

# **COUNTY OF HUMBOLDT**

PLANNING AND BUILDING DEPARTMENT CURRENT PLANNING DIVISION

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Hearing Date: September 5, 2019

To: Humboldt County Planning Commission

From: John H. Ford, Director of Planning and Building Department

Subject: SWCO, Inc., DBA Satori Wellness Café & Lounge Application Number: PLN-2019-15348 Assessor's Parcel Number: 508-251-054-000 1551 Nursery Way, Unit C, McKinleyville, CA 95519

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Please contact Portia Saucedo, Planner I, at (707) 268-3745, or by email at psaucedo1@co.humboldt.ca.us, if you have any questions about the scheduled public hearing item.

# AGENDA ITEM TRANSMITTAL

Hearing Date	Subject	Contact
September 5, 2019	Conditional Use Permit	Portia Saucedo

Project Description: The Applicant is seeking a Conditional Use Permit to allow onsite cannabis consumption café and lounge as an accessory use to an approved Dispensary and Distribution facility. Water is sourced from the McKinleyville Community Services District. This use would occur within a portion of the existing building on the property. The business shares a parking lot consisting of 34 total spaces with an adjacent medical business. Electricity is sourced from PGE renewable power. The hours of operations are anticipated to be Monday through Saturday 10:00 am - 9:00 pm and Sunday 11:00 am - 7:00 pm.

Project Location: The project is located in Humboldt County, in the McKinleyville area, on the east side of Nursery Way, approximately 200 feet south of the intersection of Nursery Way and Heartwood Drive, on the property known as 1551 Nursery Way, Unit C.

Present Plan Land Use Designations: Commercial Services (CS), McKinleyville Community Plan (MCCP), Seismic Safety - Relatively Stable (0).

Present Zoning: Community Commercial (C-2)

Application Number: PLN-2019-15348

Assessor Parcel Number: 508-251-054-000

Applicant SWCO, Inc. DBA: Satori Wellness Café 400 G Street & Lounge Attn: Craig Nejedly PO Box 121 Trinidad, CA 95570

Owner **D&R Miller Family LLC** Arcata, CA 95521

Agent None

Environmental Review: CEQA Exemption Section: 15301-Existing Facilities

State Appeal Status: The project is NOT appealable to the California Coastal Commission.

# SWCO, Inc., DBA Satori Wellness Café & Lounge Conditional Use Permit

Application No. PLN-2019-15348

Assessor's Parcel Number (APN): 508-251-054-000

# **Recommended Commission Action**

- 1. Describe the application as part of the Consent Agenda.
- 2. Survey the audience for any person who would like to discuss the application.
- 3. If no one requests discussion, make the following motion to approve the application as part of the Consent Agenda:

Find the project exempt from environmental review pursuant to Section 15301 of the State CEQA Guidelines, make all of the required findings for approval of the Conditional Use Permit based on evidence in the staff report and adopt the Resolution approving the proposed SWCO Inc., DBA Satori Wellness Café & Lounge Conditional Use Permit subject to the recommended conditions.

#### **Executive Summary**

The Conditional Use Permit (CUP) has been requested by SWCO, Inc. DBA Satori Wellness Café & Lounge to authorize the operation of onsite cannabis consumption in the form of smoking, vaporizing, and ingesting in the McKinleyville area. The property currently includes a Conditional Use Permit for a medical cannabis dispensary and a Conditional Use Permit for a distribution business, both operated by Satori Wellness Collective. Satori Wellness Café & Lounge proposes to periodically host vendors to supply patrons with information about vendor products, however, vendor products will not be available for purchase at the café and lounge. The consumption of cannabis goods will not be visible from the outside of the building. An air filtration system with multiple carbon filters will be installed to limit potential adverse odor impact in the vicinity. The fans and filters will be designed to quickly eliminate the smoke or vapor and to mitigate and neutralize odor. The windows of the Café will be fully covered with graphic vinyl stickers to match the layout that exists on the current structure. There are no proposed exterior changes to the building, however the applicant proposes to install two (2) signs on adjacent properties to help guide customers to the relatively obscure location. The land owners on the adjacent properties have provided consent to the proposed signage.

The project site is designated as Commercial Services (CS) per the Humboldt County General Plan Vol. II – McKinleyville Community Plan (MCCP), zoned Community Commercial (C-2). The project parcel is currently developed with an approximate 5,652 square foot building that was previously used as a medical care facility. The building is sectioned into three units: A, B, and C. The existing approved dispensary occupies Unit B of 1500 square feet. The Distribution Facility occupies unit A of 1500 square feet. Unit C is separated by the common area entry way with two (2) ADA compliant restrooms. Unit C measures approximately 2,000 square feet and is the location of the proposed Café & Lounge. Shared parking spaces total 34. The parking area is shared with the permitted dispensary and distribution warehouse as well as Fresenius Medical Care. This Conditional Use Permit pertains specifically to Unit C of the existing structure. The Café & Lounge will be a stand-alone business separate from the dispensary and distribution warehouse.

The proposed project consists of a phased approach to operations to judge the market demands for full food service in the consumption café. Phase I will consist of interior improvements to separate the café and lounge area from the existing offices and potential commercial kitchen area separated by an employee-only access hallway. The café proposes to sell Readymade food that can be delivered from a catering vendor with an existing commercial kitchen. Non-alcoholic beverages such as coffee, tea, and juice bar will be available to customers for purchase. Free Wi-Fi will be available for customers who purchase product at the adjacent dispensary or at the lounge. The café will be furnished with ADA compliant furniture and wall-mounted televisions for entertainment. Weekly yoga classes are also proposed on the premises. Alcohol and tobacco products will be prohibited on-site. Phase II of the project will commence depending upon the market analysis of the demand following Phase I. If there is demand, a commercial kitchen equipped for full-service food preparation and full food menu with cannabis-infused items from which patrons can order will be added to the facility in the area specified in the proposed Site Plan. The Phase II area is proposed as an isolated room separated from the Phase I area with an employee-only access hallway. Patron access will be limited to 21 years of age and over.

The proposed hours of operation for the project would be Monday through Saturday, 10:00 AM to 9:00 PM and Sunday 11:00 AM to 7:00 PM. The Café and Lounge will employ 4 - 8 employees; all 21 years of age or older and required to undergo a criminal background check. Security measures will include presentation of proper identification prior to entrance of any visitor/vendor with signatures required on a sign-in sheet. Non-authorized persons will be escorted at all times. The building will be outfitted with a security alarm system with security cameras.

Proposed signage for the Café and Lounge consists of two (2) identical aesthetically pleasing signs primarily composed of hardwoods. The signs will make no written or pictorial reference to cannabis. The property owner consented to both signs and neither will contain artificial lighting.

The subject parcel is served by public water and sewer service from the McKinleyville Community Services District (MCSD). Access to the project site is via Nursery Way, a paved, County-maintained public road. Parking facilities are shared with an adjacent medical facility, adjacent properties to the north and south are developed with commercial uses. Electricity is provided by Pacific Gas and Electric (PGE), and measures to offset the carbon footprint of the café and lounge will consist of a recycling program and opting to purchase only renewable energy from PGE.

Directly to the west across Nursery Way is a residential neighborhood that is separated from Nursery Way by fencing. The homes along Chanterelle Drive face the opposite direction of the project. The nearest residence is located approximately 130 feet from the facility.

Staff recommends that the Planning Commission describe the application as a part of the consent agenda, survey the audience to see if any person would like to discuss the application and, if no one requests discussion, make all the required findings based on the evidence in the record and approve the application subject to the recommended conditions.

#### Alternatives:

The Planning Commission could elect not to approve the project, or to require the applicant to submit further evidence, or modify the project. Modifications may cause potentially significant impacts, additional CEQA analysis and findings may be required. These alternatives could be implemented if the Commission is unable to make all of the required findings. Planning Division staff has stated that the required findings in support of the proposal have been made. Consequently, Planning staff does not recommend further consideration of the alternatives.

The Commission could also decide that the project may have environmental impacts that would require further environmental review pursuant to CEQA. Staff did not identify any potentially significant impacts. As Lead Agency, the Department has determined that the Project is categorically exempt from environmental review pursuant to Section 15301 of the CEQA Guidelines. However, the Commission may reach a different conclusion. In that case, the Commission should continue the item to a future date at least two months later to give staff the time to complete further environmental review.

# RESOLUTION OF THE PLANNING COMMISSION OF THE COUNTY OF HUMBOLDT Resolution Number 19-Application No. PLN-2019-15348 Assessor's Parcel Number (APN): 508-251-054-000

Makes the required findings for certifying compliance with the California Environmental Quality Act and conditionally approves SWCO, Inc., DBA Satori Wellness Café & Lounge Conditional Use Permit request.

**WHEREAS**, SWCO, Inc., DBA Satori Wellness Café & Lounge submitted an application and evidence in support of approving the Conditional Use Permit for the operation of an approximately 2,000 square on-site cannabis consumption café and lounge as a separate business within an existing 5,652 square foot commercial building; and

**WHEREAS**, the County Planning Division reviewed the submitted application and supporting substantial evidence and has referred the application and evidence to involved reviewing agencies for site inspections, comments, and recommendations; and

WHEREAS, that the proposed project meets the criteria to be considered categorically exempt from environmental review per Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines; and

**WHEREAS**, Attachment 2 in the Planning Division staff report includes evidence in support of making all of the required findings for approving the proposed Conditional Use Permit (project number PLN-2019-15348); and

**WHEREAS**, a public hearing was held on the matter before the Humboldt County Planning Commission on September 5, 2019.

**NOW, THEREFORE**, be it resolved, determined, and ordered by the Humboldt County Planning Commission that the following findings be and are hereby made:

- 1. The Planning Commission determined that the proposed project is categorically exempt from environmental review per Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines; and
- 2. The Planning Commission makes all of the required findings in Attachment 2 of the Planning Division staff report for Case Number PLN-2019-15348, based on the submitted substantial evidence; and
- 3. Conditional Use Permit PLN-2019-15348 is approved as a recommended and conditioned in Attachment 1.

Adopted after review and consideration of all the evidence on September 5, 2019.

The motion was made by Commissioner \_\_\_\_\_ and second by Commissioner \_\_\_\_\_.

AYES: Commissioners:

NOES: Commissioners:

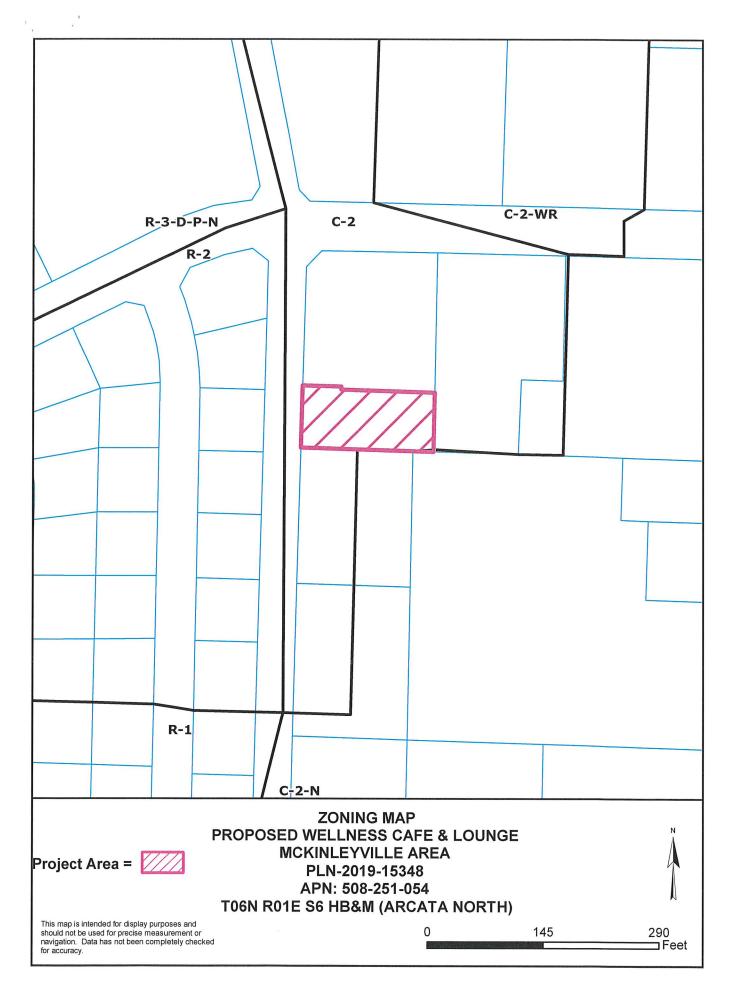
ABSENT: Commissioners:

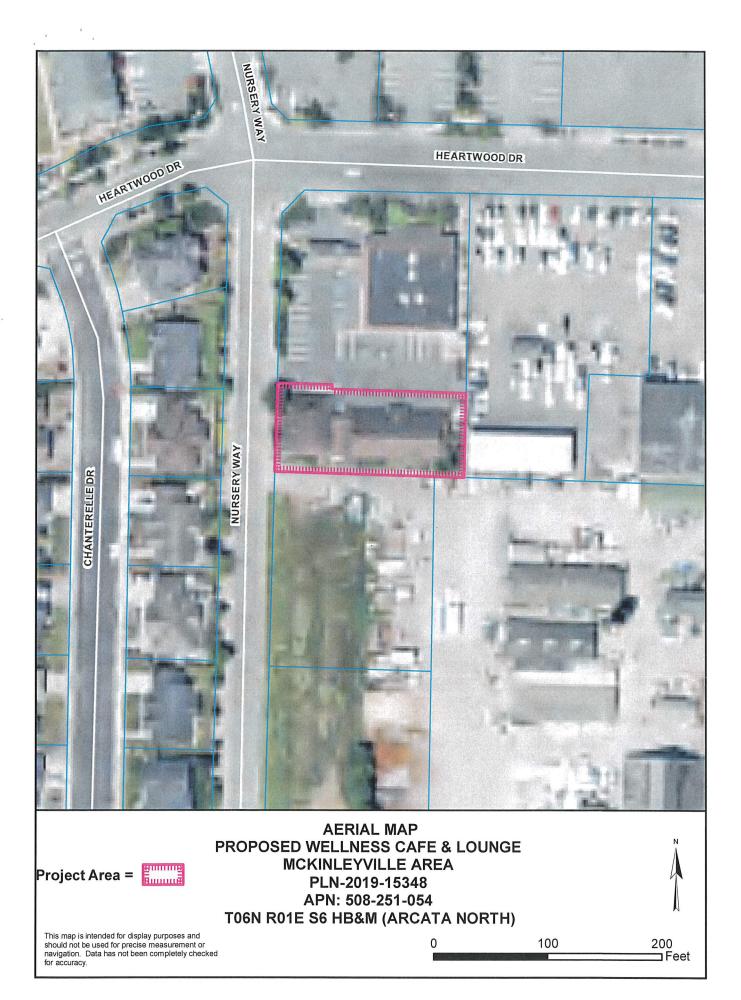
ABSTAIN: Commissioners:

DECISION:

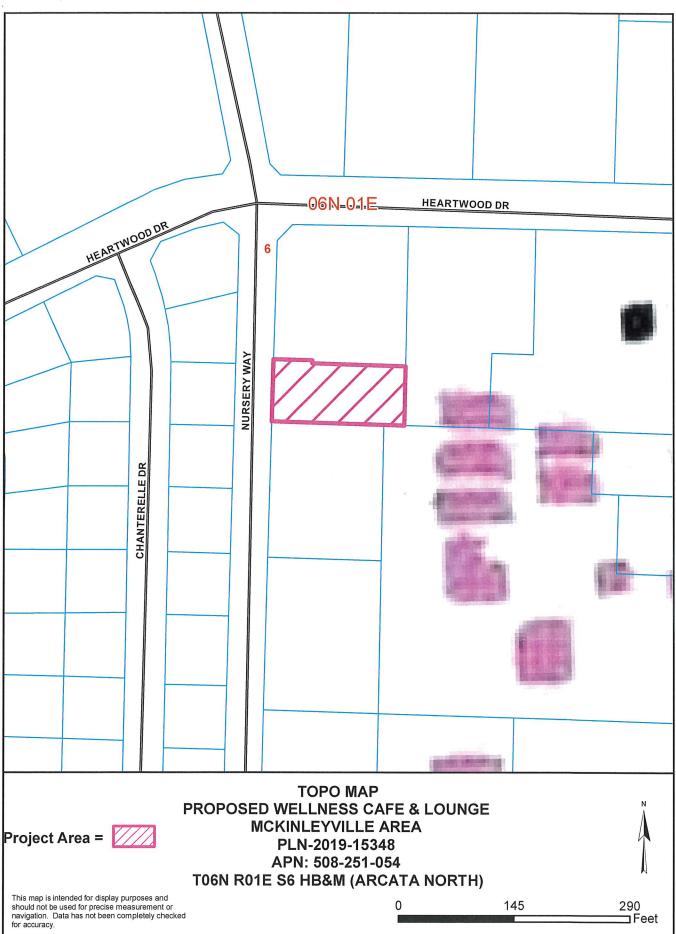
I, John Ford, Secretary to the Planning Commission of the County of Humboldt, do hereby certify the foregoing to be a true and correct record of the action taken on the above entitled matter by said Commission at a meeting held on the date noted above.

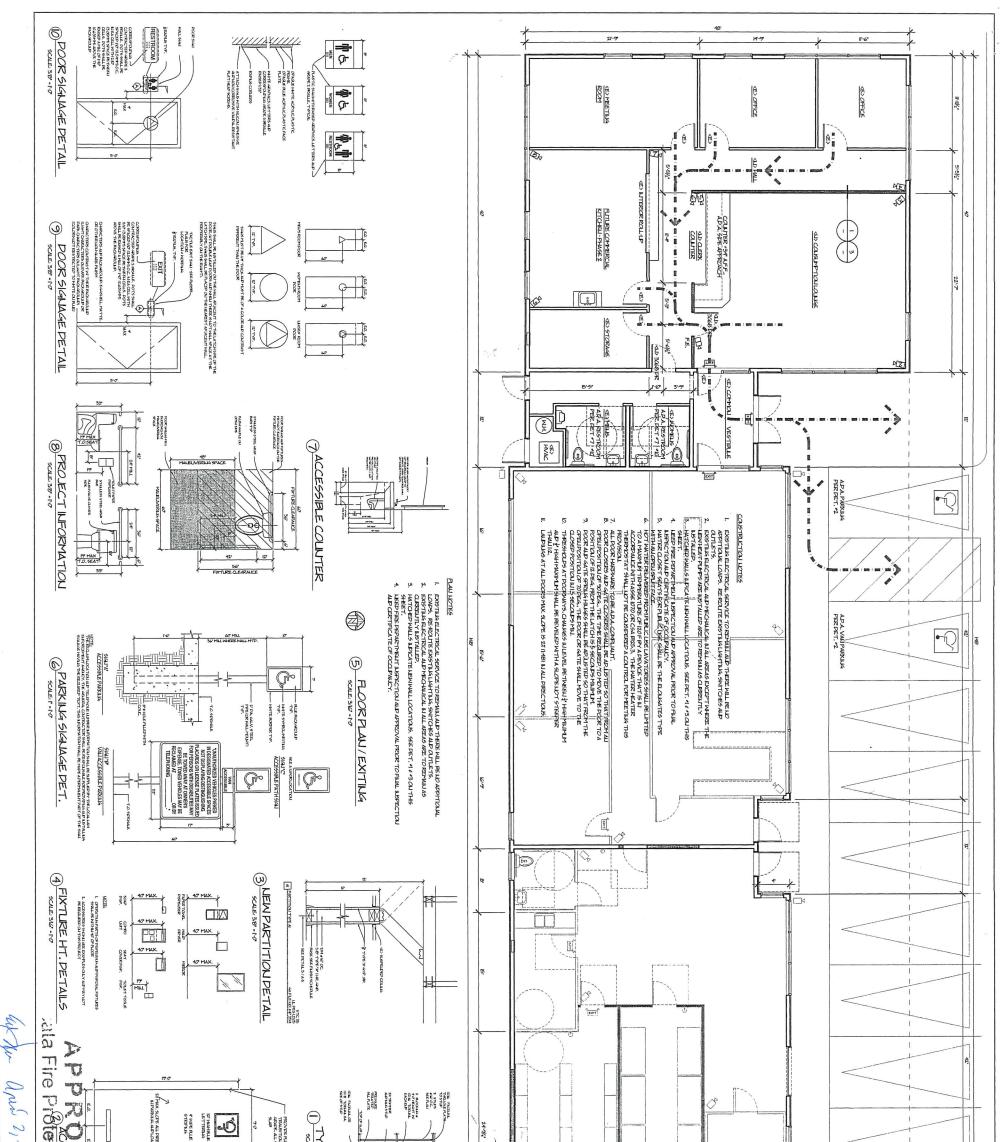
John Ford, Director Planning and Building Department







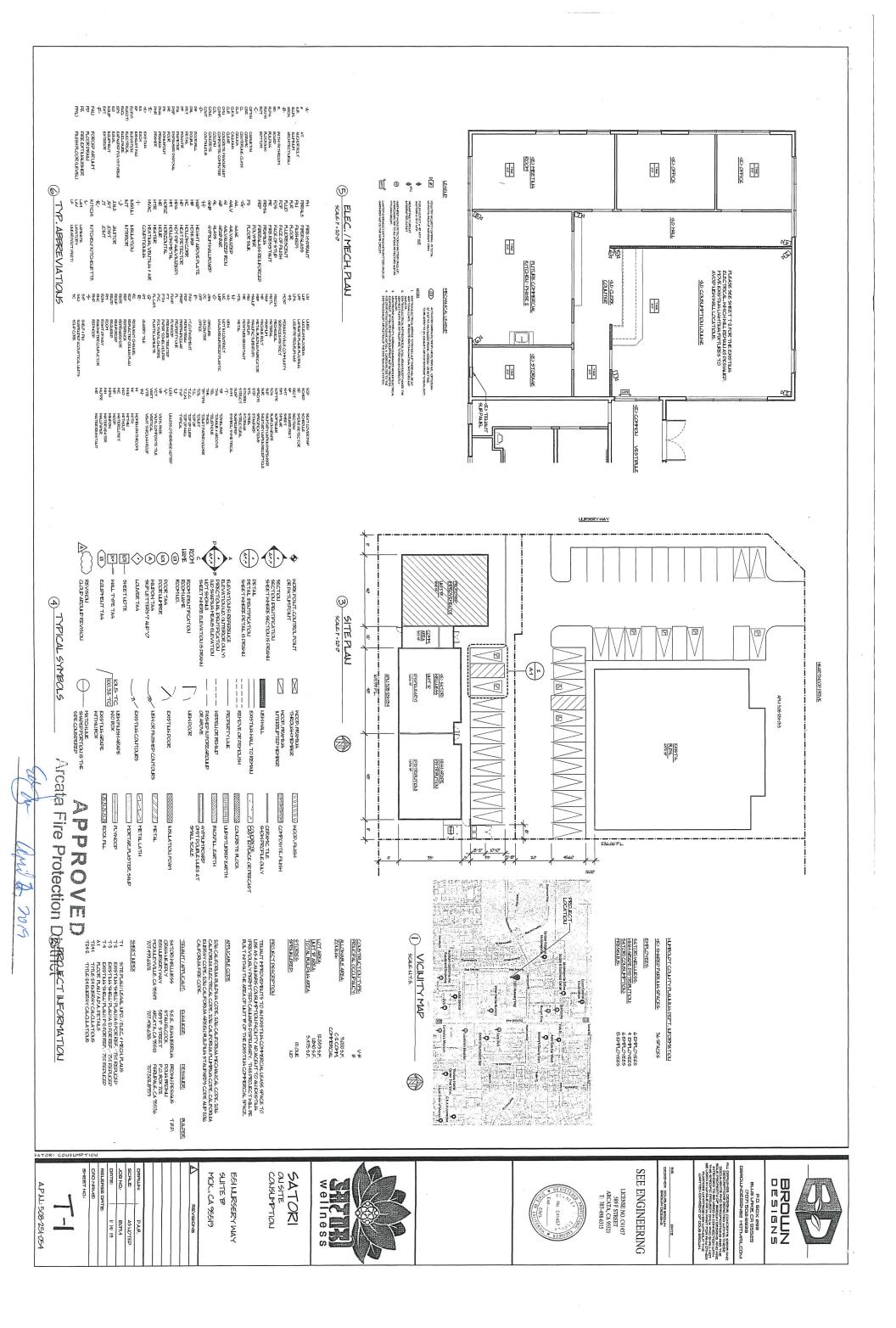






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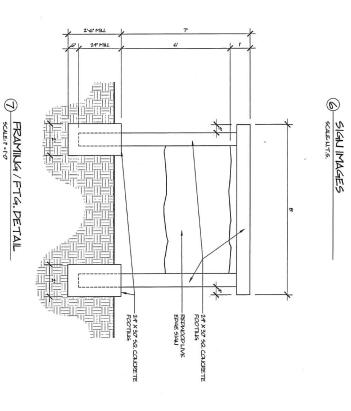
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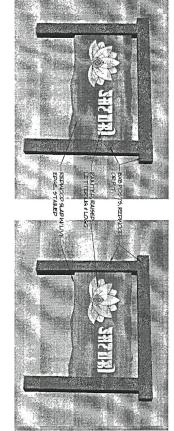


September 5, 2019

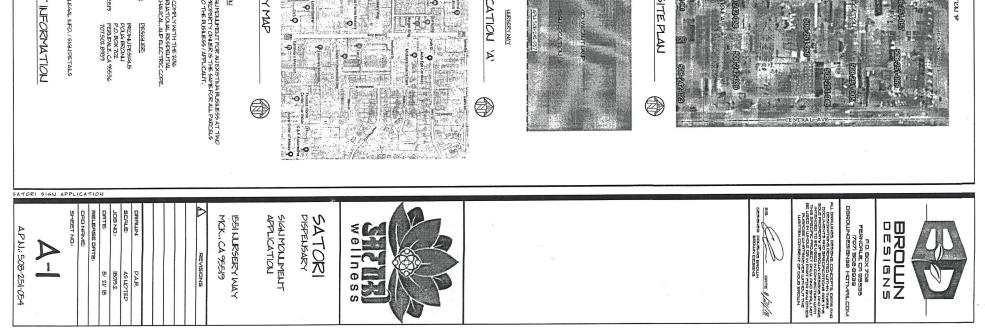
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# ATTACHMENT 1

#### **RECOMMENDED CONDITIONS OF APPROVAL**

# APPROVAL OF THE CONDITIONAL USE PERMIT IS CONDITIONED ON THE FOLLOWING TERMS AND REQUIREMENTS WHICH MUST BE SATISFIED BEFORE INITIATION OF OPERATIONS.

- 1. Building permits are required for all tenant improvements. All work done shall meet the current Structural, Electrical, Plumbing, and Mechanical Codes. Issuance of a building permit for the necessary tenant improvements, or written documentation from the Building Department that no building permits are required shall satisfy this condition.
- 2. Prior to issuance of the building permit, the applicant shall obtain a Business License from the Humboldt County Tax Collector.
- 3. The approved project shall meet all applicable fire codes, including fire suppression infrastructure requirements deemed necessary for the project by the Building Inspection Division. Sign off on the Occupancy Permit by the Building Division shall satisfy this requirement.
- 4. The approved building plans shall address odor management by incorporating the ventilation/air filtration system to limit potential adverse odor emission impacts to employees and/or properties located in the vicinity. The system shall be designed, signed, and stamped by a mechanical engineer for review and approval by the Building Official.
- 5. The applicant is responsible for obtaining all necessary County and State permits and licenses, and for meeting all of the requirements as set forth by other regulatory agencies.
- 6. The approved building plans shall address odor management by incorporating the ventilation/air filtration system to limit potential adverse odor emission impacts to employees and/or properties located in the vicinity. The system shall be designed, signed, and stamped by a mechanical engineer (California Licensed HVAC Installer) for review and approval by the Building Official.
- 7. If applicable, a final Signage Plan shall be submitted subject to review and approval by the Planning Director. Signage shall be compatible and not distract from with surrounding uses in the area. All signs shall be installed in accordance with County Code Section 341-1 (Sight Visibility Ordinance).
- 8. The applicant is required to pay for permit processing on a time and material basis as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors. The Department will provide a bill to the applicant after the decision. Any and all outstanding Planning fees to cover the processing of the application to decision by the Hearing Officer shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka.

# **Operation Restrictions:**

- 1. The hours of operation for the café and lounge shall be Monday through Saturday, 10:00 AM to 9:00 PM, and Sunday 11:00 AM to 7:00 PM.
- 2. The project will provide adequate security on the premises, including lighting, alarms and law enforcement notification, to insure the safety of persons and to protect the premises from theft.

- 3. The café and lounge facility shall operate at all times in conformance with the provisions of Humboldt County Commercial Cannabis Land Use Ordinance (CCLUO) meeting all applicable the Performance Standards in Section 314-55.4.12.
- 4. All electricity utilized by the Commercial Cannabis activity shall conform to one or more of the following standards:
  - Grid power supplied from 100% renewable source
  - On-site renewable energy system with twenty percent net non-renewable energy use
  - Grid power supplied by partial or wholly non-renewable source with purchase of carbon offset credits.
- 5. The project shall not hold or maintain a license from the State Department of Alcohol Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages.
- 6. The project shall follow the staff screening process as detailed on page 3 of the Operations Manual that includes a criminal background check.
- 7. As identified under the 2008 Attorney General Guidelines (for the Security and Non-Diversion of Marijuana Grown for Medical Use), the project shall "track and record the source of their marijuana," and keep records of its division and distribution.
- 8. The project shall permit the Planning Director or his/her designee to have access to the entities' books, records, accounts, and any and all data relevant to its permitted activities for the purpose of conducting an audit or examination in order to determine compliance with the conditions of the Conditional Use Permit. Books, records, accounts, and any and all relevant data will be produced no later than twenty-four (24) hours after the request from the Planning Director or his/her designee.
- 9. The project shall provide the Planning Director or his/her designee, the Sheriff, and all neighboring property owners within three-hundred (300) feet of the establishment with the name, telephone number of an on-site representative of the project to whom one can provide notice if there are operating problems associated with the facility. The project shall make every good faith effort to encourage neighbors to call this contact person to try and solve problems, if any, before calls or complaints are made to the Sheriff or Planning Director. Should problems arise that cannot be adequately resolved in this group-setting, the disgruntled party can petition the Planning Commission to initiate the process of permit revocation per §312-14, Humboldt County Code.
- 10. There is to be no loitering on or about the premises at any time. Further, the Sheriff shall provide to the Planning Director and/or his/her designee a list of any complaints and law enforcement related problems associated with the project, upon request.
- 11. The applicant is responsible for obtaining all necessary County and State permits and licenses, and for meeting all of the requirements as set forth by other regulatory agencies.
- 12. The project shall participate in inspections to verify that all cannabis products are being distributed in compliance with all state and local regulations. Inspections are intended to ensure that grower-members are legal and compliant in the products they store, and that storage is done in a safe and sustainable manner, away from public view, and inaccessible to minors.

- 13. A review fee for Conformance with Conditions as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors (currently \$125.00) shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka. This fee is a deposit, and if actual review costs exceed this amount, additional fees will be billed at the County's current burdened hourly rate.
- 14. Methods used to track inventories, quantities, and distribution between verified members will match "standard industry procedures" which includes the following:
  - All incoming medical cannabis will be assigned a lot number which will retained as medicine is subsequently divided and distributed to members
  - All medical cannabis will be tracked by the gram
  - 'Quickbooks' or similar software shall be used as a point of sale to record transactions, inventory, invoicing, and revenue-related record keeping.
- 15. The cannabis project shall be inspected by the Humboldt County Sheriff or his/her designee and either members of the Code Compliance Division of Planning and Building or the Code Enforcement Investigator on an annual basis, or more frequently as requested by the Planning Commission, to determine if the cooperative or delivery service is in compliance with its Conditional Use Permit and Operations Manual. After payment of the inspection fees as indicated in the following section, a copy of the results from this inspection shall be given to the cannabis project, cooperative or delivery service for inclusion in their "Performance Review Report" to the Planning Commission.
- 16. Non-compliance by the cannabis project in allowing the inspection by the above-mentioned County personnel, or non-compliance in submitting the annual "Performance Review Report" per the CCLUO section 314-55.4.5.7 for review by the Planning Commission shall be deemed grounds for a revocation of the conditional use permit and/ or subject the holder of the conditional use permit to the penalties outlined in this Code, above. A deposit shall be collected for the County's time spent performing the inspection (based on the fees in effect at the time the request is submitted).

#### Ongoing Requirements/Development Restrictions Which Must be Satisfied for the Life of the Project:

- 1. All components of project shall be developed, operated, and maintained in conformance with the Project Description, the approved Site Plan, the Plan of Operations, and these conditions of approval. Changes shall require modification of this permit except where consistent with Humboldt County Code Section 312-11.1, Minor Deviations to Approved Plot Plan.
- 2. Future signage proposals are subject to review and approval by the Planning Director.
- 3. Odors shall be contained on the property on which the cannabis activity is located. To implement this requirement, air filtration and ventilation equipment is to be maintained in good working condition and monitored on an on-going basis to limit potential adverse odor emission impacts to employees and/or properties located in the vicinity. If the County received any odor complaints that are verified by County staff, the permit holder shall work with the building Official to correct odor concerns.
- 4. Commercial cannabis activity shall be conducted in compliance with all laws and regulations as set forth in Commercial Cannabis Land Use Ordinance (CCLUO), Humboldt County Code

Section 314-55.4.1 et seq. and hereby incorporated by reference, and MAUCRSA as applicable by permit type. The requirements described are current at the time of approval but may be superseded or modified by changes to the laws and regulations governing commercial cannabis cultivation and associated activities.

- 5. Possession of a current, valid required license, or licenses, issued by any agency of the State of California in accordance with the MCRSA, and regulations promulgated thereunder, as soon as such licenses become available.
- 5. For the life of the project, the project shall not result in a discernable odor at the property lines adjoining the existing residential uses. Should the Department receive complaints regarding odor, the Department will work with the applicant/operator to resolve and return the project to compliance in a timely manner. Resolution may entail additional maintenance and/or replacement of the air filtration system. If the County receives any odor complaints, the permit holder shall work with the Building Official to correct odor concerns.
- 6. Any Commercial Cannabis Activity Conditional Use Permit issued pursuant to the CCLUO shall expire after one (1) year after date of issuance, and on the anniversary date of such issuance each year thereafter, unless an annual compliance inspection has been conducted and the permittees and the permitted site have been found to comply with all conditions of approval [Reference Humboldt County Code Section 314-55.4.5.6].
- 7. If the inspector or other County official determines that the permittees or site do not comply with the conditions of approval, the inspector shall serve the Conditional Use Permit or permit holder with a written statement identifying the items not in compliance, and the action that the permit holder may take to cure the non-compliance, or file an appeal within ten (10) days of the date that the written statement is delivered to the permit holder. Personal delivery or mailing the written statement to the mailing address listed on the application by regular mail, plus three (3) days after date of mailing, shall constitute delivery. The permit holder may request a re-inspection to determine whether or not the permit holder has cured all issues of non-compliance. Failure to request re-inspection or to cure any items of non-compliance shall terminate the Conditional Use Permit, immediately upon the expiration of any appeal period, or final determination of the appeal if an appeal has been timely filed pursuant to Humboldt County Code Section 314-4.5.8.
- 8. Transfer of any leases or permits approved by this project is subject to the review and approval of the Planning Director for conformance with CCLUO eligibility requirements, and agreement to permit terms and acknowledgments. The fee for required conformance with conditions review shall accompany the request. The request shall include the following information:
  - (1) Identifying information for the new Owner(s) and management as required in an initial permit application;
  - (2) A written acknowledgment by the new Owner in accordance as required for the initial Permit application;
  - (3) The specific date on which the transfer is to occur; and
  - (4) Acknowledgement of full responsibility for complying with the existing Permit; and
  - (5) Execution of an Affidavit of Non-diversion of Medical Cannabis.
- 9. Prior to making any modifications to a permitted facility, the permittee shall submit to the Planning Director a request for determination of County approvals, together with the

appropriate fee. The request shall contain a description sufficiently detailed to allow the Planning Director to determine what permits and other approvals, are needed, and whether a modified Permit is required.

- 10. The permit holder and subject property owner are to permit the County or representative(s) or designee(s) to make inspections at any reasonable time deemed necessary to assure that the activities being performed under the authority of this permit are in accordance with the terms and conditions prescribed herein.
- 11. The operation shall participate in the Medical Cannabis Track and Trace Program administered by the Humboldt County Agricultural Commissioner.
- 12. The Café and Lounge shall use the following best management practices to ensure the safety of employees and the Cannabis product:
  - A. Ensure that the space in which any Cannabis product is to be consumed is a fully enclosed room and clearly designated on the approved floor plan.
  - B. Ensure that all applicable sanitary rules are followed.
  - C. Ensure that the standard operating procedure includes, but need not be limited to, stepby-step instructions on how to safely and appropriately:
    - a. Conduct all necessary safety checks prior to commencing handling;
    - b. Prepare Cannabis products handling;
    - c. Clean all equipment, counters and surfaces thoroughly; and
    - d. Dispose of any waste produced during the preparation or consumption of Cannabis in accordance with all applicable local, state and federal laws, rules and regulations.
  - D. Establish written and documentable quality control procedures designed to maximize safety for employees and minimize potential product contamination.
  - E. Establish written emergency procedures to be followed by employees in case of a fire, chemical spill or other emergency.
  - F. Have a comprehensive training manual that provides step-by-step instructions for preparation and consumption of cannabis products on its Licensed Premises. The training manual shall include, but need not be limited to, the following topics:
    - a. All standard operating procedures used at that Licensed Premises;
    - b. The quality control procedures;
    - c. The emergency procedures for the Licensed Premises;
    - d. The appropriate use of any necessary safety or sanitary equipment;
    - e. The hazards presented by all chemicals and solvents used within the Licensed Premises as described in the material safety data sheet for each chemical and solvent;
    - f. Clear instructions on the safe use of all equipment involved in each process and in accordance with manufacturer's instructions, where applicable; and
    - g. Any additional periodic cleaning required to comply with all applicable sanitary rules.
  - G. Provide adequate training to every employee prior that to that individual undertaking any step in preparation or consumption of a Cannabis product.
    - a. Adequate training shall include, but need not be limited to, providing a copy of the training manual for that Licensed Premises and live, in-person instruction detailing at least all of the topics required to be included in the training manual.
    - b. The individual training each employee shall sign and date a document attesting that

all required aspects of training were conducted and that he or she is confident that the trainee can safely handle and distribute a Cannabis product.

- c. The employee that received the training shall sign and date a document attesting that he or she can safely implement all standard operating procedures, quality control procedures, and emergency procedures, operate all equipment, use all safety, sanitary and other equipment and understands all hazards presented by the chemicals and solvents to be used within the Licensed Premises and any additional period cleaning required to maintain compliance with all applicable sanitary rules.
- H. Maintain clear and comprehensive records of the name and signature of every individual who engaged in any step related to the preparation or consumption of any Cannabis product and the step that individual performed.
- 13. Persons engaging in the preparation of any cannabis product shall:
  - A. Be over 21 years of age.
  - B Not have been convicted of a felony for the illegal possession for sale, sale, manufacture, transportation, or cultivation of a controlled substance; a violent crime, as specified in subdivision (c) of Section 667.5 of the Penal Code; a serious crime, as specified in subdivision (c) of Section 1192.7 of the Penal Code; or a crime involving fraud, deceit, or embezzlement
  - C Ensure that all equipment, counters and surfaces used in the preparation or consumption of any Cannabis product is food-grade including ensuring that all counters and surface areas were constructed in such a manner that it reduces the potential for the development of microbials, molds, and fungi and can be easily cleaned.
  - D. Ensure that all equipment, counters, and surfaces used in the processing or distribution of any Cannabis product are thoroughly cleaned after the completion of each Production Batch.
  - E. Ensure that the appropriate safety or sanitary equipment, including personal protective equipment, is provided to, and appropriately used by, each person engaged in the preparation or consumption of any Cannabis product.
- 14. Consent to annual on-site inspection, with at least 24 hours prior notice, to be conducted by appropriate County officials during regular business hours (Monday-Friday, 9:00am -5:00 pm, excluding holidays).
- 15. Pay all applicable application and annual inspection fees.

#### D. Informational Notes:

- 1. Pursuant to Section 314-55.4.6.5.7 of the CCLUO, if upon inspection for the initial application, violations of any building or other health, safety, or other state of county statute, ordinance, or regulation are discovered, the Planning and Building Department may issue a provisional clearance or permit with a written approved Compliance Agreement. By signing the agreement, the permittee agrees to abate or cure the violations at the earliest opportunity but in no event more than two (2) years of the date of issuance of the provisional clearance or permit. Plans for curing the violations shall be submitted to the Planning and Building Department by the Permittee within one (1) year of the issuance of the provisional certificate or permit. The terms of the compliance agreement may be appealed pursuant to section 314-55.4.6.5.7 of the CCLUO.
- 2. This permit shall expire and become null and void at the expiration of one (1) year after all appeal periods have lapsed (see "Effective Date"); except where construction under a valid

building permit or use in reliance on the permit has commenced prior to such anniversary date. The period within which construction or use must be commenced may be extended as provided by Section 312-10.5 of the Humboldt County Code.

- 3. The Applicant is responsible for costs for post-approval review for determining project conformance with conditions prior to release of building permit or initiation of use and at time of annual inspection. In order to demonstrate that all conditions have been satisfied, applicant is required to pay the conformance review deposit as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors (currently \$750) within sixty (60) days of the effective date of the permit or upon filing of the Compliance Agreement (where applicable), whichever occurs first. Payment shall be made to the Humboldt County Planning Division, 3015 "H" Street, Eureka.
- 4. If cultural resources are encountered during construction activities, the contractor on site shall cease all work in the immediate area and within a 50-foot buffer of the discovery location. A qualified archaeologist as well as the appropriate Tribal Historic Preservation Officer(s) are to be contacted to evaluate the discovery and, in consultation with the applicant and lead agency, develop a treatment plan in any instance where significant impacts cannot be avoided.

Prehistoric materials may include obsidian or chert flakes, tools, locally darkened midden soils, groundstone artifacts, shellfish or faunal remains, and human burials. If human remains are found, California Health and Safety Code Section 7050.5 requires that the County Coroner be contacted immediately at 707-445-7242. If the Coroner determines the remains to be Native American, the Native American Heritage Commission will then be contacted by the Coroner to determine appropriate treatment of the remains pursuant to Public Resources Code Section 5097.98. Violators shall be prosecuted in accordance with Public Resources Code Section 5097.99.

5. A Notice of Exemption (NOE) will be prepared and filed with the County Clerk for this project in accordance with State CEQA Guidelines. Within three days of the effective date of permit approval, it is requested that the applicant submit a check or money order for the required filing fee in the amount of \$50.00 payable to the Humboldt County Clerk/Recorder. If this payment is not received within this time period, the Department will file the NOE and will charge this cost to the project.

# **ATTACHMENT 2**

#### **REQUIRED FINDINGS FOR APPROVAL**

**Required Findings:** To approve this project, the Hearing Officer must determine that the applicant has submitted evidence in support of making **all** of the following required findings.

The County Zoning Ordinance, Sections 312-1.1.2 and 312-17.1 of the Humboldt County Code (Required Findings for All Discretionary Permits) specifies the findings that are required to grant a Conditional Use Permit:

- 1. The proposed development is in conformance with the County General Plan, Open Space Plan, and Open Space Action Program;
- 2. The proposed development is consistent with the purposes of the existing zone in which the site is located;
- 3. The proposed development conforms with all applicable standards and requirements of these regulations;
- 4. The proposed development and conditions under which it may be operated or maintained will not be detrimental to the public health, safety, or welfare; or materially injurious to property or improvements in the vicinity;
- 5. The proposed development does not reduce the residential density for any parcel below that utilized by the Department of Housing and Community Development in determining compliance with housing element law (the midpoint of the density range specified in the plan designation) unless the following written findings are made supported by substantial evidence: 1) the reduction is consistent with the adopted general plan including the housing element; and 2) the remaining sites identified in the housing element are adequate to accommodate the County share of the regional housing need; and 3) the property contains insurmountable physical or environmental limitations and clustering of residential units on the developable portions of the site has been maximized; and
- 6. In addition, the California Environmental Quality Act (CEQA) states that one of the following findings must be made prior to approval of any development which is subject to the regulations of CEQA. The project either:
  - a. Is categorically or statutorily exempt; or
  - b. Has no substantial evidence that the project will have a significant effect on the environment and a negative declaration has been prepared; or
  - c. Has had an environmental impact report (EIR) prepared and all significant environmental effects have been eliminated or substantially lessened, or the required findings in Section 15091 of the CEQA Guidelines have been made.

The following tables documents the evidence in support of making **all** of the following required findings.

**1.** The proposed development must be consistent with the General Plan, Open Space Plan, and Open Space Action Program. The following table documents the substantial evidence which supports finding that the proposed development is in conformance with all applicable policies and standards of the Humboldt County General Plan, Open Space Plan, Open Space Action Program, and the McKinleyville Community Plan (MCP).

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
Land Use Chapter 4	The Commercial Services (CS) designation is intended for heavy commercial uses and compatible light industrial uses serving day to day needs. A full range of urban services is required. Primary and compatible uses include heavy commercial, neighborhood commercial, retail sales and services, office and professional uses, warehousing, storage, and distribution, research and light industrial, civic uses, and subordinate residential uses.	The project proposes use of an existing commercial building as a cannabis café and lounge to serve as a secure place in which to consume and smoke medical cannabis product. Private Recreation, Retail Sales, Retail Services, Visitor Serving Facilities are allowed uses within the CS designated areas.
Community Infrastructure and Services Chapter 5	Capacity of and sizing of road and drainage facilities in coordination with water and wastewater service providers shall be evaluated to determine adequacy for proposed land uses and discretionary development. (IS-P7)	Access to the project is off of Nursery Way, a paved public road, to a paved parking lot. The Public Works Department has indicated that the road is adequate to serve the proposed use. Water and sewer services are provided by the McKinleyville Community Services District, and they have indicated a zero discharge of any wastes associated with the operation without issuance of a pretreatment permit.

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
Circulation Chapter 7	Goals and policies contained in this Chapter relate to a balanced, safe, efficient, accessible and convenient circulation system that is appropriate for each type of unincorporated community (C- G1, C-G2); coordinated planning design, development, operations, and maintenance between the County and other transportation system service providers (C-G3); and access for all transportation mode types with improved opportunities to move goods within, into and out of Humboldt County. (C-G4, C-G5) Related policies: C-P3, Consideration of Transportation Impacts in Land Use Decision	Access to the project is off of Nursery Way, a paved public road, to a paved parking lot. The Public Works Department has indicated that the road is adequate to serve the proposed use and that no improvements are required.
Conservation and Open Space Chapter 10 Open Space Section 10.2	Making. Goals and policies contained in this Chapter relate to an Open Space and Conservation Program that is complimentary to other agencies' plans and that preserves the county's unique open spaces. (CO-G1, CO-G3) Related policies: CO-P1, Conservation and Open Space Program; CO-P12, Development Review, CO-S1. Identification of Local Open Space Plan, and CO- S2. Identification of the Open Space Action Program.	The project can be found consistent with the Open Space Plan and Open Space Action Program because the proposed project is consistent with the allowable uses of the Land Use Designations. The project site is fully paved, and no additional structures are proposed. Therefore, the project is consistent with and complimentary to the Open Space Plan and its Open Space Action Program
Biological Resources Section 10.3	Protect designated sensitive and critical resource habitats.	There are no mapped sensitive habitat areas on the proposed project parcel or in the vicinity. There are no known threatened or endangered species on the parcel. The parcel is paved, and the use will be conducted within an existing structure.

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
Cultural Resources Section 10.6	Goals and policies contained in this Chapter relate to the protection and enhancement of significant cultural resources, providing heritage, historic, scientific, educational, social and economic values to benefit present and future generations (CU-G1, Protection and Enhancement of Significant Cultural Resources)	No new construction is proposed, so no ground disturbance will occur. Nonetheless, the project is conditioned to include an inadvertent discovery protocol should the project encounter undocumented cultural resources.
Safety Element Chapter 14 Fire Hazards	Goals and policies of this Chapter encourage development designed to reduce the risk of structural and wildland fires supported by fire protection services that minimize the potential	The parcel is in an area of Low Fire Hazard rating and within the Arcata Fire Protection District (AFPD) Local Responsibility Area. AFPD recommended approval of the project with no conditions.
Safety Element Chapter 14 Flooding	Goals and policies contained in this Chapter relate to the use of natural drainage channels and watersheds that are managed to minimize peak flows in order to reduce the severity and frequency of flooding. (S-G3)	According to the Flood Insurance Rate Map (FIRM) Panel No. 06023 C0680G, the project site is located within an area minimal flood hazard.
Safety Element Chapter 14 Geologic & Seismic	Goals and policies contained in this Chapter relate to communities that are designed and built to minimize the potential for loss of life and property resulting from natural and manmade hazards; and to prevent unnecessary exposure to areas of geologic instability, floodplains, tsunami run-up areas, high risk wildland fire areas, and airport areas planned and conditioned to prevent unnecessary exposure of people and property to risks of damage or injury. (S-G1, S-G2)	Geologic hazard maps show the property to be relatively stable with a slope of less than 5%. Since no new exterior construction is proposed, no soils report is required.
	Related policies: S-P11, Site Suitability; and S-P7, Structural Hazards.	

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
Air Quality Chapter 15	Goals and policies contained in this Chapter relate to improved air quality to meet current and future state and federal standards, including attainment of particulate matter requirements (AQ-G1, AQ-G2, AQ-G3) and the successful reduction of greenhouse gas emissions to levels consistent with state and federal requirements. (AQ-G3) Related policies: AQ-P4, Construction and Grading Dust Control, AQ-S1. Construction and Grading Dust Control, AQ-P7. Interagency Coordination.	No ground disturbance is proposed for this project. As a conditional of approval, the approved building plans shall address odor management by incorporating the ventilation/air filtration system to limit potential adverse odor emission impacts to employees and/or properties located in the vicinity. The system shall be designed, signed, and stamped by a mechanical engineer (California Licensed HVAC Installer) for review and approval by the Building Official.

2. Zoning Compliance and 3. Conforms with applicable standards and requirements of these regulations: The following table documents the evidence which supports finding that the proposed development is in conformance with all applicable policies and standards in the Humboldt County Zoning Regulations and the Humboldt County Commercial Cannabis Land Use Ordinance (CCLUO).

Zoning Section	Summary of Applicable Requirement	Evidence that Supports the Required Finding
§312-1.1.2 Legal Lot Requirement	Development permits shall be issued only for a lot that was created in compliance with all applicable state and local subdivision regulations.	The subject parcel was created as Parcel 2 of Parcel Map 3443 recorded in book 33 of Parcel Maps pages 81-82. There is no evidence indicating there have been any subsequent acts to merge or divide this parcel. Therefore, the subject parcel was lawfully created in its current configuration and can be developed as proposed.
§314-2.2 Community Commercial	The C-2 zone allows for commercial facilities that are of a light commercial character, conducted completely within an enclosed building.	The proposed project is a Conditional Use Permit for a medical cannabis consumption café and lounge conducted completely within an enclosed building. The proposed facility is specifically allowed with a Conditional Use Permit in this zone district under Section 314-55.4.5.1.4. of the Commercial Cannabis Land Use Ordinance (CCLUO).

Zoning Section	Summary of Applicable Requirement	Evidence that Supports the Required Finding
Development Standards	Community Commercial Zone (C-2)	
Minimum Lot Area:	2,000 sq. ft.	The subject parcel is approximately 12,632 square feet.
Max. Lot Coverage:	(None specified)	
Min. Yard Setbacks	Front: None. Rear: Fifteen feet (15'). Side: None.	Front: 10 feet Rear: Fifteen feet (15'). Side: 5 feet.
Max. Building Height:	75 feet	Approx. 19 feet

Special Regulations: §314-31.1.4 Off-Street Parking Industrial Uses <u>Management</u> . The parking requirements for office space associated with industrial uses shall be the same as identified for commercial type offices, or one (1) parking space for every 300 square feet of gross floor area plus one (1) space for each employee. <u>Manufacturing</u> . The higher of one parking space for each 1,500 square feet of gross floor space within all enclosed building areas or one (1) parking space for each employee at the peak shift. A minimum of two (2) parking spaces are required. <u>Warehouse</u> . The higher of one (1) parking space for every four (4) employees or one (1) parking space for each 2,500 square feet of gross floor area. <u>Retail Sales/Services</u> The higher of one (1) parking space for every 300 square feet of gross floor area, with a minimum of four (4) spaces plus one (1) for each employee. <u>Loading Spaces Required</u> . One (1) loading space for each 20,000 square feet of gross floor area, or portion thereof.	The existing structure is approx. 5,652 square feet in size, of which approximately 2,000 square feet will be occupied by the café and lounge. The adjacent leased space (not associated with the project) requires 15 spaces. The parking requirement for the permitted dispensary, distribution facility, and proposed café and Lounge is 14 spaces based on the square footage of 3,652 square feet currently in operation. The site has 36 developed parking spaces which satisfies the parking requirement of 32 parking spaces. A loading space exception was requested and approved as part of the Satori Wellness project (Application No. 11177, CUP16-170 & SP16-168) based on the type and intensity of use.
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314-55.4 Commercial Cultivation, Processing, Manufacturing, Distribution, Testing and Sale of Cannabis Land Use Regulation for the Inland Area of the County of Humboldt – Commercial Cannabis Land Use Ordinance (CCLUO)

Zoning Section and Summary of Applicable Requirement	Evidence that Supports the Required Finding
§314-55.4.10.1 Adult Use Retail Sales §314-55.4.10.5 Onsite Cannabis Consumption	Adult Use Retail Sales facilities are a permitted use, subject to the same permit requirements that apply pursuant to Humboldt County Code Sections 314-55.3, et seq. applicable to Medical Cannabis Dispensaries. All regulations applicable to permitting of Medical Cannabis Dispensaries shall be applicable to Adult Use Retail Sales facilities, except those limiting sales exclusively to medical cannabis.
	Access to the areas in which cannabis consumption is allowed is restricted to persons 21 years of age and older. Cannabis consumption will not be visible from any public place or area to persons under 21 yeas of age. Alcohol and tobacco sale or consumption will be prohibited on the premises. A site plan and operations plan were submitted to demonstrate the onsite consumption facility complies with the standards of the cited section and all other limitations and restrictions, including but not limited to Health and Safety Code section 11362.3. Staff recommends that the evidence a finding of consistency with the cited section.
Eligibility Criteria §314-55.4.6.3.1: Energy Source Electricity must be exclusively provided by a Renewable Energy Source, meeting the Performance Standard for Energy Use.	PGE will provide power for all the proposed facilities operations. The applicant has chosen to purchase only renewable energy from PGE as outlined in the Operations Manual. Staff recommends the project as proposed and conditioned will meet the requirements of HCC Section 314-55.4.6.3.1.

Zoning Section and Summary of Applicable Requirement	Evidence that Supports the Required Finding
§314-55.4.5.1.1 No Commercial Cannabis Activity shall be permitted within six hundred feet (600') of a school.	As discussed above for finding of conformance to HCC Section 314-55.4.65.4.4(c), there are no schools within 600 feet of the project site. The site is not located within tribal lands. Staff
§314-55.4.5.1.2 No Commercial Cannabis Activity shall be permitted within Tribal Lands without the express written consent of the Tribe.	recommends that the evidence a finding of consistency with the cited section.
§314-55.4.5.1.4 a) A Conditional Use Permit shall be required for any Commercial Cannabis Activity where located within the Sphere of Influence (SOI) of any incorporated city or within any of the following mapped Community Planning Areas (CPA's) McKinleyville A Conditional Use Permit shall also be required for any Commercial Cannabis Activity where located within one thousand feet (1,000') of any incorporated city, Tribal Lands, or any of the Community Planning Areas (CPA's) identified herein.	The subject property is located in the McKinleyville Community Planning Area. The project, however, is not located within 1,000 feet of any tribal lands. The project application includes a Conditional Use Permit.
§314-55.4.5.1.4 b) Early Notification to Surrounding Areas, nearby Cities, and Tribes. Whenever a permit application for a Commercial Cannabis Activity is located within any of the areas specified in Sections 55.4.5.1.4(a) and has been determined complete for processing in accordance with Section 312-6.1, notice of the proposed project shall be provided to all property owners and occupants by first class mail to the address(es) shown on the latest Assessment Roll within one thousand feet (1,000') of the perimeter of the parcel on which a permit is being requested. The notice shall include the location of the project and a description of the size and type of activity proposed.	Early notification was provided by way of the mailing of a Notice of Application (NOA) to all property owners and occupants within 1,000 feet of the perimeter of the subject property.

§314-55.4.5.1.4 c) The Hearing Officer shall consider the potential impacts and cumulative impacts of proposed cannabis activities upon the community as a whole, including impacts to neighboring uses within Cities or their SOI's and buffers, and to residents within CPA's, or Tribal land. The Hearing Officer shall have the discretion to deny any discretionary permit application within these areas if it is found, based on substantial evidence in the record, that the impacts of a proposed activity on the existing uses will have a significant adverse effect on the public health, safety, or welfare.	The subject property is located in the McKinleyville Community Planning Area. The project, however, is not located within 1,000 feet of any tribal lands. The project approval will result in a separate business entity running the café and lounge and existing dispensary and distribution warehouse businesses in an existing enclosed structure and will not result in any additional impacts. The project implementation in accordance with the proposal and conditions of approval will not have a significant adverse effect on the public health, safety, or welfare.
§314-55.4.11 Application Requirements Identifies the Information Required for All Applications	Attachment 3 identifies the information submitted with the application, and shows all the required information was received.
§314-55.4.12.1.8 Performance Standards– Road System	As discussed above, Nursery Way, will provide access to the project site. Nursery Way is a paved roadway and is adequate to serve the proposed use.
§314-55.4.12.5 Performance Standards– Energy Use All electricity utilized by Commercial Cannabis Cultivation, Manufacturing or Processing activities shall conform to one or more of the following standards:	Electricity will be supplied by Pacific Gas and Electric Company (PGE). The applicant has chosen to purchase only renewable energy from PGE as outlined in the Operations Manual. To ensure compliance with this requirement for the life of the project, the cited performance standard is incorporated into the Conditions of
Grid power supplied from 100% renewable source	Approval, Attachment 1.
On-site renewable energy system with twenty percent net non-renewable energy use	
Grid power supplied by partial or wholly non-renewable source with purchase of carbon offset credits.	

4. **Public Health, Safety and Welfare.** The following table identifies the evidence which supports finding that the proposed development will not be detrimental to the public health, safety and welfare or materially injurious to properties or improvements in the vicinity.

Code Section	Summary of Applicable Requirements	Evidence that Supports the Required Finding
§312-17.1.4	The proposed development will not be detrimental to the public health, safety and welfare, and will not be materially injurious to properties or improvements in the vicinity.	The Department finds that the proposed project will not be detrimental to the public health, safety and welfare since all reviewing referral agencies have approved the proposed project design. The project as proposed and conditioned is consistent with the general plan and zoning ordinances; and the proposed project is not expected to cause significant environmental damage.

**5. Residential Density Target:** The following table documents the evidence which supports finding that the proposed project will not reduce the residential density for any parcel below that utilized by the Department of Housing and Community Development in determining compliance with housing element law.

Code Section	Summary of Applicable Requirement	Evidence that Supports the Required Finding
§312-17.1.5 Housing Element Density	The proposed development does not reduce the residential density for any parcel below that utilized by the Department of Housing and Community Development in determining compliance with housing element law (the mid-point of the density range specified in the plan designation), except where: 1) the reduction is consistent with the adopted general plan including the housing element; and 2) the remaining sites identified in the housing element are adequate to accommodate the County share of the regional housing need; and 3) the property contains insurmountable physical or environmental limitations and clustering of residential units on the developable portions of the site has been maximized.	The proposed project involves operation of a distribution facility on lands designated "Commercial Services (CS and zoned C-2 Community Commercial. No residences exist on the parcel. The parcel was not inventoried as source of potential residential units. Therefore, the project will not reduce the residential density for any parcel below that utilized by the Department of Housing and Community Development in determining compliance with housing element law.

**6. Environmental Impact:** The following table identifies the evidence supports the finding that the proposed development will not adversely impact the environment.

Code Section	Summary of Applicable	Evidence that Supports the Required Finding
	Requirement	

§15301 of CEQA	Categorically exempt from State	The project has been determined to be exempt from CEQA pursuant to Sections 15301 – Existing
Guidelines	environmental review.	Facilities of the Guidelines for the Implementation of CEQA. Section 15301 exempts from environmental review the operation, repair
		maintenance, permitting, licensing, or minor alteration of existing private structures or facilities
9		where involving negligible or no expansion of use. The proposed development will occupy 2,000
		square feet of an existing structure approximately
		5,652 sq. ft. in area. The project site is an urbanized area served by community water and on-site
		sewer. Per the submitted evidence and agency responses none of the exceptions to the
		Categorical Exemption per Section 15300.2 of the State CEQA guidelines apply to this project.

#### ATTACHMENT 3

# Applicant's Evidence in Support of the Required Findings

Attachment 3 includes a listing of all written evidence that has been submitted by the applicant in support of making the required findings. The following materials are attached or on file with the Planning Division:

- Application Form [on file]
- Organizational Documents [on file]
- Grant Deed [on file]
- Indemnification Agreement [on file]
- Acknowledgement Form [on file]
- Consent for On-site Inspection [on file]
- Operations Manual [attached]

# **ATTACHMENT 4**

# **REFERRAL AGENCY COMMENTS AND RECOMMENDATIONS**

The project was referred to the following referral agencies for review and comment. Those agencies that provided written comments are checked.

Referral Agency <sup>1</sup>	Response	Recommendation	On File	Attached
County Building Inspection Division,	~	Approval	√	
County Public Works, Land Use	~	Conditional Approval		$\checkmark$
County Division of Environmental Health	~	Approval		1
McKinleyville Community Service District	1	Approval		~
Arcata Fire Protection District	$\checkmark$	Approval	✓	
Northern Humboldt School District	$\checkmark$	Denial		$\checkmark$
Northwest Information Center	$\checkmark$	Confidential	1	
Blue Lake Rancheria	$\checkmark$	Confidential	~	
Wiyot Tribe		No Response		
Bear River Band of the Rohnerville Rancheria (3/25/2019)		No Response		
Pacific Gas & Electric (3/25/2019)		No Response		
California Department of Fish and Wildlife (3/25/2019)		No Response		
Humboldt County Sheriff (3/25/2019)		No Response		
County Counsel (3/25/2019)		No Response		
Agricultural Commissioner (3/25/2019)		No Response		
District Attorney (3/25/2019)		No Response		
North Coast Unified Air Quality Management District (3/25/2019)		No Response		
Humboldt Bay Municipal Water District (3/25/2019)		No Response		
California Division of Water Rights (3/25/2019)		No Response		
McKinleyville Unified School District (3/25/2019)		No Response		

<sup>&</sup>lt;sup>1</sup> For agency's that did not comment, the last date of the County referral sent to that agency is listed.



#### COUNTY OF HUMBOLDT PLANNING AND BUILDING DEPARTMENT CURRENT PLANNING 3015 H STREET, EUREKA, CA 95501 ~ PHONE (707) 445-7245



3/25/2019

#### **Project Referred To The Following Agencies:**

AG Commissioner, County Counsel, District Attorney, Environmental Health, Sheriff, PW Land Use, Building Inspections, McKinleyville CSD:CSD, Arcata FPD:FPD, NCUAQMD, McKinleyville USD:School District, Humboldt Bay Municipal Water District, Cal Fish & Wildlife, CA Division of Water Rights, Bear River Band, Blue Lake Rancheria, NWIC, Wivot Tribe, Northern Humboldt USD:School District

Applicant Name SWCO Inc DBA Wellnes Cafe and Lounge Key Parcel Number 508-251-054-000

Application (APPS#) PLN-2019-15348 Planning Application Assigned Planner Portia Saucedo

Please review the above project and provide comments with any recommended conditions of approval. To help us log your response accurately, please include a copy of this form with your correspondence.

Questions concerning this project may be directed to the assigned planner for this project between 8:30am and 5:30pm Monday through Friday.

County Zoning Ordinance allows up to 15 calendar days for a response. If no response or extension request is received by the response date, processing will proceed as proposed.

□ If this box is checked, please return large format maps with your response.

Return Response No Later Than: 4/9/2019

Planning Commision Clerk County of Humboldt Planning and Building Department 3015 H Street Eureka, CA 95501 Email: PlanningClerk@co.humboldt.ca.us Fax: (707) 268 - 3792

We have reviewed the above application and recommend the following (please check one):

Recommend Approval. The Department has no comment at this time.

Recommend Conditional Approval. Suggested Conditions Attached. 

Applicant needs to submit additional information. List of items attached. 

Recommend Denial. Attach reasons for recommended denial.

Other Comments:

DATE: april 2. 9019 PRINT NAME: Ed Lardlaw



# COUNTY OF HUMBOLDT Planning and Building Department – Current Planning 3015 H Street, Eureka, CA 95501 ~ PHONE (707) 445-7541 PROJECT TRANSMITTAL

APPLICANT KEY PARCEL 508-251-054-000 Mckinleyville DATE 3/25/2019 CONTACT Portia Saucedo APPS# PLN-2019-15348

PROJECT INFORMATION		ACCOUNT OF THE		
SUBJECT Wellness Cafe & Lounge CUP		PROJECT TYPE	Conditional Use Permit (CCLUO1)	
PROJECT DESCRIPTION An application for a Condition Distribution facility. Water is sourced from the McKinleyvil property. The business shares a parking lot consisting of The hours of operations are anticipated to be Monday thre	Ile Community Services Distri 34 total spaces with an adjac	ict. This use would occ cent medical business.	ur within a portion of the existing building on the Electricity is sourced from PGE renewable power.	
PROJECT LOCATION The project is located in Humboldt County, in the McKinle Heartwood Drive and Nursery Way, on the property know	· · · · · · · · · · · · · · · · · · ·	of Nursery Way, approx	ximately 230 feet south from the intersection of	
PRESENT PLAN DESIGNATIONS Commercial Services McKinleyville Community Plan (MCCP), 2017 General Pla Heavy commercial uses and compatible light industrial us Stability: Relatively Stable (0).	an, Density:	PRESENT ZONING Community Commen	rcial (C-2)	
KEY PARCEL NUMBER 508-251-054-000		ADDITIONAL PARCE	EL #S	
APPLICANT INFORMATION	OWNER INFORMATI	ON	AGENT INFORMATION	
Name SWCO Inc DBA Wellnes Cafe and Lounge Address 1 1551 Nursery Way Address 2 City McKinleyville State CA Zip 95519 Phone (707)839-4399 E-Mail	Name Craig Nejedly Address 1 1551 Nursery Way Address 2 City McKinleyville State CA Zip 95519 Phone (707) 839-4399 E-Mail		Name Address 1 Address 2 City State Zip Phone E-Mail	

#### ADDITIONAL PROJECT INFORMATION

ADDITIONAL OWNERS		
Miller D & R Family LLC		
DECISION MAKER		
<b>NVIRONMENTAL REVIEW REQUIRED?</b>		
AJOR ISSUES		
TATE APPEAL STATUS		
RELIMINARY CEQA FINDINGS		
EQA EXEMPTION SECTION		
XEMPTION DESCRIPTION		

RECEIVED



COUNTY OF HUMBOLDT PLANNING AND BUILDING DEPARTMENT CURRENT PLANNING 3015 H STREET, EUREKA, CA 95501 ~ PHONE (707) 445-7245

MAR 27 2019

McK. C.S.D.

3/25/2019

#### Project Referred To The Following Agencies:

AG Commissioner, County Counsel, District Attorney, Environmental Health, Sheriff, PW Land Use, Bullding Inspections, McKinleyville CSD:CSD, Arcata FPD:FPD, NCUAQMD, McKinleyville USD:School District, Humboldt Bay Municipal Water District, Cal Fish & Wildlife, CA Division of Water Rights, Bear River Band, Blue Lake Rancheria, NWIC, Wiyot Tribe, Northern Humboldt USD:School District

Applicant Name SWCO Inc DBA Wellnes Cafe and Lounge Kay Parcel Number 508-251-054-000

Application (APPS#) PLN-2019-15348 Planning Application Assigned Planner Portia Saucedo

Please review the above project and provide comments with any recommended conditions of approval. To help us log your response accurately, please include a copy of this form with your correspondence.

Questions concerning this project may be directed to the assigned planner for this project between 8:30am and 5:30pm Monday through Friday.

County Zoning Ordinance allows up to 15 calendar days for a response. If no response or extension request is received by the response date, processing will proceed as proposed.

□ If this box is checked, please return large format maps with your response.

Return Response No Later Than: 4/9/2019

Planning Commision Clerk County of Humboldt Planning and Building Department 3015 H Street Eureka, CA 95501 Email: PlanningClerk@co.humboldt.ca.us Fax: (707) 268 - 3792

We have reviewed the above application and recommend the following (please check one):

Recommend Approval. The Department has no comment at this time.

Recommend Conditional Approval. Suggested Conditions Attached.

Applicant needs to submit additional information. List of items attached.

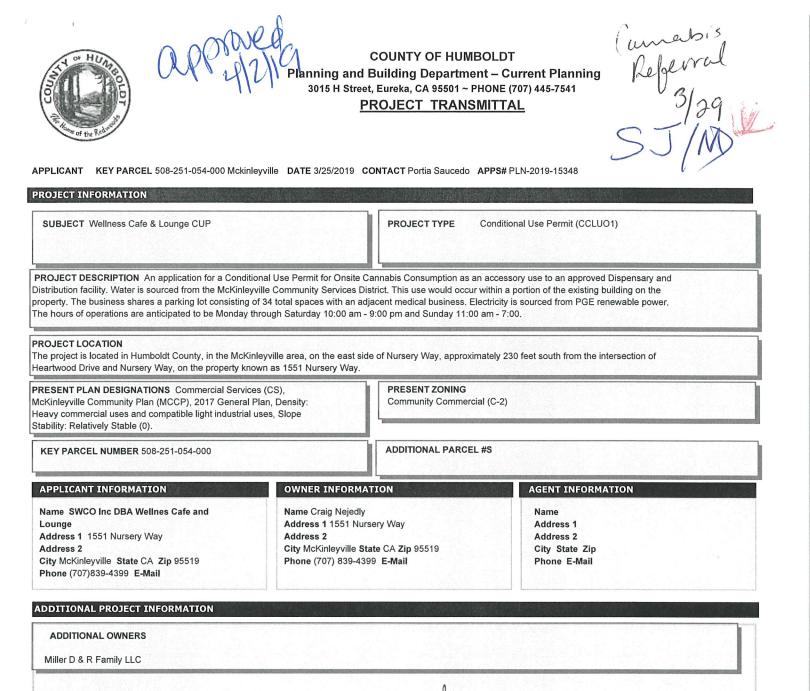
Recommend Denial. Attach reasons for recommended denial.

Other Comments:

DATE: 21MAY 2019

\_\_\_\_ PRINT NAME:

Gregory P. Orsini General Manager



DECISION MAKER ENVIRONMENTAL REVIEW REQUIRED? MAJOR ISSUES STATE APPEAL STATUS PRELIMINARY CEQA FINDINGS CEQA EXEMPTION SECTION EXEMPTION DESCRIPTION

Gino Granado 707.616.8216 707.839.4399

Bidg App 48730 has full size site plan ge september 5, 8019 MDanio insp. 2/20/00/36

# SWCO Inc DBA Satori Wellness Cafe & Lounge A California Retail Company OPERATIONS MANUAL: 01/21/2019

# I. Introduction

County Ordinance Section 55.4.10.5 allows for Onsite cannabis consumption. Wellness Café is applying for a Conditional use permit for Café shop with onsite cannabis consumption. Wellness Cafe will operate in compliance with all County regulations for cannabis consumption onsite. No cannabis products will be sold in the cafe. The lounge will also host special vendor days in which cannabis vendors will set up tabling to provide information only, about their product. The consumption of cannabis goods will not be visible from the outside. The Windows to the unit will be covered with graphic vinyl stickers to match the window layout that exists on the remainder of the building.

As part of this CUP, Satori also proposes the installation of two signs on adjacent properties to help guide customers to the relatively obscure location. Land owner of proposed sites has agreed to the signage.

The Consumption Café area will take a phased approach to operations to judge the market demands for full food service in the consumption café:

#### Phase 1

Complete the interior improvements to separate the café and lounge area from the existing offices and potential commercial kitchen area with an employee only access hallway. Café will sell only Readymade foods that would only require, at most, a toaster for bagels and maybe hot plates for readymade food that can be delivered from a catering vendor with an existing commercial kitchen. Non-Alcoholic beverages such as coffee, tea and a juice bar will be available to customers for purchase. Free Wi-Fi for customers that purchase product at our dispensary or our lounge.

The cafe will be furnished with tables and chairs along with maybe a sofa or similar comfortable seating with wall mounted TVs, so patrons would be able to watch sports games and such. Satori would like to offer weekly yoga classes and wellness classes for the community within the space as well.

No alcohol or tobacco products are to be sold on site nor consumed on site.

#### Phase 2

Wellness Cafe will determine if the demand meets need to build out commercial kitchen area shown on plot plan to provide full service food prep and menu. Plan is to have Wellness lounge open as soon as possible to provide a comfortable, safe and secure setting for patrons to consume their cannabis. After a few months, plans may warrant developing a food menu and completing a commercial kitchen to provide another restaurant option for the Mckinleyville area even though all access will always be restricted to 21 and over. Phase 2 area is an isolated room to be separated by a hallway with no customer access, so phase 2 construction should not interfere with operations.

#### **II.** Signage

Customers to the dispensary have informed Satori that it can be hard to find our location due to our somewhat obscure location, So Satori seeks to install additional signage at the corners of Nursery Way/Nursery Way and Nurswery Way/Heartwood. The signs have been designed to offer a pleasing, natural aesthetic. The signs will be produced of mostly hardwoods. Both signs will be identical. The signs will make no reference to cannabis nor have any imagery referring to cannabis. The same owner owns both parcels for proposed locations and has consented to the signs. The signs will have no electricity.

Here is a mock image of the proposed signage that will be two sided and identical on both sides.



#### **III. Project Description**

Customers will have the opportunity to purchase product from Satori Wellness dispensary (Unit B) and consume on site in the Wellness Cafe (Unit C).

Readymade, mostly healthy, vegan food will be purchased from a licensed catering business and be available for purchase to our customers. A juice bar will also be available so that our customers can enjoy a fresh squeezed juice.

No cannabis will be sold in the Wellness Cafe. All cannabis for purchase will be sold in Unit B, Satori Wellness Dispensary.

Special Vendor days will occur as well, so consumers can get better educated by company reps about the products that are available at the Satori dispensary. Vendors will set up single tables in the Wellness Cafe to present their product and provide information to customers about their products. No free cannabis products will be given out during the special vendor day events. No cannabis will be sold in the lounge. Customers will have the option to purchase cannabis from our retail dispensary (Unit B) and consume it in our consumption lounge (Unit C). Vendor companies may run certain special discounts on vendor days, but per state law, no free cannabis products will ever be given out to customers.

Scenic, graphic vinyl stickers will be applied on all the windows of the building to match the current covered windows so that the consumption of cannabis goods will not be visible from the outside. An air filtration system with multiple carbon filters will also be installed to limit potential adverse odor impact in the vicinity. These fans and filters will quickly vacate the smoke or vapor from consuming cannabis so that there is no smoky environment in the café as well as mitigate and neutralize any smell. Satori currently uses such filters at the dispensary and adjacent distribution unit which are proven effective in mitigating any odors. There have been no complaints of odor in the year that Satori and High Grade distribution have been operating.

#### **IV. Security**

- 1. Before entering the building, all vendors/visitors/customers are required to present proper identification. Once in the building.
- 2. All limited access areas are displayed with the following displayed signage. Entrance to restricted



areas requires a security code. Sharing personalized team member numbers with other team members or non-employee personal is **NOT ALLOWED!!!** Any team members found in violation of this policy will be held to disciplinary actions up to but not limited to employment termination.

- 3. The building is secured with Advanced Security monitored alarm system with motion sensors, glass break detectors, door alarms, and cameras.
  - The system will notify law enforcement when triggered
  - Keypads on all doors restricting customer and team member access
  - The security system enables all authorized personnel to view video footage, via smartphone, anywhere in the world
- 4. The video surveillance system consists of

• 4 security cameras

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- 48 terabytes hard storage on site
- All cameras are mounted in a fixed location
- 5. Our video surveillance system records the following areas:
  - Limited-access areas
  - Security rooms
  - Areas storing a surveillance-system storage device
  - Entrances and exits to the premises
  - Cameras record continuously 24 hours per day
  - All images display time and day
  - Recordings are kept for 90 days
- 6. Wellness Cafe shares security personnel with Satori Wellness and High Grade Distribution.
- 7. Security Guards are required to undergo
  - extensive background check performed by the Department of Justice
  - Live scan
  - Security personnel hired by the licensee shall be licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code.

#### V. Hours of Operation

Wellness Cafe will be open Monday through Saturday 10:00 A.M – 9:00 P.M. Sunday 11:00 A.M – 7:00 P.M

#### VI. Inventory Control

Wellness Café will keep and maintains the following records

- 1. Financial records including, but not limited to, bank statements, sales invoices, receipts, tax records, and all records required by the California Department of Tax and Fee Administration
- 2. Personnel records, including:
  - Team members full name
  - Social security or individual taxpayer identification number
  - Date employment begins, and date of termination of employment if applicable.
- 3. Training records, including but not limited to the content of the training provided, and the names of the team members that received the training.
- 4. Contracts with other licensees regarding commercial cannabis activity.
- 5. Permits, licenses, and other local authorizations to conduct the licensee's commercial cannabis activity.
- 6. Security records
- 7. Records relating to the composting or destruction of cannabis goods
- 8. Documentation for data or information entered into the track and trance system

### VII. Facility Neighboring Uses, Parking

Distribution and Dispensary location was a medical care building in prior tenancy. The Dispensary and distribution areas are a total of 3000+/- square foot and occupy two joined units within the building

approximately 1500 square feet each. The building is sectioned into three units: A, B and C. Dispensary occupies unit B of 1500 square feet. The distribution occupies unit A of 1500square feet.

Unit C is separated by the common area entry way with two ADA bathrooms. Unit C is just over 2,000 square feet and will serve as the Wellness café area and additional office space.

The Parking lot is shared by one other standalone business which is also used for a medical business, Fresenius Medical Care. Fresenius does not typically operate on weekends.

Shared parking spaces totaling 34 spaces is adequate for all business needs. Fresenius is only open 3-4 days a week. Over the 36 months we have operated a clothing business at this location, there is typically at least 10 open parking spaces in the combined lots at all times. Property owners consider the entire lot shared as stated in the lease agreement and has no problem with our customers parking on that parcel segment of the lot.

Dispensary has relatively quick turn over on visitors and typically has no more than 3 automobiles in the lot at any given time based on surveying the traffic to date. Distribution does not have much need for parking since it's not open to the public. Typically, there is one distribution vehicle in the lot. We will limit customers in the café to an appropriate time and post signs that we reserve the right to refuse anyone service and no loitering will be permitted. If needed, we will also limit patrons time in consumption café based on traffic flow.

Within 600 feet, there are mostly businesses including 7up distribution, Miller Farms, Opie Auto Dealership and a Senior Living Center. A residential neighborhood is across the street to the west but separated by fencing, and homes face opposite direction to SW. SW has had no direct impact on the neighborhood. There are no known day cares, churches, bus stops, public parks, etc within 600 feet. A church off Central Ave is mapped to be just over 600 feet away.

#### VIII. Chemical Use, Storage and Discharge

There will be no chemicals used in the café, dispensary or distribution beyond common household cleaning products and isopropyl alcohol for cleaning surfaces. There will be no discharge of chemicals.

# IX. Carbon Foot Print

SW runs as carbon neutral as possible. Very limited waste results from operations. Company opts to purchase only renewable energy from PGE. All waste products that can be recycled will be recycled.

SWCO Inc 1551 Nursery Way McKinleyville, CA 95519

# X. Water Source

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McKinleyville Community Service District will provide water to the project. Water usage will not increase dramatically. The water will be used to clean surfaces. No cooking will happen at the facility thus no need for major water usage.

### XI. Energy Plan

Power will be provided by PG&E. This project will not require any energy upgrades. No major equipment that requires a higher energy use will be used. Only small basic home appliances. All appliances will be energy efficient appliances.

# XII. Plan for Public Accommodations

Handicap parking is addressed in the parking plan. Entry to Unit C is ADA compliant and building also has two ADA compliant bathrooms. There will be ADA friendly furniture.

SWCO Inc 1551 Nursery Way McKinleyville, CA 95519

