Presentation 1

Guadalupe City Council

Conditional Use Permit for Central Coast Processing

Presented by
Bill Scott, Contract Planning Consultant
Guadalupe City Planning Department
October 25, 2022

Project Description

- Conditional Use Permit 2022-034-CUP for Central Coast Processing.
- Re-use of existing Building for cannabis distribution, cultivationprocessing, and manufacturing.
- Property in G-I (General Industrial)
 Zone at 151 Obispo Street.

Aerial Site and Vicinity Photo



Site -151 Obispo St.



Facility Operations

- 1. <u>Distribution</u>: (a) Move cannabis and cannabis products between cultivation and manufacturing locations, (b) cannabis storage; and (c) move cannabis to retail locations.
- 2. <u>Cultivation Processing</u>: drying, trimming and bulk bagging.
- 3. Manufacturing: Use of non-volitale methods to extract concentrates and cannabis packaging for retail sales.

Site

6.2-acres;

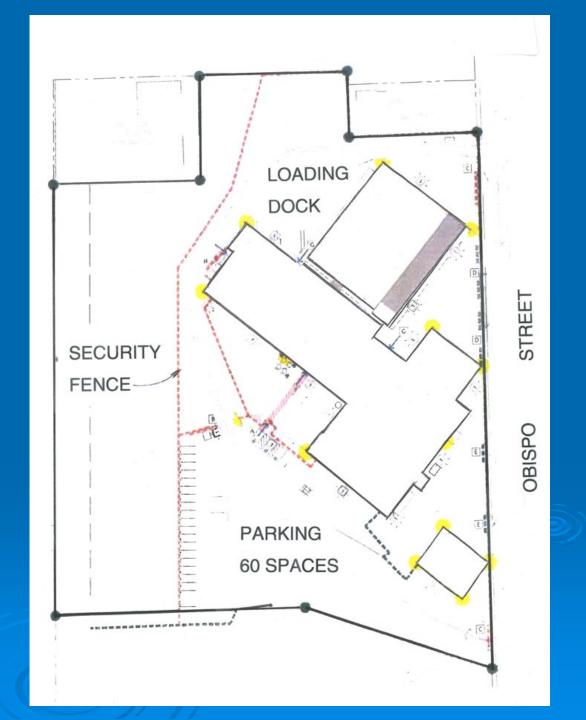
Mostly paved;

Building = 60,920 S.F. (Formerly Obispo St. Cooling);

Six exist. driveways from Obispo Street;

Site enclosed w/ 6' Security Fencing;

Add 60 parking spaces.



Project Issues

- 1) Neighborhood Compatibility; and
- 2) Regulatory Compliance

Implemented or Enforced by:

- a) Conditions of Approval
- b) Applicable City/State regulations
- c) Applicant's Operations Plan

 All are consistently aligned together

Security

Condition # 35, List Includes:

- Security Fencing:
- > Cameras:
- > Lighting:
- Ms. Jillian Collins will elaborate a bit more.

Odor Control

Condition #39, List Includes:

- Operational Measures:
- Building/Structural Measures:
- Community Contact:

Mr. Travis Nichter will elaborate a bit more.

Noise

Industrial Noise Sources:

Outdoor Mechanical Equipment: Air Handlers on east side of building enclosed to muffle noise.

Outdoor Activities: Loading and Delivery – deliveries from 6:00 am to 6:00 pm. Noise Report concluded: location of loading dock = negligible noise impacts.

Loading Dock



Traffic/Circulation

Driveways: Four of the six Driveways on Obispo Street will be used by the project.

Vehicle Trip Decrease: 174 total vehicle trips - fewer than 297 daily trips from the previous use & fewer truck deliveries.

Traffic Reduction Measures (TRM)

Implement measures to encourage bus and other alternative transit methods.

Truck Access route: Provided for neighboring industrial business (Cond. #42 - LLA).

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Taylor Farms Receiving



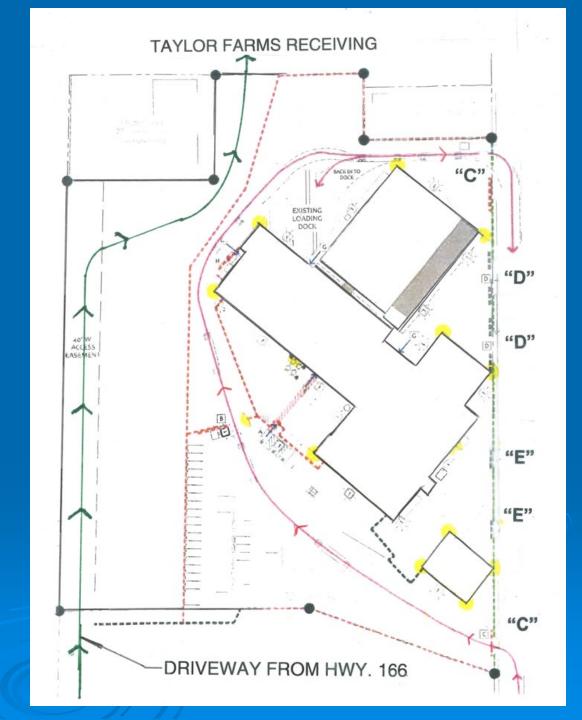
Driveway Usage

Main Entrance & Main Exit Driveways "C"

Secondary – Two Driveways "D"

Closed – Two Driveways "E"

Taylor Farms Access:
Direct From Highway
166 (Main Street) to
Taylor Farms Receiving





Zoning Code Conformance

- Driveways: Paved to City Standards i.e., Main Driveway "C" (Section 18.60.020(J).
- Parking: 60 spaces required 60 provided (Section 18.60.020(D).
- Fencing: Fence Design and Maintenance (Section 18.52.123 & 125) repair/maintain barbed wire – no razor wire.
- Landscape: (18.64.020) Landscape Plan meets "purpose" (Site mostly paved).

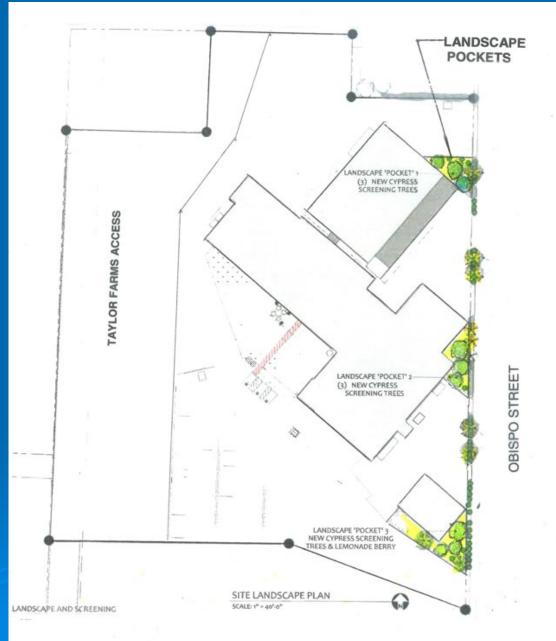
Landscape Plan

Internal Site
Landscaping Not
Practical.

Site Mostly Paved for Industrial Trucking.

Site Secured by Fences – No Public Access/Visibility.

Thus, Landscape only on visible street side of building.



Environmental Findings

- Existing building: (interior remodel, small canopy enclosure, new doors, exterior refurbish, repaint).
- No increase in traffic: CEQA Report concluded: Projected *reduction* in daily vehicle trips from the previous use.
- No Adverse Impacts: Project design and conditions ensure potential noise and odor impcts are contained and are less than significant.

Regulatory Compliance

- Project meets Municipal Code Chapter 9.22 (cannabis ordinance).
- Project conforms to applicable provisions of Title 18 (Zoning Ordinance).
- Operations to comply with State Licensing requirements for all processing, distribution and manufacturing activities.
- Furthermore: Operations and Management Plan to be implement by the owners.

In Summary:

Project supports General Plan objectives to re-use existing an underutilized infill property where City Services are already in place.

Will Employ 40 workers per shift and provide other economic "spinoff" benefits in support of General Plan Economic Element objectives.

Project includes design measures to ensure compatibility with neighboring properties.

As designed and conditioned expected to be a good neighbor and an asset to the City.

CEQA COMPLIANCE

As noted, the project involves reuse of an existing facility with no intensification of use over the previous use.

Exempt from CEQA: Class 1 Exemption prepared (Exhibit 1) – Re-use and Operation of an existing facility, CEQA Section 15301.

Recommendation:

It is recommended that the City Council:

Adopt Resolution 2022-093 to approve:

Conditional Use Permit 2022-034-CUP for Central Coast Processing, LLC.

Questions?

Central Coast Processing, LLC

151 Obispo St., Guadalupe, CA

Integrated & Expert Cannabis Operators









Chris Bellamy

Entrepreneur and owner of multiple successful companies; La Purisma golf course (Golf Magazine Top-100), The Mission Club, Protek Lending and the California Wine Festival. Educated from top-tier institutions with a Bachelor of Science from UC Santa Barbara, and a Masters in Real Estate Development from USC, Marshall School of Business.

Sean Hecht

Strategic funding partner of Hecht Family Office. Philanthropic community member in Santa Barbara, supporting local youth initiatives and nonprofit endeavors. Board Member of Sangham Foundation; generally gives preference to small and medium size grassroots organizations that demonstrate leadership, organizational capability and a clear plan for positive change with the protection of water resources and improving water quality; and improving the lives of children.

Bryce Nichter

Bachelor's in Biology and Environmental Studies at UC Santa Cruz. Over the past decade, Bryce has acted as the primary developer in multiple Cannabis Real Estate, Cultivation, and Manufacturing projects. Bryce developed over 25 cultivation facilities. co-managed 1.25 Million square feet of cultivation, manufacturing, and distribution facilities, and consults several international Cannabis and CBD funds.

Travis Nichter

Technical and biological expertise reinforced by a Bachelor of Science in Physical Science, Chem/Bio, along with a Minor in Biology (Pre-Med) located in Suffolk University (Boston, MA).

For more than a decade Travis has owned, developed, and managed large-scale commercial cannabis real estate and tenants. He has extensive experience with low-cost material procurement, retrofitting, management, development, construction, and development of best-in-class agribusinesses.

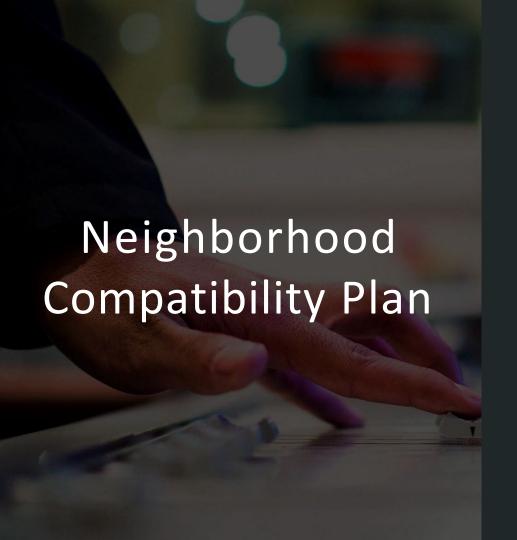




- Distribution (Type 11), Cultivation (Processing-only, Manufacturing Type 6 (Non-volatile solvent extraction)
- 2. Transportation of crop materials from local farms
- 3. Dry Cure
- 4. Processing
- 5. Bulk Packaging
- 6. Finished Product transferred back to farms

Milestones



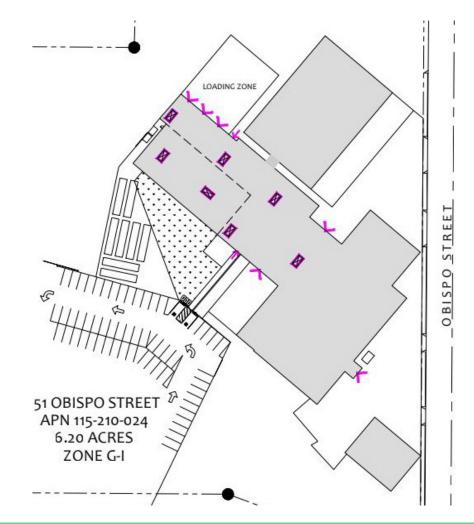


- 1. Traffic Plan
 - a. Transport Vehicles
 - o. Employees
- 1. Odor Mitigation
 - a. State of Art System
 - b. Odor Filtration measures
- 2. Safety Plan
 - a. 24-hours Security Personnel
 - b. Building Safety Practices
 - c. Fire Protection Plan
 - d. Health & Safety Codes
 - e. Employee Trainings

Proposed Traffic Circulation & Security Plan



Odor Mitigation

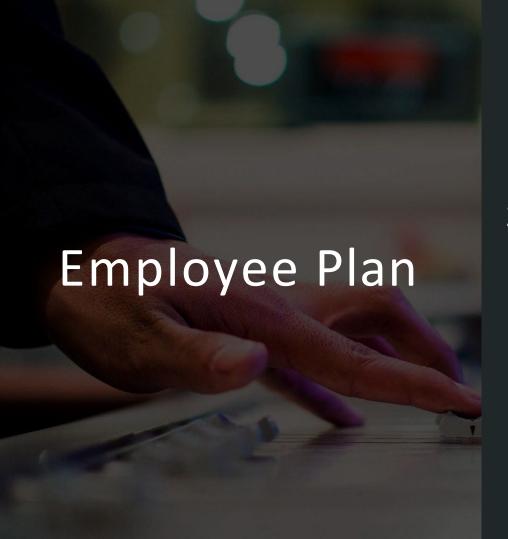




- In place of Condition #26 Sidewalk on Obispo St.
- Section 4.2.1 of Bicycle &
 Pedestrian Master Plan
 does not require sidewalks
 along Obispo St. industrial
 parcels

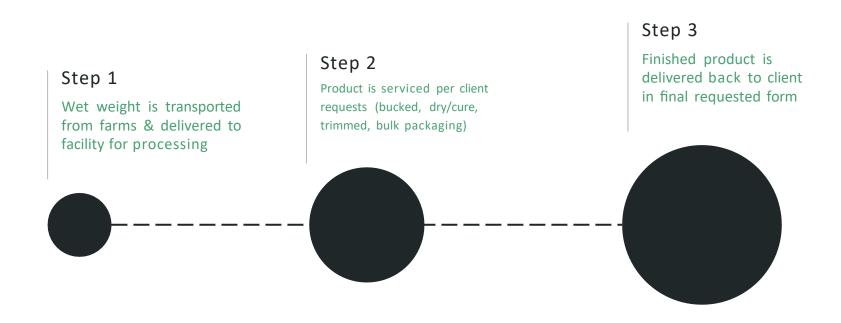
Landscape Screening Plan



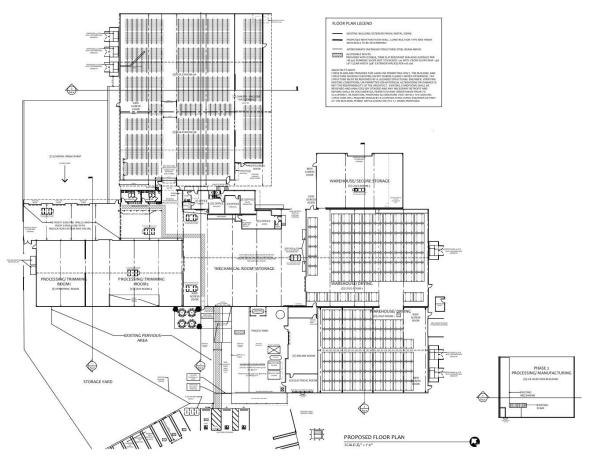


- 1. Local Hiring Initiatives
- 2. (2) Employee Shifts
 - a. 6am-6pm
 - b. 40 Employees per shift

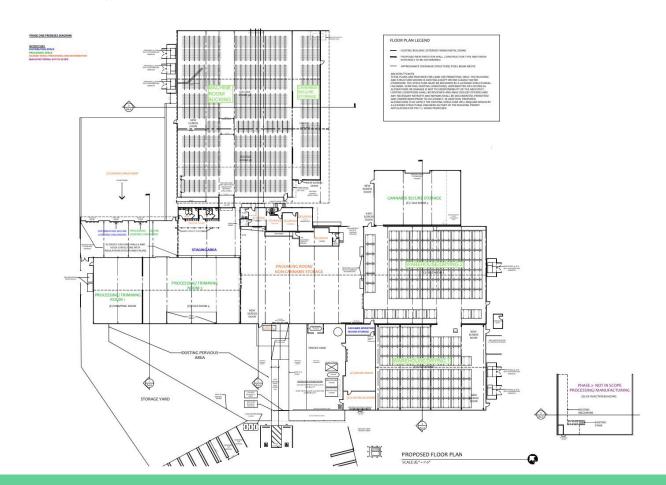
How it Works



Proposed Floor Plan



Proposed Compliance Path of Travel





- l) Ice Water Hash Rosin: A process that places the dried material into filter bags and then immerses them in cold water. The resinous trichomes (resin glands of the plant where the cannabinoids are located) are then scooped out and placed in freeze dryers to evaporate the moisture. This creates "bubble hash" a solventless concentrate that is extracted via ice water. The hash is put into pressure and heat which presses out the cannabinoids which are collected in parchment paper.
- 2) <u>Distillate</u>: Central Coast Processing will obtain bulk cannabis oil from others. The cannabis oil is produced with an ethanol process. The oil will be placed in a rotary evaporator which spins off the oil and heats it up (to approximately 150 degrees) so that approximately 99% of the ethanol is removed from the oil. The remaining oil is run through a distillation machine several times, each pass pulls off additional fats and terpenes leaving "distillate". Distillate will be used to fill cartridges.



5 CORE GOALS

- 1. Operational Excellence
- 2. Economic Vitality
- 3. Healthy Community
- 4. Strong & Secure Neighborhoods
- 5. Connected Community

THANK YOU!

Q&A

CITY OF GUADALUPE

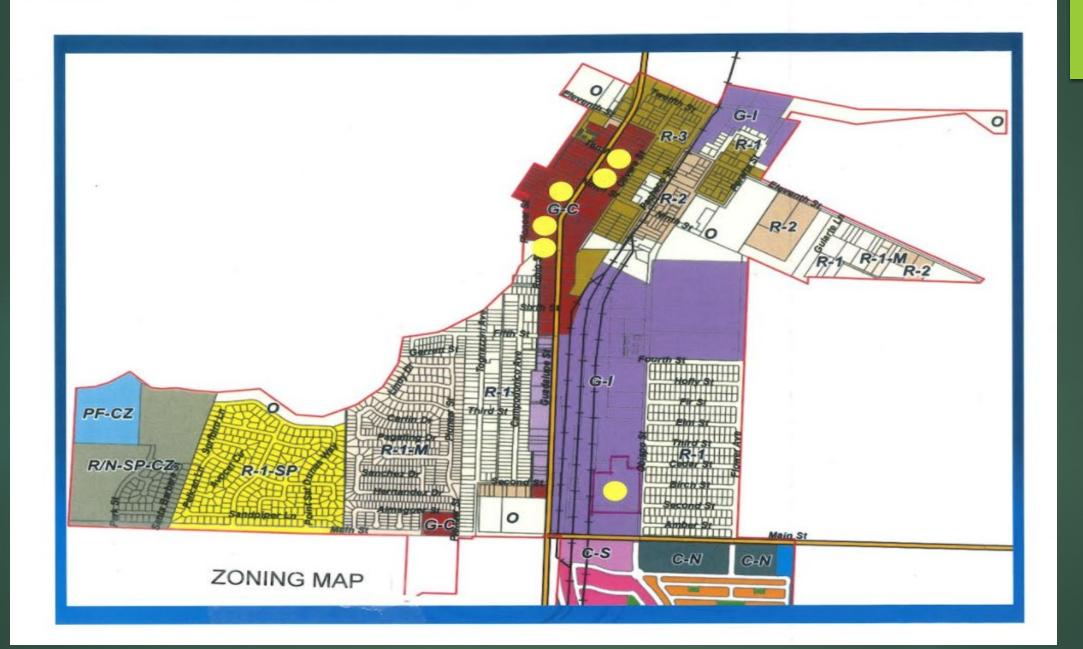
2022-034-CUP: 151 OBISPO STREET

OCTOBER 25, 2022



TODAY'S PURPOSE: CANNABIS USES DISCUSSION

- ► TONIGHT'S HEARING IS TO ADDRESS THE APPILCANT'S REQUEST FOR CUP. COMMERICAL CANNABIS BUSINESS PERMITS (CCB) WILL BE APPPROVED AT A LATER DATE
- ► THE APPLICANT HAS REQUESTED THREE CANNABIS USES: CULTIVATION PROCESSING, DISTRIBUTION (CA TYPE 11) AND FUTURE MANUFACTURING (CA TYPE 6))
- ► THESE USES ARE ALLOWED IN THE GENERAL INDUSTRIAL (G-1) ZONING DISTRICT
- ► THE EXISTING STRUCTURE WILL NOT BE EXPANDED, IMPROVEMENTS WILL BE LIMITED TO INTERIOR RENOVATIONS AND EXTERIOR AESTHETICS
- ► THE PROJECT QUALIFIES AS A CLASS 1 CATEGORICAL EXEMPTION



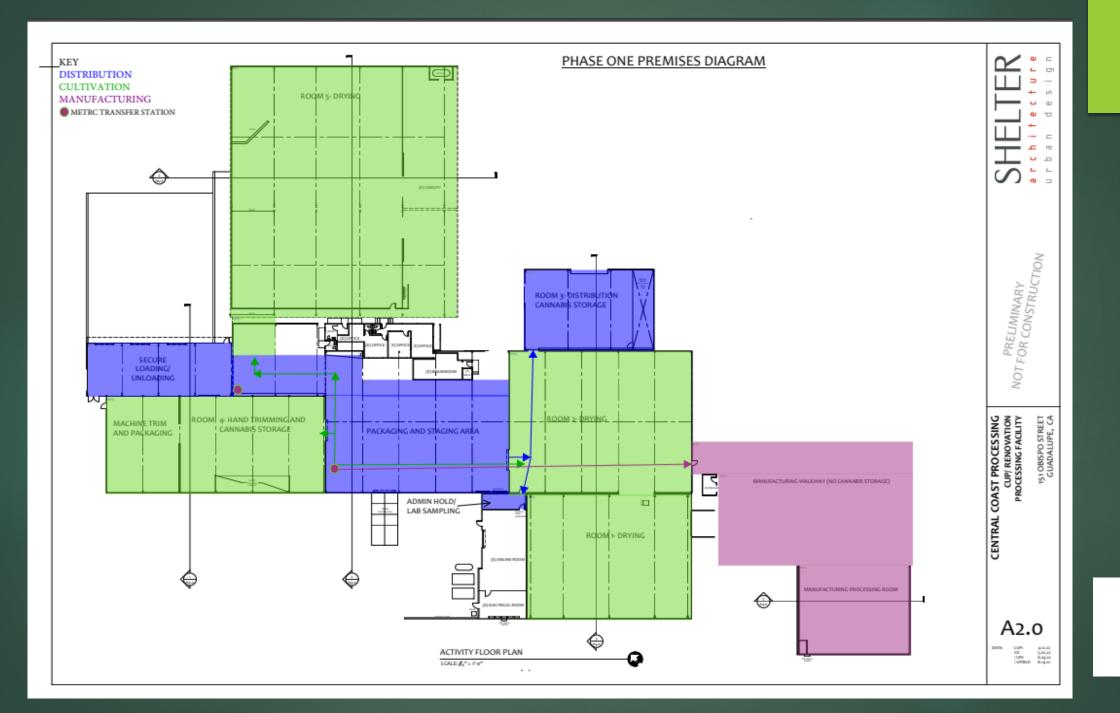




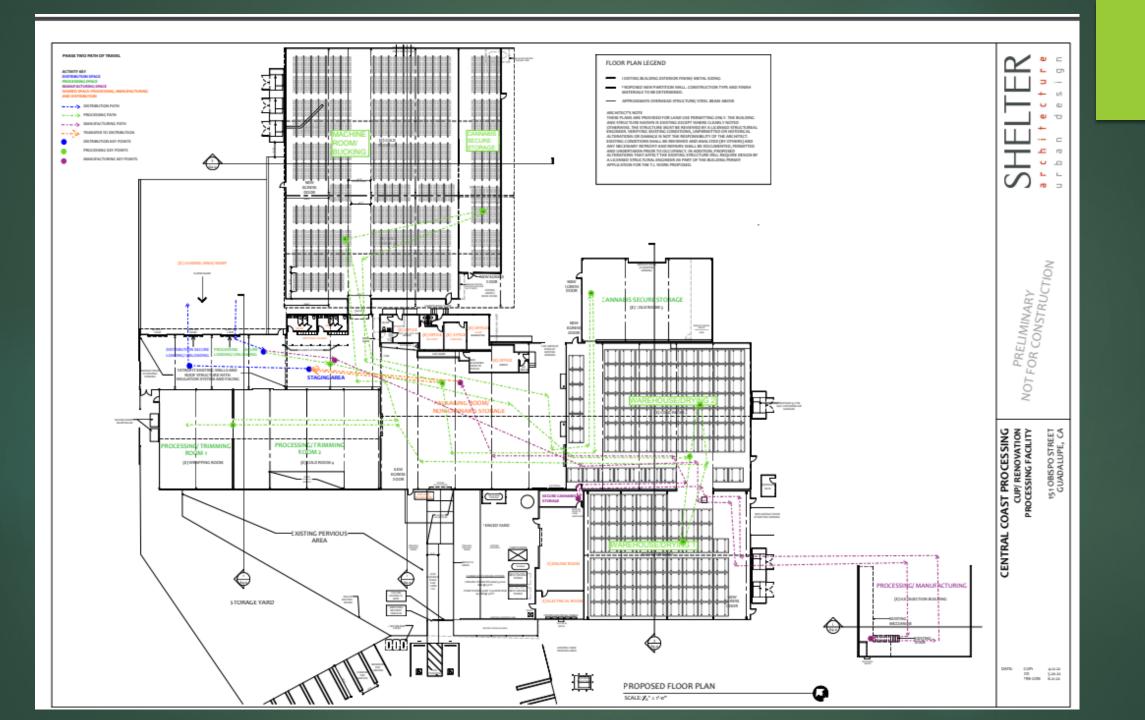


CANNABIS OPERATIONS

- THREE TO FOUR COVERED SEMI TRUCKS (DAILY)
 WILL BRING RAW PRODUCT TO THE LOADING
 DOCK AREA
- TRUCK WILL BACK AGAINST ODOR SEALS / BUMPERS AND DOORS WILL BE OPENED
- MATERIAL WILL BE UNLOADED INTO THE STRUCTURE AND DOORS WILL CLOSE
- ► MATERIAL WILL BE TAKEN TO DRYING ROOMS
- ONCE DRY IT WILL BUCKED AND TRIMMED
- TRIMMED MATERIAL WILL BE BAGGED AND THEN STORED
- BAGGED MATERIAL WILL BE MOVED TO DISTRIBUTION AREA TO BE MOVED BY A LICENSED DISTRIBUTOR
- MANUFACTURING (ROSIN / OIL / CARTRIDGES) WILL BE PRODUCED IN THE FUTURE
- PATH OF TRAVEL HAS BEEN REVIEWED BY HOLL FOR POTENTIAL COMPLIANCE WITH STATE REQUIRMENTS







ODOR

- BYERS SCIENTIFIC ODOR CONTROL EQUIPMENT
- ► ACTIVATED CARBON FILTRATION SYSTEM
 - ► FILTERS AIR BEING PASSED OUT OF HVAC SYSTEM
 - ► FILTERS TO BE SIZED BSED ON CUBIC FEET PER MINUTE
 - ► FILTERS CHANGED OUT EVERY SIX MONTHS
- HIGHEST POTENTIAL FOR ODOR LEAKAGE AT LOADING AREA
 - ► TRUCKS TO BACK UP AGAINST SEALS
 - ▶ DOORS WILL BE OPENED AFTER SEAL IS VERIFIED
- PENETRATIONS IN BUILDING ITSELF SHALL BE SEALED FROM AIR LEAKAGE
- DOORS AND WINDOWS TO REMAIN CLOSED EXCEPT FOR MINIMUM TIME REQURED FOR ACCESS OR EGRESS
- FUTURE MANUFACTURING WILL REQUIRE OUTDOOR MOVEMENT OF PRODUCT BETWEEN BUILDINGS



ODOR (CONTINUED)

- ► THE FUTURE MANUFACTURING AREA WILL USE MINIMAL AMOUNTS OF ETHANOL
- ► TRANSFER OF EHTANOL FROM CANNISTERS TO DISTILLATION EQUIPMENT WILL BE PERFORMED USING SEALED TUBES AND VACUUMS.
- ► A ROBUST HVAC SYSTEM IS PROPOSED FOR THE POST PROCESSING LABORATORY
- STAFF WILL BE TRAINED IN THE MAINTENANCE OF ODOR CONTROL EQUIPMENT
- PROJECT WILL CONFORM TO MUNICIPAL CODE SECTION 9.22.38.I WHICH DOES NOT ALLOWED ODOR DISTTINCITVE TO CANNABNIS OPERATIONS TO BE PRESENT ANYWHERE ON AN ADJACENT PROPERTY OR IN A PUBLIC RIGHTS-OF-WAY



ODOR (FIELD REVIEW)

- ► OTHER CANNABIS BUSINESS LOCATIONS WERE VISITED.
- ► LOMPOC CULTIVATION PROCESSING FACILITY:
 - ► 10+ CARGO CONTAINERS DRYING RAW PRODUCT
 - ► NO ODOR DETECTED AT CHAIN LINK SCREENING FENCE
- ► NIPOMO CULTIVATION GREENHOUSES, TWO SITES:
 - ► ONE SITE, NO ODOR AT ADJACENT RIGHTS-OF-WAY
 - ► SECOND SITE, NO ODOR APPROXIMATELY 100 YARDS FROM STRUCTURES (ACCESS NOT ALLOWED ON SITE)
- MULITPLE GREENHOUSE GROWERS ARE LOCATED IN NIPOMO IN THE AREA BETWEEN MESA AND EUCALYPTUS ROADS. "WHIFFS" OF ODOR FROM UNIDENTIFIED LOCATIONS WERE PRESENT, DEPENDING ON WIND DIRECTION











SECURITY

- PROJECT TO BE IN COMPLIANCE WITH MUNICIPAL CODE SECTION 922.36
- ► A 24 HOUR HIGH DEFINITION CAMERA SYSTEM WILL BE PROVIDED
 - SYSTEM TO BE REMOTELY ACCESSIBLE BY THE POLICE DEPARTMENT
 - COLOR RECORDINGS TO BE AVAILABLE FOR A MINIMUM OF 90 DAYS
 - CAMERA PLACEMENT (PER PLAN) TO BE VERIFIED PRIOR TO OCCUPANCY
- SENSORS WILL BE PROVIDED TO DETECT ENTRY AND EXIT FROM ALL SECURE AREAS
- ALL DOORS WILL BE LOCKED FROM THE OUTSIDE WITH SELF CLOSING MECHANISMS
- STATE LICENSED SECURITY PERSONNEL WILL BE ON SITE 24 HOURS WITH VERIFIED RESPONSE SECURITY PATROL WHEN CLOSED
- GATES AND FENCING WILL BE SUBSTANTIALLY INSTALLED AS SHOWN IN PLAN SET PER APPROVAL OF CHIEF OF POLICE



ENVIRONMENTAL

- PROJECT EVALUATED BY EMC PLANNING
- ► PROJECT QUALIFIES FOR A CLASS 1 EXEMPTION (SECTION 15301: EXISTING FACILITIES). NONE OF THE EXCEPTIONS OF CEQA GUIDELINES SECTION 15300.2 APPLY
 - ► PROJECT CONSISTS OF OPERATION AND MINOR ALTERATION OF AN EXISITNG FACILITY INVOLVING NO EXPANSION OF THE FOOTPRINT OF THE FORMER USE
 - ► A VEHICLE MILES TRAVELED TRIP ANALYSIS WAS PREPARED. SUBSTANTIALLY LESS VEHICLE TRIPS ARE ANTICIPATED. AIR QUALITY WILL NOT BE IMPACTED
 - ► ODOR AND NOISE WERE DETERMINED NOT TO HAVE SIGNIFICANT IMPACT



PATH TO OPERATION

- CULTIVATION PROCESSING IS ALLOWED "BY RIGHT" IN THE G-I DISTRICT – NO COMPETITIVE PROCESS IS REQUIRED
- CONDITIONAL USE PERMIT APPROVAL
 - PROVIDES LAND USE APPROVAL
 - ALLOWS SUBMITTAL OF BUILDING PERMIT APPLICATION
- BUILDING PERMIT
 - APPLICATION
 - PLAN REVIEW
 - CUP CONDITIONS OF APPROVAL (COA'S) INCLUDED IN CONSTRUCTION INSPECTIONS
- ► COMMUNITY BENEFIT AGREEMENT
 - DISCUSSIONS BETWEEN APPLICANT AND CITY. IMPLEMENTATION OF COA'S MAY BE DISCUSSED
- COMMERCIAL CANNABIS BUSINESS PERMIT
 - ► ISSUED BY CITY ADMINISTRATOR OR ASSIGNEE
- OCCUPANCY / OPERATIONS APPROVED



CITY OF GUADALUPE

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