and guest access as well as recording all visits and access to secure areas by identity. Persons under the age of 21 will not be allowed on site. **Per Original Document “H”**.

No changes to the Security Program have been presented.

Employee Vetting: No person under 21 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”**

The vetting procedure is a standard City procedure and will not change.

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.

No changes to Employee Training have been presented.

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. **Per Original Document “C”**.

No changes to Quality Control have been presented.

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.

The City no longer requires this Program.

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). **Per Original Document "N"**.

Compliance will be required for all uses / users on site.

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 conducted an Initial Study related to this proposed project (CUP 2016-012) and determined the project was fully within the scope of the prior analysis by the MND. The Planning Commission Adopted a Finding of Consistency per CEQA Guidelines Section 15162.

Staff review of the proposed uses (Manufacturing (Type 7), Distribution (Type 11), Non-Storefront Delivery (Type 10) and their impacts indicates that the uses as proposed are consistent with the evaluation and findings of the previously approved MND with no potentially significant impacts. This request is therefore exempt from additional CEQA review per CEQA Guidelines §15332 (infill development projects).

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. Continue the item for additional information
4. Provide alternative direction to Staff.

EXHIBITS:

1. Location
2. Site Plan
3. Elevations
4. Landscape Plan
5. Sign
6. Conditions of Approval
7. Resolution 2018 – 247

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

Submitted by: *Scott Bruce*
SCOTT BRUCE, PRINCIPAL PLANNER

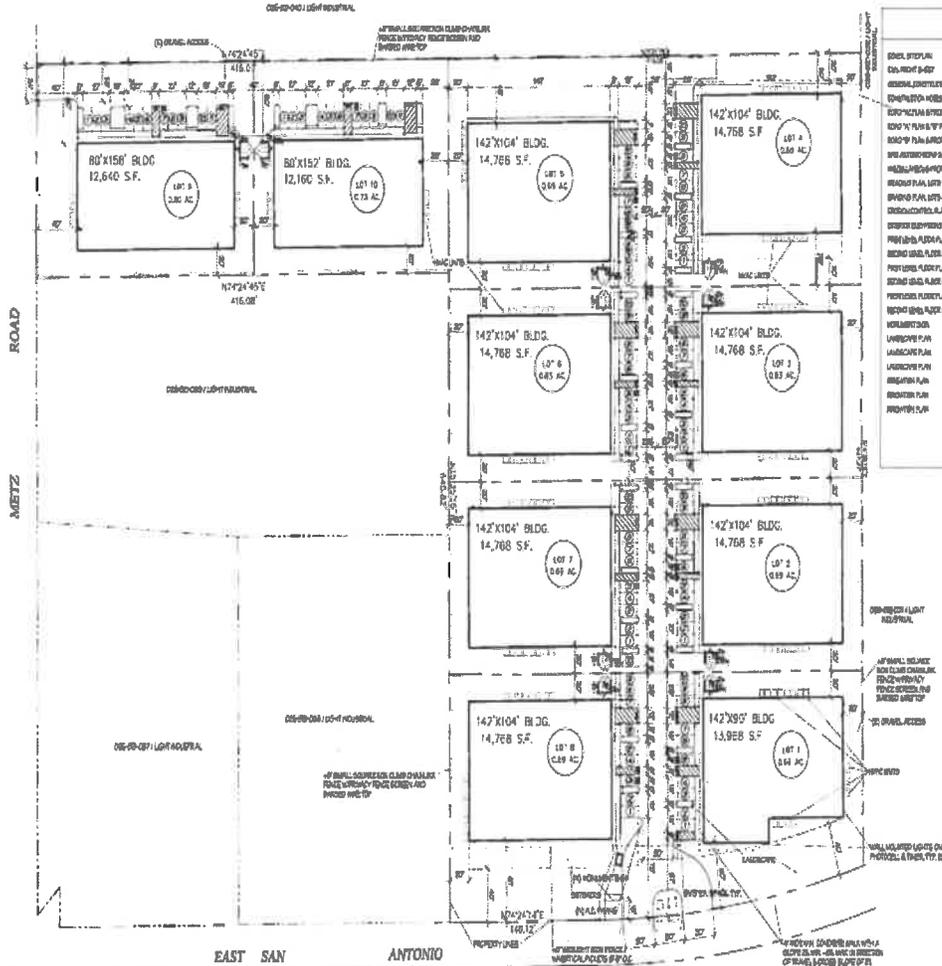
Approved by: *Doreen Liberto-Blanck*
DOREEN LIBERTO-BLANCK, AICP, COMMUNITY DEVELOPMENT
DIRECTOR

CUP 2016 – 012(a)18
EXHIBIT 1: LOCATION



CUP 2016 - 012(a)18

EXHIBIT 2: SITE PLAN



SHEET INDEX		VICINITY MAP	
001. SITE PLAN	01		
002. FLOOR PLAN	02		
003. SECTION	03		
004. EXTERIOR ELEVATION	04		
005. INTERIOR ELEVATION	05		
006. MECHANICAL PLAN	06		
007. ELECTRICAL PLAN	07		
008. PLUMBING PLAN	08		
009. LANDSCAPE PLAN	09		
010. OTHER	10		
STATISTICS		<p>LOT AREA: 1.25 AC</p> <p>LOT 1: 0.25 AC</p> <p>LOT 2: 0.25 AC</p> <p>LOT 3: 0.25 AC</p> <p>LOT 4: 0.25 AC</p> <p>LOT 5: 0.25 AC</p> <p>LOT 6: 0.25 AC</p> <p>LOT 7: 0.25 AC</p> <p>LOT 8: 0.25 AC</p> <p>LOT 9: 0.25 AC</p> <p>LOT 10: 0.25 AC</p> <p>LOT 11: 0.25 AC</p>	

SITE PLAN
Part 02

EDWARD L. RINEHART
AIA ARCHITECT

DEVELOPMENT FOR:

KING CITY CULTIVATION

GAST SAN ANTONIO DR.
KING CITY - CALIFORNIA 95300

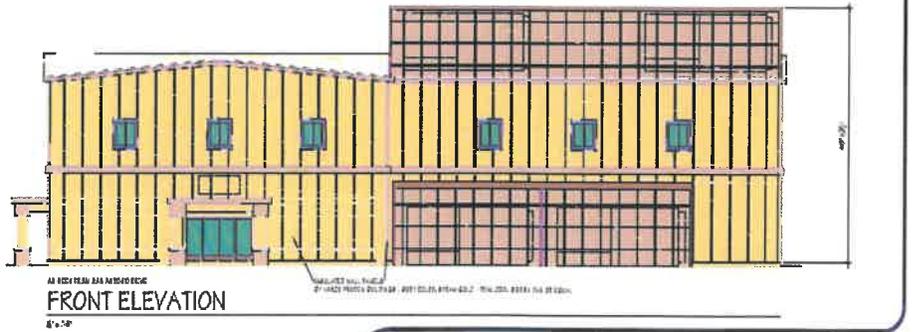
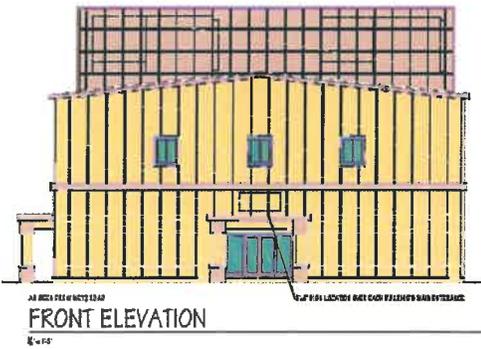
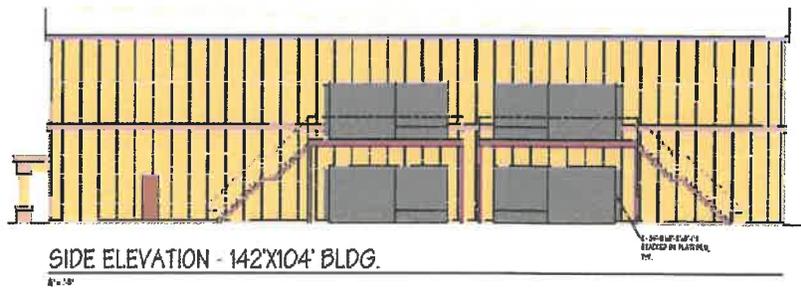
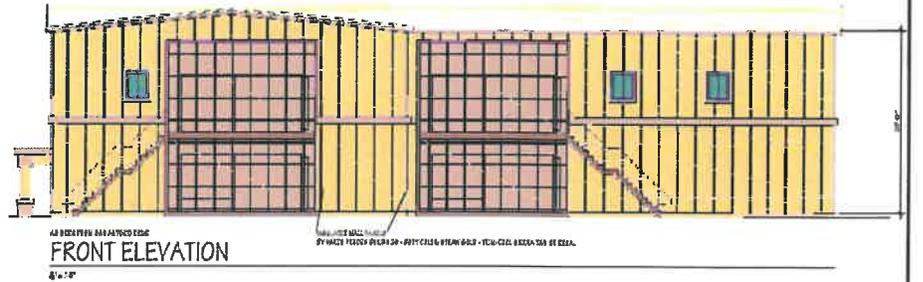
SHEET NO.

A-1

OF 7 SHEETS

107 CHURCH STREET - SALEM - CALIFORNIA 95901
Phone: (531) 422-0488 Fax: (531) 422-0522
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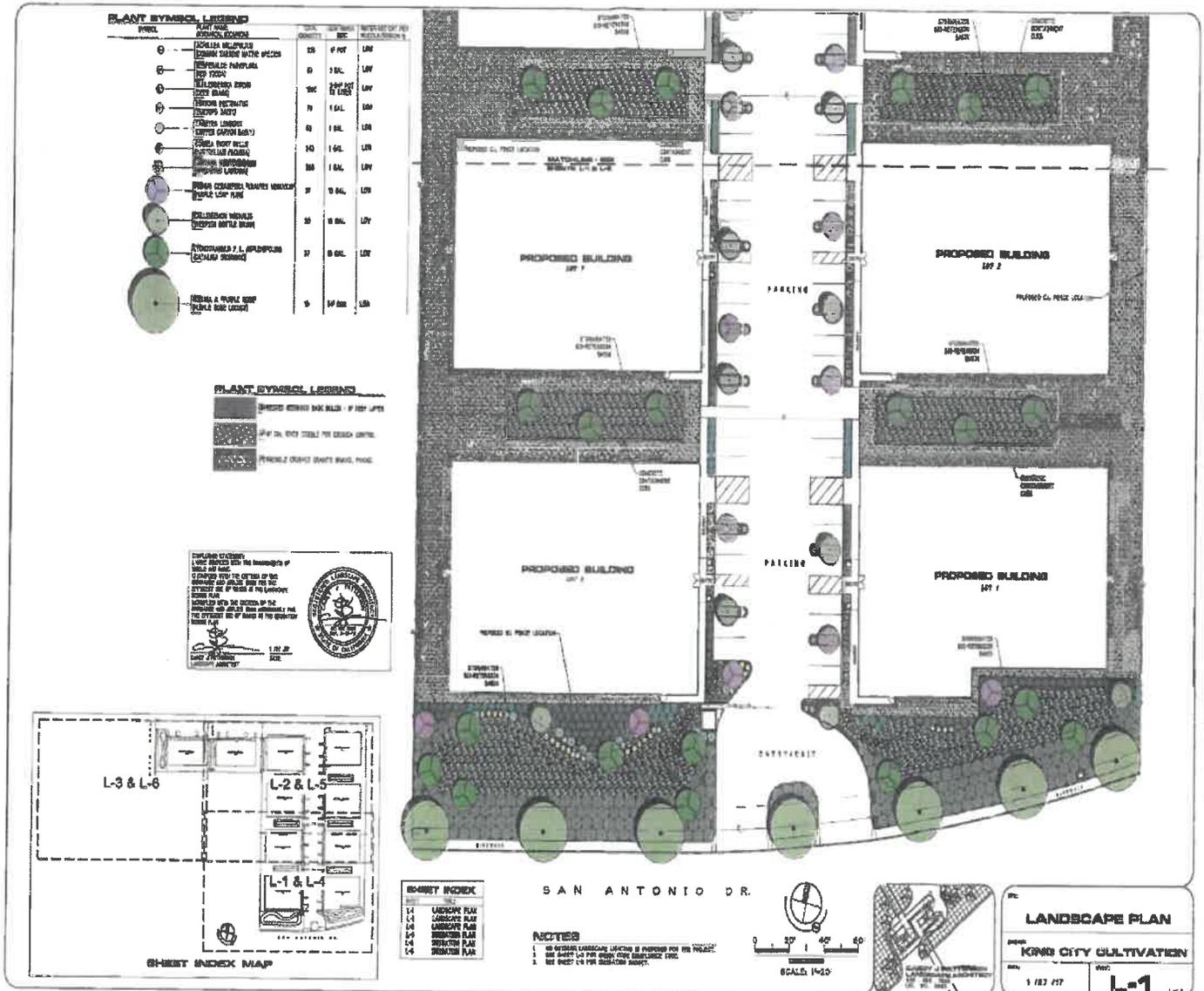
CUP 2016 – 012(a)18
EXHIBIT 3: ELEVATIONS

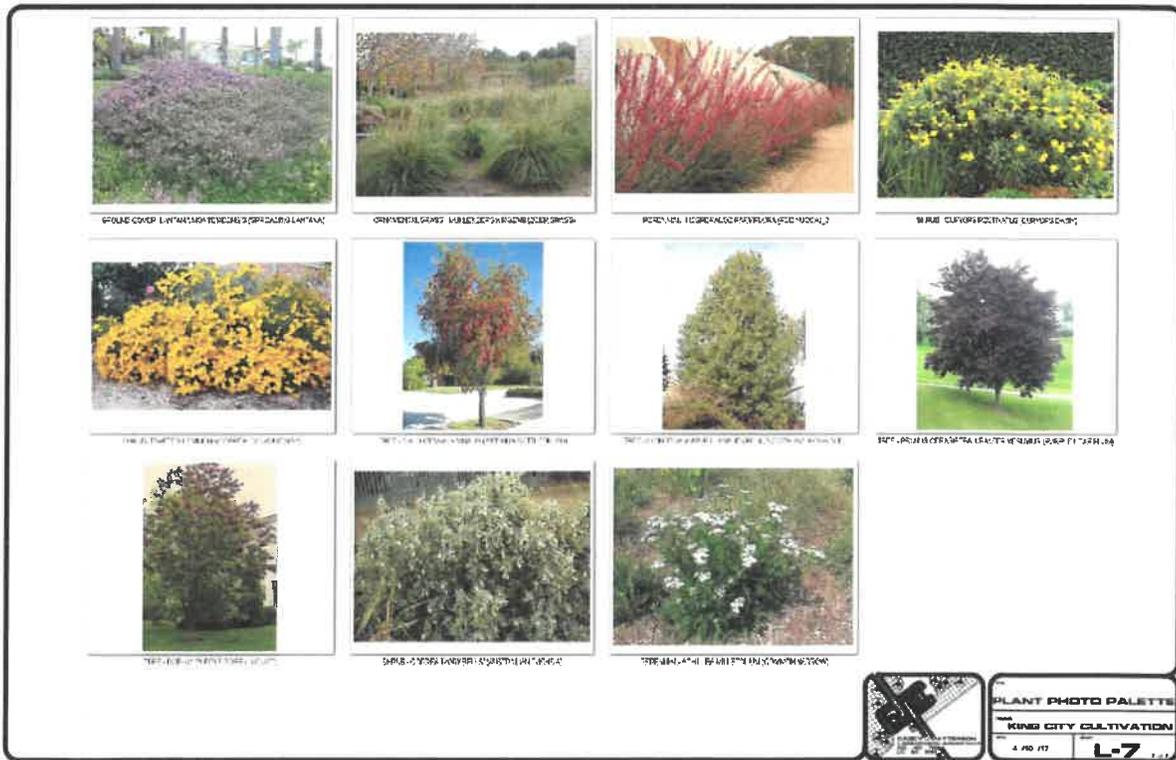
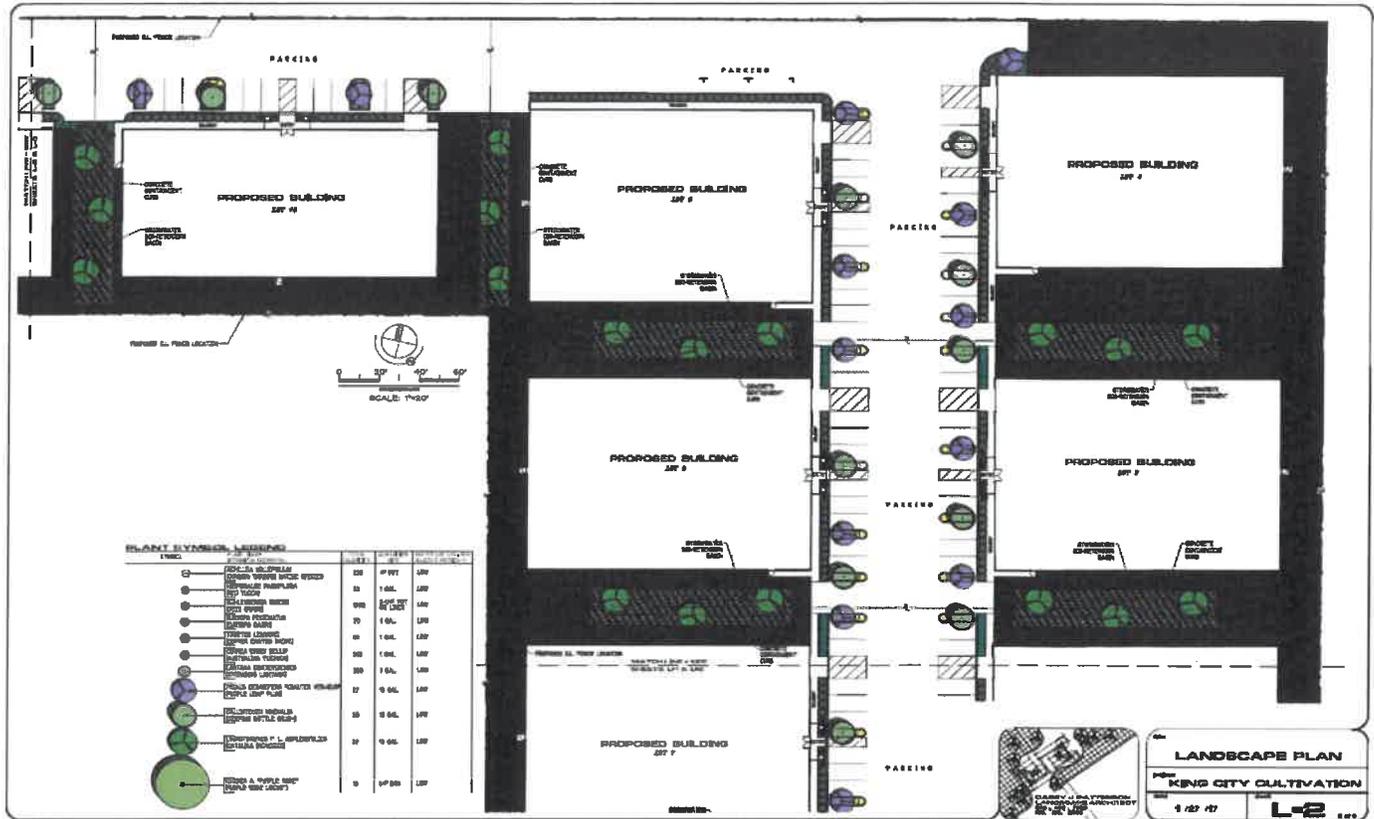


	EDWARD L. RINGHART A.I.A. ARCHITECT	DEVELOPMENT FOR: KING CITY CULTIVATION EAST SAN ANTONIO DR. KING CITY - CALIFORNIA 95930	SHEET NO. A-2 OF 3 SHEETS
	107 CHURCH STREET - SALINAS - CALIFORNIA 95901 Phone : (831) 432-4048 Email : admin@edwardringhart.com	REVISIONS: _____ _____ _____	DATE: 08/06/14

CUP 2016 - 012(a)18
 EXHIBIT 4: LANDSCAPE

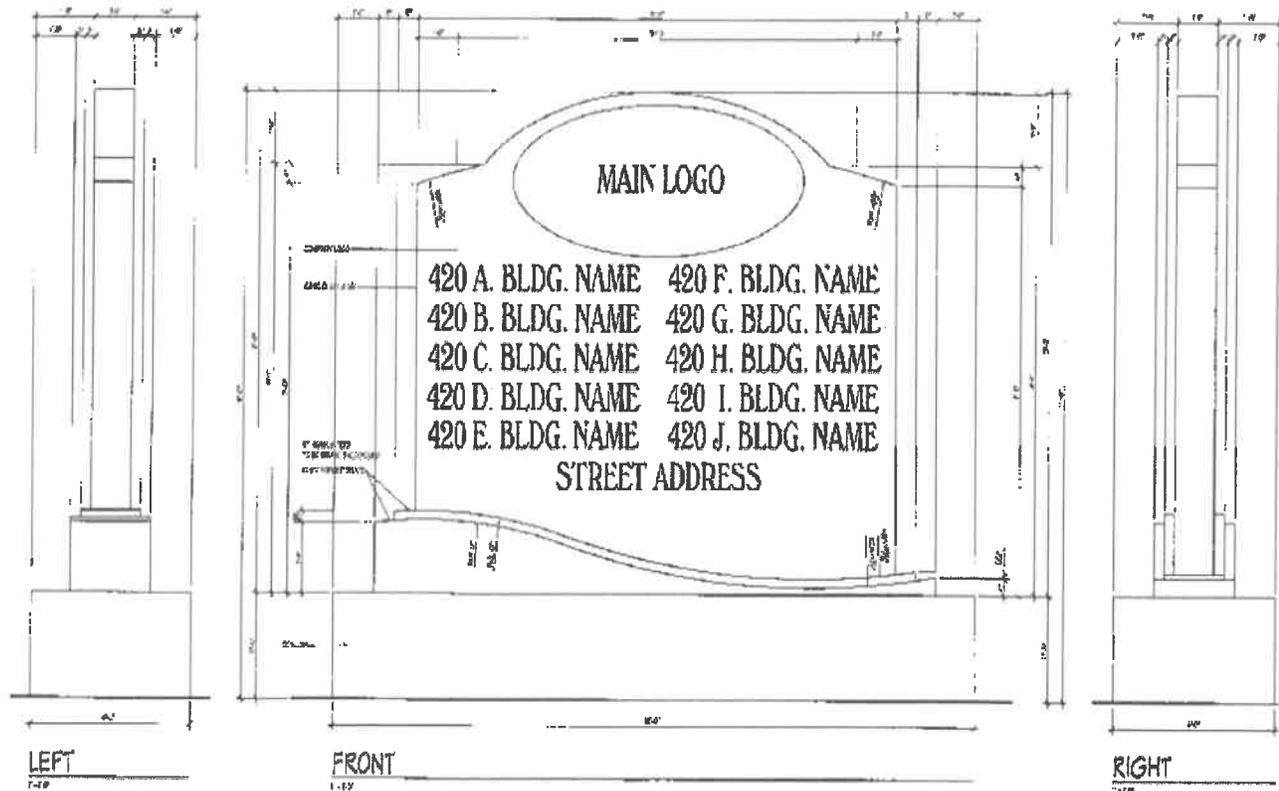
EXHIBIT 4





CUP 2016 – 012(a)18

EXHIBIT 5: SIGN




EDWARD L. RINGHART
 A.I.A. ARCHITECT

DEVELOPMENT FOR:
KING CITY CULTIVATION
 EAST SAN ANTONIO DR.
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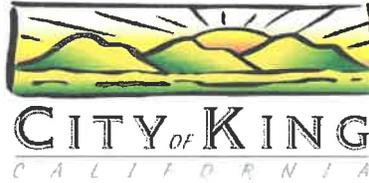
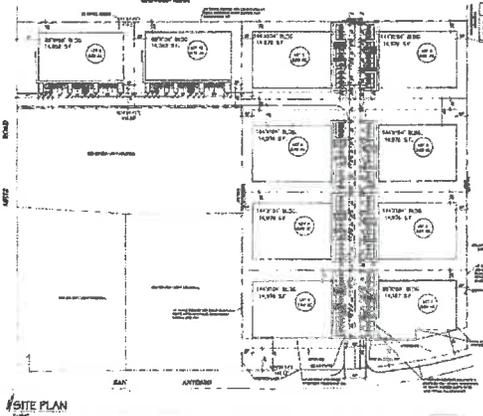


EXHIBIT No. 06

**Case Number: COA 2016 – 012(a)18
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: 135 East San Antonio
3. Street Location: 135 East San Antonio
4. Existing Zoning: P-D /SP East Ranch Business Park Specific Plan, M-1 District
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: CUP 2016-012 (a)18 is a Proposal **to add three allowed use types (Manufacturing, Distribution, Non-Storefront Delivery)** to a previously approved CUP located at 135 East San Antonio Drive. The projected development as presented at the previous CUP Hearing is on approximately 7.6 acres and was to include 10 new structures. Two (2) were to be used for Medical Cannabis (nursery) and eight (8) were to be used for Medical Cannabis Cultivation.

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. 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 as approved 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).

The current request (2016-012(a)18, additional uses) is exempt from additional CEQA review per CEQA Guidelines §15332 (infill development projects).

IMPORTANT: PLEASE READ CAREFULLY

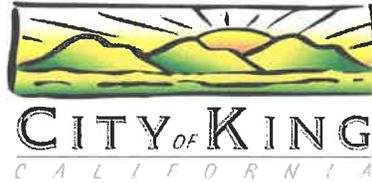
Please note that this project may be subject to a variety of discretionary conditions of approval. These include conditions based on adopted City plans and policies, those determined through site plan review and environmental assessment essential to mitigate adverse effects on the environment including 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 (June 06, 2017) and subsequent approval (December 18, 2018) 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 if you have any questions regarding the conditions of approval (COA).

PART C – SPECIFIC CONDITIONS AND REQUIREMENTS

COMMUNITY DEVELOPMENT DEPARTMENT:

1. **Allowed Uses:** Commercial Cannabis (CA Type 3A, 3B) Nursery (CA type 4) uses, Manufacturing (CA Type 7), Distribution (CA Type 11) Non-Storefront Delivery (CA Type 10) are allowed.
2. **Site Development:** Cultivation and Nursery uses may be pursued in conformance with the existing site plan and Conditions of Approval as approved by Planning Commission on June 06, 2017.

Manufacturing, Distribution and Non-Storefront Delivery uses may occur in one or more of the previously approved structures. Future Site Plan revisions and / or revisions to proposed structures will require Conditional Use Permit Amendment.

The project as presented with the original CUP 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 Original 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 the Original 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 original 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 Original 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. ***This condition may be amended as power needs are amended.***
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

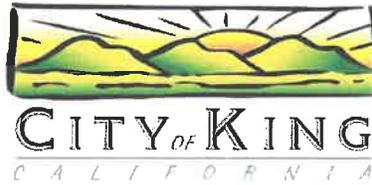
BUILDING AND SAFETY DEPARTMENT: (No application for Building Permit has been submitted. An application must be submitted after CUP approval and prior to any interior renovations).

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 Original 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.) 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 originally 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 **Recycled Water, Water Quality Assessment:** The City may require a future water quality assessment to evaluate mass loading / nutrient balance, based upon the results of regular, ongoing analysis.
- 5 **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.
- 6 **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.
- 7 **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.
- 8 **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.
- 9 **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 Original Application Package as approved.

Conditioned Operations Permits require review and approval of an Operations Permit Package

- 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 CO2 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.



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- 247

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF KING,
APPROVING CONDITIONAL USE PERMIT CASE NO. CUP 2016-012(a)18**

WHEREAS, on **November 30, 2018** King City Cultivation submitted an application to three new use types in a previously approved CUP. The new types include Manufacturing (CA Type 7) Distribution, (CA Type 11) and Non-Storefront Dispensary (CA Type 10). The previously approved uses include 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 05, 2018** notice of Public Hearing was provided in the Rustler;

WHEREAS, the proposed uses are consistent with the General Plan and are allowed in the ERBPSP with the approval of a Conditional Use Permit (Ordinance 2016-729 September 27, 2016 and Ordinance 2018-764, June 10, 2018.

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 (CUP 2016-012) was 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 was fully within the scope of the prior analysis of the MND. A Finding of Consistency was adopted.

WHEREAS, this Project is (CUP 2016-012(a)18)is Categorically Exempt under CEQA §15332 (Infill Projects), and there are no applicable exceptions to the Categorical Exemption per CEQA Guidelines §15300.2;

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 **December 28, 2018**; and

WHEREAS, the establishment, operation and maintenance of the use as presented will not be detrimental to the health, safety, morals and general welfare of persons in the East Ranch Business Park (the Neighborhood);

WHEREA, the Commission makes the following findings of facts:

1. The purpose of the proposed uses (Manufacture, Distribution, Non-Storefront Dispensary) are in accordance with the description, process and standards provided in the Original Application Package (CUP 2016-012) as reviewed by Staff and presented at that 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 uses are 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 Original 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 original CUP/ Application Package, as submitted and/or as conditioned 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 **18th day of December, 2018** by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

DAVID NUCK, CHAIRPERSON

ATTEST: _____

ERICA SONNE DEPUTY CITY CLERK for
MARICRUZ AGUILAR-NAVARRO,
ASSISTANT PLANNER / PLANNING COMMISSION SECRETARY