

## Exhibit B

### RECOMMENDED CONDITIONS OF APPROVAL

PLN19-0060  
2994 Teagarden Street, APN 079B-1229-022-00  
Fantasy Elixirs and Medicinals (Applicant)  
Lehmer-Chang Gardens LLC (Property Owner)

#### I. COMPLIANCE WITH APPROVED PLANS

1. The project shall comply with the Applicant Project Description, Operating Plan, and Security Plan, and Exhibits A through C, attached to the staff report. Exhibits are on file at the City of San Leandro, Community Development Department, 835 East 14th Street, San Leandro, California, 94577.
  - a. Exhibit A – Cover Sheet, Vicinity Map, Site Plan, Project Data (A-0)
  - b. Exhibit B – Existing Floor Plan for House Kombucha (A-1)
  - c. Exhibit C – Proposed Floor Plan with Cannabis Beverage Production/Bottling (A-2)
2. **Successor Notification.** The Applicant and/or Property Owner shall be responsible for assuring that any successor in interest who assumes responsibility for this zoning approval is informed of its terms and conditions.
3. **Change in Plans, Use, or Occupancy.** Any change or additional occupancy deemed minor in nature may be approved by the Zoning Enforcement Official. A change or additional occupancy deemed major shall be referred to the Board of Zoning Adjustments for its consideration as a modification to the Conditional Use Permit.
4. **Expiration.** Pursuant to [Zoning Code Section 5-2218](#), this approval shall lapse on February 6, 2021, unless a) a cannabis product manufacturing license or temporary license from the State of California has been issued; b) a building permit has been issued, coupled with diligent progress evidencing a good faith intent to commence the intended use; or c) a written request for a one-year extension of the use permit is approved by the Zoning Enforcement Official.
5. **Recorded Agreement to Conditions.** The approvals granted by the City as a result of this application, as well as the Conditions of Approval, shall be recorded in the office of the County Recorder of Alameda County.

#### II. PERMITTED USE

1. **Scope of Work.** The Conditional Use Permit is an approval to allow for cannabis product manufacturing of cannabis infused kombucha and beverages at an existing industrial building at 2994 Teagarden Street; Alameda County Assessor's Parcel

Number:

079B-1229-022-00.

The Conditional Use Permit authorizes the cannabis product manufacturing facility to manufacture, process, and package products derived from or infused with cannabis, including edibles, concentrates and extracts for wholesale or retail to cannabis dispensaries or other cannabis product distributors and manufacturers as allowed by State law. The Conditional Use Permit does not include the cloning, planting, or cultivation of cannabis plants or the direct sales, distribution, delivery, or dispensing of manufactured cannabis products to the public.

2. **Compliance with Permitted Use.** The use of the building and construction of the project shall remain in substantial compliance with the approved plans and exhibits. Any change to the project design shall be subject to the review and approval of the Zoning Enforcement Official who may administratively approve or require review by the Board of Zoning Adjustments as a modification to the Conditional Use Permit.
3. **Valid State Permit.** Upon issuance, failure to maintain a valid State license for cannabis product manufacturing shall constitute discontinuance of the Conditional Use Permit.
4. **State Licensure.** The City shall be notified in writing within 10 days of any change in licensure status with the California Bureau of Cannabis Control.
5. **Operation Changes.** Any changes or additions to the licensed operation of the cannabis product manufacturing facility shall require application for a modified Conditional Use Permit as per Zoning Code [Section 5-2220](#).
6. **Hours of Operation.** The cannabis product manufacturing facility may operate from 7:00 a.m. to 5:00 p.m., Monday through Friday and occasionally on weekend days. Modification to these hours shall require prior written approval from the Zoning Enforcement Official.
7. **Cannabis Consumption.** Consumption, including smoking, inhaling, and ingesting, of cannabis is not be allowed on premises or in the public right of way in the immediate and surrounding neighborhood.
8. **Loading and Storage.** Property owner shall not allow businesses to store products, pallets, and containers in the shared parking lot and in the required off-street parking spaces. Delivery vehicles should use the secure indoor loading area and refrain from parking in the surface parking lot.
9. **Cannabis Business Tax.** The cannabis manufacturer shall fully comply with the terms of the San Leandro Cannabis Business Tax Ordinance in Chapter 2-21 of the Municipal Code. The cost of any required audits to determine the correctness of figures provided by the cannabis business shall be fully reimbursed by the business to the City. The City may require the cannabis business to submit their tax payments by an armored delivery service.

### III. REQUIRED ON-SITE IMPROVEMENTS

1. **Security Plan.** Applicant shall comply with the security measures identified in the Applicant's Security Plan.
2. **Security Cameras.** A security camera and alarm system shall be installed, maintained, and operated 24 hours a day, 7 days a week to monitor the entire unit. The security camera system shall be capable of producing retrievable and identifiable images and storing them digitally, where the records are able to be enlarged and used to assist law enforcement. The security camera system must be capable of identifying all vehicles entering and leaving the parking lot areas of the facility, as well as all individuals entering and leaving the manufacturing facility.
3. **On-Site Lighting.** Any new proposed on-site lighting shall be LED or other energy-conserving lighting and shall be designed and located so as to not interfere with traffic on adjacent streets and so as not to shine on adjacent properties or above a horizontal plane, details subject to the approval of the City Engineer and the Zoning Enforcement Official. New on-site lighting shall require a plan including specifications of lighting standards and photometric calculations and shall be submitted for review and approval by the Zoning Enforcement Official and the Engineering and Transportation Department. After installation, the Zoning Enforcement Official reserves the right to require adjustment of light fixtures to comply with this requirement.

### IV. ALAMEDA COUNTY FIRE DEPARTMENT REQUIREMENTS

Specific fire and building code issues will be addressed during the regular building permit submittal and review process. The following conditions shall be met prior the issuance of a building permit and fire clearance for occupancy.

1. Delayed egress from any area to the public way is prohibited.
2. According to the information provided there is no flammable or combustible liquids, LPG, or other hazardous materials present in the building. Any alteration or changes may require a Fire Protection and Fire Alarm system.
3. A CO<sub>2</sub> detection system will not be required unless 100 lbs. or more is present. If this amount is present detection, notification, and ventilation systems will be required for removal of the gas.
4. Dead bolts, slides, and chains, are accessory locking devices and are not allowed in the code.
5. A compliant egress door shall be provided in the walk in cooler whether existing or not as the temperature is below the required temperature of 68 degrees.

### V. PUBLIC WORKS REQUIREMENTS

1. The planned development falls within the Alameda County Industries (ACI) service area. Applicant should note the City of San Leandro holds an exclusive franchise agreement for solid waste and recycling services with ACI.
2. Solid waste & recycling bins must be stored out of public view. Trash enclosure guidelines for commercial establishments are available at: <https://www.sanleandro.org/civicax/filebank/blobdload.aspx?blobid=15084>. Enclosure shall be of adequate size to accommodate at least one solid waste and one recycling container of similar size. If required, enclosure size must also accommodate a separate container for the collection of organics (food scraps, compostable paper, and plant debris).
3. Enclosure(s) should be easily accessible to collection vehicles. Driveways shall provide unobstructed access for collection vehicles. Applicant must ensure that there is adequate space for a collection vehicle to enter and exit the property in order to service containers.
4. Applicant is subject to Alameda County Mandatory Recycling Ordinance. For more information, visit [www.RecyclingRulesAC.org](http://www.RecyclingRulesAC.org).

## VI. WATER POLLUTION CONTROL PLANT REQUIREMENTS

1. As proposed, this project would add a small amount of additional flow to the sewer system. Based on the documents provided, this project would be subject to a \$368 capacity charge because it proposes to convert storage space to production space.

## VII. CONSTRUCTION PROVISIONS

1. **Construction Timeline.** Construction shall commence within one (1) year following Board of Zoning Adjustments approval of the Conditional Use Permit and shall be substantially completed one year after commencement of construction. For the purpose of compliance with this condition, commencement of construction shall be defined as the construction or reconfiguration of a substantial portion of the interior building.
2. **Construction Hours.** Construction activity shall not commence prior to 7:00 a.m. and shall cease by 7:00 p.m. Monday through Friday, and construction activity shall not commence prior to 8:00 a.m. and shall cease by 7:00 p.m. on Sunday and Saturday. No such construction is permitted on Federal holidays. As provided in the City of San Leandro's Noise Ordinance (Ordinance No. 2003-005), "construction" shall mean any site preparation, assembly, erection, substantial repair, alteration, demolition or similar action, for or on any private property, public right-of-way, streets, structures, utilities, facilities or similar property. Construction activities carried on in violation of this Article may be enforced as provided in Municipal Code [Section 4-1-1130](#), and may also be enforced by issuance of a stop work order and/or revocation of any or all permits issued for such construction activity.

3. **Construction Activity.** Construction activity shall not create dust, noise, or safety hazards for adjacent residents, businesses and properties. Dirt and mud shall not be tracked onto Teagarden Street or surrounding streets from the project site.
4. **Construction Noise.** Procedures with the highest noise potential shall be scheduled for daylight hours, when ambient noise levels are highest. The contractor(s) shall be required to employ the quietest among alternative equipment or to muffle/control noise from available equipment.

## VIII. MAINTENANCE

1. **Site Maintenance.** The site shall be well-maintained and shall be kept free of litter, debris and weeds.
2. **Landscape Maintenance.** All landscaping shall be maintained in a healthy, growing condition at all times. Any damaged or dead plant material shall be promptly replaced with a plant material similar in type and comparable in size to the plant(s) being removed. Any landscaping shall be maintained so as not to interfere or obstruct the public right-of-way for pedestrians and vehicles. The landscaping adjacent to the driveway shall be maintained so it does not exceed three feet in height above the top of the nearest adjacent curb and gutter to allow for adequate sight distance, or unless otherwise approved by the City's Transportation Engineer.
3. **Graffiti.** Any graffiti on the property occupied by the applicant shall be promptly removed.
4. **Noise.** All uses and activities shall comply with the provisions of the San Leandro Noise Regulations (Title IV, Chapter 1 of the Municipal Code).
5. **Address Sign.** The address sign(s) on the property shall be well maintained at all times. Any damage to the signs shall be promptly repaired or replaced.
6. **Temporary Sign.** Unauthorized and temporary signage shall not be permitted on the property, except as approved for a specified amount of time in a Temporary Sign Permit granted by the Community Development Department.
7. **Waste/Recycling/Compost.** Cannabis waste and unsold material shall be rendered unusable and unrecognizable prior to disposal. No on-site composting of cannabis waste shall be permitted. All waste material shall be disposed of in accord with State law.
8. **Waste Service.** The applicant shall maintain an adequate number of trash, recycling, and green/food waste containers. Garbage service shall be arranged through Alameda County Industries and shall include trash, recycling and green/food waste service. Rendered cannabis waste shall be removed in accord with State law. Bin storage shall be located indoors and away from public view. If bins cannot be stored indoors and away from public view, construction of a trash enclosure is required.

9. **Waste Overflow.** Waste, recycling, or green/food waste shall bins shall not be allowed to overflow. Upon any type of notification from any City Official, any type of overflow shall be cleaned up within 4 hours. The City reserves the right to have its Public Works Division or subcontractor clean up the condition and the applicant shall be responsible for all associated costs with the cleanup.

## IX. GENERAL CONDITIONS

1. **Posted Conditions.** These conditions of approval shall be prominently posted at the business, shall be distributed to all employees and neighboring tenants, and made available to vendors upon request.
2. **Permits.** Applicant shall obtain the necessary permits to operate the cannabis product manufacturing facility in the City of San Leandro, including a San Leandro Business License and all permits required under State law or regulations.
3. **Staff Roster and Emergency Contact.** The cannabis product manufacturer shall be responsible for providing City law enforcement officials with the current staff roster and emergency contact information, and shall notify the City law enforcement officials when changes are made.
4. **Visitor Log.** All visitor logs shall be made available to City law enforcement officials upon request.
5. **Fencing.** Any fencing and walls on the project site shall be structurally sound, graffiti-free, and well-maintained at all times. Fencing shall not reduce the number of off-street parking spaces and shall be subject to the standards in Zoning Code [Section 4-1682.B](#). No barbed or razor wire shall be installed on any fence, wall, or building within 300 feet of the public street frontage.
6. **City Fees.** Applicant shall pay its City development, permitting, and plan check fees in accordance with the fee schedules in effect at the time. Any outstanding Community Development Department deposit fees or balances shall be fully paid prior to issuance of a building permit.
7. **Review and Revocation.** The City shall maintain the ability to review or revoke this CUP and set a new public hearing date to correct problems that may arise such as property maintenance, parking, public safety, code violations, and nuisance issues.
8. **Amendments or Modifications.** No application for amendment or modification to this Conditional Use Permit or the Conditions of Approval may be accepted or submitted for processing by the City unless (i) there is full compliance with all terms of the application and Conditions of Approval; or (ii) the Zoning Enforcement Official waives compliance with minor terms of the application and Conditions of Approval pending application for amendment or modification.