

# Exhibit B

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**EXHIBIT B**  
**PROJECT DISCUSSION**  
**PLN190008 (Abundant Investments)**

**Description**

Robert Dee, owner of Abundant Investments of 1031 N. El Camino Real proposes to lease a tenant space on the property to Monterey Retail Solutions, who would operate a cannabis retail facility and delivery under the business name of Weden. The business proposed is in a vacant, retail space (1,413 sq. ft) at the intersection of Highway 101 South and Prunedale South Road.

The proposed site is located entirely within the future Caltrans Highway 156 widening project (**Exhibit F**). The owner was made aware of this expansion at the initial Development Review Committee meeting on January 29, 2019. Although the owner/applicant is aware of the potential risk, they wish to pursue with the entitlement process and move forward with this application. County staff has since reached out to Caltrans and was informed that Caltrans has a phased plan for improvements to the Highway 101 and 156 corridor and there is no current timeframe for the phase of improvements affecting this location. Caltrans had no comment regarding the proposal for the dispensary at the site. The applicant/owner has been encouraged to contact Caltrans directly for updates on the interchange improvements.

The site is zoned Light Commercial or “LC” and development of the site is governed by the North County Area Plan, which classifies the land use designation of the property as Commercial. The applicant is applying for an Amendment to the General Development Plan (GDP) and Administrative Permit which would allow for the commercial cannabis retailer. The retailer would occupy a 1,413 square foot vacant building. There is an existing automotive shop that will continue to operate on the lower level of the property. Minor modifications are proposed to the exterior of the building including re-striping the parking lot, signage, and implementation of the proposed security measures. No other features of the building will be altered. The applicant is proposing to re-strip the parking lot yielding 34 parking spaces, which would satisfy the parking requirement of 1 parking space/250 square feet of retail space.

The proposed retailer would provide medical and adult-use commercial cannabis including delivery service from 8:00am to 8:00pm daily. Services would be provided to adults without medical authorization 21-years of age and older and to established qualified patients and primary caregiver members 18 years of age and older. The activities would occur within an existing commercial building that will be improved to meet current building code standards.

**Administrative Permit Standards**

Cannabis retailers are listed as a “Use Allowed with an Administrative Permit in each case” in the Light Commercial (LC) Zoning District. Standards for cannabis retailer permits are contained in Section 21.67.040 of the Inland Zoning Ordinance (Title 21). Minimum standards include:

1. Location in a commercial zoning district;
2. Location more than 600 feet from a school providing instruction in kindergarten or any grades 1 through 12, a child care center, youth center, a playground, or drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority;
3. Location more than 1,500 feet from another retailer (with exceptions);

4. Appropriate record keeping policies and consent for inspections;
5. Appropriate security measures;
6. Appropriate delivery procedures;
7. Appropriate supply chain to include permitted and licensed facilities only;
8. Appropriate packaging and labeling of products;
9. Tracking and reporting of inventory discrepancies, theft, loss or other breach of security;
10. Restriction on possession or sale of any other form of illegal drugs.

### ***Regulatory Analysis***

The applicant has submitted a Operations Plan and Procedures Manual that describes how operations will comply with the relevant standards (**Exhibit C**). The operations plan includes the hours of operation, number of employees, security protocols, customer age verifications, loitering restrictions, product safety, packaging, supply chain information, record keeping policies including track and trace system, quality control, waste disposal information, and other operational standards addressing fire, health, and safety requirements.

Staff has reviewed the plans and information submitted with the application and determined that the plans address the minimum standards contained in Section 21.67.040. Standards considered in review of the application include:

Product Tracking and Record Keeping: Monterey Retail Solutions shall maintain accurate written records of every sale made to verified patients and customers in both the storefront and via its delivery service. Monterey Retail Solutions will be required to implement the seed-to-sale tracking. Upon permit issuance, Monterey Retail Solutions Dispensary will implement Track & Trace in compliance with all local and state laws regulations. All cannabis goods received, sold, or discarded will be reported in the Track & Trace system, without exception.

Security: The applicant has submitted a detailed Security Plan. Security systems and procedures have been reviewed by RMA–Planning and appropriate measures and systems are proposed to meet local and State security requirements. The premises are accessible by a front standard access door. Delivery will also take place from the front entrance. All cannabis goods will be separated as medical or adult-use and stored within safes contained in locked storage rooms. All transactions will be recorded by video surveillance and records in the form of shipping manifests, chain of custody, and Track & Trace. Monterey Retail Solutions Dispensary will have an on-site security guard (24/7), all personnel will be trained in security procedures by a security professional. A surveillance scheme covering the entirety of the interior space and the exterior space will be in place in accordance with all state regulatory requirements. The video will continuously monitor the premises and will notify Monterey Retail Solutions Dispensary of any failure in operation security.

Nuisances: Odor control would include carbon filters in the HVAC system. Cannabis related waste will be placed into a 1 yard locking trash bin supplied by Waste Management, accessible only by staff, the local agency, and an authorized cannabis waste hauler. Detailed records of waste will be maintained.

Delivery: Monterey Retail Solutions employees will only deliver cannabis and cannabis products to prequalified patients or adult-use customers with verified home addresses. Delivery hours are same as business hours from 8:00 am to 8:00 pm daily. Vehicles used to deliver products and drivers of those vehicles are required to comply with State and local requirements including maintaining appropriate records during transport.

Setback: The proposed site meets the 1,500 feet setback from another cannabis retailer. The closest cannabis retailer (Pacheco/PLN170478) is approximately 9,500 feet located on Reese Circle, Salinas. Another retailer has been approved on San Miguel Canyon Road north of the site. Additionally, an application for a second dispensary adjacent to the approved dispensary on Reese Circle has been deemed complete and will be considered by the Planning Commission in the near future. The nearest school is Prunedale Elementary School, which is approximately 2.5 miles away. The nearest day care is Garzas Quality Day Care which is approximately 5 miles and Door to Hope drug recovery center is 8.5 miles away.

### ***Public Concerns***

On September 18, 2019, the project was considered by the North County Land Use Advisory Committee (LUAC). (**Exhibit D**). Additionally, a letter dated February 28, 2020 was submitted by Rick Diaz with the North Monterey County School District. (**Exhibit G**). Concerns raised during review include:

- A neighbor to the dispensary was concerned that the dispensary would cause traffic impacts and increase accidents;
- A representative from the North Monterey County School District stated that there is a school bus stop just south of the proposed dispensary and requested more information about controls and restrictions on youth access;
- The LUAC suggested limiting the numbers of dispensaries in North County; and
- The LUAC requested that taxes collected from dispensaries to North County be allocated to projects in North County

### ***Traffic***

According to RMA-Public Works, a traffic report was not required for this project, in accordance with the County's Guide for the Preparation of Traffic Impact Studies. The following aspects were considered prior to not requiring a study:

- Project Trip Generation
- Volume & Speed on the road where project access is taken
- Collision History
- Sight Distance Concern

The property has been used for commercial purposes and the proposal will not substantially change the use; thus the project will not change traffic trip generation since there is no change in the land use. According to the County's traffic count data, traffic volumes on Prunedale South Road have remained the same, or even decreased, since 2016. In addition, there are no reported collisions related to existing driveways along the site frontage.

Per Caltrans' recommendation to discourage vehicles returning onto Hwy 101, the owner/applicant has been conditioned (**Condition No. 11**) to construct a raised median island at the eastern driveway intersection with Prunedale South Road to allow only right turn in/out of the property. With this minor improvement to the parking area, traffic impacts and hazards are not anticipated.

During a LUAC meeting, concerns were voiced that traffic would be diverted to Blackie Road as alternative route to reach the City of Monterey. Upon review of Prunedale South Road, Blackie Road, and Hwy 101, these areas are at acceptable Level of Service (LOS). Even if traffic used Blackie Road, this would not degrade roadways to unacceptable levels of service.

#### *Bus Stop*

A letter dated February 28, 2020 was received from North Monterey County Unified School District. The main concern is regarding the bus stop located near the proposed dispensary posing a potential safety risk to minors. Staff reached out to the school district and described the requirement for the owner to obtain security service/personnel that will be on-site 24/7 to deter minors from entering the dispensary and prevent loitering around the vicinity of the proposed dispensary. Furthermore, signage will be placed on the exterior of the building prohibiting loitering and cannabis use.

#### *Proximity to youth*

The project was reviewed by the County of Monterey Public Health Department for considerations of potential public health concerns and risks for the retail operations. Public Health developed a matrix to help assess the health impact to the public. Based on the Risk Management Matrix, (**Exhibit E**), the retail permit for a cannabis retail facility at this site would result in a public health risk assessment score of six (6), which falls into the range of a moderate risk for increased public health impacts due to potential exposures and/or increased use by at risk groups due to normalization of cannabis. Based on this score, and thus the potential for health risk, Monterey County Health Department does not support the issuance of a retail permit for this facility at this time.

Despite the concerns by the Monterey County Health Department, staff found that the project is consistent with land use and zoning regulations because the proposed dispensary is located in a light commercial zoning district which permits dispensary uses and because plans and information have been submitted that satisfy regulatory requirements for cannabis permitting. The dispensary is not located within 600 feet of a school, playground, or youth center and is not within 1,500 feet of another dispensary.

#### *Tax*

The Monterey County Cannabis business tax was adopted as a general tax. The tax money collected from cannabis businesses benefits the Monterey County General Fund. General Fund monies are budgeted by the Board of Supervisors each year. Through the budget process, funds are allocated for a variety of public projects and services County-wide.

### *Density of Dispensaries in North County*

The North County area (both coastal and non-coastal areas) has been the area in which the majority of cannabis retailers are located. The following cannabis retailers have been permitted or are being considered for permitting in the North County area:

- 2329 San Miguel Canyon Road
- 10041 Reese Circle (under review)
- 10031 Reese Circle
- 8022 Moss Landing Road
- 303 San Juan Grade Road (under review)
- 19 San Juan Road, Pajaro
- 10665 Merritt Street, Castroville
- 53 Porter Drive (under review)
- 10501 Merritt Street, Castroville (under review)

Conversely, 7 applications have been submitted for dispensary uses outside the North County area. Two have been approved (in Carmel), one application was denied (in Toro area), and the others are under review. Primary reasons for discrepancies in retailer applications include availability of qualifying commercial space in the County and population centers, or lack thereof, who are served by the retailer uses.

The adopted policies for consideration of dispensaries in unincorporated areas include a specific setback distance between retailers and review of the recommendations from the Public Health Department.

### ***Conclusion***

The subject Amendment to the General Development Plan and Administrative Permit would authorize a commercial and medical cannabis retailer use and delivery at the site. The GDP and Administrative Permit runs with the land and not the business or property owner. Pursuant to Monterey County Code (MCC) Chapter 7.90, prior to beginning operation, the business operator would need to obtain a Commercial Cannabis Permit and a Business License from the County. After that, they would be required to obtain all applicable State Licenses. Condition of Approval No. 6 requires that appropriate licenses are obtained and maintained.

A draft resolution with findings and evidence for approval are provided (**Exhibit C**). As outlined below, the project has been found consistent with the requirements of Chapter 21.67 (Commercial) of Title 21.

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