



City Council Memorandum

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DATE: June 9, 2016

AGENDA DATE: June 14, 2016

TO: Mayor and Councilmembers

FROM: Mic Steinmann, Community Services Director

TITLE: **ISSUANCE OF MEDICAL MARIJUANA REGULATORY AND
CONDITIONAL USE PERMITS AND INTRODUCTION OF
ORDINANCE APPROVING A DEVELOPMENT AGREEMENT
FOR MEDICAL MARIJUANA CULTIVATION AND
MANUFACTURING FACILITIES AT 721 EL CAMINO REAL**

AUTHORITY AND PROCEDURES

Section 17.14.050 of the City of Greenfield zoning code identifies the approving authority responsible for approving, conditionally approving, or denying proposed land use or development permits. For conditional use permits, the designated approving authority is the Planning Commission; and for subdivision tentative maps and development agreements, the City Council is the approving authority. Section 5.28.040 of the municipal code specifies the City Council must review and approve the issuance of medical marijuana regulatory permits. Section 17.14.050 of the zoning code states that “[w]hen a proposed project requires more than one permit with more than one approving authority, all project permits shall be processed concurrently and final action shall be taken by the highest level designated approving authority for all such requested permits.” For medical marijuana regulatory permits, conditional use permits, subdivision tentative maps, and development agreements, the City Council is the approving authority for all permits and agreements. Review and approval by the Planning Commission is not required.

To operate a medical marijuana facility, the applicant must obtain three separate and distinct permits or approvals: (1) a regulatory permit, (2) a development agreement, and (3) a conditional use permit. Since the City Council is the ultimate approving authority for regulatory permits and development agreements, section 17.14.050 requires each of these permits and approvals be processed concurrently and action on each is by the City Council.

The purpose of the medical marijuana regulatory permit is to ensure medical marijuana dispensary, cultivation, and manufacturing facilities are established in areas that are consistent with the requirements of the general plan, are consistent with surrounding uses, are not detrimental to the public health, safety and welfare, and the operation of such facilities do not conflict with applicable state law and regulations. (Section 5.28.010) The City Council may impose such additional terms and conditions on the issuance of the regulatory permit and the operation of the facility as it deems appropriate. The City Council must also approve a development agreement, operations plan, and the design and layout of the facility as a condition of issuance of a regulatory permit. (Section 5.28.040)

The purpose of the conditional use permit (CUP) is for the individual review of uses, typically having unusual site development features or operating characteristics to ensure compatibility with surrounding areas and uses. Conditional use permits shall be granted only when the approving authority determines, following public hearing, that the proposed use or activity (1) “is consistent with the general plan and all applicable provisions of this Title” and (2) that the “establishment, maintenance or operation of the use applied for will not, under the circumstances of the particular case (location, size, design, and operating characteristics), be detrimental to the health, safety, peace, morals, comfort, or general welfare of the public.” The approving authority may impose conditions and/or require performance guarantees for the conditional use permit to ensure compliance with applicable provisions of the zoning code and to prevent adverse or detrimental impacts to public health, safety, or welfare. (Section 17.16.060)

Development agreements are authorized under chapter 16.37 of the municipal code pursuant to the authority of State Government Code section 65865 et seq. The purpose of development agreements is to give certainty to the planning and project development process and to give assurance to the project applicant that upon approval of the project, the applicant may proceed with the project in accordance with existing policies, rules, and regulations, and, subject to conditions of approval, this will strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic costs of development. Development agreements must be approved by ordinance and the City Council must make a finding, following public hearing, that the provisions of the development agreement are consistent with the general plan and any applicable specific plan. (Section 16.37.100)

BACKGROUND AND ANALYSIS

I. Golden State Alternative Care, Inc.

Golden State Alternative Care, Inc. has submitted applications for medical marijuana regulatory permits for cultivation and manufacturing facilities, to be located at 721 El Camino Real, under chapter 5.28 of the City of Greenfield Municipal Code along with application for a conditional use permit. Golden State Alternative Care is the exclusive cultivator, extractor, and edible manufacturer for the Tikun-Olam medical strains in California. Tikun-Olam is the first, largest, and foremost supplier of medical cannabis in Israel, is one of the leading medical cannabis companies in the world, and is a pioneer of the treatment of patients with medical cannabis in Israel.

The action now before the City Council is for consideration of issuance of the applied for regulatory permits and conditional use permit, and introduction of an ordinance approving a development agreement with Golden State Alternative Care. If the City Council approves the issuance of these permits, those approvals will be subject to a number of conditions. Until each of those conditions is met to the satisfaction of the City Manager, the permits approved by the City Council will not be effective. The regulatory permits will also not be effective pending completion by the Greenfield Police Chief and/or City Manager of a more thorough background investigation of the owners, managers, and operators of Golden State Alternative Care, Inc. That investigation may include, but is not limited to, LiveScan, employment history verification, personal and business references, and such other personal background investigation as deemed appropriate by the Greenfield Police Chief or City Manager.

Proposed Use: Golden State Alternative Care proposes to cultivate and manufacture medical marijuana and products on behalf of the patient members and other cooperative corporations that are members of the Golden State Alternative Care collective. There will be no direct distribution or sale to the public, qualified members of the Golden State Alternative Care collective, or their primary caregivers from the Golden State Alternative Care cultivation and manufacturing facility located in the City. Medical marijuana flower and infused products will be distributed only to legal dispensaries/collectives not located in the City that are members of the Golden State Alternative Care collective.

Site and Building Plan: The regulatory and conditional use permit applications include preliminary site and building plans. Those plans are attached as exhibits to this staff report. The plans denote the existing buildings that will either be demolished or renovated and retained, on-site parking, proposed perimeter fencing and security gates, the location of video surveillance cameras, the layout of the interior of the new office/manufacturing/vegetation/flower building, the location and configuration of new greenhouses for cultivation, exterior building elevations, and roadway access to a portion of the site that is reserved for potential future development.

Organizational Structure: Golden State Alternative Care, Inc., is a non-profit cooperative corporation that seeks to cultivate and manufacture medical marijuana products to distribute to legal dispensaries and other legal non-profit collectives that are members of the Golden State Alternative Care collective. Mr. Mark Putney of San Jose, CA, and Mr. Michael Stonehill of Los Angeles, CA, are the owners of Golden State Alternative Care and they will be responsible for the overall operation and management of the facility. Mr. Putney and Mr. Stonehill are currently associated with a 15,000 square foot cultivation facility in Washington and an indoor cultivation facility in Los Angeles. They are also in the process of developing cultivation facilities in Oregon and Arizona.

Ms. Margaret Demers of Gilroy, CA, will be the day-to-day on-site manager and community relations liaison. Mr. Sergio Sanchez will provide consulting services with respect to public outreach and education. Mr. Putney and Mr. Stonehill will have overall responsibility for hiring, training, and managing all employees of the collective; creating and enforcing policies, practices, and procedures; supervising all Golden State Alternative Care operations for compliance with state and local laws and regulations; overseeing daily reporting, inventory, and tracking systems; quality control; community outreach and education; and interface with the community and City

police and administration. Ms. Demers, as the on-site manager, will assist in these management responsibilities.

Hours of Operation: As a cultivation and manufacturing facility, it will operate 24 hours per day, 7 days per week. It will not be open to the public.

Security (Subject to finalization of an approved development agreement): The perimeter of the property will be enclosed with a 12 foot high steel security fence. A secondary interior fence will separate the cultivation and manufacturing buildings from the employee parking lot, caretaker residence, and ancillary storage buildings. A security guard station will be located adjacent to the employee and visitor parking lot at its entrance from El Camino Real. A second security guard station will be located adjacent to the interior access gate to provide additional access control to that portion of the site where cultivation and manufacturing facilities are located. There will be no general, uncontrolled public access to the site, buildings, employee parking areas, or the interior of the site. Armed security guards, through contract with Uretsky Security, will be provided 24 hours per day, 7 days per week. Security personnel shall be registered with the State of California Department of Consumer Affairs. Security personnel may be armed with the prior approval of the City Police Chief. No other person employed at the facility may be armed while on the premises without the prior approval of the City Police Chief.

A web-based video surveillance system will be installed to monitor all site and facility entrances and access points, all spaces accessible by the public, all secured areas of the facility with restricted access, all interior spaces and rooms where medical marijuana products are handled and processed, shipping and receiving areas, cash storage areas, and other areas necessary to protect the safety of employees and the public. A professionally monitored burglary alarm system will be installed to detect entry and exit from all secure areas, panic buttons installed in appropriate locations, and door and window break sensors and motion detectors will be provided. Subject to finalization of an approved development agreement, a video surveillance and building alarm system specified and approved by the Police Chief will be installed at this facility. All persons employed at the facility shall obtain an identification card/badge issued by the City Police Department and such identification card/badge shall be visible at all times.

Cultivation: Cultivation will be by a hydroponic grow, drip irrigation system. Nutrients and water will be digitally controlled. Water used for hydroponic grow will be recycled. High efficiency LED grow lights will be utilized. Fertilizers and nutrients will be handled and stored in a stand-alone storage facility. Plants for vegetation will come from Tikun-Olam facilities in Israel.

Manufacturing: Manufacturing of extracts will be by CO₂ (non-volatile) extraction and possibly hydrocarbon (butane) solvent extraction (volatile) methods. Products will include finished flowers, edibles, extracts including oils and waxes, vape cartridges, pre-rolls, and cannakups. All infused products will be individually packaged at the point of preparation. All extracts and manufactured products will be stored in a locked safe room with controlled access and fire-rated walls.

Tracking (Subject to finalization of an approved development agreement): A “seed to sale” electronic tracking system approved by the City will be utilized to document all medical marijuana products from seed to the ultimate point of sale. The City has indicated to each applicant that a City specified tracking system, such as BioTrack THC or MJ Freeway, will need to be used by all regulatory permit holders to facilitate the collection and review of data and the generation of data in a consistent format. Documentation for all transfers from the Golden State Alternative Care facilities will include the date and time of the transfer as well as the amount, form and type of marijuana strain(s) or products transferred.

Quality Control, Testing: All products distributed by Golden State Alternative Care will be tested in its in-house laboratory and/or outsourced to either SC Labs or Steephill Labs for THC levels, pesticides, pests, mold, and other contaminants.

Odor Management: All structures shall have ventilation and filtration systems installed that prevent medical marijuana plant odors from exiting the interior of the structure. A closed growing environment, or closed loop aeration system, will be used that keeps all environmental conditions contained within the rooms in which medical marijuana plants are stored or processed. Air is recirculated internally, bringing in no outside air. Industrial filtration systems approved by the City, such as activated charcoal systems, will be used to scrub and treat any exhaust air.

Local Hire: Golden State Alternative Care is committed to making a good-faith effort to recruit, hire, and train local residents for employment. This cultivation and manufacturing facility will employ 15-20 employees. Employment opportunities will be full-time, year round positions. Wages will be \$15 to \$75 per hour plus benefits. Anticipated gross receipts are \$3.8 million annually.

Operating Plan: The applicant’s regulatory permit application includes an operations plan as required by section 5.28.050 of the municipal code. Through the initial application review process, the operations plan has been clarified and modified to more thoroughly address the requirements of section 5.28.050. As a condition of issuance of a regulatory permit, the applicant will be required to update the operations plan to include all supplemental information provided during the application review process and any additional conditions the City Council may require as a condition of approving the requested regulatory permits. The operations plan includes the following elements:

1. Name and address of Golden State Alternative Care agent and general manager, and responsibilities of general manager
2. Days and hours of operation
3. Transportation
4. Site Plan
5. Cultivation and manufacturing procedures
6. Storage, handling, and use of fertilizers and nutrients
7. Storage and inventory procedures to prevent diversion to non-medical use
8. Trach and trace program and procedures
9. Quality control

10. Testing
11. Disposal of contaminated, adulterated, deteriorated, or excess medical marijuana products
12. Personnel policies including employee screening and hiring practices
13. Accounting and record keeping procedures
14. Odor management

II. Public Outreach and Education

Section 5.28.090 of the municipal code requires a development agreement with each medical marijuana facility owner and operator that includes a public outreach and education program component. In anticipation of the City Council issuing regulatory permits to a number of operators, it is believed that it will be a more efficient use of resources for all operators issued medical marijuana regulatory permits join together to form a “Greenfield Medical Marijuana Association” that will develop and implement a comprehensive public outreach and education program on behalf of all operators.

Consolidating the resources of each operator will facilitate those efforts and ensure they proceed in a uniform, cohesive, and comprehensive manner. Asking each operator to develop its own outreach and education program can result in the duplication of efforts, the establishment of redundant programs and services, and the presentation of potentially conflicting information and education to the public. Approval of each regulatory permit by the City Council should include a condition that the holder of those permits collaborate and join together with all other regulatory permit holders to develop an appropriate, comprehensive, and cohesive public outreach and education program. Specific components of this public outreach and education program will be specified in the development agreement.

III. Community Benefits Program

The City Council previously adopted a fee schedule for medical marijuana facilities and operations (Resolution 2016-16). This fee schedule includes a “Community Public Health, Safety, Welfare, and Quality of Life Fee” that will be assessed to each medical marijuana dispensary, cultivation, and manufacturing facility. As further described in the administrative regulations adopted by the City Council for implementation of the medical marijuana regulatory permit process, the per square foot fee will “enable the City to promote, protect, and enhance the health, safety, and welfare of the community and its residents and its quality of life; and to compensate the City for the increased demand on City services, infrastructure, and utilities; local traffic demands; and increased City review and oversight by the police department, planning department, and code enforcement of the operations of the facility.”

The assessed community benefits/per square foot fee is \$15 to \$20 per square foot for each type of facility. This fee will be a source of significant revenue for the City. These funds will be deposited in the City’s general fund and can be expended as directed by the City Council. The specific amount of the per square foot fee (in the \$15 to \$20 range), the categorization of the space on which the fee is based, and its payment schedule will be detailed in the final development agreement that will be approved by the City Council at a later date.

At this time one regulatory permit applicant has proposed that a foundation be established through which the medical marijuana operators will directly fund some public/community facilities and programs. If properly structured and managed, the creation of a foundation can have a very positive impact on the acceptance of this new industry into our community and the relationship of the operators to our residents; generate good will among the operators, the City, and the public; provide direct and highly visible benefits to the community of this new industry; and demonstrate the industry's support of our community. To maximize the potential benefits of such a foundation, the City and the public should be active participants in the decision-making process for identifying and prioritizing community needs and benefits, and identifying appropriate projects to be funded by the foundation.

Existing and Proposed Development

Existing Development: The project site is approximately 3.6 acres. The project site contains a four-bedroom, 2,500 square foot residence and several storage facilities. The majority of the site is vacant. Access to the property is from El Camino Real.

Adjacent Development: The site is bordered on the north by vacant and undeveloped property, to the east by El Camino Real and the Jet Trucking facility immediately across El Camino Real, to the west by cultivated agricultural land that is outside the city limits, and to the south by a residential unit and vacant industrial space.

Proposed Development: The proposed project is a light industrial development for medical marijuana cultivation and manufacturing facilities. Development of the project will begin with the construction of nine greenhouses (2,880 square feet each), six of which will be dedicated to flowering and three dedicated to vegetative stage. In parallel, the existing residence will be remodeled for use as a caretaker residence, an on-site storage building will be demolished, and the driveway and parking area paved for employees, service vendors, contractors, and construction workers. If proper permits can be obtained from Monterey County, the existing on-site well will be renewed to operational status to be used for irrigation purposes only.

A 30,000 square foot building will be constructed to house 12,000 square feet of indoor cultivation canopy along with ancillary process rooms to include drying, curing, trimming, and packaging rooms. This building will also include the extraction facility and product testing laboratory. This building will be broken down into two large bloom rooms totaling 6,000 square feet each. There will be a small area for plant vegetation totaling 3,000 square feet and room for mother plants and cloning will take up 500 square feet. The rest of the square footage will be dedicated to trimming, drying, curing, CO₂ extraction (possibly Butane), testing lab, office space, packaging and shipping/receiving. Solar power will be considered when building this facility to augment the power needs to the entire facility.

Stormwater management facilities, although not shown on the preliminary site plan, will also be required. A 14,500 square foot area at the rear of the property is proposed for future development. Access to that property will be along the south property line via a 20-foot wide common access road from El Camino Real. Improvements to El Camino Real will include

construction of sidewalks and landscaping along the street frontage and the undergrounding of utilities.

Public Services and Infrastructure Needs: The City of Greenfield will provide water and sewer services; PG&E will provide natural gas and electricity; AT&T will provide telephone service; and Charter Cable Company (or current provider) will provide cable service. An on-site stormwater detention basin or other appropriate stormwater control facilities will be required. The project developer will be responsible for verifying the adequacy of existing utilities to service the project and will be responsible for designing, constructing, and paying for any additional utility, roadway, and stormwater system improvements necessary to provide required services to the project. All utility and site infrastructure improvements will be designed and constructed in conformance with City Standards.

IV. Conformance with General Plan and Zoning Code

General Plan: The Greenfield General Plan designates the project site as Light Industrial with an Industrial Park Overlay. The General Plan Light Industrial land use designation allows for a broad range of light industrial uses such as processing, packaging, machining, repair, fabricating, distribution, warehouse and storage, research and development, and similar uses that do not result in significant impacts from noise, odor, vibration, smoke, or pollutants. These uses should, when possible, be combined in development projects that incorporate various uses to minimize travel and transport for goods and services related to and required to support the industrial use, and to help reduce regional commuter traffic by providing employment opportunities for residents of Greenfield within the city limits. The proposed project combines processing, packaging, and distribution of finished and raw products consistent with the uses allowed by the General Plan Light Industrial land use designation.

The General Plan encourages infill and intensification of land uses through the reuse or redevelopment of vacant or underutilized industrial, commercial, and residential sites. The General Plan encourages development of commercial and industrial uses that are consistent with the scale and character of surrounding land uses. The proposed project will intensify the use of a 3.6 acre parcel that is currently developed with a residence, several outlying storage facilities, and the majority of the site is vacant, undeveloped land. The project site is in the City's northern light industrial district. Development of similar facilities of the same scale and intensity on other available parcels in this district is planned.

The proposed project is consistent with General Plan policies that call for the recruitment of businesses, industries, and other employers whose operations are consistent with long-term economic development goals. The proposed project provides new jobs to further the City's jobs to housing goals. It will also provide a significant source of revenue to the City that will enable the City to provide services and benefits to the community that it is not currently able to because of budget limitations and insufficient revenues.

Zoning Code Land Use: The City of Greenfield Zoning Code designation for this property is Light Industrial (I-L). Consistent with the General Plan, this district is intended for low to medium intensity uses that involve processing, packaging, machining, repair, fabricating,

distribution, warehousing and storage, research and development, and similar uses. Chapter 5.28 of the zoning code specifically allows medical marijuana, dispensary, cultivation, and manufacturing facilities. Development standards for the light industrial district are designed to promote attractive construction that is compatible with the surrounding area.

Lot Coverage: In the I-L zoning district, section 16.12.020 of the municipal code specifies a minimum lot area of 10,000 square feet and a minimum lot width of 100 feet. The zoning code does not specify maximum lot coverage. The project parcel is approximately 3.6 acres. Upon completion of all phased development, built space will total approximately 52,580 square feet which represents lot coverage of approximately 37%.

Setback: Required minimum setbacks per section 17.36.040 are: Front and street side setback – 30 feet; and interior and rear – 0 feet. Front and street side setbacks may be reduced to 25 feet when additional landscaping is provided equal to the amount of building area encroached. The existing residence to be renovated is approximately 40 feet from El Camino Real and the new 30,000 square foot building is more than 300 feet removed from El Camino Real. The preliminary site plan indicates setbacks of 10 feet are along the north property line, 18 feet from the south property line, and 36 feet from the rear property line. The proposed setbacks exceed the minimum requirements of the zoning code.

Height: Section 17.36.040 of the zoning code imposes a maximum building height of 30 feet. All proposed buildings are single story and the maximum exterior elevations will conform to the requirements of the zoning code.

Accessory Structures: Section 17.36.030 of the zoning code setting forth accessory structure requirements does not apply as no accessory structures are proposed.

Fences and Walls: The proposed project includes constructing a 12 foot high steel security fence around the perimeter of the property. A secured vehicle entrance gate will be along El Camino Real. Section 17.52.030 of the zoning code limits the height of walls and fences to 3 feet in the front setback area and to 6 feet along rear and side setbacks but grants authority to the “designated approving authority” to allow additional height to enclose or screen specific areas or uses. The proposed 12 foot high security fence is appropriate for security purposes. The placement of gates for vehicle access will require review and approval by the Greenfield Fire Protection District.

Landscaping: The landscape requirements of sections 17.54.040 and 17.54.050 of the zoning code apply to new nonresidential development projects. Minimum planting widths of 15 feet are required along street frontages and six feet along interior property lines. Minimum landscape coverage is 15% of the total site that must be maintained with a pervious surface, preferably landscape planting. The proposed site plan includes a 30 foot minimum landscape strip along El Camino Real. Along interior property lines landscape areas between 10 feet and 36 feet are indicated on the site plan. These landscape areas can also serve as stormwater drainage swales.

Street trees will be provided along El Camino Real. A number of existing trees on the portion of the site fronting El Camino Real will remain. Although not shown on the site plan, landscaping

will be provided in all parking areas and along drive aisles as is required by section 17.54.050 of the zoning code. During the plan check process, the Planning Director will review the proposed landscape scheme for conformity with the landscape guidelines of sections 17.54.040 and 17.54.050.

Resource Efficiency: The resource efficiency standards of chapter 17.55 of the zoning code apply to this project because it is an industrial project with a total conditioned area over 10,000 square feet. The development of this project must comply with these standards to promote recycling, promote the use of resource efficient construction materials, promote water conservation, and promote energy efficiency in new and remodeled facilities. The project's resource efficiency plan will be reviewed during the plan check process, and a building permit will not be issued if the proposed plan does not comply with the requirements of chapter 17.55.

Lighting: All nonresidential development is subject to the outdoor lighting requirements of Chapter 17.56 of the zoning code. The project's outdoor lighting scheme will be reviewed during the plan check process, and a building permit will not be issued if any proposed outdoor lighting is not in compliance with those requirements.

Parking: For warehousing, storage, and distribution industrial facilities, section 17.58.050 of the zoning code requires off-street parking at a ratio of one space per 3,000 square feet plus one space for each company operated vehicle; and for manufacturing facilities, one space per 1,000 square feet plus one space for each company operated vehicle. The proposed project includes approximately 10,000 square feet of manufacturing space and 43,000 of greenhouse, office, storage, and support space. This equates to a total off-street parking requirement for approximately 30 vehicle parking spaces. The proposed site plan identifies 64 off-street parking spaces. This is more than twice the requirements of the zoning code.

Section 17.58.100 of the zoning code requires the provision of one bicycle parking space for every five vehicle spaces. For the proposed project, this equates to a requirement for 6 bicycle parking spaces. The preliminary site plan does not indicate the provision of required bicycle racks. At the time application is made for plan check, the Planning Director will review the final plans for conformance with the bicycle parking requirements of the zoning code, and a building permit will not be issued if the plans do not provide accommodations for required bicycle parking.

Noise and Odor, Particulate Matter and Air Containment Standards: The standards of sections 17.60.030 (noise) and 17.60.040 (odor) of the zoning code apply to all commercial and industrial operations within the city. Section 5.28.050 of the municipal code requires an odor management plan detailing steps that will be taken to ensure that the odor of medical marijuana will not emanate beyond the exterior walls of the facility. The noise and odor standards of chapters 17.60 and 5.28 are enforceable through the city's code enforcement program and the enforcement provisions of section 5.28.260. The development agreement will also include further description of requirements and standards for odor control processes, equipment, and methods. The development of specific conditions of compliance through the regulatory permit or conditional use permit processes is not necessary.

Signage: All nonresidential development is subject to the signage requirements of section 17.62.070 of the zoning code and section 5.28.150. The project's exterior signage will be reviewed by the City Manager and Planning Director during the signage administrative plan check process, and a building permit will not be issued if any proposed exterior signage is not in compliance with those requirements.

CEQA

The California Environmental Quality Act (Public Resources Code section 21000 et seq.) and the CEQA Guidelines (California Code of Regulations, Title 14, Chapter 3) require the review of all development projects to determine whether the proposed activities will have potential, significant environmental effects; to identify ways that environmental damage can be avoided or significantly reduced; to prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when such changes are feasible; and to disclose to the public the reasons why a governmental agency approved the project in the manner it chose if significant environmental effects are involved. If a project is subject to several discretionary approvals, for purposes of CEQA the "project" refers to the totality of the development project and not to each separate governmental approval. For purposes of this CEQA discussion and analysis, the project under review includes the issuance of regulatory permits and conditional use permits, and approval of development agreements.

The first step in the CEQA review process is to determine whether the project is subject to CEQA at all. If the project is exempt, the process does not need to proceed any further. If the project is not exempt, the next step is to undertake an Initial Study to determine whether the project may have a significant effect on the environment. If the Initial Study shows that there is no substantial evidence that the project may have a significant effect, a negative declaration can be prepared. If the Initial Study shows that the project may have a significant effect, an Environmental Impact Report (EIR) must be prepared.

An Initial Study was prepared for a similar, but larger scale, medical marijuana cultivation and manufacturing development project at 900 Cherry Avenue. That property is in the same light industrial zoning district as is the property at 721 El Camino Real. The two properties are less than 0.2 mile from each other.

The Initial Study for the 900 Cherry Avenue property used the "tiering" provisions of CEQA (CEQA Guidelines section 15152), wherein lead agencies are encouraged to use the analysis contained in EIRs for broader projects (i.e., a general plan EIR) as part of the analysis for subsequent specific projects. Section 15152(e) notes that tiering must be limited to situations where a project is consistent with the general plan and zoning. The proposed 900 Cherry Avenue project was consistent with the General Plan Light Industrial land use designation and with the applicable Light Industrial zoning development standards, as is the proposed 721 El Camino Real project (see conformity discussion above). This consistency enables the application of tiering provisions. The 2005 City of Greenfield General Plan Final EIR (General Plan EIR) examined potential impacts of the 2005 General Plan, including future development of sites with Light Industrial uses. Consequently, where prudent and applicable, information

contained in the Initial Study was tiered from the General Plan EIR to avoid redundancy and streamline the analysis process for the proposed project.

The analysis methodology in the Initial Study also considered the streamlining provisions contained in section 15183 of the CEQA Guidelines, which address projects that are consistent with an established density for the site. CEQA mandates that “projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site.” The Initial Study for the 900 Cherry Avenue project focused on evaluating whether there are project-specific impacts that are peculiar to the project or the project site. The proposed project was consistent with the Light Industrial land use designation and consistent with applicable Light Industrial zoning development standards, as is the proposed development for the 721 El Camino Real property. Therefore, where appropriate, the discussion of proposed project impacts in the Initial Study for the 900 Cherry Avenue project was limited as mandated in CEQA Guidelines section 15183.

Section 15183 is particularly relevant for assessment of the incremental cumulative impacts of a proposed project, especially where such impacts were found to be significant and unavoidable in the General Plan EIR. The General Plan EIR identified several significant and unavoidable impacts for which the City approved Statements of Overriding Consideration. In these cases, the analysis in the Initial Study concluded that the proposed project contribution to these significant and unavoidable cumulative impacts was already identified in the previous EIR. This approach is consistent with CEQA Guidelines section 15183(c) which states, “if an impact is not peculiar to the parcel or to the project, has been addressed as a significant effect in the prior EIR, or can be substantially mitigated by the imposition of uniformly applied development policies or standards, as contemplated by subdivision (e) below, then an additional EIR need not be prepared for the project solely on the basis of that impact.”

The Initial Study prepared for the 900 Cherry Avenue project found that with the inclusion of two conditions of approval identified in the Initial Study, the proposed project would not have significant environmental impacts. Those conditions require a pre-construction survey be conducted to determine whether protected nesting birds are present prior to the start of construction, and that a historic resource assessment of the existing residence be conducted. (Note: The historic resource assessment was since completed and concluded the existing residence does not have any historical significance.)

The Initial Study for the 900 Cherry Avenue project found that all potentially significant impacts were analyzed adequately in the earlier General Plan EIR and were avoided or mitigated pursuant to that earlier EIR or were addressed through conditions of approval that could be imposed on the proposed project. Therefore, no further environmental review was required.

The site, location, and environmental conditions and analyzed for the 900 Cherry Avenue project are the same conditions that apply to the 721 El Camino Real project. The findings of the Initial Study for the 900 Cherry Avenue project are also applicable to the 721 El Camino Real project. All potentially significant impacts of the 721 El Camino Real project were analyzed adequately

in the earlier General Plan EIR and were avoided or mitigated pursuant to that earlier EIR or are addressed through conditions of approval that can be imposed on the proposed project. Therefore, no further environmental review is required.

CONSEQUENT ACTION

Development Agreement: Section 5.28.090 of the municipal code requires the applicant and the City enter into a development agreement setting forth the terms and conditions under which the medical marijuana facility will operate that are in addition to the requirements of chapter 5.28, including, but not limited to, public outreach and education, community service, payment of fees and other charges as mutually agreed, and such other terms and conditions that will protect and promote the public health, safety, and welfare. The administrative regulations approved by the City Council for implementation of chapter 5.28 regulatory permits sets forth additional requirements for each development agreement. These are requirements specific to medical marijuana facilities, uses, and operations.

Chapter 16.37 and section 17.16.160 of the municipal code set forth general requirements for development agreements pertaining to land use and development. These municipal code requirements incorporate State Government Code provisions governing the application of development agreements for land use entitlements. The medical marijuana development agreements must also conform to those requirements.

A preliminary draft development agreement for the use of property at 721 El Camino Real for medical marijuana cultivation and manufacturing purposes is attached to this staff report. When the final terms and conditions are agreed to by the City and Golden State Alternative Care, the development agreement will be presented to the City Council at a future date when the City Council is requested to adopt an ordinance approving the development agreement. The development agreement will conform to the requirements of chapter 5.28, chapter 16.37, and section 17.16.160 of the municipal code. Finalization of this agreement will be included as a condition of issuance of the applied for regulatory permits.

Until the development agreement is approved by the City Manager, and the City Council adopts an ordinance approving that development agreement, the regulatory permits approved by the City Council will not be effective. Until that development agreement is adopted by ordinance, design review, building permits, or any further required permits will not be approved or issued by the City for construction and development of any medical marijuana facilities for which regulatory permit and conditional use permit applications have been made.

BUDGET AND FINANCIAL IMPACT

Issuing regulatory permits for medical marijuana cultivation and manufacturing facilities will bring significant additional dollars to the City's general fund. The annual operating fee for cultivation is \$60,758 and for manufacturing it is \$33,936. The community benefits fee will be \$15 to \$20 per square foot.

At this time it is premature to estimate with certainty the general fund revenue to the City that will be generated from this fee as the amount of the fee on a per square foot basis and the amount of cultivation and manufacturing space to which this fee will apply requires further discussion and negotiation with Golden State Alternative Care and each of the other operators who have submitted regulatory permit applications. Those details will be specified in the development agreement. When the City Council is asked to adopt an ordinance approving the development agreement, the amount of those fees for the first year of operation will be known and presented to the City Council for its review and approval. For subsequent years the total general fund revenue stream may vary depending on any adjustment to the annual operating fee established by the City Council and re-evaluation of the appropriate per square foot fee. Even with these potential adjustments, general fund revenues for future years will be substantial.

RECOMMENDATION

The Community Services Director, Police Chief, and City Manager recommend the City Council approve and adopt the attached resolution approving the issuance of medical marijuana cultivation and manufacturing regulatory permits for Golden State Alternative Care, Inc., subject to certain specified conditions of approval.

It is further recommended that the City Council approve the attached resolution that sets forth required findings for issuance of a conditional use permit and establishes required conditions and/or performance guarantees for the development of the proposed cultivation and manufacturing facility at 721 El Camino Real.

It is further recommended the City Council introduce an ordinance approving a development agreement for medical marijuana cultivation and manufacturing uses at 721 El Camino Real. Upon finalization of this agreement, the City Council will be requested to take final action adopting an ordinance approving this agreement.

The proposed development and use of the property at 721 El Camino Real for medical marijuana cultivation and manufacturing uses is consistent with the City's general plan, applicable provisions of the zoning code, conforms to the requirements of chapter 5.28 of the municipal code, and will not, under the circumstances of the particular case (location, size, design, and operating characteristics), be detrimental to the health, safety, peace, morals, comfort, or general welfare of the public.

PROPOSED MOTIONS

I MOVE TO ADOPT RESOLUTION #2016-45, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENFIELD APPROVING THE ISSUANCE OF REGULATORY PERMITS FOR THE OPERATION OF MEDICAL MARIJUANA CULTIVATION AND MANUFACTURING FACILITIES BY GOLDEN STATE ALTERNATIVE CARE, INC., LOCATED AT 721 EL CAMINO REAL

I MOVE TO ADOPT RESOLUTION #2016-46, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENFIELD APPROVING THE ISSUANCE OF A CONDITIONAL USE PERMIT FOR THE DEVELOPMENT OF MEDICAL MARIJUANA CULTIVATION AND MANUFACTURING FACILITIES LOCATED AT 721 EL CAMINO REAL IN THE CITY OF GREENFIELD (APN: 109-161-005)

I MOVE THAT THE CITY COUNCIL READ BY TITLE ONLY AND INTRODUCE AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GREENFIELD APPROVING A DEVELOPMENT AGREEMENT FOR THE OPERATION OF MEDICAL MARIJUANA CULTIVATION AND MANUFACTURING FACILITIES AT 721 EL CAMINO REAL

**CITY OF GREENFIELD CITY COUNCIL
RESOLUTION No. 2016-45**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
GREENFIELD APPROVING THE ISSUANCE OF REGULATORY
PERMITS FOR THE OPERATION OF MEDICAL MARIJUANA
CULTIVATION AND MANUFACTURING FACILITIES BY GOLDEN
STATE ALTERNATIVE CARE, INC., LOCATED AT 721 EL CAMINO
REAL**

WHEREAS, Golden State Alternative Care, Inc., a mutual benefit corporation organized under the laws of the State of California, has submitted application to the City of Greenfield for regulatory operating permits under Chapter 5.28 of the City of Greenfield Municipal Code for medical marijuana cultivation and manufacturing facilities to be located at 721 El Camino Real in the City of Greenfield, APN: 109-161-005; and

WHEREAS, Chapter 5.28 of the City of Greenfield Municipal Code sets forth requirements and procedures for issuance of medical marijuana regulatory permits for dispensary, cultivation, and manufacturing facilities; and

WHEREAS, Section 5.28.040 of Chapter 5.28 requires the prior review and approval by the City Council for the issuance of a regulatory permit as required by Chapter 5.28; and

WHEREAS, Section 5.28.040 of Chapter 5.28 provides that as a condition of issuance of a regulatory permit as required by Chapter 5.28, the City Council may impose such additional terms and conditions on the issuance of the regulatory permit and the operation of the facility as the City Council deems appropriate; and

WHEREAS, Section 5.28.040 of Chapter 5.28 provides that the development agreement, operations plan, and site plan and building layout of a medical marijuana facility required by Chapter 5.28 is subject to the review and approval of the City Council prior to the issuance of a medical marijuana regulatory permit; and

WHEREAS, the application for regulatory permits for medical marijuana cultivation and manufacturing facilities was heard, reviewed, and discussed by the City Council at a regularly scheduled meeting;

NOW, THEREFORE, BE IT HEREBY RESOLVED, by the City of Greenfield City Council as follows:

1. That the City of Greenfield City Council has considered all written and verbal evidence regarding the applications by Golden State Alternative Care, Inc., for medical marijuana cultivation and manufacturing regulatory permits for property located at 721 El Camino Real in the City of Greenfield, APN: 109-161-005, and finds that the applications conform to the requirements of Chapter 5.28 of the City of Greenfield Municipal Code;

2. That this regulatory permit shall be subject to the terms and conditions of chapter 5.28 of the City of Greenfield municipal code authorizing the issuance a medical marijuana facility regulatory permits and the administrative regulations for implementing that chapter approved by City of Greenfield City Council Resolution No. 2016-15;
3. That any term, condition, or requirement of chapter 5.28 of the City of Greenfield municipal code and the administrative regulations adopted pursuant thereto not expressly set forth in this regulatory permit or the development agreement required thereunder shall be in full force and effect just as if those terms, conditions, or requirements were expressly set forth in this regulatory permit or the development agreement, and such terms, conditions, and requirements are incorporated herein by reference.
4. That the site plan and building layout is approved subject to the following conditions:
 - a. The Fire Marshal shall approve the location and configuration of the vehicle security gate accessing the property from El Camino Real; and
 - b. The Greenfield Police Chief shall approve the location and operation of video surveillance cameras for both the exterior and interior areas of the buildings;
5. That the operations plan is approved subject to the following conditions:
 - a. The applicant shall update the operations plan included in its applications to include all supplemental information provided to the City during the application review process and as otherwise required by the City Council during its review and discussion of these applications; and
 - b. The Greenfield Police Chief shall approve the security alarm system which shall include door and window break sensors and motion detectors and remote monitoring;
6. That the issuance of regulatory permits to Golden State Alternative Care, Inc., for medical marijuana cultivation and manufacturing facilities at 721 El Camino Real is hereby approved subject to the following conditions:
 - a. The owners, managers, and operators of Golden State Alternative Care, Inc., shall pass a background investigation conducted by the Greenfield Police Chief and/or City Manager on behalf of the City of Greenfield, which may include, but is not limited to, LiveScan, employment history verification, personal and business references, and such other personal background investigation as deemed appropriate by the Greenfield Police Chief or City Manager;
 - b. A development agreement shall be finalized and executed by the City Manager, on behalf of and in the name of the City of Greenfield, and Golden State Alternative Care, Inc. and the property owner; which agreement shall include at a minimum the terms and conditions required by and specified in the administrative

regulations for medical marijuana facilities regulatory permits approved under City of Greenfield City Council Resolution No. 2016-15, and such other terms and conditions as otherwise required by the City Council during its review and discussion of the development agreement;

- c. Golden State Alternative Care, Inc., shall update the operations plan as required herein and such updated operations plan shall be reviewed and approved by the City Manager or designee;
 - d. The Greenfield Police Chief shall approve the use of armed security guards employed or contracted by Golden State Alternative Care, Inc.;
 - e. Golden State Alternative Care, Inc., shall collaborate and join together with all other medical marijuana regulatory permit holders, in the form of a “Greenfield Medical Marijuana Association” or other association acceptable to the City to develop an appropriate, comprehensive, and cohesive public outreach and education program;
 - f. Golden State Alternative Care, Inc., shall collaborate and join together with all other medical marijuana regulatory permit holders, in the form of a “Greenfield Medical Marijuana Association” or other association or foundation acceptable to the City to develop, implement, and fund a community benefits program for public facilities and programs; the City and the public will be active participants in the decision-making process for identifying and prioritizing community needs and benefits, and identifying appropriate projects to be funded by the association or foundation; and the final development agreement will address the general mechanism by which the City and public will participate in this process; and
 - g. Golden State Alternative Care, Inc., shall pay to the City all fees as required by City of Greenfield City Council Resolution No. 2016-16; and the Community Public Health, Safety, Welfare, and Quality of Life Fee specified in the development agreement;
7. That the City Manager or designee is authorized to approve the applicant’s update of the operations plan included in its applications to include all supplemental information provided to the City during the application review process and as otherwise required by the City Council during its review and discussion of these applications;
 8. That the City Manager is authorized to finalize and execute on behalf of the City of Greenfield the required development agreement with Golden State Alternative Care, Inc. and the property owner;
 9. That the operator shall timely and fully pay all fees associated with the regulatory permit as set forth in section 5.28.080 of the City of Greenfield municipal code and the regulatory permit fee schedule adopted by the City Council per Resolution 2016-16 and as those fees may be adjusted from time to time by further resolution of the City Council;

10. That upon the annual renewal of this regulatory permit, the Community Public Health, Safety, Welfare, and Quality of Life Fee specified in condition 4.g hereof and the development agreement specified in condition 4.b hereof shall be subject to review and modification by subsequent resolution of the City Council, and if so modified the development agreement shall be modified accordingly;
11. That the Building Inspector shall not issue a Certificate of Occupancy until notified by the Planning Director that all conditions of approval specified herein have been met;
12. That the effective date of the medical marijuana cultivation and manufacturing regulatory permits shall be the date the City's Building Inspector issues a Certificate of Occupancy, which date shall be deemed the date of issuance for purposes of determining the one year expiration date under section 5.28.050 of the City of Greenfield municipal code, or such earlier date specified in the development agreement;
13. That this regulatory permit may be revoked in accordance with the procedures set forth in section 5.28.120 of the City of Greenfield municipal code.
14. That unless otherwise and sooner revoked, this regulatory permit shall expire one year from its date of issuance and may be renewed in accordance with the procedures set forth in section 5.28.120 of the City of Greenfield municipal code; and

PASSED AND ADOPTED by the City Council of the City of Greenfield at a regular meeting of the City Council held on the 14th day of June, 2016, by the following vote:

AYES, and all in favor, therefore, Councilmembers:

NOES, Councilmembers:

ABSENT, Councilmembers:

John P. Huerta, Jr., Mayor

Attest:

Ann F. Rathbun, City Clerk

**CITY OF GREENFIELD CITY COUNCIL
RESOLUTION No. 2016-46**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GREENFIELD
APPROVING THE ISSUANCE OF A CONDITIONAL USE PERMIT FOR
THE DEVELOPMENT OF MEDICAL MARIJUANA CULTIVATION AND
MANUFACTURING FACILITIES LOCATED AT 721 EL CAMINO REAL
IN THE CITY OF GREENFIELD (APN: 109-161-005)**

WHEREAS, chapter 5.28 of the City of Greenfield municipal code authorizes the issuance of regulatory permits for the operation of medical marijuana dispensary, cultivation, and manufacturing facilities; and

WHEREAS, an application has been submitted to the City of Greenfield for the development of medical marijuana cultivation and manufacturing facilities at 721 El Camino Real in the City of Greenfield, APN: 109-161-005; and

WHEREAS, the proposed location for the medical marijuana cultivation and manufacturing facilities is in the Light Industrial (I-L) zoning district; and

WHEREAS, the development of a medical marijuana cultivation and manufacturing facilities in the Light Industrial (I-L) zoning district is allowed subject to issuance of a conditional use permit; and

WHEREAS, section 17.14.050 of the City of Greenfield zoning code provides that when a proposed project requires more than one permit with more than one approving authority, all project permits shall be processed concurrently and final action shall be taken by the highest level designated approving authority for all such requested permits; and

WHEREAS, section 17.14.050 provides further that in acting on a permit, the approving authority shall make the applicable findings as established in chapter 17.16 for the type of permit for which application is made; and

WHEREAS, operation of a medical marijuana dispensary, cultivation, or manufacturing business requires obtaining an appropriate regulatory permit, a conditional use permit, and executing a development agreement; and

WHEREAS, section 5.28.040 of the City of Greenfield municipal code designates the City Council as the approving authority for medical marijuana regulatory permits, sections 16.37.100 and 17.16.160 designate the City Council as the approving authority for development agreements, and section 17.16.060 designates the Planning Commission as the approving authority for conditional use permits; and

WHEREAS, by operation of section 17.14.050 the City Council is the designated approving authority for all permits required for the operation of medical marijuana facilities authorized under chapter 5.28 of the City of Greenfield municipal code; and

WHEREAS, the City Council shall approve, conditionally approve, or deny the proposed conditional use permit application in accordance with the requirements of section 17.16.060 of the City of Greenfield zoning code; and

WHEREAS, the application for a conditional use permit was heard, reviewed, and discussed by the City Council at a duly noticed public meeting;

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the City Council of the City of Greenfield has considered all written and verbal evidence regarding this conditional use permit application at the public hearing and has made the following findings regarding the proposed conditional use permit:

1. **FINDING:** That the proposed development of medical marijuana cultivation and manufacturing facilities at 721 El Camino Real in the City of Greenfield is consistent with the General Plan and applicable provisions of the City of Greenfield Zoning Code, Title 17.
 - a. The proposed medical marijuana cultivation and manufacturing facilities are allowed uses in the Light Industrial (I-L) zoning district.
 - b. The proposed project complies with all commercial development standards for the Light Industrial (I-L) zoning district set forth in sections 16.12.020 and 17.36.040 of the municipal code, including but not limited to requirements for minimum lot area, maximum lot coverage, building setbacks, building height limits, landscaping, resource efficiency, lighting, parking performance standards, and signage.
 - c. The General Plan encourages infill and intensification of land uses through the reuse or redevelopment of vacant or underutilized industrial, commercial, and residential sites. It also encourages the redevelopment and reuse of vacant and/or underutilized commercial buildings. The proposed project utilizes a light industrial zoned property that is occupied by a residential unit surrounded by a primarily vacant and under-utilized site for a new commercial business.
 - d. The General Plan encourages development of commercial and industrial uses that are consistent with the scale and character of surrounding land uses. The proposed project will develop multiple greenhouse and manufacturing facilities that are of the scale and intensity appropriate for a light industrial development. The new development will consist of buildings that are of a size and height similar to adjacent and nearby industrial buildings.

- e. The proposed project is consistent with General Plan policies that call for the recruitment of businesses, industries, and other employers whose operations are consistent with long-term economic development goals. The proposed project brings a new industry to the City that will provide new jobs to promote economic development and further the City's jobs to housing goals. It will also provide a significant source of revenue to the City that will enable the City to provide services and benefits to the community that it is not currently able to do because of budget limitations and insufficient revenues.
2. FINDING: That the establishment, maintenance, or operation of the proposed use will not, under the circumstances of the particular case (location, size, design, and operating characteristics), be detrimental to the health, safety, peace, morals, comfort, or general welfare of the public.
 - a. The proposed medical marijuana cultivation and manufacturing facility is located in a light industrial zoning district in close proximity to other light industrial type uses.
 - b. The construction of a steel security fence around the perimeter of all buildings where medical marijuana is cultivated, manufactured, stored, processed, and handled will provide increased security for the site and the materials and products stored, cultivated, and manufactured in the facility.
 - c. A video surveillance system will be installed to monitor all exterior areas of the property, all site and building entrances and exits, and all interior spaces of the building, thereby providing additional security for the entire property.
 - d. Armed security guard services will be provided 24 hours a day, 7 days a week.
 - e. The facility will not be open to the general public and no direct sales or product distribution will be made to the general public.
 3. FINDING: All requirements of the California Environmental Quality Act have been met.
 - a. If a project is subject to several discretionary approvals, for purposes of CEQA the "project" refers to the totality of the development project and not to each separate governmental approval (CEQA Guidelines section 15378). For purposes of the required CEQA discussion and analysis, the project under review includes the issuance of regulatory permits and conditional use permits, approval of development agreements, and tentative map and final map approvals for subdivision of certain specified property.
 - b. An Initial Study was prepared for a similar, but larger scale, medical marijuana cultivation and manufacturing development project at 900 Cherry Avenue. That property is in the same light industrial zoning district as is the property at 721 El Camino Real. The two properties are less than 0.2 mile from each other.

- c. The Initial Study for the 900 Cherry Avenue property used the “tiering” provisions of CEQA (CEQA Guidelines section 15152), wherein lead agencies are encouraged to use the analysis contained in EIRs for broader projects (i.e., a general plan EIR) as part of the analysis for subsequent specific projects. Section 15152(e) notes that tiering must be limited to situations where a project is consistent with the general plan and zoning. The proposed 900 Cherry Avenue project was consistent with the General Plan Light Industrial land use designation and with the applicable Light Industrial zoning development standards, as is the proposed 721 El Camino Real project (see conformity discussion above). This consistency enables the application of tiering provisions. The 2005 City of Greenfield General Plan Final EIR (General Plan EIR) examined potential impacts of the 2005 General Plan, including future development of the site with Light Industrial uses. Consequently, where prudent and applicable, information contained in the Initial Study was tiered from the General Plan EIR to avoid redundancy and streamline the analysis process for the proposed project.
- d. The analysis methodology in the Initial Study also considered the streamlining provisions contained in section 15183 of the CEQA Guidelines, which address projects that are consistent with an established density for the site. CEQA mandates that “projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site.” The Initial Study for the 900 Cherry Avenue project focused on evaluating whether there are project-specific impacts that are peculiar to the project or the project site. The proposed project was consistent with the Light Industrial land use designation and consistent with applicable Light Industrial zoning development standards, as is the proposed development for the 721 El Camino Real property. Therefore, where appropriate, the discussion of proposed project impacts in the Initial Study for the 900 Cherry Avenue project was limited as mandated in CEQA Guidelines section 15183.
- e. Section 15183 is particularly relevant for assessment of the incremental cumulative impacts of the proposed project, especially where such impacts were found to be significant and unavoidable in the General Plan EIR. The General Plan EIR identified several significant and unavoidable impacts for which the City approved Statements of Overriding Consideration. In these cases, the analysis in the Initial Study concluded that the proposed project contribution to these significant and unavoidable cumulative impacts was already identified in the previous EIR. This approach is consistent with CEQA Guidelines section 15183(c) which states, “if an impact is not peculiar to the parcel or to the project, has been addressed as a significant effect in the prior EIR, or can be substantially mitigated by the imposition of uniformly applied development policies or standards, as contemplated by subdivision (e) below, then an additional EIR need not be prepared for the project solely on the basis of that impact.”

- f. The Initial Study prepared for the 900 Cherry Avenue project found that with the inclusion of two conditions of approval identified in the Initial Study, the proposed project would not have significant environmental impacts. Those conditions require a pre-construction survey be conducted to determine whether protected nesting birds are present prior to the start of construction, and that a historic resource assessment of the existing residence be conducted. (Note: The historic resource assessment was since completed and concluded the existing residence does not have any historical significance.)
- g. The Initial Study for the 900 Cherry Avenue project found that all potentially significant impacts were analyzed adequately in the earlier General Plan EIR and were avoided or mitigated pursuant to that earlier EIR or were addressed through conditions of approval that could be imposed on the proposed project. Therefore, no further environmental review was required.
- h. The site, location, and environmental conditions and analyzed for the 900 Cherry Avenue project are the same conditions that apply to the 721 El Camino Real project. The findings of the Initial Study for the 900 Cherry Avenue project are also applicable to the 721 El Camino Real project. All potentially significant impacts of the 721 El Camino Real project were analyzed adequately in the earlier General Plan EIR and were avoided or mitigated pursuant to that earlier EIR or are addressed through conditions of approval that can be imposed on the proposed project. Therefore, no further environmental review is required.

NOW, THEREFORE, BE IT HEREBY FURTHER RESOLVED, that the City Council of the City of Greenfield does approve Conditional Use Permit No. 2016-05 subject to the conditions of approval attached hereto and incorporated herein by reference.

PASSED AND ADOPTED by the City Council of the City of Greenfield at a regular meeting of the City Council held on the 14th day of June, 2016, by the following vote:

AYES, and all in favor, therefore, Councilmembers:

NOES, Councilmembers:

ABSENT, Councilmembers:

John P. Huerta, Jr., Mayor

Attest:

Ann F. Rathbun, City Clerk

**CITY OF GREENFIELD CITY COUNCIL
CONDITIONAL USE PERMIT NO. 2016-05**

Project: Development and Use of a Medical Marijuana Dispensary, Cultivation, and/or Manufacturing Facility Under Chapter 5.28 “Medical Marijuana Facilities Regulatory Permit” of the City of Greenfield Municipal Code to be Located at 721 El Camino Real in the City of Greenfield, CA

Applicant: Golden State Alternative Care., Inc.

APN: 109-161-005

Approved: City Council Resolution 2016-__

Date: June 14, 2016

1. The development and use of the property that is the subject of this Conditional Use Permit for medical marijuana dispensary, cultivation, and manufacturing facilities is an allowed use subject to the conditions as set forth below.
2. Construction activities shall be in accordance with the City’s Standard Conditions for Construction.
3. Final landscape and irrigation plans shall be submitted as part of the plan check process for issuance of a building permit. Issuance of a building permit is conditional upon compliance with all applicable provisions of the landscape requirements and standards of chapter 17.54 of the zoning code. The Planning Director shall review and approve the final landscape plans for conformity with these requirements.
4. As required by section 17.62.020 of the zoning code, all exterior signage shall receive zoning clearance (administrative plan check) by the Planning Director to ensure compliance with the applicable provisions of chapter 17.62 of the zoning code; subject, however, to the provisions of section 5.28.150 of the municipal code regulating exterior signage for medical marijuana facilities. The Planning Director shall review and approve the final exterior signage plans for conformity with these requirements.
5. Compliance with the construction recycling and diversion, water use efficiency, and energy efficiency standards set forth in section 17.55.030 is required. The project’s resource efficiency plan will be reviewed during the plan check process, and a building permit will not be issued if the proposed plan does not comply with the requirements of chapter 17.55.

6. At the time of application for a building permit, the project's plans and specifications will be reviewed by the Planning Director for conformance with the lighting requirements of chapter 17.56 of the zoning code. A building permit will not be issued if proposed outdoor lighting is not in compliance with the requirements of this chapter.
7. The requirements of chapter 17.60 of the zoning code apply to all development projects in all zoning districts. For medical marijuana facilities, compliance with the hazardous materials standards and requirements of section 17.60.020, the noise standards of section 17.60.030, and the odor, particulate matter, and air containment standards of section 17.60.040 are of particular importance. Compliance with the odor containment requirements set forth in paragraph 5.28.050.F.4.i of the municipal code is also required. Prior to issuance of a certificate of occupancy, the applicant shall demonstrate compliance with the noise standards set forth in section 17.60.030.
8. This Conditional Use Permit shall remain in force for so long as the development and use of the property as a medical marijuana dispensary, cultivation, and/or manufacturing facility remains in compliance with the requirements of this Conditional Use Permit.
9. If application for a building permit is not made within one year after approval of this Conditional Use Permit, it will be necessary for the applicant to submit a new application for a Conditional Use Permit. Time extensions may be considered upon receipt of a written request for a time extension submitted to the City no less than thirty (30) days prior to expiration of this one year period, or any extension thereto previously granted.
10. A medical marijuana dispensary, cultivation, or manufacturing business shall not operate on the property that is the subject of this Conditional Use Permit without the operator of that business holding a valid Regulatory Permit for the operation of such business issued by the City as provided for under chapter 5.28 of the City of Greenfield municipal code.
11. At such time as the State of California requires the operator of medical marijuana facilities and business entities to hold a valid and current license duly authorized, approved, and issued by the State in accordance with State laws and regulations now or hereinafter enacted for the operation of such business, a medical marijuana dispensary, cultivation, or manufacturing business shall not operate on the property that is the subject of this Conditional Use Permit without the operator of that business holding any and all licenses or permits required and issued by the State of California.

**CITY OF GREENFIELD CITY COUNCIL
ORDINANCE NO. ____**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
GREENFIELD APPROVING A DEVELOPMENT AGREEMENT FOR
THE OPERATION OF MEDICAL MARIJUANA CULTIVATION AND
MANUFACTURING FACILITIES AT 721 EL CAMINO REAL**

WHEREAS, Section 65865 of the State of California Government Code provides that cities may enter into a development agreement with any person having a legal or equitable interest in real property for the development of property; and

WHEREAS, Section 65867.5 of the State of California Government Code provides that development agreements shall be approved by ordinance; and

WHEREAS, Sections 16.37.010 and 17.16.160 of the City of Greenfield Municipal Code set forth the procedures for approval of development agreements; and

WHEREAS, Section 5.28.090 of the City of Greenfield Municipal Code provides that development agreements may be entered into as a condition of issuance by the City of a regulatory permit or permits for medical marijuana cultivation and manufacturing facilities authorized under Chapter 5.28 of the City of Greenfield Municipal Code; and

WHEREAS, the City of Greenfield has received regulatory permit applications from Golden State Alternative Care, Inc., for medical marijuana cultivation and manufacturing facilities for property located at 721 El Camino Real; and

WHEREAS, it is the desire of the City of Greenfield City Council to approve issuance of regulatory permits for medical marijuana cultivation and manufacturing facilities to be located and 721 El Camino Real and to enter into a development agreement with Golden State Alternative Care, Inc. and the owner of said property for the establishment and operation of such facilities; and

WHEREAS, the proposed development agreement was heard, reviewed, and discussed by the City of Greenfield City Council at a duly noticed public hearing;

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the City Council of the City of Greenfield has considered all written and verbal evidence regarding the proposed development agreement and has made the following findings:

1. **FINDING:** That the development agreement is consistent with the general plan objectives, policies, land uses, and implementation programs and any other applicable specific plans.

- a. The proposed medical marijuana cultivation and manufacturing facilities are allowed uses in the Light Industrial (I-L) zoning district.
 - b. The proposed project complies with all commercial development standards for the Light Industrial (I-L) zoning district set forth in sections 16.20.020 and 17.36.040 of the zoning code, including but not limited to requirements for minimum lot area, maximum lot coverage, building setbacks, building height limits, landscaping, resource efficiency, lighting, parking performance standards, and signage.
 - c. The General Plan encourages infill and intensification of land uses through the reuse or redevelopment of vacant or underutilized industrial, commercial, and residential sites. It also encourages the redevelopment and reuse of vacant and/or underutilized commercial buildings. The proposed project utilizes a light industrial zoned property that is occupied by a residential unit surrounded by a primarily vacant and under-utilized site for a new commercial business.
 - d. The General Plan encourages development of commercial and industrial uses that are consistent with the scale and character of surrounding land uses. The proposed project will develop multiple greenhouse and manufacturing facilities that are of the scale and intensity appropriate for a light industrial development. The new development will consist of buildings that are of a size and height similar to adjacent and nearby industrial buildings.
 - e. The proposed project is consistent with General Plan policies that call for the recruitment of businesses, industries, and other employers whose operations are consistent with long-term economic development goals. The proposed project brings a new industry to the City that will provide new jobs to promote economic development and further the City's jobs to housing goals. It will also provide a significant source of revenue to the City that will enable the City to provide services and benefits to the community that it is not currently able to do because of budget limitations and insufficient revenues.
2. **FINDING:** That the proposed development agreement is in conformance with the public convenience and general welfare of persons residing in the immediate area and will not be detrimental or injurious to property or persons in the general neighborhood or to the general welfare of the residents of the city as a whole.
- a. The proposed medical marijuana cultivation and manufacturing facility is located in a light industrial zoned district in proximity to other light industrial type uses.
 - b. The construction of a steel security fence around the perimeter of all buildings where medical marijuana is cultivated, manufactured, stored, processed, and handled will provide increased security for the site and the materials and products stored, cultivated, and manufactured in the facility.

- c. A video surveillance system will be installed to monitor all exterior areas of the property, all site and building entrances and exits, and all interior spaces of the building, thereby providing additional security for the entire property.
 - d. Armed security guard services will be provided 24 hours a day, 7 days a week.
 - e. The facility will not be open to the general public and no direct sales or product distribution will be made to the general public.
 - f. The development agreement includes provisions for public outreach and education programs to promote the public welfare and operational and security plans to ensure the facility is operated in a safe and legal manner.
3. FINDING: That the development agreement will promote the orderly development of property or the preservation of property values.
 - a. The proposed development is infill development that will intensify land uses through the redevelopment of vacant and underutilized commercial sites.
 - b. The proposed medical marijuana cultivation and manufacturing facility is located in a light industrial zoned district in proximity to other light industrial type uses.
4. FINDING: All requirements of the California Environmental Quality Act have been met.
 - a. If a project is subject to several discretionary approvals, for purposes of CEQA the “project” refers to the totality of the development project and not to each separate governmental approval (CEQA Guidelines section 15378). For purposes of the required CEQA discussion and analysis, the project under review includes the issuance of regulatory permits and conditional use permits, approval of development agreements, and tentative map and final map approvals for subdivision of certain specified property.
 - b. An Initial Study was prepared for a similar, but larger scale, medical marijuana cultivation and manufacturing development project at 900 Cherry Avenue. That property is in the same light industrial zoning district as is the property at 721 El Camino Real. The two properties are less than 0.2 mile from each other.
 - c. The Initial Study for the 900 Cherry Avenue property used the “tiering” provisions of CEQA (CEQA Guidelines section 15152), wherein lead agencies are encouraged to use the analysis contained in EIRs for broader projects (i.e., a general plan EIR) as part of the analysis for subsequent specific projects. Section 15152(e) notes that tiering must be limited to situations where a project is consistent with the general plan and zoning. The proposed 900 Cherry Avenue project was consistent with the General Plan Light Industrial land use designation and with the applicable Light Industrial zoning development standards, as is the proposed 721 El Camino Real project (see conformity discussion above). This

consistency enables the application of tiering provisions. The 2005 City of Greenfield General Plan Final EIR (General Plan EIR) examined potential impacts of the 2005 General Plan, including future development of the site with Light Industrial uses. Consequently, where prudent and applicable, information contained in the Initial Study was tiered from the General Plan EIR to avoid redundancy and streamline the analysis process for the proposed project.

- d. The analysis methodology in the Initial Study also considered the streamlining provisions contained in section 15183 of the CEQA Guidelines, which address projects that are consistent with an established density for the site. CEQA mandates that “projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site.” The Initial Study for the 900 Cherry Avenue project focused on evaluating whether there are project-specific impacts that are peculiar to the project or the project site. The proposed project was consistent with the Light Industrial land use designation and consistent with applicable Light Industrial zoning development standards, as is the proposed development for the 721 El Camino Real property. Therefore, where appropriate, the discussion of proposed project impacts in the Initial Study for the 900 Cherry Avenue project was limited as mandated in CEQA Guidelines section 15183.
- e. Section 15183 is particularly relevant for assessment of the incremental cumulative impacts of the proposed project, especially where such impacts were found to be significant and unavoidable in the General Plan EIR. The General Plan EIR identified several significant and unavoidable impacts for which the City approved Statements of Overriding Consideration. In these cases, the analysis in the Initial Study concluded that the proposed project contribution to these significant and unavoidable cumulative impacts was already identified in the previous EIR. This approach is consistent with CEQA Guidelines section 15183(c) which states, “if an impact is not peculiar to the parcel or to the project, has been addressed as a significant effect in the prior EIR, or can be substantially mitigated by the imposition of uniformly applied development policies or standards, as contemplated by subdivision (e) below, then an additional EIR need not be prepared for the project solely on the basis of that impact.”
- f. The Initial Study prepared for the 900 Cherry Avenue project found that with the inclusion of two conditions of approval identified in the Initial Study, the proposed project would not have significant environmental impacts. Those conditions require a pre-construction survey be conducted to determine whether protected nesting birds are present prior to the start of construction, and that a historic resource assessment of the existing residence be conducted. (Note: The historic resource assessment was since completed and concluded the existing residence does not have any historical significance.)

- g. The Initial Study for the 900 Cherry Avenue project found that all potentially significant impacts were analyzed adequately in the earlier General Plan EIR and were avoided or mitigated pursuant to that earlier EIR or were addressed through conditions of approval that could be imposed on the proposed project. Therefore, no further environmental review was required.
- h. The site, location, and environmental conditions analyzed for the 900 Cherry Avenue project are the same conditions that apply to the 721 El Camino Real project. The findings of the Initial Study for the 900 Cherry Avenue project are also applicable to the 721 El Camino Real project. All potentially significant impacts of the 721 El Camino Real project were analyzed adequately in the earlier General Plan EIR and were avoided or mitigated pursuant to that earlier EIR or are addressed through conditions of approval that can be imposed on the proposed project. Therefore, no further environmental review is required.

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

Section 1. That the development agreement with Golden State Alternative Care, Inc., be approved and adopted by ordinance substantially in the form of the agreement attached hereto.

Section 2. Effective Date: This Ordinance shall take effect thirty (30) days from and after its passage and adoption by the City Council of the City of Greenfield.

INTRODUCED at a regular meeting of the City Council of the City of Greenfield held on the 14th day of June, 2016.

PASSED AND ADOPTED by the City Council of the City of Greenfield, at a regularly scheduled meeting of the City Council held on the ____ day of _____, 2016, by the following vote:

AYES, and all in favor, thereof, Councilmembers:

NOES, Councilmembers:

ABSENT, Councilmembers:

John P. Huerta, Jr., Mayor

Attest:

Ann F. Rathbun, City Clerk