City of Brisbane
Planning Commission Agenda Report

TO: Planning Commission For the Meeting of April 24, 2018

FROM: Julia Capasso, Associate Planner, via John Swiecki, Community Development Director

SUBJECT: **Use Permit UP-9-17; 273A Valley Drive; TC-1 Crocker Park Trade Commercial District;** Use Permit for approximately 6,000 square foot cannabis business (delivery-only retail, light manufacturing, warehousing) in an existing office/warehouse building located in Crocker Park; Michelle Dizitser, Kannibox, applicant; Avjog Investments LLC, owner.

REQUEST: The applicant requests approval of a Use Permit application to establish a cannabis business for delivery-only cannabis retail, light manufacturing, and warehousing, within an existing office and warehouse building in Crocker Park. A Use Permit is required to allow cannabis businesses to operate within the TC-1 Crocker Park Trade Commercial District.

RECOMMENDATION: Approve Use Permit UP-9-17 via adoption of Resolution UP-9-17, containing the findings and conditions of approval.

ENVIRONMENTAL DETERMINATION: Projects that involve expansion or continuation of an existing use are categorically exempt from the provisions of the California Environmental Quality Act per Section 15301(a) of the CEQA Guidelines. The exceptions to this categorical exemption referenced in Section 15300.2 do not apply.

APPLICABLE CODE SECTIONS: Conditionally permitted uses in the TC-1 Crocker Park Trade Commercial District are discussed in BMC Section 17.19.030. Cannabis business regulations are contained in BMC Chapter 17.33.

PROJECT DESCRIPTION: The proposed cannabis business would conduct delivery-only retail, light manufacturing, and warehousing operations within approximately 6,000 square feet of an existing office/warehouse building. The business would utilize existing loading docks for product delivery both on and off-site. Per the applicant's submitted operations plan (attached for the Commission's reference), the company will receive a variety of pre-made cannabis products as well as unprocessed cannabis on the site for retail sale to its customers. Associated with their retail operations, they will also engage in consumer research and analytics based on their customer data. The products would consist of cannabis flowers, health and beauty products, and edible products. These products would be purchased from other distributors and assembled on-site.

As detailed in the applicant's operations plan, the proposed light manufacturing and warehousing uses would be incidental to the primary delivery-only retail use, including storage and repackaging of bulk materials and extractions without the use of volatile solvents.

ANALYSIS AND FINDINGS:

Cannabis Business Requirements

BMC Chapter 17.33 contains detailed requirements for the operations of cannabis businesses that all businesses must demonstrate compliance with at the Use Permit, building permit, and business license stages. The applicant has completed a Cannabis Business Checklist and Operations Plan (attached for the Commission's reference) demonstrating how they will comply with the performance and operating standards contained in Chapter 17.33. Pertinent standards relevant to the Use Permit approval are discussed in detail below.

Location Limitations. Currently, BMC Section 17.33.020.A prohibits a cannabis business be located within 600 feet of a school, day care, or youth center. The subject property is located within 600 feet of Lipman Middle School. However, the City Council introduced Ordinance 625 on March 15, 2018 to eliminate this provision. Assuming the Ordinance is adopted following a second reading in April, the provision would be struck from the Code in May. Staff has inserted a condition of approval to Resolution UP-9-17 that the Use Permit shall not be effective unless and until Ordinance 625 goes into effect.

State license and Accreditation. This performance standard will be met following approval of the Use Permit. The applicant has submitted an application to the State of California for a microbusiness (Type 12) license. Consistent with State regulations, they may not receive their license from the State until such a time as the City authorizes their land use permit.

Hours of Operation. This performance standard will be met, per Section 1.3 of the Operations Plan. Currently, BMC Section 17.33.020.C prohibits cannabis businesses to conduct deliveries and pick-ups between 7 p.m. and 8 a.m. It should be noted that the City Council has directed the Planning Commission to consider amending the permitted operating hours for a retail-delivery business, which would be considered by the Planning Commission separately from this Use Permit application.

Odor Control. This performance standard will be met, per Section 2 of the applicant's Operations Plan. Similarly to the existing Crocker Park-wide performance standard in BMC Section 17.19.050, this standard requires all odors to be contained on the property on which the business is located. Staff has added a condition of approval to Resolution UP-9-17 reiterating this requiring and asserting that the applicant shall work with the building official to correct odor concerns if the city receives any odor complaints. As a point of information, this Code section also stipulates that "unresolved or repeated odor complaints may be the basis for suspension or revocation of the business license or use permit, as applicable."

Location of Business Activities. This standard requires that all aspects of the business, with the exception of incidental loading and off-loading of cannabis or cannabis products, occur within the building where the business is being conducted. It also requires that the interior use related to cannabis products not be visible from the exterior of the site. This standard will be met per the applicant's submitted site plan showing an existing loading dock to be used for deliveries. The submitted floor plans indicate the interior areas in which cannabis processing and warehousing would be conducted.

Security and Site Inspections. With the conditions of approval provided in the attached Resolution UP-9-17, all requirements related to security and safety of business operations will be met. The Police Department has reviewed the submitted application and will require specific physical improvements to both the exterior of the site (loading dock area) and the interior tenant space pertaining to security systems and operational procedures that shall be imposed by the Police Department at the building permit stage. Additionally, the Police Department has imposed a condition that both scheduled and unscheduled site inspections may be performed to ensure the business operations comply with the conditions of the Use Permit and any other security measures imposed at building permit.

Use Permit Analysis and Findings

In order to approve the Use Permit, the Planning Commission must determine the following, per BMC Section 17.40.060:

A. "In considering an application, the planning commission shall consider and give due regard to the nature and condition of all adjacent uses and structures, and to general and specific plans for the area in question."

B. "The planning commission shall determine whether or not the establishment, maintenance or operation of the use applied for will, under the circumstances of the particular case, be detrimental to the health, safety, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, or whether it will be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the city. If the planning commission finds that the aforementioned conditions will not result from the particular use applied for, it may grant the use permit."

The proposal would meet the both findings, as discussed below.

Adjacent Uses and Structures- The subject property is located in the Crocker Industrial Park, the City's largest trade commercial district (zoned TC-1, Crocker Park Trade Commercial District). The subject site is occupied on the lower level by an established warehouse and office use that will continue operations in conjunction with the proposed new cannabis business tenant. The property is immediately bordered to the west by existing warehouse and office uses at 325 Valley Drive, to the north by existing office, retail sales, and warehousing uses at 280 Valley Drive, and to the east by existing office and warehouse uses at 235 Valley Drive. The proposed delivery-only retail, light manufacturing, and warehouse use is thus consistent with the adjacent uses and structures and the industrial park as a whole.

The site is bordered to the south and east by the Crocker Park Recreational Trail (CPRT). Due to the visibility of the loading area from the trail, the Police Department will require the loading area utilized by the cannabis business to be secured, subject to the Police Department's review and approval at the time of building permit (Condition of Approval B.1 in the attached Resolution UP-9-17).

General Plan Consistency- The proposed delivery-only retail, light manufacturing, and warehousing use is consistent with the property's Trade Commercial land use designation in the 1994 General Plan.

General Plan policies applicable to the proposed use include the following:

> **Policy 8:** Maintain and diversify the City's tax base, consistent with community character, in order to generate adequate revenues for City Government and sustain a healthy local economy. *(Local Economic Development, Ch. 4)*
>
> **Policy CP.3:** Encourage uses that benefit the community, providing jobs, revenues and services. *(Subarea Policies, Crocker Park)*

The Use Permit application would allow the establishment of the first cannabis-related business in Brisbane following the Council's adoption of Ordinance 617 to conditionally allow such uses to operate in the City. In general, businesses that comply with the performance standards in BMC Chapter 17.33 (including the proposed use) would support the City Council's stated interest in allowing such uses to be established in the City as part of a new and growing industry.

> **Policy CP.11**: Review development plans to assure adequate parking/loading on site. *(Subarea Policies, Crocker Park)*

The proposed use would continue an existing office and warehousing use at the subject property and would not intensify the existing parking demand of the site.

> **Policy CP.20**: Provide the opportunity for a property owner to request police review of plans for new construction and remodeling to provide suggestions for the control of vandalism and theft.

As previously noted, the Police Department has reviewed the Use Permit application and will require security-related improvements to be installed on the premises, subject to review and compliance prior to Building Permit issuance.

> **Policy CP.24:** Contain major business activities inside buildings.

As is required by the TC-1, Crocker Park Trade Commercial district regulations, and as reiterated in Condition of Approval J included in Resolution UP-9-17, all major business activities with the exception of delivery loading and off-loading shall take place inside the building.

Not Detrimental or Injurious to the Property, Neighborhood or City – Given the conditions of approval contained in Resolution UP-9-17, particularly related to security requirements, the proposed cannabis business would not be detrimental or injurious to the property, neighborhood

or city at large. The delivery-only retail, light manufacturing, and warehouse uses would be a continuation of existing uses on the property and in the immediate vicinity, in compliance with all required performance standards for all businesses and specifically cannabis-related businesses in the zoning ordinance. No significant increase in existing vehicle trip volume is anticipated as the proposed use is a continuation of, and incidental to, an existing use in the structure.

This application has been reviewed by the Public Works Department, Police Department and North County Fire Authority. These departments have required conditions of approval for the project that are included in the attached Resolution UP-9-17.

ATTACHMENTS:

A. Vicinity map
B. Applicant's Site Plan
C. Applicant's Operations Plan
D. Applicant's Supporting Statements for Use Permit
E. Draft Resolution UP-9-17 with recommended Findings and Conditions of Approval

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ATTACHMENT A

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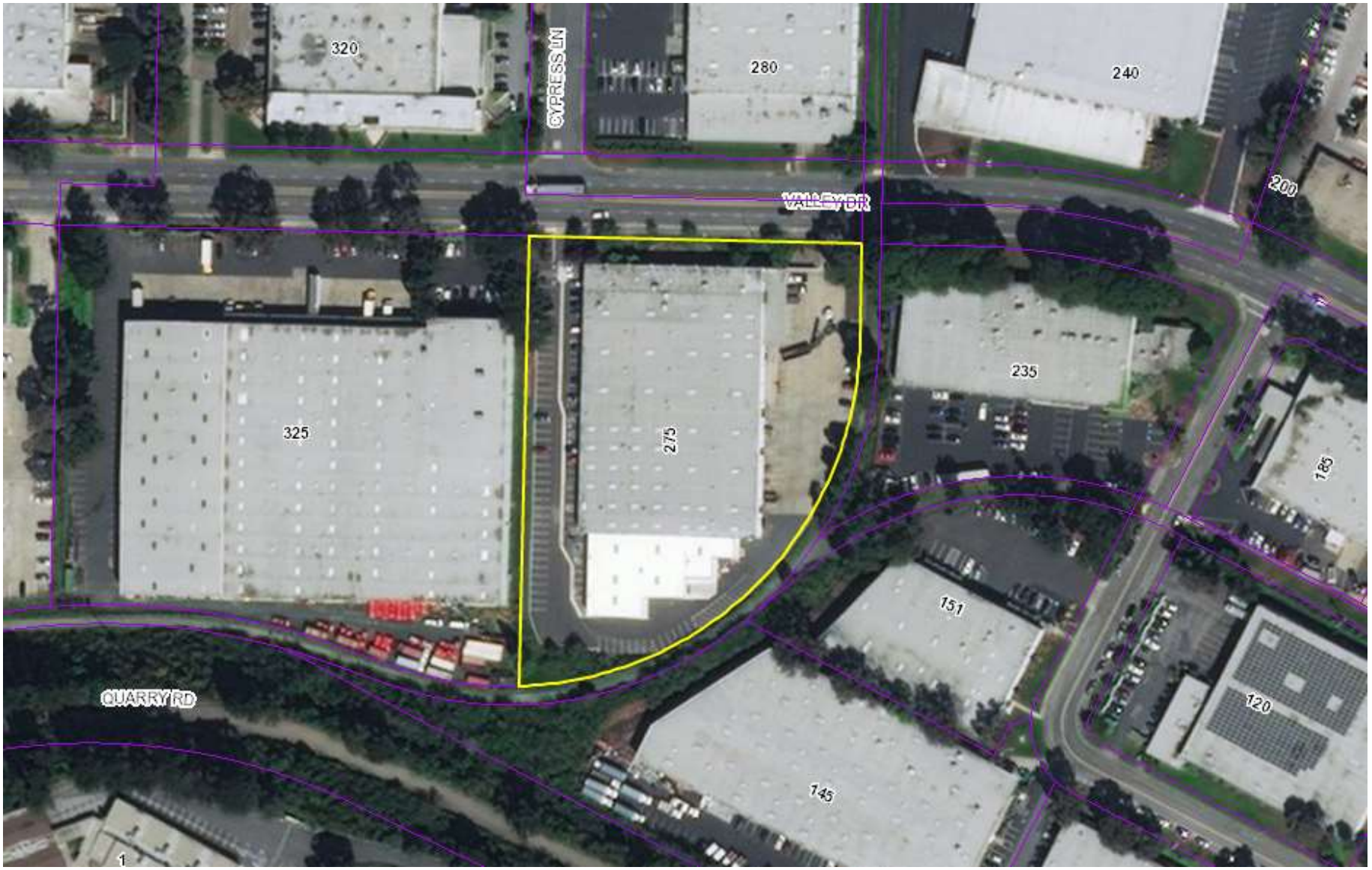
Vicinity Map
275/273A Valley Drive

Attachment A



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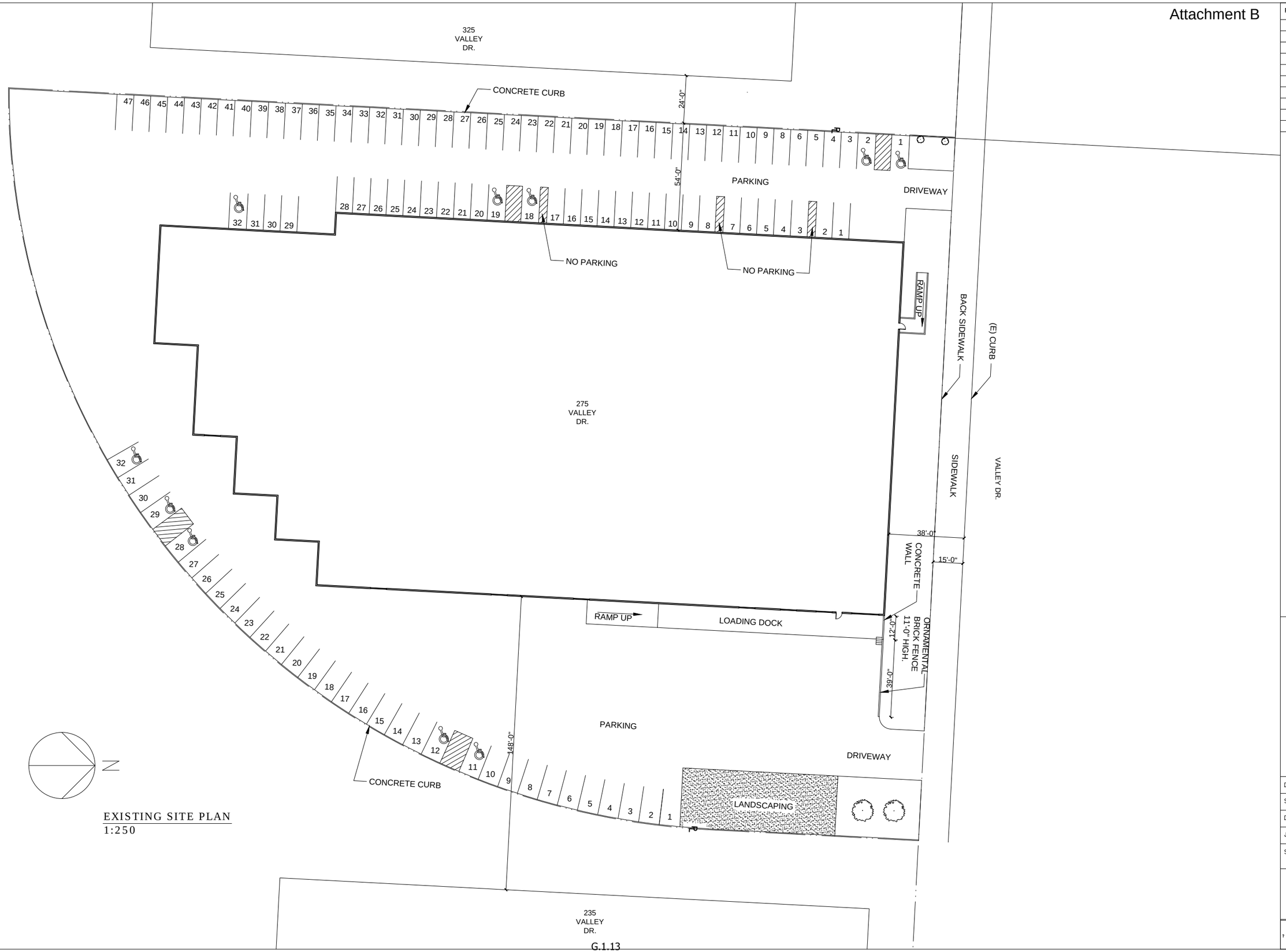
Attachment B



EXISTING SITE PLAN
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REVISIONS	BY

EXISTING SITE PLAN

KANNIBOX FACILITY,
275 VALLEY DR. BRISBANE, CA 94005

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Scale:	AS NOTED
Drawn:	RD
Job:	2018-02
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KANNIBOX

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ATTACHMENT C

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SECTION 1 BUSINESS

1.1 Description

Kannibox is a curated box and technology company which has a vision to create a platform for the cannabis industry that connects brands directly to consumers, educates users, builds relationships, and closes the information loop to better meet the needs of the network.The Kannibox vision is twofold. First, we will be a vertically integrated cannabis microbusiness, with manufacturing, distribution, and non-storefront retail activities. Specific activities associated with each of those portions of the supply chain are detailed under Section 1.2 below. The finished product is a curated box, which Kannibox will deliver monthly to a curious market through a try-then-buy business model. Second, Kannibox is a technology company. To effectively curate future box contents, Kannibox will gather feedback from consumers. The data will serve to bridge the information gap in the cannabis industry by creating a 2-sided network.

We want to see cannabis shed its negative stigma and help people realize it can become an integrated and balanced part of their lifestyle. Kannibox will guide consumers with the education and safe experiences necessary to identify quality cannabis products and determine which work best for their bodies and needs. Our platform will provide the knowledge which will enable users to learn about safe and responsible dosing and microdosing, as well as the different health benefits that cannabis products have.

In summary, the Kannibox model involves a feedback loop of providing cannabis products to consumers through the cannabis product-touching arm, gathering feedback through the technology arm, and repeating this loop indefinitely to refine and tailor product offerings for consumers.

1.2 Products, Activity, & Sourcing

Kannibox's product is a curated box of sample-sized cannabis products and/or full-sized retail units of cannabis products. Some products are received at the Kannibox facility in finished, retail-ready form. Others will receive further processing within the licensed premises.

Products

The types of cannabis products we will retail to our customers include:

- Dried flower and pre-rolled joints
- Infused edibles and beverages
- Vape cartridges
- Topicals and lotions
- Concentrates and other oils
- Tinctures and sublinguals
- Other cannabis products permissible under state and local law

In compliance with state law, each cannabis product will be labeled as adult-use or medical. Adult-use cannabis products will be distinguished by an "A" and medical cannabis products will be distinguished by an "M."

These products will be available in samples sizes (for our boxes), as well as, full-sized retail-ready units. Some producers may not sell their product in a retail/sample size; Kannibox we will have the option of buying their product in bulk sizes and breaking it down into smaller either retail-ready units or even further down into sample sizes.

Activity

Kannibox will conduct the following types of commercial cannabis activity on the premises under a commercial cannabis microbusiness license, which was designed in state law to facilitate small business' vertical integration. These activities may include but are not limited to non-volatile manufacturing, packaging/repackaging, storage, processing, distribution, non-retail storefront delivery.

1. Storage and distribution
    a. Warehousing of adult use ('recreational') and medicinal use cannabis products.
    b. Distribution of adult and medical use cannabis products to other licensed cannabis businesses.
2. Light manufacturing[1]
    a. Extractions using mechanical methods or non-volatile solvents.
    b. Cannabis product manufacturing.
    c. Packaging (Type-1 manufacturing) of adult and medical use cannabis products. Cannabis product will be packaged into retail ready units or samples (e.g. taking dried flower to create pre-roll joints packs).
3. Non-storefront retail (i.e., delivery-only) activities
    a. Assembly of cannabis products (including sample boxes and full-retail units) for off-site delivery to customers who are either medical or recreational users of cannabis.

In addition, Kannibox is a technology and analytics company. It is creating a platform to help educate cannabis users, discover new products and brands, and collect feedback on experiences. As such, there are separate and distinct activities - those of a technology company, and those of a cannabis microbusiness. The technology side will resemble an office based business with office workers, software developers, etc, who will work on the non-cannabis touching parts of the business, such as the website, technology platform, and educational content, and other research-based data.

Because of regulatory and other compliance issues, it will be beneficial to have the technology company as a separate entity from the licensed cannabis microbusiness. The premises diagram and associated security plans will reflect this division. The areas that have marked in purple on the floor plans (see Appendix A) are those that have been designated for cannabis activity. Per state regulations, anyone in those areas must be an employee of the cannabis company or a visitor. See Section 4 for more details on security measures.

[1] "Cannabis manufacturing" means the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container. Manufacturing activities are limited to non-volatile manufacturing, which involves a low level of risk relative to manufacturing involving volatile solvents.

Product and Material Sourcing

1. Retail-ready cannabis products (flower, concentrate, topical, edible, etc…) will be sourced from licensed distributors, cultivators, or manufacturers.
2. Cannabis products (flower, concentrate, etc…) to be used for the creation of retail-ready cannabis products will be sourced from licensed distributors, cultivators, or manufacturers.
3. To ensure odor mitigation, proper odor-reducing equipment such as carbon filters, and odor neutralizers will be utilized.

Quantity of Cannabis on Site

As part of its operations, Kannibox will have cannabis (--and cannabis--) products on site. The quantities listed below are estimates based on Kannibox's projected operations and those of comparable businesses. As Kannibox offers products to consumers that evolve based on consumer feedback, these figures are likely to fluctuate on a monthly and seasonal basis. One of Kannibox's highest priorities is implementing the robust security measures mandated by the state to ensure the safety of the community, employees, facility, and product.

These figures represent the (--maximum--) amounts for all operating aspects of this business in this facility (including manufacturing, distribution, and delivery). Kannibox is a growing company and does not anticipate to be operating at these levels initially, but rather over time. As we grow, we will be transparent with the city and make sure that the security of the facility is adequate for the amount of product on-site.

1. Cannabis Flower:
    a. Approximately 300 pounds on site at a given time.
    b. Approximately 40-50 pounds transported from the premises on a daily basis
    c. Approximately 40-50 pounds received to the premises on a daily basis

Manufacturing Processes

Some of the manufacturing activities that may be conducted on this premises are the following:

1. **Packaging and Repackaging**: purchasing bulk quantities of dried cannabis flower and other non-retail ready cannabis products and then packing them into smaller retail ready packages.
2. **Pre-rolls**: purchasing bulk quantities of dried cannabis flower, breaking it down and creating pre-rolled cannabis cigarettes.
3. **Cartridges**: purchasing bulk quantities of cannabis oil distillate and filling retail-ready "vape" cartridges.
4. **Edibles**: infusing edible products (such as nuts, baked goods, chocolates, and other confections) with cannabis oil.
5. **Concentrates**: Extraction of compounds from the cannabis plant by methods of heat, pressure, ice water, or other non-volatile solvent based techniques.

1.3 Hours of Operation & Delivery

Policy

Kannibox is committed to being an upstanding member of the Brisbane community, and thus will strictly abide by the hours of operation that the Brisbane City council has set forth for businesses in Crocker Business Park.

Furthermore, compliance with state regulations involves robust security measures.

Procedures

1. All deliveries of cannabis products to and from the business shall be between the hours of 8:00am - 7:00pm as set forth by the City Council.
2. For any consumer orders that originate after 7:00pm, delivery will be conducted at the start of the next business day.
3. Other non-delivery related business activities will be conducted on a company schedule.

1.4 Local Land Use Authorization and State Regulatory Oversight

Kannibox's conditional use permit application seeks land use permission for commercial cannabis activity and related activities (such as cannabis technology offerings and cannabis accessory manufacturing) within the leased property. The authorization sought in this application would establish that cannabis activity is a permitted land use at this location and is compliant with local zoning provisions, such as those regarding distance from schools. The conditional use application aims to obtain land use approval for an area that is larger than the area Kannibox will occupy. The remaining area within the leased property may be occupied by other cannabis and related businesses. The conditional use authorization is larger than the area Kannibox will occupy, because part of Kannibox's company mission is to assist other businesses in participating in the legal cannabis industry, and the land use authorization process is generally cost prohibitive for some of the smallest businesses. However, this does not mean *any* cannabis business could operate from this location. Following local authorization that commercial cannabis activity is a suitable land use at this location, the appropriate state agencies are mandated to evaluate each separate business to ensure the safety of the community, employee, and consumer.

Commercial cannabis businesses must undergo robust regulatory oversight by state agencies, including the Bureau of Cannabis Control, CA Department of Food and Agriculture and the CA Department of Public Health. Kannibox will apply for state licenses (which will allow it to engage in manufacturing, distribution, and non-storefront delivery). Each additional business operating on the leased property must separately seek and obtain a state commercial cannabis license and each business' licensed premises will be distinct.

In sum, local land use authorization for the leased property by the City of Brisbane would be followed by stringent and ongoing regulatory oversight by the state, and each tenant within the leased property would have to satisfy the state's requirements. The state requirements are comprehensive, and only compliant businesses will be able to secure and maintain state licenses.

SECTION 2 ODOR MITIGATION

2.1 Odor Mitigation

Policy

This odor mitigation program has been designed to provide guidance in the identification and documentation of odors through the implementation of odor mitigating equipment and through the utilization of self-inspections. In addition, this program outlines the general methods by which odor sources can be identified and resolved.

The Odor Management Plan is intended to become an integrated part of daily operations at Kannibox so as to effect diligent identification and remediation of odors generated by a cannabis business. Furthermore, odorous emissions are a nuisance to employees, operators and other staff that work on-site. Odor control provides a more pleasant work atmosphere for those individuals and complies with the regulatory framework.

The transmission of odor depends on a number of variables. To ensure proper odor mitigation, Kannibox will utilize odor-reducing equipment such as carbon filters and odor neutralizers.

If odor mitigation is found to be ineffective, another internal odor mitigation method will be used. In the case that the odor issue cannot be resolved internally, outside experts will be utilized until the facility is successful in controlling the odor.

Procedures

1. Cannabis product is restricted to the production facility or the inventory room of the facility.
2. All cannabis rooms will be equipped with carbon filters to mitigate cannabis odor. Carbon filters pull odor out of the air and neutralize odors that pass through the room.
    a. Manager to check the carbon filters on a daily basis
3. Odor neutralizers (such as The Ona Gel and Ona Blocks) will also be utilized in conjunction with the carbon filters.
    a. Manager to check odor neutralizers and refill neutralizers when supply is low. This should be every few weeks.

Take Action

- All new employees are required to be trained on the Odor Mitigation Plan
- Employees are required to clean up spills immediately
- Employees are required to clean the working facilities on a daily basis where commercial cannabis activity is conducted

2.2 Odor Complaint Investigation

Policy

Our main goal as a company is to be a good neighbor and a contributor to the Brisbane community. If Kannibox receives any real-time odor complaints from neighbors, we will investigate immediately. Upon receipt of an odor complaint, the following actions will be taken:

Procedures

1. Employee to log complaint in the Odor Mitigation Log – Complaints.
2. Manager to investigate the complaint immediately after notification.
3. Manager to log the results and outcome of the investigation in the Odor Mitigation Log.
4. Manager to follow-up directly with the complainant.

2.3 Verification and Record Keeping

Policy

In order to successfully measure the effectiveness of odor management and mitigation, document self-inspections, and any facility management complaints, it is necessary to create and maintain proper documentation.

All information will be logged in our electronic Odor Mitigation Log and Cannabis Waste Disposal Form and maintained for 7 years. Refer to Section 10 for Record Retention policy.

Procedures

1. Log any odor mitigation activities in the Odor Mitigation Log.
2. As needed, log all odor complaints in the Odor Complaint Log.
3. On a bi-monthly basis, the Site Manager reviews all facility management logs and binders.
4. Odor Mitigation Logs are kept in the main office.
5. All binders and logs are maintained for 7 years.

SECTION 3 HAZARDOUS MATERIALS INVENTORY

3.1 Hazardous Materials

Policy

Kannibox must list all chemicals utilized in the **Chemical Inventory list**. This includes all industrial strength cleaning supplies, paint, etc.

Procedures

1. Label all chemicals, regardless of if they are hazardous.

2. Store hazardous chemicals in a locked room or cabinet.
3. Limit use of hazardous chemicals.
4. Material Safety Data Sheets accompany all items that are chemically hazardous. Store these sheets in a three ring binder.

3.2 Fire Extinguishers

Present throughout the facility will be portable fire extinguishers that are mounted 3-5 feet above the floor and are visible and accessible in case of emergency

SECTION 4 SECURITY PLAN

4.1 Secured Facilities

Policy

All doors within the facility where commercial cannabis activity is conducted have a commercial grade, non-residential door lock. Points of access will remain locked from the outside at all times; but can be easily opened from the inside in case of fire or other emergency.

All points of ingress and egress in the premises will have a metal frame, a commercial grade, non-residential door lock and security cameras. In addition to locks and cameras, electronic multi-sensored systems will be used to detect unauthorized access to any cannabis areas.

RFID\fingerprint technology will be used to restrict access to enter the facility as well as any other restricted areas.

Points of ingress and egress will have additional lighting 24/7.

Safes and other locked storages will be utilized to safeguard assets. The safes and will be fireproof, burglar-resistant, and secured in its location. Access to safes and other locked storages will be limited to certain employees and management.

All licensed operators on site will comply with kannibox security measures to ensure safe operations.

Procedures

1. All access points will remain locked from the outside at all times; but can be easily opened from the inside in case of fire or other emergency.
2. All cannabis products are kept in a locked storage inside the limited-access area of the facility.
3. Any cash resulting from commercial activity will be stored in a locked safe at all time.
4. Manager will check all perimeter lighting on a regular basis

4.2 Cash Management

Policy

Kannibox strives to be a cashless business, leveraging alternate payment forms, such as (but not limited to) credit cards and checks for business functions such as sales, vendor payments, etc. However, if the need arrives to store cash on the premises or accept cash as payment, all cash on premises will be securely stored in the safes (see 4.1 for more information about safes).
Our goal will be to limit the amount of cash on the premises at any given time to $20,000. Once the cash threshold is reached, an authorized representative will make arrangements to go to the bank to make a deposit.

Procedures

1. All cash received for business activities must be deposited into the safe immediately upon arrival at the premises.
2. No more than $20,000 in cash should be stored in the premises at any given time.
3. If the $20,000 threshold is exceeded, an authorized representative will take the cash and deposit it into the bank.

4.3 Restricted Access

Policy

Age verification will be conducted for any person entering the facility at any time.

Any person on the licensed premises, except for employees and contractors of the licensee, will be escorted at all times by at least one employee of Kannibox when in the limited-access areas of the premises.

Employees and third parties (vendors, consultants, etc.) that are working with Kannibox on a continual basis are required to undergo a more extensive security clearance.

All temporary labor are required to have a background check prior to working in the facility.

All usable cannabis (work in progress and finished goods) will be kept in a locked, enclosed area in either the production space (work in progress) or the inventory storage space (finished goods).

4.4 Key Holder Policy

Policy

All employees will receive a mechanism (e.g. fingerprint, card/fob with an embedded RFID technology) by which they can get an assigned level of access to the facility. Access controls will specify by keycard\fingerprint what users can do, which rooms they can access, and limit access times.

All key cards must have dual approvals to be created.

Key Holders may not give or loan their designated keys to anyone else. Unauthorized distribution of assigned store keys is a terminable offense.

Procedures

1. Designated manager should assign a key to themselves and to other employees per policy.
2. Designated manager must complete the key log and keep it up to date in the Security Binder.
3. Designated manager must keep all unassigned keys in a small locked box, which only he/she has access to or in the safe.

Take Action

- Retrieve keys from employees upon separation.
- If all original keycard(s) are not accounted for, they will be changed.

4.5 Employee Badge Policy

Policy

All agents, officers, or other persons acting for or employed by Kannibox shall display an identification badge issued by Kannibox at all times while on the premises or engaging in commercial cannabis activity on behalf of Kannibox.

The identification badge shall, include Kannibox's "doing business as" name and license number, the employee's first name, an employee number exclusively assigned to that employee for identification purposes, and a color photograph of the employee that clearly shows the full front of the employee's face and that is at least 1 inch in width and,1.5 inches in height.

As part of the employee on-boarding process, a badge will be created and assigned to the employee.

All employees or representatives of Kannibox are required to report if a badge has been lost or stolen. Failure to do so may be a terminable offense. The manager needs to log any badge theft/loss in the Security Log.

Procedures

1. Designated manager should assign a badge to themselves and to the employees and/or designated representatives as per policy.
2. Designated manager will assign new badges as part of the on-boarding process
3. Designated manager will collect and destroy and dispose badges from employees and/or authorized representatives at the time of termination
4. Designated manager will log all badge theft/loss in the Security Log

4.6 Alarms System

Policy

A licensed alarm company with a central monitoring station will be utilized for surveillance. The surveillance system will be able to detect unauthorized entry onto the licensed premises and unauthorized activity within any limited access area. The centralized system will notify authorized personnel in the event of an unauthorized entry.

Each key holder, opener and closer must have his/her own unique security code. Security codes may not be shared with anyone else. Disclosure of the alarm password is a terminable offense. Security codes must be removed when an employee leaves the company or no longer requires access.

Key holders may not re-enter the facility after normal business hours unless called in for an emergency or have authorized, written consent from their immediate supervisor.

Alarm test must be done on a bi-monthly basis. All surveillance recording equipment will be housed in the Electrical Room. The electrical room will have limited access to authorized personnel.

Two panic buttons will be installed in the case of an emergency. The panic buttons will be linked with the alarm system, and immediately notify the security company and law enforcement.

Procedures

1. The Site Manager of the corporation is assigned multiple user codes for the alarm system.
2. Authorized personnel must call the alarm system to delete or add employee codes and maintain call lists.
3. Manager must conduct bi-monthly tests of the security system.
    a. Call Alarm Company and ask that the system be put on test for 30 minutes.
    b. Re-enter the facility, which will trip the alarm, and pass through every protected point including each door contact and all motion detectors. Walk the length of all areas, stopping at several points and ensure a motion detector is triggered for the full length. A red light will come on when the motion detector is triggered.
    c. Before triggering panic buttons, ensure that you have a reset key, so they can be reset after the test.
    d. After the test is complete, disarm the system with your code, which will reset it and then call security system customer service to go over the results. A “reset” should be shown for the Hold-Up buttons on the security system customer service end. If not, you may need to do another reset with the operator.
    e. Re-test any point that does not respond.
    f. Ask the security system’s customer service to send you the results and log the results on an Alarm Test Log that shows the date the test was performed and the results.
    g. Keep the Alarm Test Log in the Security Binder.
    h. If any contact or sensor does not test successfully, make an appointment for an alarm technician to inspect and repair the sensor.

Take Action

- Safety and Security Audits will include inspection of Security Binder. Ensure that alarm tests are conducted on a bi-monthly basis and results are stored in your Security Binder.
- Onsite Manager must ensure all employees know how and when to use panic buttons and distress codes.
- Report any false alarms in which the police were dispatched by contacting the alarm company.

4.7 Video Surveillance

Policy

The premises shall have a digital video surveillance system with a minimum camera resolution of 1280 x 720 pixels. The surveillance-system storage device or the cameras shall be transmission control protocol (TCP) capable of being accessed through the Internet. The video surveillance system shall at all times be able to effectively and clearly record images of the area under surveillance.

Each camera shall be permanently mounted and in a fixed location. Each camera shall be placed in a location that allows the camera to clearly record activity occurring within 20 feet of all points of entry and exit on the licensed premises, and allows for the clear and certain identification of any person and activities in all areas. The cameras will record continuously 24 hours per day and with a minimum of 15 frames per second (FPS).

The physical media or storage device on which surveillance recordings are stored shall be secured in a manner to protect the recording from tampering ar theft, as well as, surveillance recordings shall be kept for the duration required by the State Licensing regulations. All the recorded images will clearly and accurately display the time and date. The video surveillance system will be equipped with a failure notification system that provides notification to Kannibox of any interruption or failure of the video surveillance system or video surveillance-system storage device.

The recordings will be kept in such a manner as that the Bureau of Cannabis Control, or any other authority, can view them on the premises and/or be provided a copy.

Areas that shall be recorded on the video surveillance system include the following:

1. Areas (interior and exterior) where cannabis goods are weighed, packed, stored, loaded, and unloaded for transportation, prepared, or moved within the premises
2. Limited-access areas
3. Security rooms
4. Areas storing a surveillance-system storage device with at least one camera recording the access points to the secured surveillance recording area
5. Entrances and exits to the premises from both indoor and outdoor vantage points

4.8 Robberies and Burglaries

Policy

Report any Robberies or Burglaries to your Manager and Site Managers immediately. File an Incident Report and submit to Site Managers.

Procedures

During a robbery:

1. If possible, hit the panic button (silent alarm).
2. Remain calm and follow the robber’s instructions - do not be a hero!
3. Take no action that would jeopardize the safety of coworkers or employees, especially if the robber is armed.

4. If the robber presents a note, handle it as little as possible. It could prove valuable to law enforcement. Give it back if they ask.
5. Follow the robber's instructions and let them know what you are doing ("I have to reach down here to…")
6. Do not volunteer information; give the robber only what they demand.
7. Note the robber's physical characteristics and that of the accomplices and their vehicle.
8. Do not follow the robber or attempt to track them.

After a robbery:

1. Lock the doors after the robber leaves.
2. Call the police; do not put the call on hold.
3. Call the Manager, if not already at the facility.
4. Call the Site Manager
5. Avoid the area of the crime.
6. Ask witnesses to remain until authorities arrive. Ask for their names, addresses and phone numbers if they are unable to stay.
7. Do not compare notes with others before talking with the police.

During a burglary:

1. The alarm company will contact Manager or Site Manager when the alarm is activated.
2. Alarm Company will contact the police if unable to locate a contact person within 30 seconds from the activation of the alarm.

After a burglary:

1. Stay away from any entrances to the facility to avoid a possible fleeing burglar.
2. Provide the police access to the facility if they have not already gained access.
3. Site Manager should be notified if there was theft or entry.
4. Follow directions given by police.
5. With the permission of the police, enter the facility and:
    a. Inspect the safe, verify the till funds and any deposits.
    b. Inspect the cannabis production room.
    c. Verify there are no inventory items damaged or missing.
    d. Look for obvious signs of theft or damage.
    e. Inspect the door to the inventory room for signs of forced entry.
    f. Inspect other assets, including computers, chairs, etc., to verify none are missing or damaged.
6. Manager should review systems recordings to see if the burglar was captured on tape. A copy will need to be given to the police.
7. Manager should take complete physical inventory and adjust all missing items and submit loss in police report.
8. Notify the City of San Francisco and other cannabis regulatory bodies immediately.

4.9 Other Security Conflicts

Policy

Kannibox is committed to creating an environment that is supportive and protective of all customers and employees.

Procedures

Prevention through Awareness
The best weapon in dealing with security issues is prevention. Most problems can be avoided with a minimum of effort.
Circumstances to be aware of include:

- Physical hazards in the facility, such as loose wires, slippery floors, trip hazards (carpet rolls), and blocked fire escapes.
- Harassment of any sort: verbal, physical or sexual.
- Customer conflicts and concerns.
- Vendor conflicts and concerns.
- Employee conflicts and concerns.

Steps to Resolving Conflicts
If a conflict arises between a customer, vendor, third party or an employee, there are certain steps that the employee can take to resolve the issue.

1. The employee should first recognize that there is a problem. We occasionally have to put up with rude customers and vendors, but there are limits. If the complaint of the third party is facility related, try to resolve the problem or ask for their email.
2. Employees do not have to listen to complaints that are of a personal nature (for example if the third party is personally insulting or using foul language). If this type of situation occurs, notify a supervisor or Manager.
3. Upon recognizing that there is a problem, the employee should politely and tactfully try to remove himself or herself from the situation to enlist the help of Supervisor or Manager. If the employee is unable to leave the situation, they should try to call attention to the situation, so that another employee can find the supervisor or Manager.
4. Assess the situation and determine what action should be taken, such as asking the customer to refrain from that behavior or asking them to leave. If the situation escalates, or there is the threat of physical danger, call the police. Let the third party know that you have called the police. This will usually result in the person leaving.
5. Legally there are certain limitations to be aware of. A third party or their belongings cannot be detained. A third party cannot be touched, accused or threatened. A third party can be asked to leave the facility, if the situation requires this action.

4.10 Security Inspections

Policy

A bi-monthly security review will be performed to ensure security compliance, no diversion of cannabis, and accuracy of books and records.

Procedures

1. Site Manager to review key card access logs on a bi-monthly basis to ensure no odd activity.
2. Utilize the inventory tracking system for all inventory and sales transactions.
3. Manager to perform inventory and cash counts on a regular basis.
4. Review security footage on an ad-hoc basis.
5. Perform security test with Alarm Company.
6. Document all tests in the security binder.

4.11 Employee and Third Party Onboarding

Policy

All employees or contractors working for Kannibox will be trained during their initial onboarding of the security protocols and measures taken by Kannibox.

Procedures

1. A background check will be performed for all employees.
2. A background check will be performed for all contractors.
3. All employees will sign the Employee Handbook.
4. All employees and contractors will be directed to stay within the approved pathways of the facility as outlined in the security and fire diagrams.
5. The Manager will train all employees on security protocol (robbery and evacuation plan).
6. All employees will undergo annual security training.
7. All third party vendors and contractors will have a security clearance as described above.

4.12 Verification and Record Keeping

Policy

All security footage will be uploaded on a daily basis to the cloud. All video recordings and archived required records not stored electronically will be kept in a locked storage area. Video footage will be kept in accordance with the number of days that the State requires in its licensing regulations.

All information in the Security Log will be maintained for 7 years.

Procedures

1. Manager will upload the security footage from the previous day on the cloud.
2. Security tapes will be stored in the Electricity Room
3. Video Footage will be accessible for the number of days as required by State regulations (e.g. 60 days)

4.13 Employees

Policy

All employees and representatives of Kannibox will be over the age of 21. Age verification will be made by checking a government issued ID at the time of employment.

Procedure

1. Hiring Manager will check employment eligibility
2. Copies of the supporting documents will be stored with the employees records.

4.14 Visitors

Policy

No person under 21 years of age will be allowed on premises. All visitors will have to sign in at the time of entry on the premises and will need to provide a valid form of identification at time of sign in so that their age can be verified. They must also identify the name of the employee or representative that they were invited by and are visiting. The designated manager or authorized representative will issue a visitor badge at this time. The visitor badge will need to be displayed at all times while the visitor is on the premises.

All visitors will be escorted by an employee or designated representative while on the premises.

When leaving, visitors will need to sign out and return their badge.

Procedure

1. Designated manager will validate that the visitor is over 21 yrs. old by checking his/her valid government issued ID
2. Designated manager will make sure that all visitors sign in and sign out in visitor log at time of entry and exit
3. Designated visitor will be issued a visitor badge at time of sign in and the designated manager must make sure the badge is returned at time of sign out.

4.15 Notification of Theft, Loss, and Criminal Activity

Policy

A designated manager shall notify both the local authorities and the Bureau of Cannabis Control within 24 hours of the following situations:

1. A significant discrepancy in the inventory, where a significant discrepancy means a difference between the records and actual inventory that is at least $5000 or 2% of monthly sales (whichever is less). The value of product will be the price at which the product was acquired; monthly sales value will be the average of the previous 6 months sales.
2. The discovery of diversion, theft, loss, or any other criminal activity by person(s)

3. The discovery of diversion, theft, loss, or any other criminal activity by an employee or agent of Kannibox
4. The discovery of the unauthorized alterations of records that pertain to the cannabis goods, activities, customers, or the employees and agents of Kannibox.
5. Any other breach of security that is not mentioned above.

SECTION 5 TRACK & TRACE COMPLIANCE PLAN

5.1 Importance of Managing Inventory

Policy

Each employee must take an active role in managing inventory. The Site manager will ultimately be responsible for the Company's inventory.

Shrink is a term used to describe the unaccounted for losses that could incur over the course of a year. These losses are largely attributed to three main factors: Drying, Theft and Damage. It is imperative that all employees are aware of factors that contribute to shrink, and are proactive in keeping merchandise losses to a minimum.

Inventory management is critical to determine replenishment levels, inventory movement and prevent loss.

Procedures:
Use the State mandated inventory tracking system (Metrc) and tools that have been provided to employees to manage inventory effectively with efficiency.

1. Enter all transactions in the Inventory Tracking System (Metrc)
2. Perform bi-monthly inventory counts
3. Reconcile inventory variances
4. The account manager(s) of the software will attend and complete all required track and trace training and continued education.

5.2 Inventory Tracking System

Policy

All cannabis must be traced and tracked through the inventory tracking system Metrc.

Kannibox will utilize an inventory tracking system to monitor and track the entire commercial cannabis process from procurement of cannabis products through to the final retail units that will be delivered to customers

Procedures

1. Employees are required to update Metrc throughout the process.
2. Site managers are responsible for ensuring that all products are logged into Metrc and updated as they move through the production lifecycle.
3. A bi-monthly financial review will be conducted to ensure amount on hand agrees to Metrc

SECTION 6 WASTE DISPOSAL & WATER USAGE PLAN

6.1 Non-Cannabis Waste Management

Policy

Kannibox takes careful measures to manage cannabis and non-cannabis waste. Kannibox will continuously strive to implement new and more effective waste minimization processes and procedures.

Procedures

Non-Cannabis Waste

1. Employees are required to handle all waste bags and containers with care to avoid injury or risk of infection.
    a. Handle waste bags by the neck only.
    b. Do not clasp bags to the body when moving/handling.
2. Only fill waste bags to ¾ capacity to allow tying or sealing to take place safely.
3. If waste bags/containers are found to be split or leaking, the employee shall re-package the waste correctly.
4. No waste should be stored in main corridors, along fire escape routes or blocking fire exits.
5. Keep waste storage areas/containers secure at all times and accessible only to authorized persons.
6. Employees are required to clean up spills immediately.
7. Employees are required to clean the working facilities on a daily basis.

6.2 Cannabis Waste Management

Policy

Solid and liquid waste generated during cannabis processing and manufacturing must be stored, managed, and disposed of safely. Per state law, cannabis waste must be removed from packaging and rendered unrecognizable and unusable prior to disposal. A licensee must dispose of cannabis waste in a secured waste receptacle or in a secured area on the licensed premises. Physical access will be restricted to the licensee and its employees, and the local agency or waste hauler franchised or contracted by a local agency. The state regulations specify that the waste should be transported to a manned waste facility. Therefore, cannabis waste will not be accessible to the general public. All cannabis waste must be logged in the Cannabis Waste Disposal log.

Per local regulations, the company shall be required to keep all garbage, recycling, and compost containers on the Premises and hidden from public view, and placed outside only when being serviced by the disposal company.

All compostable cannabis waste will utilize the Bokashi fermenting method. The Bokashi fermenting method will rapidly decompose organic waste; noxious odors, putrefaction, and gases are eliminated.

The fermenting conditions will kill all seeds and pathogens including E. coli and Salmonella. Furthermore, no methane is produced as the pH shifts to a mildly acidic profile as material is metabolized.

This fermenting method is accomplished in a remarkably small amount of space and requires no turning, mixing, aerating, or additional materials to complete.

All processing can be done on site. A standard small sized food waste fermenting system will handle 40 pounds of waste per week. Kannibox's waste projections are well within this fermentation system capacity. This will occur in the processing room.

Procedures

1. Store all cannabis waste material in a plastic bin in the production facility.
    a. The plastic bin is locked, but has an opening for daily waste.
2. Once a week, the manager will take the contents from the plastic bin and place them into the fermenter.
3. The Manager will add a powder (wheat bran base inoculants) and then leave the material alone for 7 days in a sealed fermenter.
4. The manager will mark the waste batch with:
    a. Date (Month, Day, Year)
    b. Time of Fermentation
    c. Ingredients fermented (Ingredient Name and Weight)
5. The manager will log the disposal on the Cannabis Waste Disposal Form.
6. Cannabis waste to be disposed as compost feedstock or in another organic waste method may be mixed with the following types of waste materials:
    a. Food waste;
    b. Yard waste; and/or
    c. Vegetable based grease or oils.
7. The manager will empty the fermented waste into a plastic, sealable bag after 7 days.
8. The fermented waste will be disposed of into the locked dumpster.
9. The manager will update the Cannabis Waste Disposal Form.

6.3 Waste Verification and Record Keeping

Policy

In order to successfully measure the effectiveness of waste disposal, it is necessary to create and maintain proper documentation.

All information will be logged in our Cannabis Waste Disposal Form and maintained for 7 years.

Procedures

1. Log cannabis waste activities in the Cannabis Waste Disposal Log.
2. On a bi-monthly basis, the Site Manager shall review all facility management logs and binders.
3. Cannabis Waste Disposal logs are found in the main office.
4. All binders and logs are maintained for 7 years.

6.4 Water Usage

Policy

Because there will be **NO** cultivation activity happening on premises, our water usage will be minimal. Kannibox will be engaging in light cannabis manufacturing that requires very little or no additional water for any process. Any proposed water use will be based on office occupancy.

Using the a combination of the Low and High Estimated Daily Use method[2], we are estimating a daily water use of 10 gal/person per day average.

If water usage is deemed to be more than an avg. of 100gal/day (calculated based on 10ppl at 10gal/day) than a review of the water meter size with the City of Brisbane DPW for a possible upsizing requirement.

SECTION 7 VISIBILITY OF OPERATIONS

7.1 Windows

Policy

Kannibox is non-public facing company, and it is the desire of Kannibox to keep operations as discreet as possible.

All exterior facing windows where commercial cannabis activity is conducted will utilize reflective tinting and not allow visibility into the facility. All windows will utilize a contact alarm.

SECTION 8 DELIVERIES

8.1 PRODUCT ARRIVAL

Policy

Delivery of cannabis products will occur in the secure loading area of the premises, which is the primary point of entry for the facility.

[2] Water usage estimating methods from the Federal Energy Management Program https://www.energy.gov/eere/femp/estimating-methods-determining-end-use-water-consumption

For each delivery of cannabis product(s) to the facility, the delivery driver will notify a representative that they are on their way and provide an estimated time of arrival.

Once the delivery driver arrives, and prior to exiting the building, the representative will scan all exterior security cameras for any unauthorized person(s) or other noticeable dangers. Once it is determined to be safe, the representative will then greet them in the secure loading area; creating a “buddy system” during the time of delivery.

It will be the responsibility of the representative who accepts the delivery to scan for any security threats. This person will not be allowed provide any assistance to the delivery process itself and must keep their hands free at all times, as to allow for faster reactions. They will be responsible for opening the door to the facility to allow the movement of products into the premises.

No product will be left unattended on the loading dock at any time.
Our goals our aligned with the City of Brisbane and the safety of our community and team are of the highest priorities.

(see sitemap for more details on loading area)

8.2 PRODUCT DEPARTURE

Distribution of product originating from the premises will occur through the main entrance/exit (the point of egress on the west side of the facility is an exit for emergencies ONLY) of the premises, then loaded into the transport vehicle in the secure loading area. In addition to the delivery driver, a representative will be required to be present while product is moved out of the facility and loaded into the vehicle for transport.

The representative will constantly scan the area for any security threats. Prior to exiting the building, the representative will scan all exterior security cameras for any unauthorized person(s) or other noticeable dangers. Once it is determined to be safe, the representative and the person responsible for transporting the product will exit the facility to the secure loading area.

The second person will not provide any assistance to the loading process itself and must keep their hands free at all times, as to allow for faster reactions. They will be responsible for opening the door to the facility to allow the movement of products out of the premises.

No product will be left unattended on the secure loading area dock at any time.

(see sitemap for more details on loading area)

APPENDIX

APPENDIX A BOKASHI FERMENTING SYSTEM

Bokashi composting is a method that uses a mix of microorganisms to cover food waste or wilted plants to decrease smell, reduce the risk of attracting pests and increase the speed of decomposition.

The bokashi buckets are small and home sized and can fit in the corner of any room. Below is a picture of such as system.



ATTACHMENT D

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SUPPORTING STATEMENTS

1. **How has the project been designed and operated in order to be compatible with the nature and condition of all adjacent uses and structures, and with general and specific plans for the area in question?**
   The project is designed to be as operationally discreet as possible with little impact to the neighbors and the City of Brisbane. All operations will be conducted inside and there will be no exterior signage on the building or the company vehicles. State mandated security measures will be taken to ensure the safety of the public and the surrounding community. The premises is located on the second floor of 275 Valley Drive and company operations will not be visible. The entry and exit point for the business is through the loading dock of the existing structure, with security cameras.

2. **How will the propose use be designed and operated in order to not be detrimental to the health, safety, comfort and general welfare of the persons residing or working in the neighborhood?**
   Many of the operations that will All products will be stored in a locked and secured facility during non-business hours. Access will be restricted by RFID/ fingerprint enabled locks. The premises will be secured and monitored as in accordance with state regulations. Safes and other locked storages will be utilized to safeguard assets (see Section 4 of the Operations Plan for more information). Kannibox vehicles used for any transportation will not be marked. The vehicles will have security within the car for extra protection and security.

   All retail ready product is individually packaged and ready for sale. All product entering and exiting the premises will be in opaque packaging so as to not reveal the contents or nature of the business.

   No volatile solvents will be used for any kind of manufacturing process on premises. Although odors are expected to be minimal, as no cultivation will occur on site, we have extensive odor mitigation contingency plans to reduce any kind of additional nuisance to the community. Please reference Section 2 of the Kannibox Operations Plan for more detail.

3. **How will the proposed use be designed and operated in order to not be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the city?**
   The retail and distribution functions outlined in this application deal with product that is ready for retail or transfer. As for the manufacturing activities that will be taking place, there will be no manufacturing of cannabis products with any kind of volatile solvent. Modifications that Kannibox will be making, will mostly occur in the premises mainly related to security improvements. Our goal is to have as discreet an operation as possible, and therefore, we do not intend to make any modifications that can draw unnecessary attention from the public. Kannibox also will have insurance, and operate with the same requirements for coverage

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ATTACHMENT E

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Draft
RESOLUTION UP-9-17

A RESOLUTION OF THE PLANNING COMMISSION OF BRISBANE
CONDITIONALLY APPROVING USE PERMIT UP-9-17
FOR A CANNABIS BUSINESS
AT 273A VALLEY DRIVE

WHEREAS, Michelle Dizitser, of Kannibox, applied to the City of Brisbane for Use Permit approval for establishment of a cannabis business consisting of delivery-only retail, light manufacturing, and warehousing at 273A Valley Drive, such application being identified as UP-9-17; and

WHEREAS, on April 10, 2018, the Planning Commission conducted a hearing of the application, publicly noticed in compliance with Brisbane Municipal Code Chapters 1.12 and 17.54, at which time any person interested in the matter was given an opportunity to be heard; and

WHEREAS, the Planning Commission reviewed and considered the staff memorandum relating to said application, and the written and oral evidence presented to the Planning Commission in support of and in opposition to the application; and

WHEREAS, the Planning Commission finds that the proposed project is categorically exempt from the provisions of the California Environmental Quality Act; pursuant to Section 15301(a) of the State CEQA Guidelines; and

WHEREAS, the Planning Commission of the City of Brisbane hereby makes the findings attached herein, as Exhibit A, in connection with the requested Use Permit;

NOW THEREFORE, based upon the findings set forth hereinabove, the Planning Commission of the City of Brisbane, at its meeting of April 24, 2018 did resolve as follows:

> Use Permit UP-9-17 is approved by the Planning Commission in compliance with the conditions of approval attached herein as Exhibit A.

ADOPTED this 24th day of April, 2018, by the following vote:

AYES:
NOES:
ABSENT:

_____
Coleen Mackin
Chairperson

ATTEST:

_____
JOHN A. SWIECKI, Community Development Director

DRAFT
EXHIBIT A

Action Taken: Approval of Use Permit UP-9-17, per the staff memorandum with attachments, via adoption of Resolution UP-9-17.

Use Permit UP-9-17 Findings of Approval

A. The planning commission finds that, given the conditions of approval, the proposed cannabis delivery-only retail, light manufacturing, and warehousing use is consistent with and complementary to the nature and condition of all adjacent uses and structures in the Crocker Industrial Park, and with the all applicable General Plan policies pertaining to permitted land uses and business operations within Crocker Park. Specifically, the use is consistent with the Trade Commercial land use designation in the 1994 General Plan, and per the applicant's site and floor plans and operations plan, the business operations will be consistent with General Plan Local Economic Development Element Policy 8, and Crocker Park subarea policies CP.3, CP.11, CP.20, and CP.24.

B. The planning commission finds that, given the conditions of approval and the applicant's application materials, the establishment, maintenance and operation of the cannabis delivery-only retail, light manufacturing, and warehousing use will not be detrimental to the health, safety, comfort and general welfare of the persons working in Crocker Industrial Park, and will not be injurious or detrimental to property and improvements in the neighborhood or the general welfare of the city.

Use Permit UP-9-17 Conditions of Approval:

A. This Use Permit UP-9-17 shall become effective only if and when Ordinance 625, as introduced by the City Council to eliminate the prohibition of cannabis businesses within 600 feet of a school or daycare, is adopted and becomes effective. Should the Ordinance not be adopted, this Use Permit shall become null and void.

<u>Prior to Issuance of a Building Permit</u>

B. The applicant shall obtain a building permit demonstrating compliance with all physical improvements to the tenant space and site as required by the Building Division, Police Department, Public Works Department, and North County Fire Authority, as listed below:

   1. Property and building security shall be installed and shown in the building permit plans, compliant with specifications required by the Police Department and subject to final approval by the Police Department.

   2. A continuous corridor to the exterior of the second floor stair shall be provided, subject to final approval by the Building Official, to ensure exiting does not discharge into the ground floor tenant space not controlled by Kannibox.

   3. Doors shall be easily openable in one motion without special knowledge, key or effort per CBC. Use of thumb operated deadbolts prohibited unless integrated with latch.

4. The applicant shall provide the proposed number of employees working on-site. Should the number of employees exceed 10, the City Engineer shall review the water meter size for possible upsizing requirements.

C. Prior to issuance of a building permit, the applicant shall apply for a business license from the City of Brisbane.

Other Conditions

D. Prior to building permit final, portable fire extinguishers(s) shall be installed in the tenant space in locations and number to be determined by the North County Fire Authority.

E. Prior to building permit final, the applicant shall demonstrate that the appropriate license(s) from the State of California applicable to the cannabis business have been obtained.

F. In addition to the requirements specified under BMC Section 17.33.020, the Police Chief or designated representative shall have the authority to inspect the facility without prior notice during business hours to verify that conditions of the permit are being met.

G. The minimum storage requirement for surveillance video footage shall be 90 days.

H. If RFID technology is used as the primary method of controlling entry, it must be embedded in the employee's Identification Card. An exception is the use of biometric technology to verify and control entry. The Police Department shall have final approval of the proposed entry security systems.

I. Exterior advertising signage associated with the approved use shall be subject to separate planning applications.

J. The cannabis business shall comply at all times with the performance and operational standards contained in BMC Section 17.33.020, as may be amended from time to time.

K. Drawings depicting all work completed and proposed shall be provided to the satisfaction of the City. Exposure of covered work may also be required to demonstrate compliance with building code requirements.

L. The permittees agree to indemnify, defend and hold the City and its officers, officials, boards, commissions, employees and volunteers harmless from and against any claim, action or proceeding brought by any third party to attack, set aside modify or annul the approval, permit or other entitlement given to the applicant, or any of the proceedings, acts, or determinations taken, done or made prior to the granting of such approval, permit, or entitlement.

M. Minor modifications may be approved by the Planning Director in conformance with all requirements of the Municipal Code.