

Exhibit A

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EXHIBIT A
PROJECT DISCUSSION
PLN170215 (Brown Bulb Ranch)

Description

The property owner proposes to lease space in existing greenhouse and warehouse space located at 3060 Hilltop Road, to a commercial medical cannabis cultivation, manufacturing, and distribution use. The greenhouse is near the intersection of Highway 1 and Salinas Road. The site is zoned Agricultural Conservation in the North County Area Plan. The 16.2 acres site is currently used for the production, processing and storage of bulbs and flowers. The first greenhouses built on the site were built in the early 1980's with the final greenhouse being added in 2007. The Tissue Culture Lab was constructed in 1999. The warehouse was built in 2000. No cannabis operations exist on the site right now.

Background

The property owner proposes to lease space to Golden State Bulb Growers who would operate the commercial medical cannabis cultivation, manufacturing, and distribution use on the property.

In July of 2016, the Board of Supervisors adopted ordinances establishing regulations for commercial cannabis operations in Monterey County. Pursuant to the adopted regulations, all commercial medical cannabis businesses must obtain a Use Permit (land use) and an annual Commercial Medical Cannabis Business Permit. On March 15, 2017, Golden State Bulb Growers submitted a request for a pre-application Development Review Committee (DRC) meeting. Following the DRC meeting, an official application for Use Permit was made on December 14, 2017 and the application was deemed complete on April 6, 2018. If the Use Permit is approved, an application for a Commercial Cannabis Permit, and Monterey County Business License will also be required pursuant to Chapter 7.90 of the Monterey County Code. Additionally, the applicant will be required to obtain a State License before operation can commence.

Coastal Development Permit Standards

Commercial cannabis cultivation, manufacturing, and distribution uses are listed as a "Use Allowed with a Coastal Development Permit in each case" in the Agricultural Conservation (AC) Zoning District. Standards for commercial cannabis cultivation, manufacturing, and distribution Permits are contained in Sections 20.67.050, 20.67.060, 20.67.080 of the Coastal Zoning Ordinance (Title 20).

Minimum cultivation standards include:

1. Located in an existing greenhouse within the Agricultural Conservation and Coastal Agricultural Preserve zoning districts;
2. Not located in a building intended for residential use;
3. Location more than 600 feet from a school, public park, or drug recovery facility;
4. Appropriate record keeping policies and consent for inspections;
5. Appropriate security measures;
6. Appropriate storage of pesticides and fertilizers;
7. Appropriate water conservation measures;

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8. Cannabis plants or evidence of cannabis cultivation not visible from offsite;
9. Cumulative canopy size does not exceed maximum allowed by state law;
10. Maintain applicable state licenses that allow for the transportation of cannabis.

Minimum non-volatile manufacturing standards include:

1. Located in zoning districts that specifically provide for this use and the manufacturing facilities shall be consistent with all land use designations;
2. Location more than 600 feet from a school, public park, or drug recovery facility;
3. Determination of whether manufacturing operations are "volatile"
4. Appropriate record keeping policies and consent for inspections;
5. Appropriate security measures;
6. Appropriate training for employees;
7. Maintain applicable state licenses that allow for the manufacture of cannabis.

Staff finds that based application materials submitted, this proposed project meets all of the standards required to approve a Costal Development Permit. Consistency with these standards is further analyzed below.

Required Findings

In addition to these minimum standards, a Use Permit shall not be granted unless all the following findings are made:

Cultivation:

1. The cultivation, as proposed, will comply with all of the requirements of the State and County for the cultivation of medical cannabis.;
2. The cultivation will not be located with six hundred feet of a school, public park, or drug recovery facility;
3. The cultivation, as approved and conditioned, will not result in significant unavoidable impacts on the environment;
4. The cultivation includes adequate measures that minimize use of water for cannabis cultivation at the site;
5. The cultivation includes adequate measures to address the projected energy demand for cannabis cultivation at the site;
6. The cultivation includes adequate quality control measures to ensure cannabis cultivated at the site meets industry standards;

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7. The cultivation includes adequate measures that address the federal enforcement priorities for cannabis activities including restricting access to minors, prohibiting use or possession of firearms for security purposes at the premises, and ensuring that cannabis and cannabis products are not supplied to unlicensed and unpermitted persons within the State and not distributed out of state.

Manufacturing:

1. The manufacturing facility, as proposed, will comply with all of the requirements of the State and County for the cannabis manufacturing.
2. The manufacturing facility will not be located within six hundred (600) feet from any school, public park, or drug recovery facility.
3. The manufacturing, as approved and conditioned, will not result in significant unavoidable impacts on the environment.
4. The manufacturing includes adequate quality control measures to ensure cannabis manufactured at the site meets industry standards.
5. The manufacturing facility does not pose a significant threat to the public or to neighboring uses from explosion or from the release of harmful gases, liquids, or substances.
6. The manufacturing operations plan includes adequate measures that address the federal enforcement priorities for cannabis activities including providing restrictions on access to minors, prohibiting use or possession of firearms for security purposes at the premises, and ensuring that cannabis and cannabis products are obtained from and supplied only to other permitted licensed sources within the State.

A draft resolution includes findings and evidence for consideration (**Exhibit C**). Staff recommends approval determining that these findings have been met.

Mandatory Conditions

Mandatory conditions of approval required for all medical cannabis dispensary Use Permits. Staff recommends approval subject to 10 conditions of approval, including the mandatory conditions (**Exhibit C-1**).

Standards Analysis

In order to address the minimum standards and required findings for a Coastal Development Permit, the applicant has submitted an Operations Plan (**Exhibit C-2**) that describes the hours of operation, security protocols, patient verifications, youth restriction procedures, product safety, packaging, supply chain information, record keeping policies including track and trace programs,

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odor prevention measures, contact information for nuisance complaints, and other site information addressing operational standards including fire, health, and safety.

Staff has reviewed the plans and information submitted with the Use Permit application and feels that the findings required to grant the Coastal Development Permit can be made in this case. Plans submitted address the minimum standards contained in Sections 20.67.050, 20.67.060, 20.67.080 including location within the Agricultural Conservation Zoning District. Standards considered in review of the application include:

Location and hours: The property is located in the Agricultural Conservation Zoning District; is more than 3,000 feet from Ohlone Elementary School (the nearest school/park to the site); Operations plan propose hours to be 8:00 A.M. to 4:00 P.M. Monday thru Sunday.

Product tracking and records: Track and trace software, together with operational details regarding inventory and accounting are proposed that would be capable of maintaining clear records for all product purchases, deliveries, and sales. Through the software system, chain of title and manifests of products from seed to sale can be provided. This will provide accountability to ensure products remain in a regulated market and are not illegally diverted.

Security: Security systems and procedures have been reviewed by RMA – Planning, Fire, and the Sheriff's Office and appropriate measures and systems are proposed to meet or exceed local and State security requirements. Security will be similar to a bank operation with 24-hour on-site security from a contracted security service, locked safe rooms with limited access, video surveillance at strategic locations throughout the facility, integrated alarm systems, and emergency response plans. Additional measures are proposed for delivery services security including security personnel oversight of loading products into unmarked vehicles. Vehicles will have built in mini safes for transport. Only small amounts of products will be transported at any one time.

Nuisances: Condition of Approval No. 9 has been included to ensure that odor prevention devices and techniques, such as ventilation system with a carbon filter, shall be incorporated to ensure that odors from cannabis are not detectable off-site.

Physical improvements: There will be no exterior change to the structures other than a 1.5 acre photovoltaic system that will be installed on top of the warehouse upon entitlement.