

RECOMMENDED CONDITIONS OF APPROVAL

PLN17-0063
1655 Abram Court, APN 79A-338-1-17
Dispersa Labs, Inc. (Applicant)
Zhaoha Feng (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 D, 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 – Site Plan, dated October 30, 2017
 - b. Exhibit B – Floor Plan, dated October 30, 2017
 - c. Exhibit C – Elevations, dated October 30, 2017
 - d. Exhibit D – Landscape Planting Plan, dated October 30, 2017
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 December 7, 2018, 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

6. **Scope of Work.** The Conditional Use Permit is an approval to establish an approximate 7,745 square foot cannabis product manufacturing facility within in an existing industrial building at 1655 Abram Court; Assessor's Parcel Numbers 79A-338-1-17.

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.

7. **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.
8. **Valid State Permit.** Upon issuance, failure to maintain a valid State license for cannabis product manufacturing shall constitute discontinuance of the Conditional Use Permit.
9. **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.
10. **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](#).
11. **Hours of Operation.** The cannabis product manufacturing facility may operate from 7:00 a.m. to 6:00 p.m., Monday through Friday. Modification to these hours shall require prior written approval from the Zoning Enforcement Official.
12. **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.
13. **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 shall use the secure indoor loading area and shall be prohibited from parking in the surface parking lot.
14. **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

15. **Security Plan.** Applicant shall comply with the security measures identified in the Applicant's Security Plan.
16. **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 property, as well as all individuals entering and leaving the manufacturing facility.

17. **Vertical Green Wall.** Prior to issuance of building permits, a maintenance plan and agreement shall be submitted to ensure the long-term performance of the vertical planting wall. The agreement shall be between the property owner and either the installation company or a recommended third party landscaping company.
18. **Lighting Plan.** Prior to issuance of building permits, an on-site lighting plan including specifications of lighting standards and photometric calculations shall be submitted for review and approval by the Zoning Enforcement Official and the Engineering and Transportation Department. The lighting plan shall include locations, pole heights, luminaire type, manufacture/model number, bulb type, candle power, and light levels.
19. **On-Site Lighting.** 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. After installation, the Zoning Enforcement Official reserves the right to require adjustment of light fixtures to comply with this requirement prior to approval of occupancy.

IV. ENGINEERING AND TRANSPORTATION DEPARTMENT REQUIREMENTS

20. Pursuant to Government Code Section 66020, including Section 66020 (d) (1), the City HEREBY NOTIFIES the applicant for this Project that the 90-day approval period (in which the applicant may protest the imposition of any fees, dedications, reservations, or other exactions imposed on this Project by these Conditions of Approval) will begin on the date of the conditional approval of this Project. If you fail to file a protest within this 90-day period, complying with all of the requirements of Government Code Section 66020, you will be legally barred from later challenging any such fees, dedications, reservations or other exactions.
21. The proposed development shall comply with City ordinances, policies and regulations. All improvements shall be in accordance with the City's Design Standards, Specifications and Standard Plans unless otherwise specifically approved by the City Engineer.
22. The applicant shall obtain an Encroachment Permit prior to beginning any repairs within the public right-of-way. All abandoned driveways shall be removed and replaced with City standard sidewalk, curb & gutter. Driveway, sidewalk, and curb & gutter construction shall be in compliance with City of San Leandro Standard Plans, Dwg. No. 100, Case 3101, Dwg. No. 102, Case 3101, and Dwg. No. 104, Case 3101.
23. The applicant shall implement construction best management practices during construction to control erosion, keep sediment from leaving the project site and prevent storm water pollution.

24. The applicant shall reduce storm water pollution by implementing the following pollution source control measures:
- a. Structures shall be designed to discourage the occurrence and entry of pests into buildings, thus minimizing the need for pesticides. The trash area shall be separated from the rest of the building by concrete or masonry walls so that pests that gain access to the area are less likely to access the rest of the building.
 - b. All storm drains shall be marked “NO DUMPING, DRAINS TO BAY”
 - c. All on-site storm drains shall be inspected and, if necessary, cleaned at least twice a year immediately prior to the rainy season.
 - d. Sidewalks and parking lots shall be swept regularly to minimize the accumulation of litter and debris. Steam cleaning or low volume pressure washing may be performed only after pre-cleaning using dry methods, spot cleaning and recovery in stained areas and removal of all mobile pollutants. Debris resulting from pressure washing shall be trapped and collected to prevent entry into the storm drain system. Wash water containing any soap, cleaning agent or degreaser shall not be discharged to the storm drain.
 - e. Interior floor drains (if any) shall not be connected to the storm drain system.
 - f. Air conditioning condensate shall be directed to landscaped areas. Any air conditioning condensate that discharges to land without flowing to a storm drain may be subject to the requirements of the State Water Resources Control Board’s (SWRCB) Statewide General Waste Discharge Requirements (WDRs) for Discharges to Land with a Low Threat to Water Quality.
 - g. Landscaping shall be designed to minimize irrigation and runoff, promote surface infiltration where appropriate, and minimize the use of fertilizers and pesticides that can contribute to storm water pollution.
 - h. Where feasible, landscaping shall be designed and operated to treat storm water runoff by incorporating elements that collect, detain, and infiltrate runoff. In areas that provide detention of water, plans that are tolerant of saturated soil conditions and prolonged exposure to water shall be specified.
 - i. Plant materials selected shall be appropriate to site specific characteristics such as soil type, topography, climate, amount and timing of sunlight, prevailing winds, rainfall, air movement, patterns of land use, ecological consistency and plant interactions to ensure successful establishment.
 - j. Selection of the plants that will require minimal pesticide use.
 - k. Irrigation shall be appropriate to the water requirements of the selected plants.
 - l. The applicant shall select pest and disease resistant plants.
 - m. The applicant shall plant a diversity of species to prevent a potential pest infestation from affecting the entire landscaping plan.
 - n. The applicant shall plan insectary plants in the landscaping to attract and keep beneficial insects.

25. The Applicant and/or Property Owner shall comply with the following high standards of sanitation during construction of improvements: garbage cans, construction dumpsters, and debris piles shall be removed on a minimum weekly basis. All food related trash items such as wrappers, cans, bottles, and food scraps shall be disposed of in closed containers only and shall be regularly removed from the site. Inspections, conducted as part of the regular construction compliance, will be conducted to ensure compliance of the applicant and contractors with this requirement.

V. FIRE DEPARTMENT

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.

26. A Deferred Submittal is required for modifications to the Fire Sprinkler System.
27. Emergency lighting shall be provided with 1 foot candle at the floor along the means of egress routes.
28. Illuminated Exit signs shall be provided indicating the means of egress route.
29. All door hardware shall be provided during the Building permit process.
30. 2A 10B:C fire extinguishers shall be provided with a sign above them indicating their location (1 for every 1,500 sq./ft.).
31. A Knox Box shall be provided and indicated on the plans near the main entrance.

VI. ENVIRONMENTAL SERVICES REQUIREMENTS

32. The storage of hazardous materials in quantities equal to or greater than 55 gallons, 200 cubic feet or 500 pounds requires submittal of a Hazardous Materials Business Plan (HMBP). HMBP submittal shall be completed via the California Environmental Reporting System (CERS) online database at <http://cers.calepa.ca.gov/>. An HMBP shall be submitted prior to placement of the registerable materials onsite. The plan is subject to review and approval of Environmental Services.
33. Generators of hazardous waste must register with the City's Environmental Services, which is the Certified Unified Program Agency (CUPA), through the California Environmental Reporting System.
34. Discharge of anything other than rainwater to the stormwater collection system, which includes area drains, sidewalks, parking areas, street curb and gutter, is prohibited.
35. The generation or discharge of wastewaters, other than domestic sewage, may require a pretreatment permit for discharge to the sanitary sewer. If a permit is required, submittal of an application to the City's Environmental Services office is required prior to finaling the building permit or commencing the discharge, whichever occurs first.

VII. CONSTRUCTION PROVISIONS

36. **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.
37. **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.
38. **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 Abram Court or surrounding streets from the project site.
39. **Public Works Requirements.** Project must comply with all City and State construction and demolition debris recycling requirements. Permit applicants must demonstrate compliance by completing and submitting an online Waste Management Plan using Green Halo Systems (www.GreenHaloSystems.com) prior to permit issuance. Applicants must submit recycling and disposal receipts online and submit the waste management report before scheduling the final inspection. The project will not be finalized until all recycling and disposal tags have been registered into Green Halo Systems.
40. **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

41. **Site Maintenance.** The site shall be well-maintained and shall be kept free of litter, debris and weeds.
42. **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.

43. **Graffiti.** Any graffiti on the property occupied by the applicant shall be promptly removed.
44. **Noise.** All uses and activities shall comply with the provisions of the San Leandro Noise Regulations (Title IV, Chapter 1 of the Municipal Code).
45. **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.
46. **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.
47. **Waste/Recycling/Compost.** Cannabis waste and unsold material shall be rendered unusable and unrecognizable prior to disposal by grinding and incorporating the cannabis waste with other non-hazardous ground materials so the resulting mixture is at least fifty percent non-cannabis waste by volume. No on-site composting of cannabis waste shall be permitted. All waste material shall be disposed of in accord with State law.
48. **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.
49. **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

50. **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.
51. **Pilot Program.** The cannabis product manufacturing facility shall comply with Title 5, Chapter 6 of the San Leandro Administrative Code pertaining to the Cannabis Product Manufacturing Pilot Program.
52. **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.

53. **Staff Roster and Emergency Contact.** The cannabis product manufacturer shall be responsible for providing City law enforcement officials with the most up-to-date staff roster and emergency contact information, and shall notify the City within 15 days of when changes are made.
54. **Visitor Log.** All visitor logs shall be made available to City law enforcement officials upon request.
55. **No Outdoor 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.
56. **Parking.** Delivery vehicles and armored trucks shall use the secure indoor loading area whenever feasible. Outdoor vehicle storage is prohibited. The parking stall closest to the loading entrance shall be reserved for employee use only, and not by visitors.
57. **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 or buildings on the project site.
58. **City Fees.** Applicant shall pay its City development, permitting, and plan check fees in accordance with the fee schedules in effect at the time.
59. **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.
60. **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.