



Planning Commission Agenda Report Meeting Date 03/02/2023

DATE: February 10, 2023

File: UP 22-11

TO: PLANNING COMMISSION

FROM: Kelly Murphy, Senior Planner, kelly.murphy@chicoca.gov, 530-879-6535

RE: Use Permit 22-11 (Chico Flagship LLC, dba Cloud Chaser) – 1408 Park Avenue; APNs 005-176-004 and 005-177-001.

REPORT IN BRIEF

This is a request for use permit approval to establish a commercial cannabis storefront retailer use in the Community Commercial (CC) zoning district. The proposed storefront retailer would be located in an existing 11,000 square foot commercial building on the southeast corner of Park Avenue, between W. 14th and W. 15th Streets (see **Attachment B**, Location Map and **Attachment C**, Site Plan).

Recommendation:

Planning staff recommends adoption of Resolution No. 23-01 (**Attachment A**), determining the project to be categorically exempt from further environmental review pursuant to CEQA Sections 15301 and 15332 and approving Use Permit application 22-11 (Cloud Chaser), subject to the recommended conditions herein.

Proposed Motion

I move that the Planning Commission adopt Resolution 23-01, determining the project to be categorically exempt from further environmental review pursuant to CEQA Sections 15301 and 15332 and approving Use Permit 22-11 (Cloud Chaser), subject to the recommended conditions.

BACKGROUND

In September 2020, the Chico City Council approved ordinances amending Title 5 and creating Chapter 5.42 “Commercial Cannabis Businesses” of the Chico Municipal Code to regulate commercial cannabis uses within the City of Chico, and amending Chapter 19.75 “Cannabis Regulations” and the commercial, industrial, airport and TND land use tables in Chapters 19.44, 19.46, 19.48 and 19.80, respectively, to allow for commercial cannabis land uses in specified zoning districts.

Following the adoption of these ordinances, the Commercial Cannabis Storefront Retailer Permit application window for proposed storefront retailer businesses was opened for submissions from June 2, 2021, through July 16, 2021. The City Manager’s office received a total of 29 applications for storefront retailer businesses. Ultimately, three applicants received a “Notice of Selection” written by the City Manager following the fourth and final phase of the review process and were issued a Commercial Cannabis Permit on August 30, 2022 (see **Attachment D**, Notice of Selection / Issued Cannabis Business Permit 21-00007).

In addition to a Commercial Cannabis Permit, storefront retailer uses are subject to a use permit to evaluate the site-specific features associated with the proposed use, including consistency with the City’s zoning regulations, parking requirements and general development standards.

DISCUSSION AND ANALYSIS

The project site is designated Commercial Mixed Use on the City's General Plan Land Use Diagram and zoned CC-COS-SD8 (Community Commercial with Corridor Opportunity Site and Special Design Considerations – Southwest Chico Neighborhood overlays). The CC zoning district is applied to areas appropriate for a wide range of retail businesses. The CC zoning district is primarily intended to implement the Commercial Mixed Use land use designation of the General Plan.

Pursuant to Chico Municipal Code (CMC) 19.44.020, Table 4-6, a commercial cannabis storefront retailer use may be established in the CC zoning district subject to use permit approval.

Architectural Review

The proposed storefront retailer use would be established in an existing 11,000 square foot commercial building previously used as a furniture store. Tenant improvements would be made to divide the existing building into two commercial suites, with the proposed storefront retailer occupying a space consisting of approximately 6,500 square feet; no new exterior construction is proposed onsite. The project estimates a total of 33 employees and proposes operating hours from 8:00AM to 9:00PM, seven days per week.

The project is consistent with land use, lot coverage, landscaping, building height, and setback requirements for the CC zoning district. Vehicle access to the site is provided via two access driveways off Park Avenue and West 14th Street. A covered trash enclosure would be located at the southern end of the parking area on the primary project parcel.

Parking

The number of required off-street parking spaces for the proposed storefront retailer use shall be consistent with the parking requirements for "Retail stores -- General Merchandise" per CMC Section 19.70.040, Table 5-4, and provide 1 space for each 250 sq. ft. of gross floor area and 1 space for each company vehicle.

The proposed storefront retailer use would occupy approximately 6,533 square feet in an existing building approximately 11,000 square feet in size, resulting in a minimum parking requirement of 26 off-street parking spaces (not including company vehicles). The applicant proposes to provide 11 off-street parking spaces on the project site, with an additional 23 spaces to be provided across the street at the northeast corner of 14th Street and Park Avenue. In total, the project would provide 34 off-street vehicle parking spaces, including one ADA space, satisfying requirements.

Typically, all parking spaces shall be located on the same parcel as the main use or structure. However, required parking may be located off-site in certain instances. Pursuant to CMC Section 19.70.060.H, the following requirements shall apply to providing off-street parking at an off-site location:

1. A portion or all of the required off-street spaces, including required access, may be located on any parcel within 500 feet of the site;

2. The approval shall be based on accessibility to the main use or structure, and the use and development of the neighboring parcel(s);
3. The applicant shall provide evidence that a suitable long-term lease or other binding agreement can be executed and recorded which would guarantee that the parcel containing the main use or structure has an irrevocable right to utilize the identified parcel for parking; and
4. This provision shall not apply where joint use parking and/or access are included as part of a subdivision approval.

Consistent with these requirements, the proposed off-site parking location would be approximately 300 feet from the project site, just across the street from the building's entrance. The existing building at this location (Show Love Thrift Store) would be demolished and all parking would be exclusively designated for the proposed cannabis storefront retailer.

In accordance with CMC Section 19.70.060.E, a landscaped planting strip would be provided along the street frontages of Park Avenue and E. 14th Street. Decorative fencing and shrubs would be planted around the perimeter of the parking area proposed on the secondary parcel and would have a height of four feet, four inches (see **Attachment E**, Shared Parking Visual). Fencing and plantings proposed within a sight-distance area height shall be limited to 36 inches (3 feet) to ensure adequate visibility at this intersection. Parking lot shading is estimated to reach 61 percent at tree maturity, satisfying Code requirements.

Prior Review and Zoning Verification

All commercial cannabis land uses require issuance of a Commercial Cannabis Permit through the City Manager's office. As part of that permit process, which involved four phases of review, applicants were required to submit detailed plans for the safety, security, and operational characteristics of the proposed storefront retailer use, including the following:

- Business Plan
- Labor & Local Enterprise Plan
- Safety Plan
- Security Plan
- Neighborhood Compatibility Plan
- Community Benefits & Investments Plan

The Neighborhood Compatibility Plan has been included with this report as **Attachment F** for the Commission's review/reference.

Additionally, a zoning verification was conducted as part of the associated cannabis business permit to verify compliance with the location limitations for cannabis-related land uses established in CMC Section 19.75.120, which is also consistent with State requirements (see **Attachment G**, Zoning Verification for CANNA 21-00007, and **Attachment H**, Land Use Analysis).

At the time of staff's analysis of the location proposed for the storefront retailer use, no known sensitive uses were identified within the minimum buffer distance of 1,000 feet from any property containing a school providing instruction in any grades six (6) through twelve (12), and 600 feet from any property containing a school providing instruction in kindergarten or any grades one (1) through five (5), a day care center, or a youth center with primary youth center activities.

Consistency with the General Plan

The proposal is consistent with various policies and actions under Land Use (LU) Goals LU-2, LU-3 and LU-4; Community Design (CD) Goal CD-3; Economic Development (ED) Goal ED-1; and Safety Goal S-5.

Specifically, the project would be consistent with General Plan goals and policies which encourage Chico residents and visitors to support businesses that are located in the City of Chico (Policy ED-1.9). The Medicinal and Adult Use Cannabis Regulation and Safety Act (MAUCRSA) legalized cannabis for recreational use in 2016-2017. Since then, commercial cannabis in California has become a multi-billion-dollar industry and the largest legal cannabis market in the world. According to recent data from the State's Department of Tax and Fee Administration (CDTFA), adult-use taxable sales totaled roughly \$1.17 billion in the first quarter of 2022. Currently, Chico residents and visitors do not have the opportunity to purchase cannabis products locally and instead rely on delivery services from neighboring counties and cities. Establishing storefront retailers in Chico will gain the City some share in this market through the generation of sales tax.

As previously mentioned in this report, applicants for a Commercial Cannabis Permit were required to prepare and provide Safety and Security Plans for proposed sites and facilities which support the deterrence of crime through site planning and design, consistent with Safety Policy S-5.5 and Action S-5.5.1, as well as Community Design Policy CD-3.4, Action CD-3.4.1 and Action CD-3.4.2.

The proposed use reflects a new commercial retail land use category that is limited to a total of three (3) establishments City-wide, thereby providing a mix and distribution of uses that meet the identified needs of community (Goal LU-2). The proposed use would be located on a parcel designated Commercial Mixed Use and operate out of an existing commercial building. Both general and use specific operating standards have been required, ensuring land use compatibility with the surrounding area (Policy LU-2.4). Furthermore, the proposed use would be established in an area characterized by a variety of commercial retail and service uses, located far enough away from existing single family residential neighborhoods but proximal enough to be walkable or bikeable, and would provide a missing neighborhood retail element (Goal LU-3 and Policy LU-4.4).

ENVIRONMENTAL REVIEW

The project has been determined to be categorically exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15301 (Existing Facilities) and 15332 (In-Fill Development Projects). Consistent with this exemption, the project is: consistent with the applicable General Plan designation, zoning regulations, and General Plan policies; is less than five acres in size, substantially surrounded by urban uses; has no habitat value for special status species; will not result in any significant impacts regarding traffic, noise, air quality, or water quality; and can be adequately served by all required utilities and public services.

FINDINGS

Following a public hearing, the Planning Commission may approve a use permit application, with or without conditions, only if all of the following findings can be made:

Use Permit Findings

- A. *The proposed use is allowed within the subject-zoning district and complies with all of the applicable provisions of Chapter 19.24 (Use Permits).*

The proposed use would be located on a commercial site designated Commercial Mixed Use on the General Plan land use diagram and zoned CC-COS-SD8. Pursuant to CMC Section 19.44.020, Table 4-6, a commercial cannabis storefront retailer may be permitted in the CC zoning district subject to the issuance of a use permit. This use permit was processed in compliance with 19.24.

- B. *The proposed use would not be detrimental to the health, safety, and general welfare of persons residing or working in the neighborhood of the proposed use.*

The project site is in a commercial mixed-use area comprised of a variety of commercial retail and service uses along the Park Avenue frontage, with residential neighborhoods present further south into Barber Yard and north of Park Avenue. The zoning verification conducted as part of the associated commercial cannabis permit (CANNA21-00007) verified compliance with the location limitations for storefront retailers established in CMC Section 19.75.120. At the time of staff's analysis, no sensitive uses were identified within the minimum buffer distance of "1,000 feet from any property containing a school providing instruction in any grades six (6) through twelve (12), and 600 feet from any property containing a school providing instruction in kindergarten or any grades one (1) through five (5), a day care center, or a youth center with primary youth center activities".

Furthermore, operation of the proposed storefront retailer in accordance with the general and specific standards established in CMC Section 19.75.130 and 19.75.140, as well as the applicant's Safety, Security and Neighborhood Compatibility Plans will ensure that a storefront retailer use at this location would not have detrimental effects on the surrounding neighborhood. As proposed, the project would comply with all applicable development standards for the CC zoning district and provides an adequate supply of off-street parking through the use of a secondary parcel within 300 feet of the project site at the northeast corner of Park Avenue and 14th Street (APN 005-177-001).

- C. *The proposed use will not be detrimental and/or injurious to property and improvements in the neighborhood of the proposed use, as well as the general welfare of the City.*

The proposed storefront retailer use would be contained entirely within a new commercial retail building and would operate similarly to other existing retail uses subject to use-specific standards, such as liquor stores. Commercial cannabis storefront retailer uses involve the sale of a variety of cannabis related products for off-site consumption to customers over the age of 21 possessing valid ID. Commercial cannabis storefront retailers have limited hours of operation (8:00AM to 9:00PM) and are dually licensed by a state regulatory agency, the California Department of Cannabis Control (DCC), in the same way that the sale of liquor is regulated by the California Department of Alcoholic Beverage Control (ABC). The proposed use is not anticipated to have any detrimental effects on property or improvements in the area.

- D. *The proposed use will be consistent with the policies, standards, and land use designations established by the General Plan.*

The proposed storefront retailer use would be compatible with the underlying General Plan designation and zoning district, and operate similarly to other existing retail businesses subject to use-specific standards such as a liquor store, which is a principally permitted land use in the CC zone. The proposal is consistent with various policies and actions under Land Use (LU) Goals LU-2, LU-3 and LU-4; Community Design (CD) Goal CD-3; Economic Development (ED) Goal ED-1; and Safety Goal S-5.

Specifically, the project would be consistent with General Plan goals and policies which encourage Chico residents and visitors to support businesses that are located in the City of Chico (Policy ED-1.9). The preparation and provision of safety and security plans support the deterrence of crime through site planning and design, consistent with Safety Policy S-5.5 and Action S-5.5.1, as well as Community Design Policy CD-3.4, Action CD-3.4.1 and Action CD-3.4.2.

The proposed use reflects a new commercial retail land use category that is limited to a total of three (3) establishments City-wide, thereby providing a mix and distribution of uses that meet the identified needs of community (Goal LU-2). Both general and use specific operating standards have been required, ensuring land use compatibility with the surrounding area (Policy LU-2.4). Furthermore, the proposed use would be established in an area characterized by a variety of commercial retail and service uses, located far enough away from existing single family residential neighborhoods, but proximal enough to be walkable or bikeable, and would provide a missing neighborhood retail element (Goal LU-3 and Policy LU-4.4).

- E. *The design, location, size, and operating characteristics of the proposed use are compatible with the existing and future land uses in the vicinity.*

The proposed use is compatible with surrounding mixed-use environment. The storefront retailer would be located within an existing commercial building similar in design, size and operating characteristics as other single-story retail and restaurant buildings along Park Avenue.

No new construction is proposed onsite. The proposal would be consistent with land use, lot coverage, building height, and setback requirements for the CC zoning district. Any nonstructural modifications to the building's exterior and site improvements including lighting, landscaping, and parking will be reviewed by staff during building permit review.

PUBLIC CONTACT

A notice was published in the Chico Enterprise Record 10 days prior to the meeting date, and notices were mailed out to all property owners and tenants within 500 feet of the project site. As of this report's publication, staff has not received any public comments.

DISTRIBUTION:

Internal (2)

Kelly Murphy, Senior Planner
Brendan Vieg, CDD Director
Bruce Ambo, Principal Planner

External (3)

Marc Breckenridge (Applicant), Chico Flagship, LLC (dba Cloud Chaser), 679 E. 7th Street, Chico, CA 95928, Email: Breckenridge.marc@gmail.com

Matt Gallaway (Architect), Russel Gallaway Associates, Inc., Email: matt@rgachico.com

Paul Cooper (Property Owner), Park Avenue Retail LLC, 1492 E. 8th Street, Chico, CA 95928

ATTACHMENTS:

- A. Resolution 23-01
Exhibit I – Conditions of Approval
- B. Location Map
- C. Site Plan to Accompany Use Permit 22-11 (Cloud Chaser)
- D. Notice of Selection Letter for Commercial Cannabis Permit CANNA 21-00007
- E. Shared Parking Visual
- F. Neighborhood Compatibility Plan
- G. Zoning Verification Letter for Commercial Cannabis Permit CANNA 21-00007
- H. Zoning Verification Land Use Analysis for Commercial Cannabis Permit CANNA 21-00007

1 **RESOLUTION NO. 23-01**
2 **RESOLUTION OF THE CITY OF CHICO PLANNING COMMISSION**
3 **APPROVING USE PERMIT 22-11**
4 **(CLOUD CHASER)**

5 WHEREAS, an application has been submitted for a Use Permit to establish a commercial
6 cannabis storefront retailer use including off-site parking (the Project) in the Community
7 Commercial (CC) zoning district on the southeast corner of 14th Street and Park Avenue (APNs
8 005-176-004 and 005-177-001); and

9 WHEREAS, the Planning Commission considered the staff report and comments for the
10 Project at a noticed public hearing held on March 2, 2023; and

11 WHEREAS, the Project has been determined to be categorically exempt from
12 environmental review under Section 1.40.220 of the Chico Municipal Code (CMC) and pursuant
13 to the California Environmental Quality Act (CEQA) Guidelines Sections 15301 (Existing
14 Facilities) and 15332 (In-Fill Development Projects).

15 NOW THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION OF THE
16 CITY OF CHICO AS FOLLOWS:

- 17 1. With regard to the Use Permit, the Planning Commission finds that:
- 18 A. The proposed use would be located on a commercial site designated Commercial Mixed
19 Use on the General Plan land use diagram and zoned CC-COS-SD8 (Community
20 Commercial with Corridor Opportunity Site and Special Design Considerations Southwest
21 Chico Neighborhood overlays). Pursuant to CMC Section 19.44.020, Table 4-6, a
22 commercial cannabis storefront retailer may be permitted in the CC zoning district subject
23 to the issuance of a use permit. This Use Permit was processed in compliance with CMC
24 Section 19.24 (Use Permits); and
- 25 B. The proposed use would not result in adverse impacts to the health, safety, or welfare of
26 persons residing or working in the neighborhood. The Project site is a commercial mixed-
27 use area comprised of a variety of commercial retail and service uses along the Park
28 Avenue corridor, with residential uses present further south and north. The zoning

1 verification conducted as part of the associated commercial cannabis permit (CANNA21-
2 00007) verified compliance with the location limitations for commercial cannabis
3 storefront retailers established in CMC Section 19.75.120. No sensitive uses were
4 identified within the minimum buffer distance of “1,000 feet from any property containing
5 a school providing instruction in any grades six (6) through twelve (12), and 600 feet from
6 any property containing a school providing instruction in kindergarten or any grades one
7 (1) through five (5), a day care center, or a youth center with primary youth center
8 activities”. Furthermore, operation of the proposed storefront retailer in accordance with
9 the general and specific standards established in CMC Section 19.75.130 and 19.75.140,
10 as well as the applicant’s Safety, Security and Neighborhood Compatibility Plans will
11 ensure that a storefront retailer use at this location would not have detrimental effects on
12 the surrounding neighborhood. As proposed, the Project would comply with all applicable
13 development standards for the CC zoning district and provides an adequate supply of off-
14 street parking via use of a secondary parcel within 300 feet of the project site at the
15 northeast corner of Park Avenue and 14th Street (APN 005-177-001); and

- 16 C. The proposed storefront retailer use is not anticipated to have any detrimental effects on
17 property or improvements in the area. The proposed use would be contained entirely within
18 an existing commercial retail building and would operate similarly to other existing retail
19 uses subject to use-specific standards, such as liquor stores. Commercial cannabis
20 storefront retailer uses involve the sale of a variety of cannabis related products for off-site
21 consumption to customers over the age of 21 possessing valid ID. Commercial cannabis
22 storefront retailers have limited hours of operation (8:00AM to 9:00PM) and are dually
23 licensed by a state regulatory agency, the California Department of Cannabis Control
24 (DCC), in the same way that the sale of liquor is regulated by the California Department
25 of Alcoholic Beverage Control (ABC); and
- 26 D. The proposed storefront retailer use would be compatible with the underlying General Plan
27 designation and zoning district and operate similarly to other existing retail businesses
28 subject to use-specific standards such as a liquor store, which is a principally permitted

1 land use in the CC zone. The proposal is consistent with various policies and actions under
2 Land Use (LU) Goals LU-2, LU-3 and LU-4; Community Design (CD) Goal CD-3;
3 Economic Development (ED) Goal ED-1; and Safety Goal S-5. Specifically, the project
4 would be consistent with General Plan goals and policies which encourage Chico residents
5 and visitors to support businesses that are located in the City of Chico (Policy ED-1.9).
6 The preparation and provision of safety and security plans support the deterrence of crime
7 through site planning and design, consistent with Safety Policy S-5.5 and Action S-5.5.1,
8 as well as Community Design Policy CD-3.4, Action CD-3.4.1 and Action CD-3.4.2. The
9 proposed use reflects a new commercial retail land use category that is limited to a total of
10 three (3) establishments City-wide, thereby providing a mix and distribution of uses that
11 meet the identified needs of the community (Goal LU-2). Both general and use specific
12 operating standards have been required, ensuring land use compatibility with the
13 surrounding area (Policy LU-2.4). Furthermore, the proposed use would be established in
14 an area characterized by a variety of commercial retail and service uses, located far enough
15 away from existing single family residential neighborhoods, but proximal enough to be
16 walkable or bikeable, and would provide a missing neighborhood retail element (Goal LU-
17 3 and Policy LU-4.4); and

18 E. The proposed use is compatible with the surrounding mixed-use environment. The
19 storefront retailer would be located within an existing commercial building similar in
20 design, size and operating characteristics as other retail, restaurant and industrial buildings
21 along Park Avenue. No new construction is proposed onsite. The Project would be
22 consistent with land use, lot coverage, building height, and setback requirements for the
23 CC zoning district. Any nonstructural modifications to the building's exterior and site
24 improvements including lighting, landscaping, and parking will be reviewed by staff during
25 building permit review.

26 2. Based on all the above, the Planning Commission hereby approves Use Permit 22-11 (Cloud
27 Chaser) subject to the conditions set forth in Exhibit I attached hereto.

28 3. The Planning Commission hereby specifies that the materials and documents which constitute

1 the record of proceedings upon which its decision is based are located at and under the custody
2 of the City of Chico Community Development Department.

3
4 THE FOREGOING RESOLUTION WAS ADOPTED by the Planning Commission of the
5 City of Chico at its meeting held on March 2, 2023, by the following vote:

6
7 AYES:

8 NOES:

9 ABSENT:

10 ABSTAINED:

11 DISQUALIFIED:

12
13 ATTEST:

APPROVED AS TO FORM:

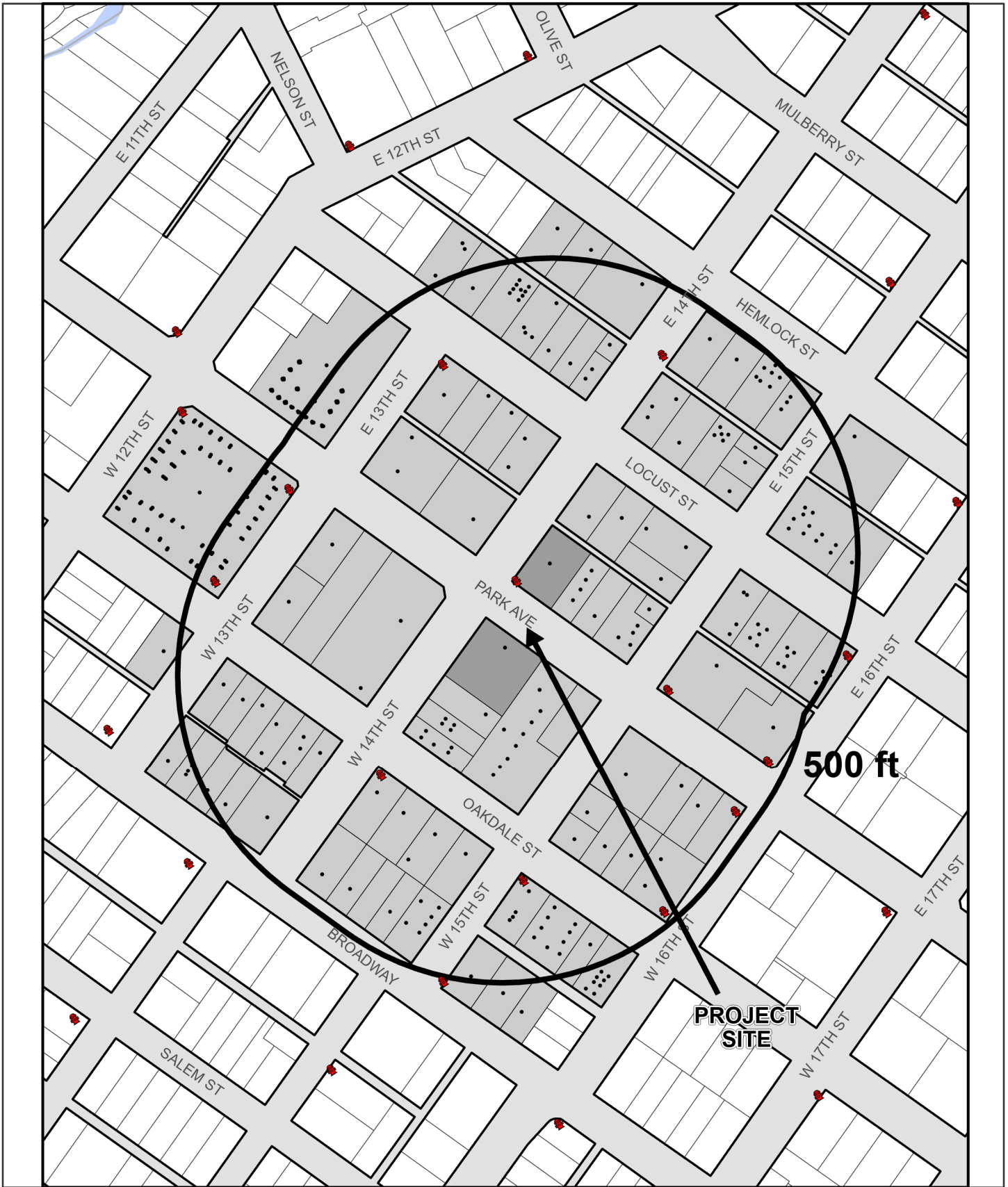
14
15 _____
16 Bruce Ambo
17 Planning Commission Secretary

15 _____
16 Vincent C. Ewing, City Attorney*

17 *Pursuant to The Charter of
18 the City of Chico, Section 906(E)

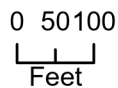
EXHIBIT I
CONDITIONS OF APPROVAL
Use Permit 22-11 (Cloud Chaser)




1. Use Permit 22-11 (Cloud Chaser) authorizes a commercial cannabis storefront retailer use, in general accord with the “Site Plan to Accompany Use Permit 22-11 (Cloud Chaser)” and in compliance with all other conditions of approval.
2. The permittee shall comply with all other State and local Code provisions, including those of the Building Division, Public Works Department, Fire Department, Butte County Environmental Health, and the California Department of Cannabis Control (DCC). The permittee is responsible for contacting these offices to verify the need for permits.
3. The proposed commercial cannabis storefront retailer use shall be operated in compliance with the general and specific standards set forth in CMC Section(s) 19.75.130 and 19.76.140.
4. The applicant shall defend, indemnify, and hold harmless the City of Chico, its boards and commissions, officers and employees against and from any and all liabilities, demands, claims, actions or proceedings and costs and expenses incidental thereto (including costs of defense, settlement and reasonable attorney’s fees), which any or all of them may suffer, incur, be responsible for or pay out as a result of or in connection with any challenge to or claim regarding the legality, validity, processing or adequacy associated with: (i) this requested entitlement; (ii) the proceedings undertaken in connection with the adoption or approval of this entitlement; (iii) any subsequent approvals or permits relating to this entitlement; (iv) the processing of occupancy permits and (v) any amendments to the approvals for this entitlement. The City of Chico shall promptly notify the applicant of any claim, action or proceeding which may be filed and shall cooperate fully in the defense, as provided for in Government code section 66474.9.



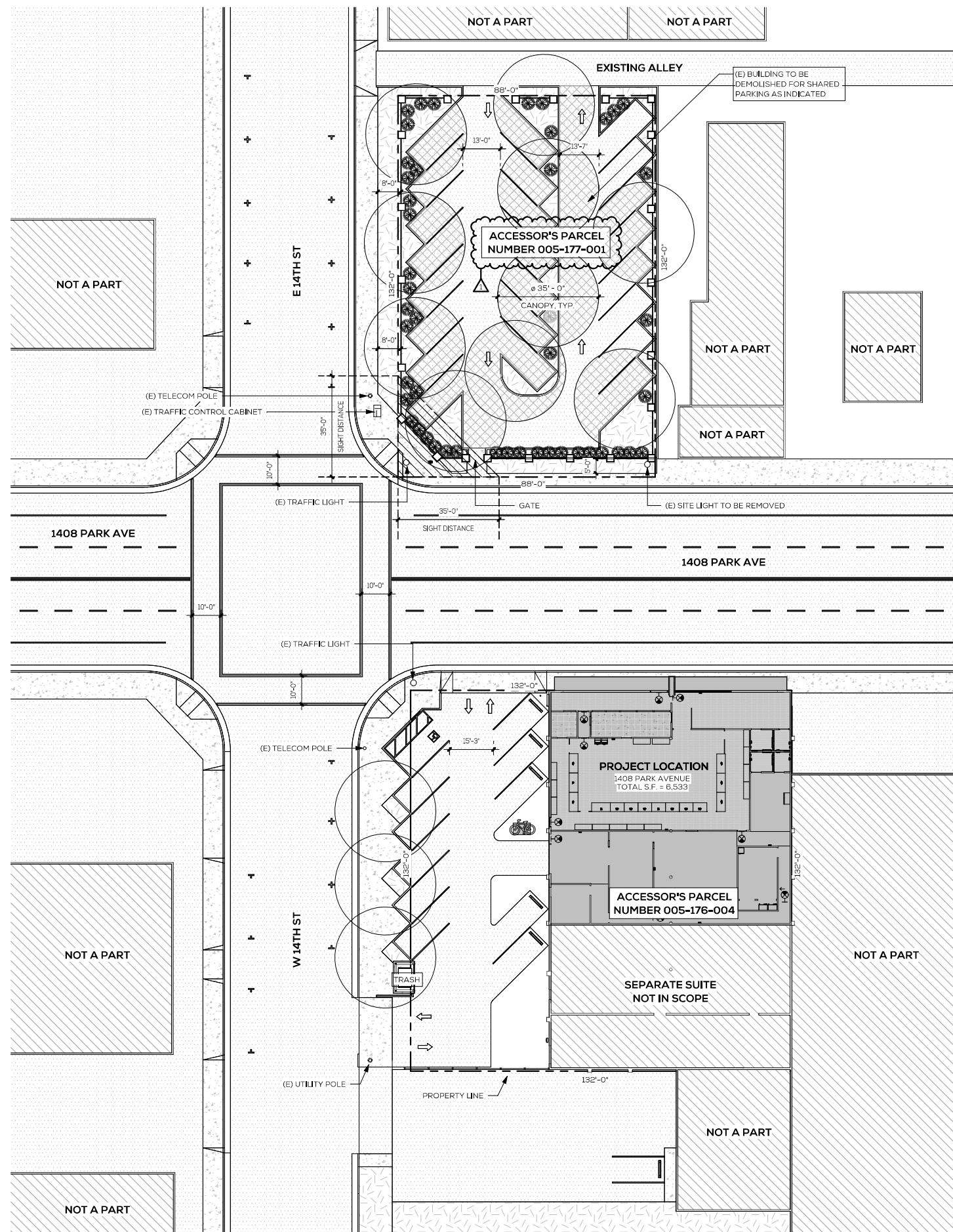
Use Permit 22-11 (Cloud Chaser)
 1408 Park Avenue
 APNs 005-176-004 and 005-177-001

Date Saved: 2/14/2023



-  Fire Hydrants
-  Notified Parcels
-  Notified Addresses





GG - SITE PLAN
SCALE: 1" = 20'-0"

GENERAL NOTES

- ACCESSIBLE SITE CIRCULATION ROUTE SHALL COMPLY WITH CIRCULATION ROUTE NOTES
- COMPONENTS OF THIS SITE PLAN HAVE BEEN DEPICTED WITH THE USE OF AERIAL SITE IMAGERY AND NOT FIELD SURVEY DATA. REFER TO CIVIL DWGS FOR EXACT LOCATIONS AND PLACEMENTS.

SITE CIRCULATION ROUTE NOTES

ACCESSIBLE "PATH OF TRAVEL" (P.O.T.), AS INDICATED, IS A COMMON BARRIER FREE ACCESS ROUTE WITHOUT ANY ABRUPT VERTICAL CHANGES EXCEEDING 1/2" BEVELED AT 1:2 MAXIMUM SLOPE, EXCEPT THAT LEVEL CHANGES DO NOT EXCEED 1/4" VERTICAL AND IS AT LEAST 48" WIDE. THE PATH SURFACE IS SLIP RESISTANT, STABLE, FIRM AND SMOOTH. PASSING SPACES (11B-403.5.3) AT LEAST 60" X 60" ARE LOCATED NOT MORE THAN 200' APART. THE CROSS-SLOPE DOES NOT EXCEED 2% AND SLOPE IN THE DIRECTION OF TRAVEL AND IS LESS THAN 5% UNLESS OTHERWISE INDICATED. (P.O.T.) SHALL BE MAINTAINED FREE OF OVERHANGING OBSTRUCTIONS TO 80" MINIMUM (11B-307.4) AND PROTRUDING OBJECTS GREATER THAN 4" PROJECTION FROM WALL AND ABOVE 27" AND LESS THAN 80" (11B-307.2).

- PROPOSED PROJECT AREA - EXISTING BUILDING TO BE RENOVATED
- CONCRETE
- LANDSCAPING
- ASPHALT PAVING
- SIGHT DISTANCE AREA - FENCING AND SHRUBBERY WITHIN THE SIGHT DISTANCE AREA WILL BE LIMITED TO 3' MAX IN HEIGHT PER CHICO MUNICIPAL CODE 19.60.060

- 4' TALL CMU BLACK AND DECORATIVE STEEL FENCE
- PROPERTY LINE
- ACCESSIBLE SITE CIRCULATION ROUTE
- FIRE LANE
- UTILITY EASEMENT
- ZONING SETBACK
- ADJACENT PROPERTY LINE
- EXISTING BUILDING OUTLINE
- PAINTED CURB, NO PARKING, SEE CIVIL DWGS
- SIGHT DISTANCE

- PARKING SPACE COUNT
- ACCESSIBLE PARKING SPACE, SEE CIVIL DWGS
- BICYCLE RACK, SEE DETAIL PROVIDES (2) 2' X 6' PARKING SPACES
- (E) FIRE HYDRANT
- (N) MAPLE, AUTUMN BLAZE TREE w/ SHADING 35' CANOPY DIAMETER TYP.
- (N) RAFAELEPTUS BALLERINA SHRUB

VEHICLE PARKING REQUIRED
1 STALL PER 250 S.F. = 6,533/250 = 23.6

TOTAL VEHICLE PARKING REQUIRED: 24 SPACES REQUIRED

VEHICLE PARKING PROVIDED
STANDARD PARKING SPACES
ACCESSIBLE PARKING SPACES

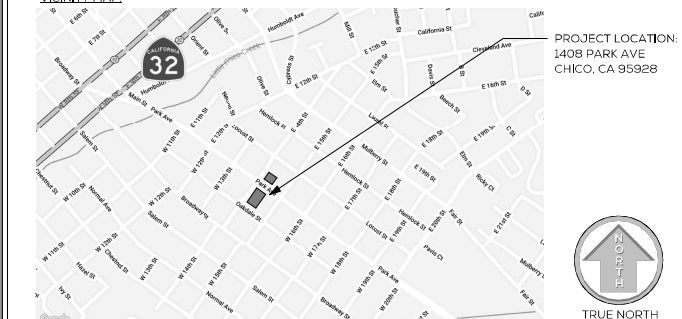
TOTAL VEHICLE PARKING PROVIDED: 34 SPACES
33 SPACES @ 9' X 18' WITH 24" OVERHANG
1 ACCESSIBLE STALL WITH UNLOADING

BIKE PARKING REQUIRED REQUIREMENT
5% OF REQUIRED STALLS = 1.18(2 STALLS REQUIRED)
(CBC 19.70.04D)

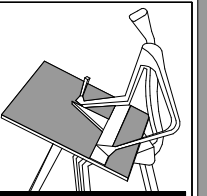
SITE CALCULATIONS FOR EXISTING BUILDING AREA:
TOTAL LOT AREA: 4 ACRES (17,424 S.F.)
TOTAL BUILDING AREA: 6,874 S.F.
LOT COVERAGE: 39%
LANDSCAPE AREA: 125 S.F.

SITE CALCULATIONS FOR NEW PARKING LOT AREA:
TOTAL LOT AREA: 27 ACRES (11,761 S.F.)
PAVING AREA: 8,490 S.F.
SHADE AREA: 5,250 S.F. (61%)
LANDSCAPE AREA: 3,291 S.F.

VICINITY MAP:



AA - SITE LEGEND
SCALE: NONE



r · g · a
architecture + engineering

RUSSELL GALLAWAY ASSOCIATES inc.

115 MEYERS STREET
SUITE 110
CHICO, CA 95928
530 342 0302

www.rgachico.com

PROJECT
CHICO FLAGSHIP LLC
DBA CLOUD CHASER
1408 PARK AVE
CHICO, CA 95928

TENANT:
CLOUD CHASERS
CHICO FLAGSHIP, LLC
679 EAST 7TH STREET
CHICO, 95928

BUILDING OWNER:
PAUL COOPER
CHICO PARK AVE. RETAIL LLC
1492 EAST 8TH STREET
CHICO, CA 95928

ASSESSORS PARCEL NUMBER
005-176-004
5
005-177-001

RGA PROJECT #	21-446
PLAN CHECK #	Project Status
DRAWN	RG
CHECKED	MG
CUP REV 1	2023.02.02
CUP REV 2	2023.02.02

SITE PLAN

CUP 1



OFFICE OF THE CITY MANAGER

411 Main Street – 3rd Floor (530) 896-7200
P.O. Box 3420 Fax (530) 895-4825
Chico, CA 95927 <http://www.ci.chico.ca.us>

August 30, 2022

Chico Flagship LLC
Attn: Marc Breckenridge
679 E 7th Ave.
Chico, CA 95928

Re: Commercial Cannabis Storefront Retailer Application CANNA 21-00007

Dear Mr. Breckenridge,

The City of Chico approved the above-referenced project, subject to the enclosed conditions of approval. CANNA 21-00007 is approved for operation of a 11,000 square foot Commercial Cannabis Storefront Retailer use located at 1408 Park Avenue (APN# 005-176-004-000).

Please sign and return the attached conditions of approval to the City Manager's Office. By signing the conditions of approval, you are acknowledging and agreeing to be in full compliance with all conditions prior to the start of business.

This approval and/or the conditions of approval may be appealed to the City Council by an applicant or interested party. The appellant must file a written appeal with the City Clerk's Office within ten calendar days of the decision. The written appeal shall specify the person making the appeal, the action being appealed, the reason for the appeal, and include any supporting information or documentation.

If you have any questions, please feel free to contact me at angie.dilg@chicoca.gov or at the phone number below.

Sincerely,

Angie Dilg
Management Analyst
City of Chico
(530) 896-7202

Attachment (Conditions of Approval)

**CITY OF CHICO
COMMERCIAL CANNABIS PERMIT
CONDITIONS OF APPROVAL**

Chico Flagship, LLC

Commercial Cannabis Storefront Retail Permit CANNA 21-00007 authorizes operation of an 11,000 square foot commercial cannabis storefront retail use at 1408 Park Avenue (APN# 005-176-004-000).

Below are the conditions of approval associated with approval of Permit CANNA 21-00007:

General Requirements

Regulations and Requirements

The Commercial Cannabis Storefront Retail Business is subject to all applicable State, County, Chico Municipal Code (CMC), and local regulations. Below is a summary of the general and use-specific operating standards and requirements for a Commercial Cannabis Storefront Retailer use from CMC Sections 5.42 and 19.75. Please review both ordinances in their entirety to ensure a complete understanding of the Chico’s Commercial Cannabis rules and regulations. You will be held to the standards as stated in the CMC. The commercial cannabis use is subject to any future amendments to the CMC.

Per the City’s Municipal Code (Section 19.75.130), all commercial cannabis uses shall be operated in compliance with the following general standards:

- A. Permit Required:** All commercial cannabis businesses shall obtain and maintain a Commercial Cannabis Permit issued by the City of Chico pursuant to Title 5.42.
- B. Compliance with City, Local and State Laws.** All commercial cannabis businesses shall comply with the standards set by State law, regulations and policies, and all city codes and resolutions, as well as any applicable requirements of the County of Butte.
- C. Access Limited.** For all commercial cannabis businesses, the general public is only allowed to access those areas of the premises which are identified in the site plan included with the Commercial Cannabis Permit as being open to public access. Only agents, applicants, managers, employees, and volunteers of the commercial cannabis permittee and agents or employees of the City, or other governmental agency are allowed in non-public access areas.
- D. Hours of Operation:** Manufacturers, distributors and testing laboratories may only accept commercial traffic to and from the premises between 8:00 a.m. and 7:00 p.m., unless zoning regulations specify more restrictive hours.
- E. On-site Consumption Prohibited:** Cannabis shall not be consumed by anyone on the premises in any form at any commercial cannabis business, unless explicitly authorized by a City ordinance, resolution, rule, regulation and/or pursuant to explicit terms of a Commercial Cannabis Permit, or City-approved Conditional Use Permit or Development Agreement.
- F. Visibility:** No manufacturing process, testing methodology, storage, or loading/unloading cannabis or cannabis products, shall be visible from the exterior of any premises issued a

Commercial Cannabis Permit. No cannabis or cannabis products shall be visible on part of any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.

G. Inventory Tracking: Each commercial cannabis business shall have in place and at all times of operation of the business operate a point-of-sale or management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the City. The commercial cannabis business shall ensure that such information is compatible with the City's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Manager or designee prior to being used by the permittee and be the same system as specified in their commercial cannabis business permit.

H. Compliance with California Law: All cannabis and cannabis products sold, tested, distributed, or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the State of California and local regulations. All activities related to the purchase, sales, delivery, distribution, cultivation, testing, and manufacture of cannabis or cannabis products shall be conducted in conformity with state law.

I. Contact Information: Each commercial cannabis business shall provide the City Manager with the name, telephone number (both landline and mobile) of an on-site manager or owner to whom emergency notice may be provided at any hour of the day.

J. Signage and Notices:

a. In addition to the requirements otherwise set forth in this section, or as a term or condition imposed in a Use Permit, business identification signage for a commercial cannabis business shall conform to the requirements of state law and the City of Chico City Code, including, but not limited to, the requirements for a City sign permit, or applicable zoning laws regulating signs.

b. Each commercial cannabis business premises shall be visibly posted with clear and legible notices indoors indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.

K. Age Restrictions:

a. Persons under the age of twenty-one (21) years shall not be allowed on the premises of a commercial cannabis business except as allowed under California law.

b. Persons under the age of twenty-one (21) years shall not be allowed to serve as a driver for a delivery service, except as allowed under California law pertaining to sales of cannabis for medicinal use.

c. It shall be unlawful and a violation of this Chapter for any person to employ any person at a commercial cannabis business who is not at least twenty-one (21) years of age.

L. Odor Control.

a. Odor control devices and techniques shall be incorporated as needed in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site.

b. Commercial cannabis businesses shall provide a sufficient odor control devices and techniques, including but not limited to an odor absorbing ventilation and exhaust system

utilizing air scrubbers or charcoal filtration systems, so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, at any adjoining use of the property not part of the commercial cannabis premises, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business.

c. Commercial cannabis businesses shall install and maintain the following equipment, or other equipment which the City Engineer or Public Works Director or Building Official determines is a more effective method or technology, to address such odor control:

- i. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
- ii. An air system that creates negative air pressure between the commercial cannabis business's interior and exterior, so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.

d. All exhaust ventilation equipment is required to be appropriate for the use involved and must comply with the California Fire and Mechanical codes.

M. Display of Permit and City Business Tax Certificate. The original copy of the Commercial Cannabis Permit issued by the City pursuant to this Chapter, the City issued business license, and the state-issued Seller's Permit, shall be posted inside the commercial cannabis business in a location readily visible to any City, County or State employee, official, or agent authorized to enforce the City's Code, or applicable cannabis-related laws.

N. Loitering Prohibited. The permittee of a commercial cannabis business shall prohibit loitering by persons outside on the premises and is required to enforce same within its premises and adjacent public areas, including cooperating with the City's law enforcement agency dispatched to enforce same. The placement and use of no loitering signage shall be included as part of any application submittal and depicted on a business or operational plan.

O. Permits and other Approvals. Prior to the operation of a commercial cannabis business, the person intending to establish a commercial cannabis business must first obtain all applicable planning, zoning, building, and other applicable permits and approvals from the relevant City or County department or division which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate.

P. Adherence to Operating Procedures. Permittees shall adhere to all applicable operating procedures, including those submitted as part of the initial application process, and pursuant to those established in applicable State of California laws, regulations, and policies.

Q. Compliance with Disability Regulations. This Chapter does not exempt a commercial cannabis business from complying with all applicable local, State and federal laws and regulations pertaining to persons with disabilities.

R. Non-Discrimination. No commercial cannabis business may discriminate or exclude patrons in violation of local, State and federal laws and regulations.

S. Contact Information. Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial

cannabis business shall also provide this information to all businesses and residences located within 300 feet of the commercial cannabis business.

T. Coordination Meetings. The owner, manager, and community relations representative from each commercial cannabis business holding a Commercial Cannabis Permit shall, if requested by the City Manager or designee, attend a quarterly meeting with the interested parties to discuss costs, benefits, and other community issues arising as a result of implementation of this Chapter.

U. Security Plan: Each business shall maintain on file with the City a security plan.

V. Restriction on Alcohol and Tobacco Sales, Dispensing or Consumption: No person shall cause, allow, or permit the sale, dispensing, or consumption of alcoholic beverages or tobacco products on or about the premises of a commercial cannabis business, except as allowed under state law.

W. Restriction of On-site on Consumption: No person shall cause, allow, or permit the consumption of cannabis on-site of any commercial cannabis business.

Per the City’s Municipal Code (Section 19.75.140), Cannabis Dispensaries shall operate in compliance with the following use-specific standards:

A. On-site Supervision: All commercial cannabis storefront retailers shall have a manager on the premises at all times during hours of operation.

B. Delivery Services. Storefront retailers also providing delivery shall comply with the operational requirements pertaining to Retailer - Delivery Only businesses in Section 19.75.150.

C. Site Access. Entrances into the retailer storefront shall be controlled at all times with either security personnel or electronic/mechanical entry system. Adult use storefront retailers without medicinal cannabis sales shall verify the age of all customers to ensure persons under the age of 21 are not permitted on the premises. Adult use medicinal sales storefront retailers shall verify the age and possession of valid doctor's recommendation of all customers to ensure persons under the age of 18 are not permitted on the premises.

D. Medicinal Cannabis.

a. Commercial cannabis storefront retailers selling medicinal cannabis shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of 18 years and that the potential customer has a valid doctor's recommendation;

b. Verify the identity and age of the qualified patient, primary caregiver, or customer receiving cannabis or cannabis products from the delivery only retailer; and

c. If a medicinal cannabis transaction,

i. Verify the validity of the qualified patient's recommendation from a physician to use cannabis for medicinal purposes or primary caregiver's status as a primary caregiver for the particular qualified patient, and

ii. Maintain a copy of the physician recommendation or Identification Card, as described in Health and Safety Code Sections 11362.71 through 11362.77, as may be amended from time to time, at its permitted business location for a period of not less than seven (7) years.

E. Physician Evaluations Prohibited: No physician shall be allowed at any time to evaluate patients or customers for the issuance of a medicinal cannabis recommendation or medicinal cannabis identification card where applicable.

F. Complimentary Promotions Prohibited. A non-medicinal cannabis storefront retailer may not give away, or donate specific devices, contrivances, instruments, or paraphernalia necessary for consuming cannabis products, including, but not limited to, rolling papers and related tools, pipes, water pipes, and vaporizers. A storefront retailer may not give away samples or cannabis products free of charge.

G. Required Notifications. All cannabis storefront retailers shall notify qualified patients, primary caregivers, and customers (verbally or by written agreement) and by posting of a notice or notices conspicuously in at least 15-point type within the permitted premises that state the following:

- a. "The sale or diversion of cannabis or cannabis products without a permit issued by the City of Chico is a violation of State law and the Chico City Code."
- b. "Secondary sale, barter, or distribution of cannabis or cannabis products purchased from a permittee is a crime and can lead to arrest."
- c. "Patrons must not loiter in or near these premises and may not consume cannabis or cannabis products in the vicinity of this business or in any place not lawfully permitted. These premises and vicinity are monitored to ensure compliance."
- d. "Warning: the use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate heavy machinery."
- e. "CALIFORNIA PROP. 65 WARNING: Smoking of cannabis and cannabis- derived products will expose you and those in your immediate vicinity to cannabis smoke. Cannabis smoke is known by the State of California to cause cancer."

H. Location of Products. All cannabis concentrate inhaled products, including but not limited to, dabs, shatter, budder, wax, and butane hash oil, shall be stored behind the retail counter and out of the reach of customers at all times except when being handled by an employee during a sales transaction.

I. Added Artificial Flavor Prohibited. Retailers shall not sell cannabis products which contain an added characterizing flavor. For purposes of this Chapter, "characterizing flavor" means a taste or aroma, other than the taste or aroma of cannabis, imparted either prior to or during consumption. This includes, but is not limited to, tastes or aromas relating to food or drink of any sort; menthol; mint; wintergreen; fruit; chocolate; vanilla; honey; candy; cocoa; dessert; alcoholic beverages; herbs; or spices. Flavor agents consisting of terpenes of cannabis shall not be considered an added characterizing flavor. Such prohibition shall not apply to cannabis products which are manufactured as edible or topical products.

J. Educational Materials. A cannabis storefront retailer shall provide written educational materials to all customers:

- a. Regarding each product sold, with information regarding the name and type of product, instructions for use, and expected effects.
- b. Regarding all edible cannabis products and cannabis concentrate products sold to a customer, which shall include information on safe storage and use of the product, warnings against child access and exposure to the product, and warnings of potential side effects concerning brain development of individuals under the age of twenty-five years and potential harm to pregnant women.

K. Training Required: A cannabis storefront retailer shall require all employees who interact with public customers, as well as all management staff, to complete training to ensure competency of employees for their assigned functions within the first year of the retailers' first year of operation, and within one year of each employee's hire date thereafter. The retailer shall

maintain records showing completion of each employee's training for a period of two years and provide such records to the City Manager or his/her designee upon request.

Per the City's Municipal Code (Section 5.42) all commercial cannabis uses shall be operated in compliance with the following standards:

5.42.100 Commercial cannabis permit required.

A. Prior to engaging in any commercial cannabis activity, one must obtain a Commercial Cannabis Permit. The initial permit and annual renewal of an authorized and lawful commercial cannabis permit is made expressly contingent upon the commercial cannabis business' ongoing compliance with all requirements of State law, this chapter, the City of Chico City Code, any local regulations adopted by the City governing the commercial cannabis business at issue, the securing and approval of a Use Permit (when required pursuant to Title 19 of the Chico Municipal Code), and any required approval, permit or license required by any applicable local or State law, rules, or regulations.

B. No person may engage in, conduct, authorize, establish, or operate a commercial cannabis business, or cause, allow, or permit same, within the City of Chico unless and until the following are obtained, complied with, adhered to, and fulfilled:

1. A Commercial Cannabis Permit has been approved by the City, pursuant to the City's laws, rules, policies, and regulations, as applicable, as same may be amended from time to time; and
2. Zoning clearance issued by the Community Development Director, including where applicable, issuance of a Conditional Use Permit; and
3. A City business license issued by the Finance Department authorizing the business operation of a commercial cannabis business; and
4. A valid State of California Seller's Permit or other valid State of California license or permit for the applicable type of commercial cannabis business at issue has been obtained; and
5. Permittee is currently in compliance with all applicable state and local laws and regulations pertaining to engaging in, conducting or operating a commercial cannabis business and commercial cannabis activities, including the duty to first obtain any required State licenses pursuant to MAUCRSA and applicable regulations; and
6. Permittee is currently in compliance with any and all applicable state and local laws and regulations pertaining to the occupancy of the premises for the City-approved commercial cannabis business operation, including any and all applicable building and fire code provisions; and
7. Prior to operating in the City and as a condition of issuance of a regulatory permit, operator of each cannabis facility shall execute an indemnity agreement with the City of Chico and an acknowledgement of limitations on City's liability, certifications, assurances, and warranties.

C. Applicant shall be responsible for all fees and noticing obligations required for processing all permits.

5.42.105 Evidence of cannabis employee background check required.

A. Pursuant to California Penal Code Sections 11105(b)(11) and 13300(b)(11), which authorize City authorities to access state and local criminal history information for cannabis employment, licensing, or certification purposes, summary criminal history information for cannabis employment, licensing, or certification purposes, and authorize access to federal level criminal

history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation, every applicant for a Certificate of Approval (including owners and other representatives of the applicant) and every person to be employed at the facility must submit fingerprints and other information deemed necessary by the Chief of Police or their designee(s) for a background check by the Chico Police Department. A fee for the cost of the background investigation, which shall be the actual cost to the City of Chico to conduct the background investigation as it deems necessary and appropriate, including City staff time and costs, shall be paid at the time the person submits for the background check.

B. The criminal background check must at a minimum identify the following:

1. Whether the individual applying for cannabis employment has ever been convicted of a violent felony as defined by California Penal Code 667.5, or equivalent offenses in other states;
2. Whether the individual applying for cannabis employment has ever been convicted of a crime involving dishonesty, fraud or deceit, including but not limited to fraud, forgery, theft, or embezzlement as those offenses are defined in California Penal Code Sections 186.11, 470, 484, and 504a, respectively; or equivalent offenses in other states; or
3. Whether the individual applying for cannabis employment has ever been convicted of the illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined in the Federal Controlled Substances Act, not including cannabis-related offenses for which the conviction occurred after the passage of the Compassionate Use Act of 1996.

C. Evidence of a conviction of any the offenses enumerated in Section 5.42.105(b) shall be grounds for denial of employment.

D. Violation of this section shall be grounds for immediate suspension of the business' operating permit. The business operator shall have the right to an appeal pursuant to Section 5.42.160.

5.42.130 Expiration, renewal, revocation, and suspension of commercial cannabis permits.

Each Commercial Cannabis Permit issued pursuant to this chapter shall expire one (1) year after the date of its issuance. The City Council shall establish by resolution procedures for the renewal, revocation, and suspension of Commercial Cannabis Permits.

5.42.140 Effect of license or permit expiration, suspension, revocation, or termination.

A. Expiration, suspension or revocation of a license, permit or entitlement issued by the State of California related to a commercial cannabis business shall be grounds for immediate suspension of a commercial cannabis business to operate within the City, unless and until such license, permit or entitlement is reinstated or reissued.

1. Permittee shall notify the City Manager in writing within forty-eight (48) hours of any suspension, revocation, or termination of a license issued by the State of California, or by any of its departments or divisions.

2. Should the State of California, or any of its departments, divisions, or agencies, suspend, revoke or terminate the license of a commercial cannabis business operating in the City, such suspension, revocation or termination, the City Manager shall suspend the ability of a commercial cannabis business to operate within the City of Chico unless and until the State of California, or its respective department, division, or agency reinstates or reissues the State license. Notice of such suspension shall be provided to the commercial cannabis business.

B. Expiration, suspension or revocation of a license, permit or entitlement issued by the City of Chico related to a commercial cannabis business shall be grounds for immediate suspension of a commercial cannabis business to operate within the City, unless and until such license, permit or entitlement is reinstated or reissued. Notice of such suspension shall be provided to the commercial cannabis business.

C. The commercial cannabis business shall have the right to an appeal pursuant to Section 5.42.160.

5.42.200 Permits and inspections prior to commencing operations.

Prior to commencing operations, a commercial cannabis business shall be subject to inspection of the premises, and must obtain all required plan approvals and building permits which would otherwise be required for any business of the same size and intensity operating in that zone. Accordingly, the permittee shall also obtain all required Building Division approvals, Fire Department approvals, Butte County Health Department approvals and any other permit or approval required by this chapter, Code or applicable law, rules or regulations

5.42.210 City business license.

Prior to commencing operations, a permittee of a commercial cannabis business shall obtain a City of Chico business license.

Per Chico Municipal Code Section 5.42.310, Commercial Cannabis storefront retail facilities shall operate in compliance with the following use-specific standards:

A. Retailers shall verify the age and all necessary documentation of each individual to ensure the customer is not under the age of eighteen (18) years. If the potential customer is over 18 but under 21 years old, retailer shall confirm the customer's possession of a valid doctor's recommendation and/or Health and Safety Code Section 11362.71 identification card (Medical Marijuana Card). For adult-use purchasers, retailers shall verify that all customers are 21 years of age or older for the purchase of cannabis or cannabis products.

B. Individuals must show a government-issued identification, and, in the case of purchases of medical cannabis, their physician's recommendation, or a cannabis card issued pursuant to Health and Safety Code Section 11362.71 in order to gain access into the retailer. The government-issued identification and, if applicable, doctor's recommendation or cannabis card must also be shown at the point of sale station at the time of purchase. Doctor recommendations are not to be obtained or provided at the retail location.

C. Uniformed licensed security personnel shall be employed by permittee to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities.

D. Retailers may have readily available for sale on-site in the retail sales area of the retailer only that quantity of cannabis and cannabis products to meet the daily demand. Additional product may be stored in a secured, locked area to which customers, vendors, and visitors shall not have access.

E. All restroom facilities used by customers shall remain locked and under the control of management.

F. Retailers authorized to conduct retail activities shall only serve customers who are within the licensed premises, or at a delivery address that meets the requirements of state law and this division.

1. The sale and delivery of cannabis goods shall not occur through a pass-through window or a slide-out tray to the exterior of the premises.
2. Retailers shall not operate as or with a drive-in or drive-through at which cannabis goods are sold to persons within or about a motor vehicle.
3. No cannabis goods shall be sold and/or delivered by any means or method to any person within a motor vehicle.
4. All cannabis goods sold by a retail business shall be contained in child-resistant packaging.
5. Retailers shall record point-of-sale areas and areas where cannabis goods are displayed for sale on the video surveillance system. At each point-of-sale location, camera placement must allow for the recording of the facial features of any person purchasing or selling cannabis goods, or any person in the retail area, with sufficient clarity to determine identity.
6. A retail licensee who is engaged in retail sales shall hire or contract for security personnel who are at least 21 years of age to provide security services for the licensed retail premises. All security personnel hired or contracted for 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.

G. Access to retailer premises.

1. Access to the premises of a retail licensee/permittee shall be limited to individuals who are at least 21 years of age.
2. Notwithstanding Section [5.42.310\(h\)\(1\)](#) individuals who are at least 18 years of age and in possession of a valid physician's recommendation shall be granted access to the premises of a retail licensee/permittee for the sole purpose of purchasing medicinal cannabis consistent with the physician's recommendation.

H. Authorized sales. A retailer shall only sell adult-use cannabis and adult-use cannabis products to individuals who are at least 21 years of age. A retailer shall only sell medicinal cannabis or medicinal cannabis products to individuals who are at least 18 years of age, if those individuals are in possession of a valid physician's recommendation.

I. Limited access areas. A retailer shall establish limited-access areas and permit only authorized individuals to enter the limited-access areas. Authorized individuals include individuals employed by the retailer as well as any outside vendors, contractors, or other individuals conducting business that requires access to the limited access area. All individuals granted access to the limited access area shall be at least 21 years of age, and if not employed by the retailer, shall be escorted at all times by an employee of the licensee/permittee. A retailer shall maintain a log of all individuals who are not employees who are granted access to the limited access area. These logs shall be made available to the Chief of Police or their designee upon request.

J. Operating hours of the store front retailer permittees shall be limited to the hours of 8:00 a.m. through 9:00 p.m. Pacific Standard Time, seven days a week.

K. Store front/retail security requirements. All provisions incorporated within Section [5.42.320](#) of this chapter (Security Requirements), are directly applicable to and binding on all commercial cannabis businesses, including all store front/retail businesses.

L. Educational materials. Cannabis retailers shall provide written educational materials to all customers:

1. Regarding each product sold, with information regarding the name and type of product, instructions for use, and expected effects.
2. Regarding all edible cannabis products and cannabis concentrate products sold to a customer, which shall include

- i. information on safe storage and use of the product,
- ii. warning against child access and exposure to the product, and
- iii. warnings of potential side effects concerning brain development of individuals under the age of twenty-five years and
- iv. warnings of potential harm to pregnant women.

M. Training required. All employees who interact with public customers as well as all management staff complete training to ensure competency of employees for their assigned functions within the first year of the retailers’ first year of operation, and within one year of each employee’s hire date thereafter. The retailer shall maintain records showing completion of each employee’s training for a period of two years and provide such records to the City Manager or his/her designee upon request.

5.42.320 Security requirements. Please review CMC 5.42.320 and adhere to all specific security requirements.

5.42.330 Compliance Review and Financial Audits

The City of Chico and/or its designee shall conduct biannual compliance reviews to evaluate business practices, procedures and internal control to ascertain the level of risk assessment.

The City of Chico and/or its designee shall conduct one (1) financial audit during the term of the permit to verify the accuracy of gross receipts reported to the City and to ensure regulatory compliance with state and local laws. **Please review and adhere to specific Records and Safekeeping requirements under CMC 5.42.330.**

Community Benefits

All Cannabis businesses within the City of Chico shall be required to enter into a Community Benefit Agreement and donate five (5) percent of their gross receipts to a community benefit fund. Funds are to be paid annually by June 30th of the calendar year for the previous year’s gross receipts. A copy of licensee’s tax return for the previous calendar year and five (5) percent of total gross receipts via check or money order is to be made payable to the City of Chico.

Additionally, Licensee agrees to provide community benefits as set forth in the Community Benefits Plan submitted by Licensee in Licensee’s application.

<p><u>Special Requirements for Chico Flagship, LLC.:</u></p> <ul style="list-style-type: none"> • Address any issues identified in the Phase 2-A Evaluation Report.

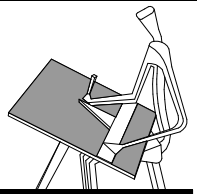
Failure to comply with any requirement imposed by the provisions of the Chico Municipal Code (or successor provision or provisions), including, but not limited to, any rule, regulation, condition or standard, or any term or condition imposed on a Commercial Cannabis Permit or entitlements or Use Permit, or any provision of State law are grounds for revocation of a Commercial Cannabis Permit. Violation of the Chico Municipal Code may be prosecuted as a citation or misdemeanor. Applicant is required to complete all requirements no later than October 1, 2023 and open their business or risk forfeiting their right to the permit.

I hereby certify that I have reviewed the contents of the Conditions for approval for a cannabis distribution permit and acknowledge, understand and agree to be bound by its terms and conditions.

Applicant/Operator Signature: _____ Date: _____
Marc Breckenridge

Distribution of Conditions:

Applicant
Community Development Department



r · g · a
architecture + engineering

**RUSSELL
GALLOWAY
ASSOCIATES inc.**

115 MEYERS STREET
SUITE 110
CHICO, CA 95928
530 342 0302

www.rgachico.com

PROJECT
**CHICO FLAGSHIP LLC
DBA CLOUD CHASER**
1408 PARK AVE
CHICO, CA 95928

TENANT:
CLOUD CHASERS
CHICO FLAGSHIP, LLC
679 EAST 7TH STREET
CHICO, 95928

BUILDING OWNER:
PAUL COOPER
CHICO PARK AVE. RETAIL LLC
1492 EAST 8TH STREET
CHICO, CA 95928

ASSESSORS PARCEL
NUMBER
005-176-004
S
005-177-001



AA - SHARED PARKING 3D VISUAL AID

SCALE:

RGA PROJECT #	21-446
PLAN CHECK #	Project Status
DRAWN	RG
CHECKED	MG
CUP REV 1	2023.02.02
CUP REV 2	2023.02.02

**SHARED
PARKING 3D
VISUAL AID
CUP 2**

SECTION E: NEIGHBORHOOD COMPATIBILITY PLAN

- *Describe how the CCB will proactively address and respond to complaints related to noise, light, odor, vehicle, and pedestrian traffic.*

Cloud Chaser's prior experience running cannabis businesses, especially in the retail and delivery space, has given us great insight into how to manage and mitigate concerns related to public nuisances. We will break down our methodology on the response to the six most common of these nuisances: odor, crime, traffic (vehicle and pedestrian), light pollution, trash, and noise.

Standard Complaint Response Procedure

First and foremost, we will have a designated community liaison who will work with the City, neighboring businesses and residents, and the community at large to address every concern, whether it involves odor or not. The Community Liaison will have the most important role in Cloud Chaser, and make sure that we are living up to our name. They will be responsible for handling all community complaints processes and responses. The person we have chosen for this position is Marc Breckenridge, who is our CEO. He is a local Chico resident who has been involved in community relations processes for a number of years, and has demonstrated success in navigating issues for the betterment of the community.

We will provide the name, phone number, and e-mail address for the Community Liaison to all businesses and residences within 1000 feet of our business and to the City Manager. During the first year of our operations, the Community Liaison, our Owners, and our Managers will have a quarterly meeting with the City Manager to provide updates and engage in discussion directly with the City on the costs, benefits, and any potential community issues that are related to our operation. After the first year, we will be available upon request to the City Manager to continue these discussions.

Additionally, any complaint that is received, whether we received it directly or the City receives it and sends it along to us, will warrant a meeting with both the City and the complaint issuer. In this meeting, the Community Liaison will go over the complaint with all parties as needed, discuss the extent of the problem, and walk the complaint issuer and the City through our remediation plan. All complaints, meeting minutes, remediation plans, remediation actions taken, and the outcome will be recorded, kept on file, and shared with all interested parties. These records will be maintained on our end for seven years.

More details on planned responses and remediation plans are discussed based on the specific issue of the complaint below.

- *Describe how the CCB will be managed to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community.*

Odor

Odor is by far the biggest complaint that cannabis business facilities have to contend with, and therefore must have the most robust response protocols. We have taken several steps to avoid becoming a nuisance that are described more later in this section that include negative air pressure and carbon filters, amongst others. We direct the City to that subsection specifically for our odor nuisance avoidance measures.

Here, we will go over how we will handle odor complaints for if or when the unlikely event that odor is detected off-site occurs.

**Cloud
Chaser**

The first step in this plan is to get an objective measure of the strength and extent of the odor problem, which will serve as the basis for the action we will need to take. We will utilize a field olfactometer that will provide a measure as to the odor problem from where the complaint emanated. Based on this reading, we will tighten up the sealings around the doors in the building and fine-tune the ventilation system, which can include replacing the carbon filters more frequently and having the system inspected for any weak spots. These steps will be explained to the complaining party, and how this should solve their odor concern. Another field olfactometer measure will be retaken after the ventilation system update to ensure the problem is fixed.

If the odor problem still persists and the field measure hasn't changed, we will examine the maintenance records to ensure none of the changes is the cause of the odor seepage, as any changes or errors to a fine-tuned system could disrupt the odor control capacity. If the maintenance records do not indicate any issues, we will explore the possibility of replacing our carbon filtration system with a new system (fog-neutralizing or ozone-creating). These systems are more intensive in their odor control, though at a higher maintenance and replacement cost. These measures should give us an evidence-based solution to odor complaints. We will be fully transparent in our updates on addressing the complaint, notifying the complaint issuer and the City about the status of work. We fully believe that our direct engagement with the complaint issuer and the City, the lengths we are willing to go to resolve the issue, and the transparency and accountability we will undertake in the resolution process will fully meet the satisfaction of all parties.

Crime

For information related to our response to criminal activity, please see our Security Plan. Our Security Plan also includes a robust element related to Crime Prevention Through Environmental Design (CPTED). The crux of our CPTED strategy includes but is not limited to natural surveillance, territorial reinforcement, target hardening, integrated design, and policies and procedures that enhance the efficiency and obscurity of potential criminally exploitable loopholes. To not be redundant, we invite the City to review the full CPTED strategies in our Security Plan.

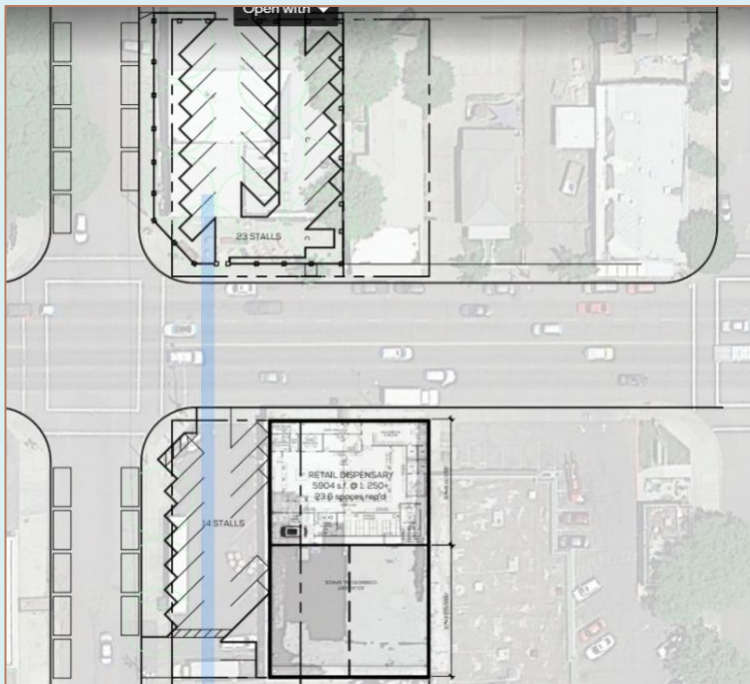
Traffic

Many residents fear that traffic from both pedestrians and vehicles will clog the streets of cities that allow retail cannabis businesses to open. To a large degree, in many instances, these concerns have borne out so it behooves Cloud Chaser to think very deeply about how traffic is managed from the start. Fortunately, as traffic issues have been engendered at cannabis locations across California and all other states that have legalized cannabis, we have a plethora of policy solutions at our disposal to both prevent congestion and appropriately respond to public complaints as they occur.

Cloud Chaser plans to commission a full traffic management and mitigation plan to address all possible concerns about traffic congestion from the get-go, as well as lay the groundwork for our response to traffic issues that occur despite our efforts. However, there are certain fundamental elements related to traffic control we can address here given the limited space.

The location is surrounded by a number of other retail locations, service stations and providers, offices, dine-in and drive-through restaurants, and grocery markets. We project that our location will have impacts on traffic that are similar to these locations, with an anticipation of 400 vehicle trips per day to the retail storefront (another 160 served through delivery). This does not present an undue impact on traffic dissimilar to the surrounding businesses, and projects out to be between 16 and 20 vehicle trips per hour, over our 13 hours of public business operation.

Our location will feature eleven exclusive parking spaces, as well as nine intermittent-use spots in the front of the building on the street (thus 20 total) which is ample to cover the projected 30, hourly vehicle demand in the first year without causing traffic backups, in addition to available street parking in the front of the premises. However, by Year 5, we anticipate 60 trips per hour as our customer base is expected to grow to 1,000 customers served per day. To supplement our parking options and ensure we will always have ample parking to meet all demand and vehicle trips, we will be leasing an additional 23 parking spaces from across the street of our facility. A diagram of this site is shown here.



Cloud Chaser still aims to cut back on the number of vehicle trips warranted for our successful business operation. The measures we take to limit the vehicle trips our business generates will include:

- ❑ Designating the Community Liaison for the site who will be responsible for promoting the use of alternative travel modes among customers, communicating with the City on transportation matters, and implementing traffic mitigation measures.
- ❑ Limiting employee parking on the premises and encouraging them to use public transportation whenever possible to via incentives and subsidies for that use.
- ❑ Discouraging employees from parking on adjacent streets.

- ❑ Incentivizing walking and biking to work, as well as having a secure bike rack on site.
- ❑ Encouraging ride shares for employees, and ensuring they always have rides to and from work should they feel unsafe walking or using public transit.
- ❑ Favoring potential employees in the hiring process who are locally based, and are able to walk or use public transit more readily.
- ❑ Allowing customers to schedule appointments for specific times, especially if they are new customers, new to cannabis use, or desire in-depth conversations.
- ❑ Encouraging customers to place orders ahead of time online or via phone that they can pick up quickly in-store, limiting that amount of time they are on the premises.
- ❑ Pushing customers to use delivery and Express Pickup options whenever possible.

Cloud Chaser is committed to effectively operating its on-site parking on a continuous basis by:

- ❑ Creating a plan (to be approved by the City) prior to any construction on site that may limit the number of spaces available to customers off-site.
- ❑ Clearly designating all parking stalls, loading spaces, and circulation patterns.
- ❑ Installing and maintaining signage defining site circulation and parking restrictions.
- ❑ Providing monitoring of parking to ensure that only customers are parking in lots.
- ❑ Providing warnings to drivers who violate parking policy and, if appropriate after sufficient warning, removing vehicles from the site that are parked in violation of the policy.
- ❑ Providing parking subsidies for employees who must drive but use off-street parking at nearby private facilities.

We may also continue to use these measures on an as-needed basis (holidays, essential service designations, higher vehicle trips anticipated, etc.). In spite of these efforts, we need to continuously monitor the issue of traffic, congestion, and vehicle trip load per hour and day. The performance of the proposed facility from a transportation perspective will be monitored monthly and as the result of complaints about traffic to determine if the initial measures are working to control traffic adequately.

Monitoring will be conducted by a qualified transportation consultant beginning 30 minutes before the facility opens and ending 30 minutes after the facility closes. The qualified traffic consultant will take:

- ❑ **A count of vehicles entering and exiting the site by 15-minute intervals.**
- ❑ **A count of the number of vehicles parked or circulating on site at 15-minute intervals.**

In addition to completing the traffic monitoring, the following material will be submitted to the City on an annual basis:

- ❑ **Number of annual on-site transactions (an indication of the number of patient visits);**
- ❑ **Number of annual off-site transactions (deliveries).**
- ❑ **Number of monthly public transit passes purchased or subsidized for employees.**

The count program will be conducted on one typical weekday and one weekend day on dates to be approved in advance of the study. The study data and findings will be presented in written form to the City within 30 days of completing the study. With the results of the study, we will work with the City on additional traffic mitigation measures.

Cloud Chaser's Community Liaison will be responsible for submitting this information to the City, coordinating efforts with the company, the City, and law enforcement, as well as receiving and responding to complaints, and keeping all parties updated on the steps and progress of issue resolution. Their contact information will be provided to the City and updated as needed, and they will be available at all times.

Further actions will be implemented to manage traffic conditions should our traffic studies and updates underestimate the vehicle trip generation, fail to sufficiently deal with traffic issues, or reasonable complaints are received in quantity.

Proposed actions will be implemented within 30 days of submitting the traffic report to the City that indicated one or more performance measures were not met. A follow-up traffic study will be completed and submitted to the City within 60 days of implementing the proposed actions.

We will always work with the City, private residents, and neighboring businesses to ensure all traffic issues are fully addressed to the satisfaction of everyone.

Light

There are a multitude of options for Cloud Chaser to consider in properly balancing security concerns and light pollution.

Cloud Chaser has a vested interest in both ensuring the facility property is well lit for security reasons and that the lighting is not overpowering enough to disrupt the lifestyles of our neighbors. To match these concerns in equal measure and minimize complaints, we will implement three policies.

First, our facility and parking area will be outfitted with angled light fixtures that face downward, known as downlighting. These lighting structures, affixed to the height of the building and on light poles in the parking area, will project light down in the direction of the ground. This will fully illuminate the building premises area and parking lot to quell concerns about safety while not shining directly out in a global pattern.

Global light distribution is the largest cause of light pollution as it shines indiscriminately in all directions – including glare, light trespass, sky glow, and direct neighbor shine. Aiming this light as we need it via downlighting (toward the ground) significantly lessens those light pollution concerns. The lighting structures used will look much like those shown below:



A note about the use of downlighting is that it is often used in environments to create atmosphere or ambience, and it is not always used in security applications due to the degree of light coverage. However, our downlighting structures will be calibrated to cover a 90-degree surface area. Second, lighting has been studied in its applications for safety and security, and such science has discovered the optimal threshold and intensity for light utilized for these purposes.

As stated above, our fully-shielded downlight output will be designed to cover a 90-degree area. However, based on standards established by the Illuminating Engineering Society of North America (IESNA), there are technical measures of the lumen strength and intensity upon which our efforts to reduce light pollution can be geared.

We will utilize IESNA designated “full cutoff” light fixtures on the building and the parking area.

Full cutoff lighting concentrates lumen output toward the center whilst requiring the attendant lumen strength to lessen toward the edges, thereby diminishing light until it is nearly non-existent outside a 90-degree area.



Lastly and fundamentally, we will work with our engineering team on the measurement of the lux and lumens necessary based on the above conditions and the height of each light fixture placement.

This will give us an exact determination of how much light is needed to cover the area of the premises to maintain security but not become a public nuisance.

While these numbers give us a theoretical basepoint upon which to implement our lighting plan, there may be issues in practice. When a complaint about lighting is received, it will be handled by our Community Liaison.

Since the level of adequate lighting is such an exact science and requires delicate calibration, the Community Liaison will work with members of the engineering team and outside consultants on the proper reduction in light pollution, whether that be in new angles, lower lights, less illuminance, more shielding, or different light sources.

Trash/Graffiti/Debris

An additional concern amongst the public, albeit a minor one, is the accumulation of trash, debris, negligent landscaping, and graffiti on the exterior of the building. As a retail business, it is very much in our best interest to keep our premises as inviting as possible to all people, which means keeping it clean and well-maintained.

To accomplish this, we will have trash and recycling bins located near the public entry doors of the facility, both on the interior and the exterior for customers to dispose of any refuse they have before or after they enter and exit the building.

When the nightly closing procedure is performed, the managerial staff will pick up any trash and debris in and around the premises. As well, during this procedure, they will check for any graffiti and tagging that is placed on, around, or near the facility.

All graffiti will be removed within 48 hours, and a report will be filed with local law enforcement. Staff will be instructed to clean the facility as needed and pick up any trash onsite.

Cloud Chaser will also contract a landscape management company to ensure that the facility exterior remains beautified. This company will be contracted to landscape the premises on a weekly basis. All reports of trash, debris, and graffiti will be handled in accordance with all our standard internal public nuisance response protocols.

Noise

Of most minimal public nuisance concern for retailers is noise. There will be no constant heavy machinery operation onsite. All deliveries of product will come from small delivery trucks and vans – we do not anticipate large tractor-trailer vehicles delivering cannabis products.

When delivery trucks do arrive, they will not be allowed to idle their vehicles and must shut off their engines as soon as they are in their proper delivery place. This will significantly cut down on the largest possible source of noise, minimal though it may be.

Tangentially, in the larger cannabis space, there have been rare but anecdotal complaints related to loud music and partying at retail cannabis dispensaries. Cloud Chaser will never, on any occasion, play music loud enough to be heard outside the building, let alone to our neighbors, and we will never host any functions or parties of any kind that create a public nuisance or disturbance.

The most pressing concern related to noise is from the initial construction of the building renovation. The noise from this aspect of our business will be exceedingly temporary. We project that our reconstruction efforts will take roughly 6 weeks from start to completion, so any nuisance created during construction will be short lived. Over this construction period, though, there are some proven methods that construction sites can adopt to cut back on the degree and level of noise created.

First, Cloud Chaser will contract with a local construction company that has newer and well-maintained construction equipment. Newer construction equipment (produced within the last ten years) has been shown to reduce noise from heavy equipment by as much as 50% compared to older, less cared for construction machinery. The use of this heavy machinery is by far the most substantive noise created on project sites, so controlling it goes a long way in controlling overall noise.

Second, we will have the contracted construction company erect a tarped fence or plywood barriers at a minimum to contain and block the spread of noise. Surprisingly, these barriers can be relatively effective at mitigating and tempering the noise created at construction sites, even if they are not sky-facing enclosed. Any time a noise source is blocked visually from a horizontal perspective, noise is being attenuated. Lastly, effective scheduling of construction activities can be done to keep public nuisance noise generation to peak noise time periods. For example, construction activities that generate little-to-no noise can be scheduled for hours early in the day, the highest noise causing activities can be scheduled for afternoon hours, and the quieter activities can be scheduled in the evening. This would provide the most minimal disruption to nearby residents and businesses.

We plan to implement each one of these construction noise reduction methods during renovations. Further, we will notify all local businesses and residents within a 300-foot radius of the property about the commencing of construction, our noise reduction plans, and the likely end date of that construction.

→ *Describe odor mitigation practices*

Odor control is the most important facet of public nuisance avoidance creation for all cannabis industries. Cloud Chaser has crafted a comprehensive odor control plan and response package.

A. Identify potential sources of odor from any cannabis or cannabis products being sold.

As a retail facility, the only odor source will be from cannabis flower. Since we are not a manufacturer or cultivator, we will not have any occasion to house other odor-causing substances on the premises, such as pesticides, chemicals, or extraction materials. Further, since we are not a cultivator, manufacturer, or distributor, we will not house nearly the quantity of cannabis flower that these other license types will, and what we do house in cannabis flower will be already packaged. While this minimizes odor so as to not be overpowering, it does not eliminate it and therefore the concerns about them are valid. We, therefore, must take steps to control the odor.

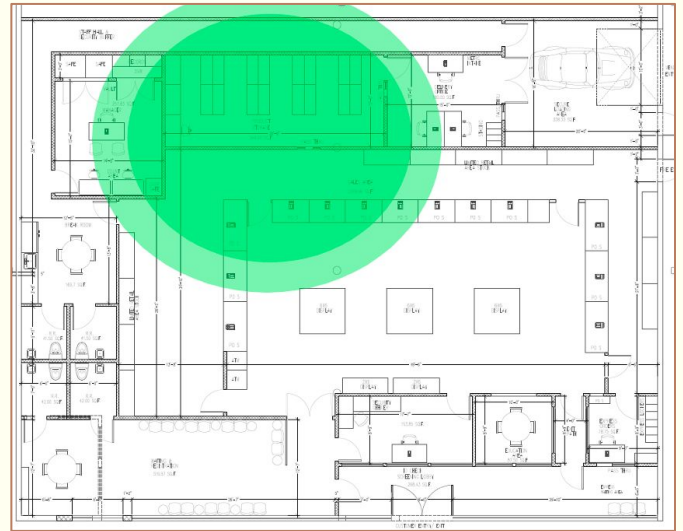
B. Describe odor control devices and techniques employed to ensure that odors from cannabis are not detectable beyond the licensed premises.

Cloud Chaser will use several evidenced methodologies to prevent and control odor across four major categories:

- Premises Design
- HVAC Filtration System Equipment and Maintenance
- Negative Air Pressure
- Odor Complaint Response Process

Premises Design

In terms of design, the placement of the HVAC filtration system intake units will be mounted in ceilings and exit through the roof via the exhaust filter. Typically, carbon filters perform best when positioned at the highest point above the air contaminating and odor-releasing source, as this is where heat accumulates along with aerial particles and odors.

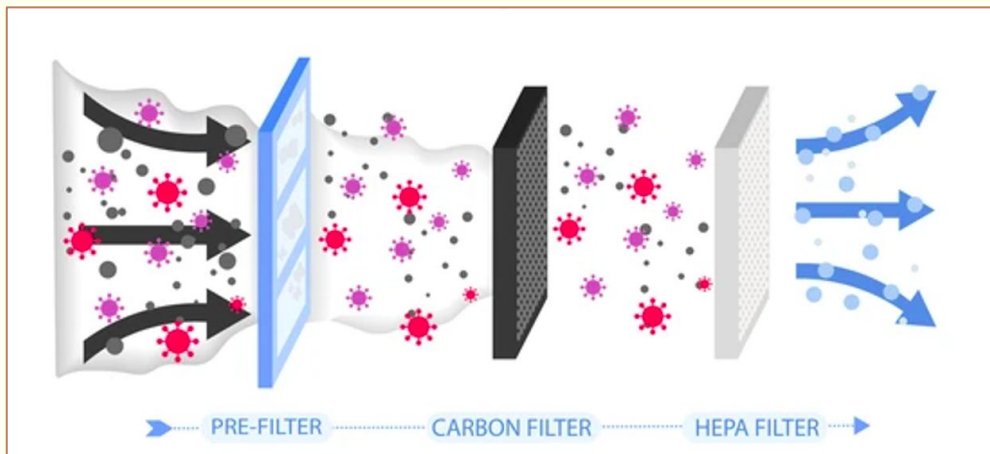


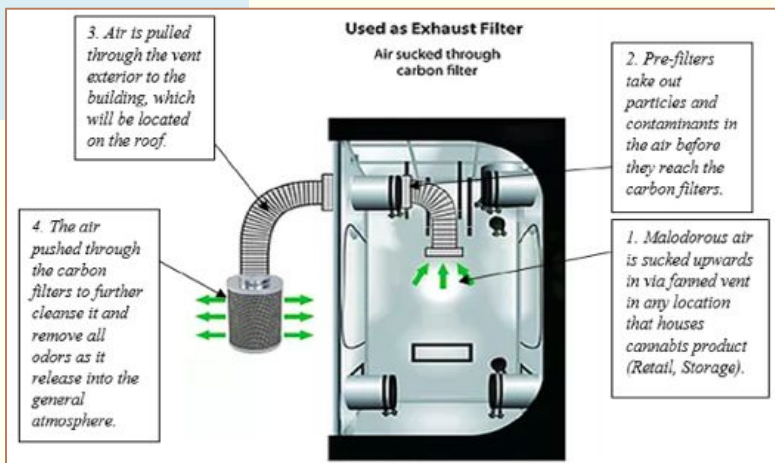
HVAC Filtration System and Equipment

The HVAC system will be an advanced system of its own accord, with the capabilities to control temperature, humidity, and air quality in an energy efficient manner. The Odor Control equipment Cloud Chaser will use will be just as advanced and fit into the HVAC system as one integrated top of the line system and will feature three components: **1) pre-filters, 2) activated carbon filters, and 3) HEPA filters.**

Pre-filter installation is a first small step to control the seepage of odors from cannabis inside the building to outside. Prefilters are an essential part of protecting other layers of filtration as it captures large particles before they reach the HEPA and activated carbon filters, whose efficiency in capturing smaller odor particles is lessened by the accumulation of these larger particles stopped at the pre-filter. Prefilters must be utilized to keep the actual odor control filters functioning as properly as possible for as long as possible.

The next layer of filters is the most substantive: **activated carbon**. Our HVAC system will utilize activated carbon filters to capture and neutralize cannabis malodors. Activated carbon filters are the gold standard of odor control mechanisms in the cannabis industry. While all municipalities require some form of odor control, some require the use of carbon filters exclusively due to their effectiveness. Activated carbon filters work by chemically attracting the small odorous cannabis particles, trapping them, and neutralizing them through absorption.





HEPA filters constitute the final layer of odor control and protection. In the wake of the COVID-19 pandemic, increased scrutiny has been placed on the quality of air in retail facilities frequented by the public. This, coupled with the importance of setting the most precautionary initial conditions for cannabis odor control, has led us to determine that adding HEPA filters to our HVAC system is a must.

HEPA (High Efficiency Particulate Air) filters are filters that are able to trap 99.97 percent of particles that are 0.3 microns, i.e. particles that are incredibly small, including viruses, bacteria, and some odors. Thus, not only are HEPA filters necessary to help maintain quality of cannabis product but are also an important piece of an odor control plan and will capture nearly all remaining small particulate matter.

The above diagram shows how an exhaust filter operates. Specifically, we will use IQAir filters for all three of these filters.

IQAir PreMax Pre-Filter (F1) for Coarse and Fine Particles.

Traps micro-particles such as dust, mold spores and powder.

IQAir V5-Cell (F2) for Gas and Odor Control.

The V5-Cell uses granular activated carbon adsorption to trap volatile organic compounds and other harmful chemicals and odors.

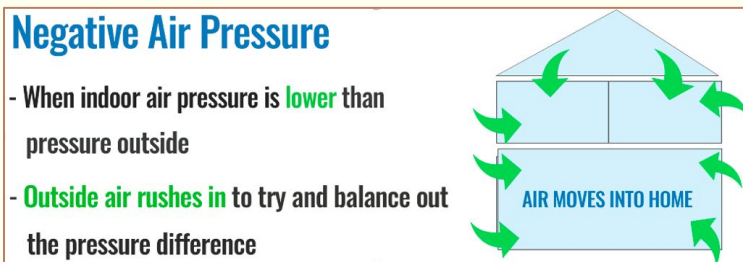
HyperHEPA (F3) for Ultrafine Particles.

HyperHEPA filter traps fine and ultrafine particles, including bacteria and small odor particles.

Each of these three IQAir filters has received incredible reviews, and working in conjunction with each other, we can guarantee that odor will be completely eliminated and controlled. We will have installed an air system that creates negative air pressure between our building's interior and exterior so that the odors generated inside our commercial cannabis business are not detectable by anyone in the vicinity of the business. Such a system is also becoming widely used in the industry.

Negative Air Pressure

As a secondary system for odor control that serves to complement the effectiveness of the triple air filtration system, negative air pressure creation is foolproof.



A negative air pressure system is created by utilizing the HVAC system to keep the pressure inside of the facility lower than that of the pressure that exist the building so that when that pressure is imbalanced, by say opening a door, the air from outside moves in and thereby keeps the internal air from escaping. Negative air pressure is an important mechanism to have in place in cannabis facility because that internal air would otherwise be odorous air if the filtration system was not functioning properly and would escape into the streets whenever a customer came in or out. A negative air pressure system significantly reduces the likelihood of odors seeping out to cause a public nuisance.

C. Describe all proposed staff training, and system maintenance plans.

The HVAC and odor control system will be designed and installed by a certified professional and regularly maintained. All reports relating to its function, including air balance reports, incidents, and maintenance, as well as all documentation relating to its installation, will all be retained.

The odor control HVAC system will be inspected at regular intervals, as well as within 48 hours of an odor complaint being received or if staff notices an odor outside the facility.

This technician will inspect all elements of the odor control system and HVAC system, including filters, seals, ducting and piping, gauges, and general functionality. The filters will be replaced on a yearly basis, or as needed as determined via the inspection. All records related to work performed on the HVAC/odor filtration system will be retained for seven years as required.

Since we have operated multiple cannabis locations, we have a routine maintenance schedule that includes daily, weekly, monthly, quarterly and yearly checks. This routine maintenance observes the following schedule:

- ➔ **Daily and Weekly inspections generally just include ensuring proper system functioning, checks for odor.**
- ➔ **Monthly inspections include checking and cleaning filters, check air intakes and HVAC registers for dirt and dust, and check thermostats for proper setting and operation.**
- ➔ **Quarterly inspections include changing filters, check electrical components and wires, inspecting and program thermostats, inspecting drain tube and pan for moisture, mold, and bacteria growth, and checking for signs of corrosion.**
- ➔ **Yearly inspections include inspecting coils, fans, belts, and motors for corrosion and damage, changing heating ignition and heat exchanger, and inspecting internal components for moisture accumulation and mold.**

Systems checks performed like these on a routine basis by a licensed and certified local HVAC specialist will keep our HVAC and odor control system in top shape and continue to effectively control cannabis malodors. Our odor control system will comply with California Fire and Mechanical Codes.

Training of Odor Abatement/Complaint Handling

The breakdown of staff training for the odor control response and mitigate process includes:

- ❑ **Olfactometer:** Our Community Liaison will be trained on the operation of the olfactometer unit. This will include, but is not limited to, the operation of the unit, the calibration of the unit, the quantification of odor measurement based on subjective sense, the use of various Dilution-to-Threshold (D/T) Ratios for quantifying odor, and inhalation rate adjustments. This training will be provided by St. Croix Sensory, Inc. via their online Odor School and Sensory Institute train classes. St. Croix Sensory, Inc. is the manufacturer of the olfactometer unit we will be using, the Nasal Ranger.
- ❑ **Tightening Seals and Spaces:** Areas where malodorous air is escaping will be discovered via the execution of a blower door test. An outside company will perform the blower test and review the results with the Community Liaison. The Community Liaison will be present and observe all steps of the blower door test, then discuss all results and what they mean with the auditor. The Community Liaison and the auditor will then implement the necessary steps to seal the spaces, cracks, and gaps where odors are escaping. This will include the installation of weatherstripping and caulking where necessary, which will be provided by the auditing company.

- ❑ **Fine-tuning Ventilation System:** The Community Liaison will have a general understanding of the HVAC and odor neutralization system as provided by the manufacturer and the installation service provider. However, when adjustments to the system are required, the installation service provider - who will be highly trained and skilled in dealing with HVAC and odor control systems - will be the entity providing the fine-tuning. The Community Liaison, though, will always observe this process.
- ❑ **Carbon Filter Review/Replacement:** The Community Liaison will complete an online certification class to become an Odor Control Technician. There are several providers for such certified courses, and they typically include methods for the inspection and replacement of air filtration systems and components. The Community Liaison will undergo additional training that includes a review of the Chico cannabis ordinance, discussions with Chico Planning Department, Police Department, and the Butte County Air Quality Management District, as well as attendance at seminars on odor and environmental nuisance management. Further, the Community Liaison will work with the HVAC tech to synergize information, training material, and guidance on internal protocols for odor correction, and discuss other solutions and best practices for handling odor complaints.

D. Describe the waste management plan. The plan shall include waste disposal locations, security measures, methods of rendering all waste unusable and unrecognizable, and the process or vendor in charge of disposal.

While other license types such as manufacturers face mounting challenges when addressing waste disposal, as a retailer we are fortunate in only having to address the most minimal quantities of waste. As retailers, we store no hazardous substances or chemicals on site that require hazardous material disposal and take-away. There are two root causes of cannabis waste on a retailer premise: **product expiration and display-product degradation.**

For product expiration, there are two instances in which this can occur. The first is the receiving of a product already or near expiration as defined on the product packaging. Should this occur, the distributor, not the Retailer, is responsible for the disposal of that product per remediation procedures. The distributor is required to retrieve the product and issue either an identical replacement in better condition or a refund to the purchase. Should the product expire while in our position due to the length of time the product goes unsold, then product disposal is our responsibility.

The second concern falls under the definition of cannabis waste; once a product is open for display and consumer inspection purposes, it cannot be sold, nor is it to be repackaged and sent back to the Distributor for credit. These cannabis goods, once too degraded for authentic representational inspection, are to be disposed of. In these instances where cannabis products must be disposed of, the product in question must be separated from the for-sale cannabis goods and the display cannabis. This change is noted in the Track-and-Trace system, as well as the reason for the disposal and the identity of the employee involved. The expired or degraded cannabis is then removed from any and all packaging and rendered unrecognizable before being placed in cannabis waste storage.

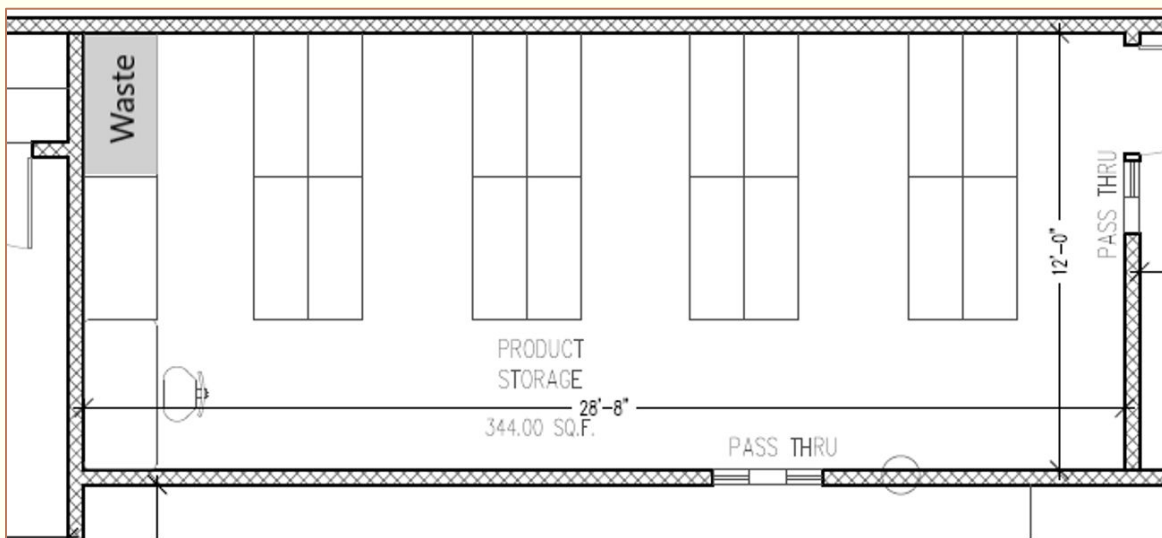
All cannabis waste is stored in airtight containers located in the Storage Area away from all other cannabis goods. The Storage Area will be a limited-access area that is keycard locked and monitored via security camera 24/7. Cannabis waste is also stored independently of non-cannabis waste, located behind a locked grate within the Vendor Entrance Room. Vendors will not be able to access this unit during their delivery procedures, nor do they have access to this room without the presence of an employee.

Cloud Chaser

Access to the cannabis waste will be restricted to authorized personnel and the cannabis waste hauler. When cannabis waste is scheduled for disposal, we will contract a licensed cannabis waste hauler for removal. We plan on using Cannabis Waste Solutions (CWS). CWS is an industry-leading cannabis hauler/disposal company that handles cannabis waste and destruction with full scope and full compliance. Upon the arrival of the cannabis waste hauler (CWS), we will update our Track-and-Trace system with the following information:

- Collection date and time.
- Weight (at pickup) (lbs) of entire load.
- Weight (at pickup) (lbs) of each cannabis product.
- Cannabis product type/information.
- Cannabis batch number/UID.
- Cannabis waste hauler name and business license number, and address of facility/final destination.
- Name, drivers license, and signature of the employee who hauled the cannabis waste.
- Name and signature of Cloud Chaser employee who oversaw the waste pickup.

With all the above information properly recorded, the cannabis waste hauler will destroy the cannabis waste on-site via grinding it and mixing it with non-cannabis material in an appropriate ratio that makes it unusable and unrecognizable. Once this process is completed, they will move the destroyed cannabis waste to their vehicles and off the premises.



→ *The application should include the following information on the proposed location:*

- A. Physical address and a detailed description of the proposed location, including the overall property, building and interior floor plan.**

Our location for Cloud Chaser will be **1408 Park Avenue, Chico, CA 95928**. This address is located on Assessors Parcel Number 055-176-004-000.

The 2030 Chico General Plan identifies our site as a “Commercial Corridor,” and also identifies it as an “Opportunity Site.” It is Zoned CC- COS, -SD8, and has GP designation of CMU.

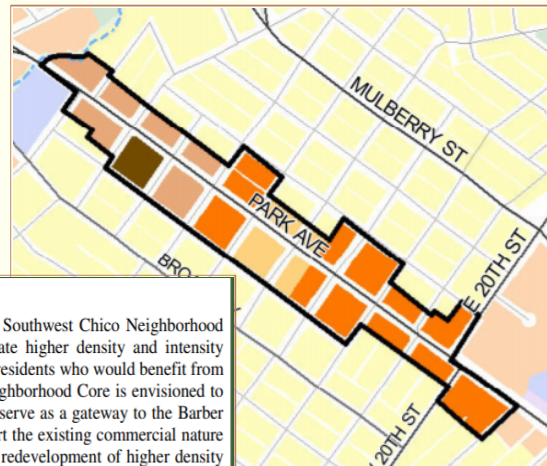
Located nearly half-way between Little Chico Creek and 20th Street this site offers unique opportunities in an area rich with Urban Renewal. The project is located along the active Park Avenue Road Rehabilitation project which will rework the street section to include bikeway paths and dedicated turn lanes.

Across Park Ave to the North a project was recently approved by the Architectural Review and Historic Preservation Board for a complete rebuild of 1297 Park Avenue now that the Jesus Center Shelter has relocated. The location lies on the 2030-General-Plan-Recognized major circulation corridor between the proposed roundabouts at East Park/ West Park and The Midway and Chico's Downtown. This positions the proposed Cannabis Dispensary at a central location that is close to but still separated from the Downtown. It ties into the recent developments of breweries, tap rooms and distilleries that are occurring on "the Wedge" and in "Meyer's District" that front this same circulation corridor.

With the aforementioned rehabilitation of Park Avenue, comes the removal of on-street parking. This proposed project offers some much-needed relief for parking concerns with the proposed parking lot on the north side of Park Ave. The proposal would utilize architectural elements consistent with the proposed building elements across the street and remove a less-than-desirable structure that currently exists on the corner. The proposed lot would present very similarly to the lot that exists at 1st and Main Streets Downtown or at the nearby Sierra Nevada Brewery.

Additionally, the location is well served with BCAG's B-line public transportation and major arterials. Park Avenue is served with 3 of Highway 99s off-ramps. The Skyway/ East Park Avenue Exit serves a large area of properties Zoned Commercial Services (CS) and currently supplement a wide variety of uses from food and beverage to retail to semi-industrial. The 20th Street exit serves the mainstay of Regional Commercial (RC) properties including Sierra Nevada Brewery. The 9th Street/ Highway 32 Exit serves the Downtown. In summary, the proposed location is a clear fit as recognized in the City's General Plan and as represented by current construction and renovation trends in the city.

Park Avenue is the place to be.



6) Park Avenue Opportunity Site

Park Avenue has long been considered an opportunity for redevelopment, and is emphasized prominently in the Southwest Chico Neighborhood Plan. Located immediately south of Downtown and served by transit, this Opportunity Site could accommodate higher density and intensity development. The Barber Neighborhood to the west and the Chapman-Mulberry Neighborhood to the east contain residents who would benefit from added neighborhood-oriented commercial uses. At Park Avenue's intersection with 16th Street, a Mixed-Use Neighborhood Core is envisioned to anchor the Opportunity Site with neighborhood-serving businesses accompanied by residences and offices, and to serve as a gateway to the Barber Yard Special Planning Area. North and south from the core, properties designated Commercial Mixed Use support the existing commercial nature of Park Avenue while allowing flexibility for other uses along the corridor. At the northern end of Park Avenue, redevelopment of higher density housing within the Residential Mixed Use and High Density Residential designations will house residents who will support existing and new commercial uses within the Opportunity Site and in Downtown.

The facility that will serve as our location at 1408 Park Ave. is an outmoded retail storefront building, previously used as an off-brand furniture store. The pictures below shows the public street-facing view of the storefront, as well as the large sign that hangs over it.



As can be seen, the exterior of the retail is in need of a major upgrade, and we plan to do just that! Our exterior plans involve:

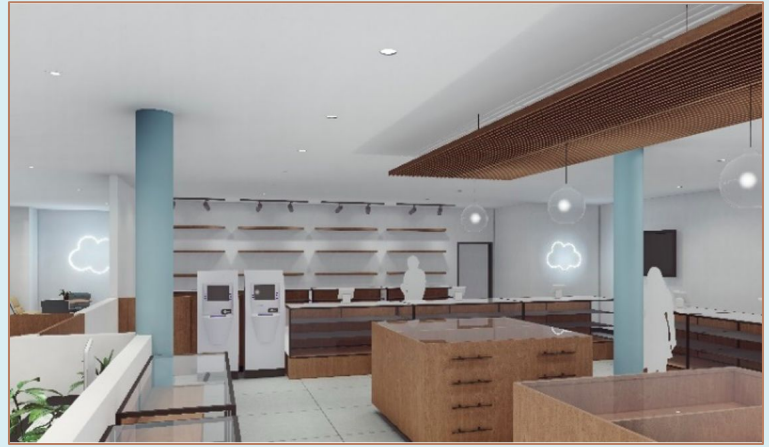
- 1) rehabilitating the sign into a modern, millennial focused design that has a square base, less prominent jut, and new color scheme to match our brand;
- 2) a fully redesigned and shortened awning of finished metal and wood that does not require unsightly support cables;
- 3) refinished window bases and framing of metal and stone;
- 4) finished wood accents added along the lengths of the building façade corners, and
- 5) full exterior repainting in an attractive color scheme.

The rendering here shows a conception of these anticipated renovations.



The rest of the exterior will remain the same, as our building is attached to other buildings in a plaza type structure. The additional businesses in the attached buildings are restaurants, cafes, and other retail outlets. Cloud Chaser does want to address one particular aspect of the exterior, however, which is parking. The lot that is adjacent to our building is ours exclusively and will be used exclusively for our business. This lot includes eleven spots on site and nine spots of street parking. Further there are another six spots are available for intermittent use on the front left part of the building. Since parking is an issue in many areas, we want to ensure that we are certain we always have enough parking available for customers to use.

In an effort to accomplish this, Cloud Chaser will be leasing an additional 23 spots, located directly across the street from our facility. Signage will clearly direct customers to this additional lot parking. As far as the interior of the facility goes, we are renovating the facility for an efficient and compliant operational flow. The current floor plan of the building is essentially blank, as it is. As a used, off-market, and consignment furniture outlet, it is laid out in a walkable open warehouse style. While the current bulky furniture makes the space tight inside the building, on paper, it is fully wide open. No cannabis will ever be visible from the exterior of the facility.



Our interior design plan continues the modern aesthetic that was created on the exterior. These include sleek materials such as wood, polished metal, and glass in equiangular shapes; a bright and clean lighting atmosphere; evenly spaced features throughout the layout; and modern fixtures. The conceptual execution of these design ideas can be seen here.

This may seem problematic as it increases our costs as we have to renovate the entire interior of the facility. However, enabling us to start from scratch like this is a rare opportunity to get the layout exactly right. We will be erecting over 20 walls to create designated rooms that serve specific purposes for our retail storefront operation. The rooms that will be created and their purpose include the following:

- ❑ **Secure ID Screening Lobby:** All customers entering the store will have to present their valid ID in order to be able to access the rest of the customer portions of the facility. This ID check and validation will take place in this Area.
- ❑ **Registration and Waiting Area:** Customers will wait in this area, register as customers via the POS (Customer Profile), peruse educational material and product information, and will be allowed into the Retail Sales Area once the customer-to-employee ratio is small enough.
- ❑ **Education Area:** Customers will be able to engage with staff members, read materials and product information brochures and interact with SEED Tech information platforms.
- ❑ **Retail Sales Area:** Retail sales of cannabis products will take place here.

- ❑ **Express Orders Area:** Customers that have been verified and have placed an order ahead of time for Express Pickup will be able to expeditiously retrieve their orders.
- ❑ **Secure Loading Area:** Retail delivery vehicles will be loaded with product in this secured area, and distribution deliveries of product will be received in this area as well.
- ❑ **Delivery Office:** Retail delivery orders will be processed and fulfilled here, as will the review of distribution delivered product received as it is taken in.
- ❑ **Product Storage Area:** Cannabis product that is being stored for future stock needs is held in this secure area.

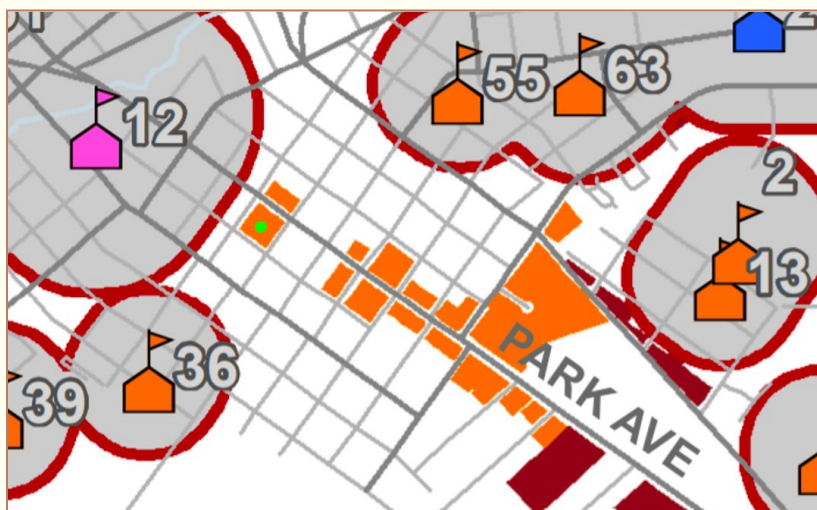
There will also be bathrooms, break rooms, and offices for the daily functioning of the business. Our included Existing and Proposed Floor and Site Plans show all the planned changes.

B. Description of all known nearby State and local sensitive use areas. The cannabis business must have the appropriate zoning and meet all the locational requirements as described in CMC Title 19.75.

The State defines sensitive use areas as “a school providing instruction in kindergarten or any grades 1 through 12, day care center, or youth center” and a cannabis facility must be 600 feet away from any of these locations. For the City of Chico, 1,000 feet for schools teaching grades 6 to 12, and 600 feet for schools teaching grades 1 to 5, as well as kindergarten, day care centers, and youth center.

Our planned site location 1408 Park Ave. is more than 600 feet away from any of these sensitive use areas for the State and local criteria, and more than 1,000 feet on the local criteria. The closest sensitive use areas are:

Institution	Type	Distance Away (in feet)	Rank on City of Chico Sensitive Use List
Chico Country Day Charter	Kindergarten - Grade 8	1254	12
Mi Escuelita Maya	Preschool	1540	36
Little Sprouts Preschool	Preschool	2340	39
Chico Community Children’s Center	Kindergarten - Grade 5	3792	13
Notre Dame Catholic School	Preschool - Grade 8	3940	10
Chapman Elementary School	Kindergarten - Grade 5	4125	27
Sherwood Montessori	Kindergarten - Grade 8	4128	69
Dorothy Johnson Community Center	All Grades	2610	63
Salvation Army Youth Complex	All Grades	1770	55



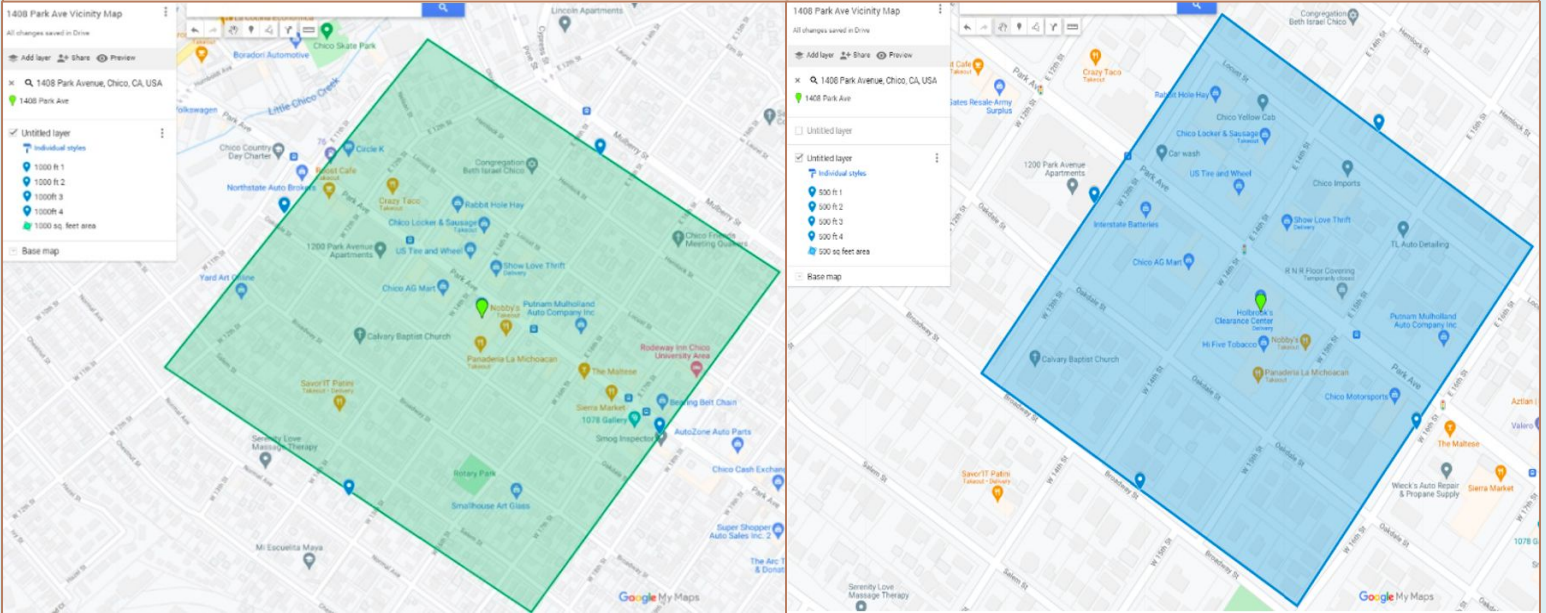
The map here shows the lot of our facility as a green dot in the approved zone, away from all the identified sensitive uses above. The address of our facility is in the CC Community Commercial zone.

C. Proof of ownership, lease agreement, or a “Letter of Intent” to lease.

Please see attached.

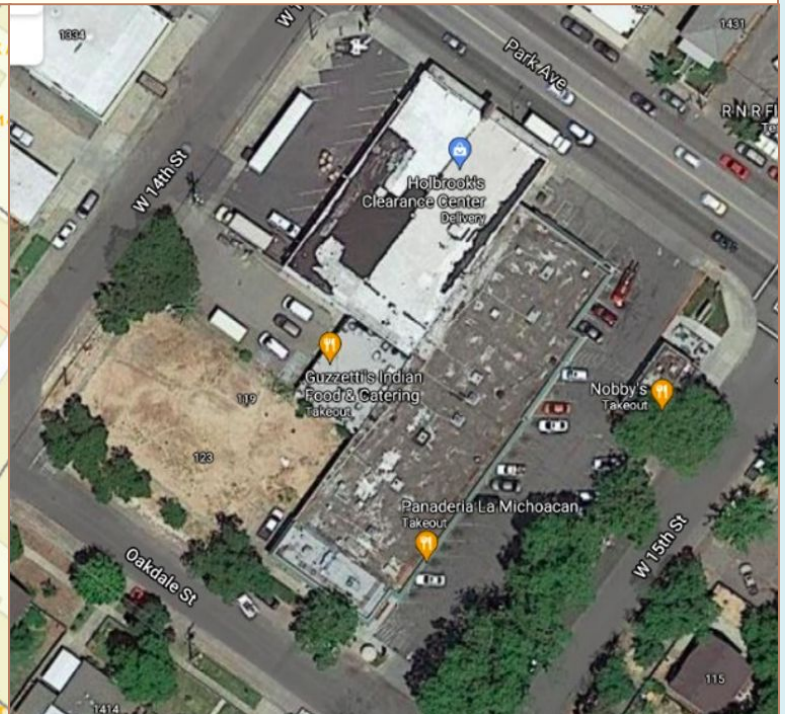
D. Vicinity map.

The vicinity maps below show a 1,000 ft. by 1,000 ft. vicinity square in green and 500 ft. by 500 ft. vicinity square in blue with the businesses in that space shown as needed. The properties in this vicinity largely consist of restaurants and retail sales facilities for industrial needs such as auto parts, guns and ammunition, gas stations, and consignment shops.

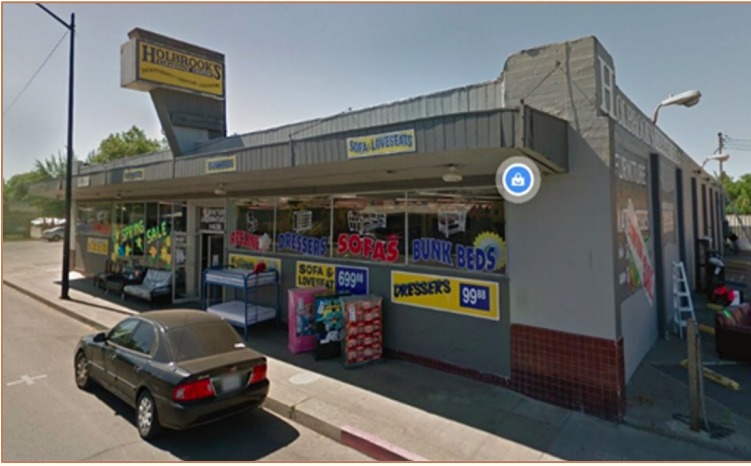


E. Photographs of existing site and buildings on the property.

Please find photographs of the entire site and the buildings that exist on it. The building itself is the only one located on the Parcel (APN: 055-176-004), with additional buildings surrounding it on separate Parcel lots. There are a total of three buildings on the site lot, all attached to each other. Photographs are labeled to reflect these differentiated buildings and lots.



1408 Park Ave (APN: 055-176-004) (Our Site)



1414 Park Ave (APN: 005-176-006)



117 W 14th St (APN: 005-176-003)

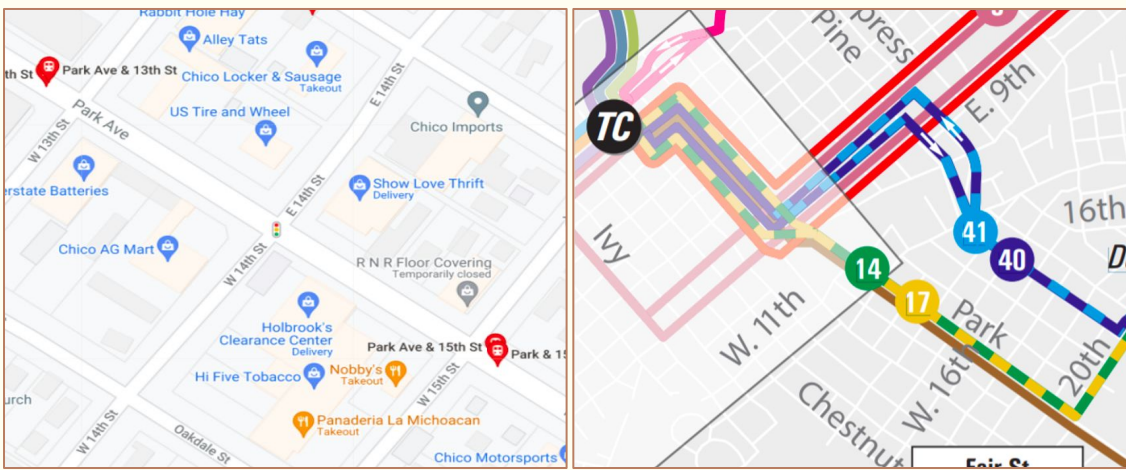


1444 Park Ave (APN: 005-176-007)



F. Evidence that the location has access to public transportation for employees or customers.

1408 Park Ave is positioned between public transit bus stops at Park and 13th to the north and Park and 5th to the south. The Park and 15th stop is 180 feet and Park and 13th stop is 550 feet from our location along Chico bus routes 14, 17, and Butte County route 32. These routes give extremely close access to our facility via public transit for employees and customers.



Further, just a little more north from our location (about half mile) is the Chico Transit Center, where all of the Chico bus routes intersect (bus routes 2, 3, 4, 5, 8, 9, 14, 16, 17, 20, 32, 40, and 41). These are nearly all of the major bus routes that exist in Chico, all connecting only half a mile from our location.

Along and outside these bus routes are bike paths and designated bike zones on streets. Our storefront will feature a 10-space bike rack for those who bike to our location to safely park their bikes while they complete their shopping at our location.

As stated in various sections throughout Cloud Chaser's application here, we will be both subsidizing employee public transit use and bike path use, as well as incentivizing the use of bike paths and public transit for customers through 10% off coupons for those using either method of transportation.

G. Site diagram for each proposed location, including at a minimum:

- Location and dimensions of all buildings and structures – including square footage.
- Location of all parking areas and driveways and means of ingress and egress to the property.
- Uses for all buildings and structures indicated on the site plan.
- If any exterior alterations are proposed for the existing building(s), attach proposed site plans.

Please find attached the Site Plan. There are no proposed exterior construction changes to the existing building, only a façade renovation.

H. Floor diagram for each proposed location, including at a minimum:

- Interior and exterior walls and partitions, entrances and exits, rooms, doorways, and windows.
- Dimensions and square footage of all interior spaces.
- Proposed use of all interior spaces.

Please find attached the Floor Plans.



**CITY OF CHICO
ZONING VERIFICATION FOR
COMMERCIAL CANNABIS STOREFRONT RETAILER**



A Zoning Verification (ZV) must be obtained from the Community Development Department as part of the selection process. The ZV will verify if the submitted site is eligible for commercial cannabis as outlined in Title 19 of the Chico Municipal Code (CMC). All locations shall be subject to a ZV to confirm that the proposed location is properly zoned and meets all the minimum sensitive buffer requirements.

When requesting a ZV, the Applicant will need to show that it either owns the property, signed a lease agreement, or received a letter of "Intention to Lease" from the property owner. ZVs will not be completed over the counter in order to allow for research and review. The review process typically takes approximately ten (10) working days. The ZV cost \$156 and payment is due at the time of application submission.

Important Disclaimer: While this ZV application is part of the process for applying for a Commercial Cannabis Permit, filing of this ZV for and issuance of any determination or preliminary determination is not final until the formal issuance of a permit. The date of submission of a complete application for a Commercial Cannabis Permit shall serve as the date for determination of whether the subject property is properly zoned. Please be advised, however, that the location limitations set forth in CMC Section 19.75.120 may disqualify the proposed commercial cannabis business location as early as the time of submission of a complete Commercial Cannabis Permit application. See "Proximity to Sensitive Uses" below for more information.

Submittal Date: July 15, 2021	Trakit File #: CANNA21-00007
Applicant Name: Chico Flagship LLC; Primary Contact: Marc Breckenridge	Email Address: Breckenridge.marc@gmail.com
Phone Number: (530) 518-9976	
Mailing Address: 679 E 7 th Street, Chico, CA 95928	
Business Location (Address/APN#): 1408 Park Ave (APN 005-176-004-000)	

Community Development Department Comments

Based on the information submitted by the applicant, the following comments are provided:

Land Use Analysis: The property located at 1408 PARK AVENUE (APN 005-176-004-000) is zoned COMMUNITY COMMERCIAL, with Corridor Opportunity Site (COS) and Special Design Considerations (SD8) overlays, per the City's GIS Zoning database. The proposed use at this location is a 'Cannabis Storefront Retailer' land use, which is a **conditional use** subject to a use permit in the CC zoning district pursuant to Chico Municipal Code Section 19.44.020, Table 4-6.

Parking Requirement: The number of required off-street parking spaces for the proposed storefront retail cannabis business shall be consistent with the parking requirements for "Retail stores -- General Merchandise" per CMC Section 19.70.040, Table 5-4 and provide 1 space for each 250 sq.ft. of gross floor area and 1 space for each company vehicle.

The Permit application indicates that the subject parcel for the proposed Cannabis Retailer Storefront use has been developed with an 11,000 square foot commercial building historically used for retail sales of furniture. Eighteen parking spaces are

currently provided onsite. The building would be divided into two commercial suites, with 6,000 square feet dedicated to the cannabis retailer storefront, resulting in a minimum off-street parking requirement of 24 spaces (not including company vehicles). A detailed parking analysis will be conducted as part of the use permit process to verify conformance with the parking requirements.

Proximity to Sensitive Uses: A “sensitive use” includes a school providing instruction in kindergarten or any grades one (1) through twelve (12), a day care center, or a youth center. Per CMC Section 19.75.120, any Cannabis Storefront Retailer must be located at least:

- 1,000 feet from any property containing a school providing instruction in any grades six (6) through twelve (12)
- 600 feet from any property containing a school providing instruction in kindergarten or any grades one (1) through five (5), a day care center, or a youth center with primary youth center activities

Only sensitive uses in existence at the time the City received a Commercial Cannabis Permit application from the proposed Storefront Retailer will be considered when determining whether the proposed commercial cannabis business location is properly zoned and meets all the minimum sensitive buffer requirements. A sensitive use is in existence at the time of the City’s receipt of a complete Commercial Cannabis Permit when: (a) the sensitive use is open and operating; (b) the sensitive use has a Chico City Business Tax Certificate for the specific location; or (c) the sensitive use has submitted a Business Tax Certification application to the City for the specific location and is undergoing construction or improvements.

Per CMC Section 19.75.120.B(2), distances specified in this section shall be the horizontal distance measured in a straight line from the property line of the sensitive receptor to the closest property line of the lot on which the commercial cannabis business is located, without regard to intervening structures.

In accordance with CMC Section 5.42.120.B, no Cannabis Storefront Retailer use shall be located within 1,000 feet of another Cannabis Storefront Retailer. In the event that two or more applications for Cannabis Storefront Retailer uses are submitted and are under consideration simultaneously for locations within 1,000 feet of each other, all applications may continue to be considered until final award of a Commercial Cannabis Permit and Use Permit. However, final award of a Use Permit by the Planning Commission may not allow Cannabis Storefront Retailer uses to be located within 1,000 feet of each other.

Currently, there are no Commercial Cannabis Storefront Retailer uses existing within 1,000 feet of the proposed site. However, two other applications for Cannabis Storefront Retailer uses have been submitted for commercial sites at 14th Street and Park Avenue, within 1,000 feet of the proposed site.

Conclusion: At the time of staff’s analysis of the location proposed for the Cannabis Storefront Retailer use, no known sensitive uses were identified within the minimum buffer distances of “1,000 feet from a school providing instruction in any grades six (6) through twelve (12), and 600 feet from a school providing instruction in kindergarten or any grades one (1) through five (5), a day care center, or a youth center with primary youth center activities.”

Sensitive uses existing at the time of submission of a complete application may be identified through all applicable hearing and appeals processes, and if a sensitive use is determined to have been present prior to the date of application, the application will be deemed disqualified from siting at such location.

Regulations and Requirements:

The proposed Storefront Retailer business is subject to all applicable State, County, Chico Municipal Code, and local regulations. Below is a summary of the general and use-specific operating standards and requirements for a Commercial Cannabis Storefront Retailer use from Chico Municipal Code Sections 5.42 and 19.75. **PLEASE REVIEW BOTH ORDINANCES IN THEIR ENTIRETY TO ENSURE A COMPLETE UNDERSTANDING OF THE CITY OF CHICO’S COMMERCIAL CANNABIS RULES AND**

REGULATIONS. You will be held to the standards as stated in the Chico Municipal Code. The proposed commercial cannabis use is subject to any future amendments to the City's Municipal Code.

Per the City's Municipal Code (Section 19.75.130), all commercial cannabis uses shall be operated in compliance with the following general standards:

- A. Permit Required:** All commercial cannabis businesses shall obtain and maintain a Commercial Cannabis Permit issued by the City of Chico pursuant to Title 5.42.
- B. Compliance with City, Local and State Laws.** All commercial cannabis businesses shall comply with the standards set by State law, regulations and policies, and all city codes and resolutions, as well as any applicable requirements of the County of Butte.
- C. Access Limited.** For all commercial cannabis businesses, the general public is only allowed to access those areas of the premises which are identified in the site plan included with the Commercial Cannabis Permit as being open to public access. Only agents, applicants, managers, employees, and volunteers of the commercial cannabis permittee and agents or employees of the City, or other governmental agency are allowed in non-public access areas.
- D. Hours of Operation:**
 - a. Retailer-Storefront and Retailer-Delivery businesses may operate no earlier than 8:00 a.m. and no later than 9:00 p.m., unless otherwise more restrictive hours are stated in a Use Permit for such location, or unless zoning regulations specify more restrictive hours.
 - b. Manufacturers, distributors and testing laboratories may only accept commercial traffic to and from the premises between 8:00 a.m. and 7:00 p.m., unless zoning regulations specify more restrictive hours.
- E. On-site Consumption Prohibited:** Cannabis shall not be consumed by anyone on the premises in any form at any commercial cannabis business, unless explicitly authorized by a City ordinance, resolution, rule, regulation and/or pursuant to explicit terms of a Commercial Cannabis Permit, or City-approved Conditional Use Permit or Development Agreement.
- F. Visibility:** No manufacturing process, testing methodology, storage, or loading/unloading cannabis or cannabis products, shall be visible from the exterior of any premises issued a Commercial Cannabis Permit. No cannabis or cannabis products shall be visible on part of any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.
- G. Inventory Tracking:** Each commercial cannabis business shall have in place and at all times of operation of the business operate a point-of-sale or management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the City. The commercial cannabis business shall ensure that such information is compatible with the City's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Manager or designee prior to being used by the permittee and be the same system as specified in their commercial cannabis business permit.
- H. Compliance with California Law:** All cannabis and cannabis products sold, tested, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the State of California and local regulations. All activities related to the purchase, sales, delivery, distribution, cultivation, testing, and manufacture of cannabis or cannabis products shall be conducted in conformity with state law.
- I. Contact Information:** Each commercial cannabis business shall provide the City Manager with the name, telephone number (both landline and mobile) of an on-site manager or owner to whom emergency notice may be provided at any hour of the day.
- J. Signage and Notices:**
 - a. In addition to the requirements otherwise set forth in this section, or as a term or condition imposed in a Use Permit, business identification signage for a commercial cannabis business shall conform to the requirements of state law and the City of Chico City Code,

including, but not limited to, the requirements for a City sign permit, or applicable zoning laws regulating signs.

- b. Each commercial cannabis business premises shall be visibly posted with clear and legible notices indoors indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.

K. Age Restrictions:

- a. Persons under the age of twenty-one (21) years shall not be allowed on the premises of a commercial cannabis business except as allowed under California law.
- b. Persons under the age of twenty-one (21) years shall not be allowed to serve as a driver for a delivery service, except as allowed under California law pertaining to sales of cannabis for medicinal use.
- c. It shall be unlawful and a violation of this Chapter for any person to employ any person at a commercial cannabis business who is not at least twenty-one (21) years of age.

L. Odor Control.

- a. Odor control devices and techniques shall be incorporated as needed in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site.
- b. Commercial cannabis businesses shall provide a sufficient odor control devices and techniques, including but not limited to an odor absorbing ventilation and exhaust system utilizing air scrubbers or charcoal filtration systems, so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, at any adjoining use of the property not part of the commercial cannabis premises, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business.
- c. Commercial cannabis businesses shall install and maintain the following equipment, or other equipment which the City Engineer or Public Works Director or Building Official determines is a more effective method or technology, to address such odor control:
 - i. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
 - ii. An air system that creates negative air pressure between the commercial cannabis business's interior and exterior, so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.
- d. All exhaust ventilation equipment is required to be appropriate for the use involved and must comply with the California Fire and Mechanical codes.

M. Display of Permit and City Business Tax Certificate. The original copy of the Commercial Cannabis Permit issued by the City pursuant to this Chapter, the City issued business license, and the state-issued Seller's Permit, shall be posted inside the commercial cannabis business in a location readily-visible to any City, County or State employee, official, or agent authorized to enforce the City's Code, or applicable cannabis-related laws.

N. Loitering Prohibited. The permittee of a commercial cannabis business shall prohibit loitering by persons outside on the premises, and is required to enforce same within its premises and adjacent public areas, including cooperating with the City's law enforcement agency dispatched to enforce same. The placement and use of no loitering signage shall be included as part of any application submittal, and depicted on a business or operational plan.

O. Permits and other Approvals. Prior to the operation of a commercial cannabis business, the person intending to establish a commercial cannabis business must first obtain all applicable planning, zoning, building, and other applicable permits and approvals from the relevant City or County department or division which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate.

P. Adherence to Operating Procedures. Permittees shall adhere to all applicable operating procedures, including those submitted as part of the initial application process, and pursuant to those established in applicable State of California laws, regulations, and policies.

- Q. Compliance with Disability Regulations.** This Chapter does not exempt a commercial cannabis business from complying with all applicable local, State and federal laws and regulations pertaining to persons with disabilities.
- R. Non-Discrimination.** No commercial cannabis business may discriminate or exclude patrons in violation of local, State and federal laws and regulations.
- S. Contact Information.** Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial cannabis business shall also provide this information to all businesses and residences located within 300 feet of the commercial cannabis business.
- T. Coordination Meetings.** The owner, manager, and community relations representative from each commercial cannabis business holding a Commercial Cannabis Permit shall, if requested by the City Manager or designee, attend a quarterly meeting with the interested parties to discuss costs, benefits, and other community issues arising as a result of implementation of this Chapter.
- U. Security Plan:** Each business shall maintain on file with the City a security plan.
- V. Restriction on Alcohol and Tobacco Sales, Dispensing or Consumption:** No person shall cause, allow, or permit the sale, dispensing, or consumption of alcoholic beverages or tobacco products on or about the premises of a commercial cannabis business, except as allowed under state law.
- W. Restriction of On-site on Consumption:** No person shall cause, allow, or permit the consumption of cannabis on-site of any commercial cannabis business.

Per the City's Municipal Code (Section 19.75.140), Storefront Retailer businesses which sell commercial cannabis as a component of the use shall be operated in compliance with the following use-specific standards:

- A. On-site Supervision:** All commercial cannabis storefront retailers shall have a manager on the premises at all times during hours of operation.
- B. Delivery Services.** Storefront retailers also providing delivery shall comply with the operational requirements pertaining to Retailer – Delivery Only businesses in Section 19.75.150.
- C. Site Access.** Entrances into the retailer storefront shall be controlled at all times with either security personnel or electronic/mechanical entry system. Adult use storefront retailers without medicinal cannabis sales shall verify the age of all customers to ensure persons under the age of 21 are not permitted on the premises. Adult use medicinal sales storefront retailers shall verify the age and possession of valid doctor's recommendation of all customers to ensure persons under the age of 18 are not permitted on the premises.
- D. Medicinal Cannabis.**
 - a. Commercial cannabis storefront retailers selling medicinal cannabis shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of 18 years and that the potential customer has a valid doctor's recommendation;
 - b. Verify the identity and age of the qualified patient, primary caregiver, or customer receiving cannabis or cannabis products from the delivery only retailer; and
 - c. If a medicinal cannabis transaction,
 - i. Verify the validity of the qualified patient's recommendation from a physician to use cannabis for medicinal purposes or primary caregiver's status as a primary caregiver for the particular qualified patient, and
 - ii. Maintain a copy of the physician recommendation or Identification Card, as described in Health and Safety Code Sections 11362.71 through 11362.77, as may be amended from time to time, at its permitted business location for a period of not less than seven (7) years.
- E. Physician Evaluations Prohibited:** No physician shall be allowed at any time to evaluate patients or customers for the issuance of a medicinal cannabis recommendation or medicinal cannabis identification card where applicable.

F. Complimentary Promotions Prohibited. A non-medicinal cannabis storefront retailer may not give away, or donate specific devices, contrivances, instruments, or paraphernalia necessary for consuming cannabis products, including, but not limited to, rolling papers and related tools, pipes, water pipes, and vaporizers. A storefront retailer may not give away samples or cannabis products free of charge.

G. Required Notifications. All cannabis storefront retailers shall notify qualified patients, primary caregivers, and customers (verbally or by written agreement) and by posting of a notice or notices conspicuously in at least 15-point type within the permitted premises that state the following:

- a. "The sale or diversion of cannabis or cannabis products without a permit issued by the City of Chico is a violation of State law and the Chico City Code."
- b. "Secondary sale, barter, or distribution of cannabis or cannabis products purchased from a permittee is a crime and can lead to arrest."
- c. "Patrons must not loiter in or near these premises and may not consume cannabis or cannabis products in the vicinity of this business or in any place not lawfully permitted. These premises and vicinity are monitored to ensure compliance."
- d. "Warning: the use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate heavy machinery."
- e. "CALIFORNIA PROP. 65 WARNING: Smoking of cannabis and cannabis-derived products will expose you and those in your immediate vicinity to cannabis smoke. Cannabis smoke is known by the State of California to cause cancer."

H. Location of Products. All cannabis concentrate inhaled products, including but not limited to, dabs, shatter, budder, wax, and butane hash oil, shall be stored behind the retail counter and out of the reach of customers at all times except when being handled by an employee during a sales transaction.

I. Added Artificial Flavor Prohibited. Retailers shall not sell cannabis products which contain an added characterizing flavor. For purposes of this Chapter, "characterizing flavor" means a taste or aroma, other than the taste or aroma of cannabis, imparted either prior to or during consumption. This includes, but is not limited to, tastes or aromas relating to food or drink of any sort; menthol; mint; wintergreen; fruit; chocolate; vanilla; honey; candy; cocoa; dessert; alcoholic beverages; herbs; or spices. Flavor agents consisting of terpenes of cannabis shall not be considered an added characterizing flavor. Such prohibition shall not apply to cannabis products which are manufactured as edible or topical products.

J. Educational Materials. A cannabis storefront retailer shall provide written educational materials to all customers:

- a. Regarding each product sold, with information regarding the name and type of product, instructions for use, and expected effects.
- b. Regarding all edible cannabis products and cannabis concentrate products sold to a customer, which shall include information on safe storage and use of the product, warnings against child access and exposure to the product, and warnings of potential side effects concerning brain development of individuals under the age of twenty-five years and potential harm to pregnant women.

K. Training Required: A cannabis storefront retailer shall require all employees who interact with public customers, as well as all management staff, to complete training to ensure competency of employees for their assigned functions within the first year of the retailers' first year of operation, and within one year of each employee's hire date thereafter. The retailer shall maintain records showing completion of each employee's training for a period of two years and provide such records to the City Manager or his/her designee upon request.

Failure to comply with any requirement imposed by the provisions of the Chico Municipal Code (or successor provision or provisions), including, but not limited to, any rule, regulation, condition or standard, or any term or condition imposed on a Commercial Cannabis Permit or entitlements or Use Permit, or any provision of State law are grounds for revocation of a Commercial Cannabis Permit. Violation of the Chico Municipal Code may be prosecuted as a citation or misdemeanor.

* * * * *

Comments Provided by: KELLY MURPHY, PLANNER, 879-6535, Kelly.murphy@chicoca.gov

Date: August 19, 2021

Distribution of Completed Review:

Applicant

Community Development Department (File, Electronic)

City Manager's Office



COMMUNITY DEVELOPMENT DEPARTMENT

411 Main Street - 2nd Floor PLANNING
P.O. Box 3420 (530) 879-6800
Chico, CA 95927 Fax (530) 895-4726
<https://www.chicoca.gov>

August 17, 2021

Re: **Commercial Cannabis Permit 21-07 (CANNA21-00007): 1408 Park Avenue (APN 005-176-004-000)**. A request for a Commercial Cannabis Permit to establish a commercial cannabis storefront retailer use in the Community Commercial (CC) zoning district.

In accordance with Chico Municipal Code (CMC) Chapters 5.42 (Commercial Cannabis Permits) and 19.75 (Cannabis Regulations), Planning staff has conducted a zoning verification for the above referenced commercial cannabis permit submitted on **July 15, 2021**. Staff has also reviewed the proposed storefront retailer location for consistency with the location limitations as set forth in the Code.

General Plan & Zoning Code Consistency

The proposed use would be located on a commercial site designated Commercial Mixed Use on the General Plan land use diagram and zoned Community Commercial (CC). The site has been developed with an 11,000 square foot commercial building historically used for retail sales of furniture. Commercial cannabis storefront retailers are an allowed land use subject to use permit approval in the CC zoning district per CMC Section 19.44.020.

Surrounding land uses include a variety of commercial retail and service uses along the Park Avenue corridor including restaurants, auto repair and vehicle sales. Several multi-family apartments and single-family residences also exist in the greater vicinity, east and west of Park Avenue.

Location Limitations

A “sensitive use” includes a school providing instruction in kindergarten or any grades one (1) through twelve (12), a day care center, or a youth center. Per CMC Section 19.75.120, any Cannabis Storefront Retailer must be located at least:

- 1,000 feet from a school providing instruction in any grades six (6) through twelve (12), and
- 600 feet from a school providing instruction in kindergarten or any grades one (1) through five (5), a day care center, or a youth center with primary youth center activities.

Only sensitive uses in existence at the time the City received a Commercial Cannabis Permit application from the proposed Storefront Retailer will be considered when determining whether the proposed commercial cannabis business location is properly zoned and meets all the minimum sensitive buffer requirements. A sensitive use is in existence at the time of the City’s receipt of a complete Commercial Cannabis Permit when: (a) the sensitive use is open and operating; (b) the sensitive use has a Chico City Business Tax Certificate for the specific location; or (c) the sensitive use has submitted a Business Tax Certification application to the City for the specific location and is undergoing construction or improvements.

Pursuant to CMC Section 5.42.120, no cannabis storefront retailer shall be located within 1000’ feet of another cannabis storefront retailer. At this time, there are no existing commercial cannabis storefront retailers located within 1,000 feet of the proposed site. However, two other applications for cannabis storefront retailer uses have been submitted for commercial sites at 14th Street and Park Avenue, within

1,000 feet of the proposed site. See CANNA21-00023 (1441 Park Ave); CANNA21-00025 (1414 Park Ave).

Proximity to Sensitive Uses – Analysis

1. Review of GIS database & Draft Sensitive Use List

Chico Country Day Elementary School (#12): The proposed site is located approximately 1,200 feet southeast of Chico Country Day Elementary School, 102 W. 11th Street.

Mi Escuelita Maya Preschool (#36): The proposed site is located approximately 1,400 feet north of this preschool school, 1455 Chestnut Street.

GIS database search:

- Turn on Layer: Planning Information → Use Permits
 - No use permits relevant to this zoning verification were identified in the vicinity.
- Turn on Layer: Planning Information → Daycares
 - LFDC permit 00-01 issued for adjacent residential property at 1427 Normal Avenue (greater than 600 feet from proposed storefront retailer location)

2. Google aerial survey – keyword search:

‘Youth center’ – No results shown nearby.

‘Daycare’ – Mi Escuelita Maya Preschool, 1455 Chestnut Street (approx. 1,400’ from proposed

site)

‘Karate’ – No results shown nearby.

‘Dance studio’ – No results shown nearby.

‘School’ – Chico Country Day Elementary School (approx. 1,200’ from proposed site)

Per CMC Section 19.75.120.B(2), distances specified in this section shall be the horizontal distance measured in a straight line from the property line of the sensitive receptor to the closest property line of the lot on which the commercial cannabis business is located, without regard to intervening structures.

3. Other Departmental and Agency Coordination

- Dept. of Social Services -- Community Care Licensing Division, 520 Cohasset Rd #170, Chico, CA 95926, (530) 895-5033
 - 8/17/21 email to Licensing Program Analyst (LPA), Kirk Marks (707) 291-8399, kirk.marks@DSS.ca.gov
 - Staff inquired about permits/licenses filed for daycare facilities within 600 feet of the proposed storefront retailer location.
 - Search results confirmed a license has been issued for a preschool at 102 W. 11th Street. No licenses on record for 1427 Normal Avenue.

Conclusion: At the time of staff’s analysis of the location proposed for the Cannabis Storefront Retailer use, no known sensitive uses were identified within the minimum buffer distances of “1,000 feet from a school providing instruction in any grades six (6) through twelve (12), and 600 feet from a school providing instruction in kindergarten or any grades one (1) through five (5), a day care center, or a youth center with primary youth center activities.”

Sensitive uses existing at the time of submission of a complete application may

be identified through all applicable hearing and appeals processes, and if a sensitive use is determined to have been present prior to the date of application, the application will be deemed disqualified from siting at such location.