December 14, 2018

Greg Goldston
Crosstown California Holdings, LLC
650 Farroll Road, Suites A-D
Grover Beach, CA 93433

Subject: Commercial Cannabis Permit for Crosstown California Holdings, LLC - Approval and Statement of Decision

Dear Mr. Goldston,

On December 14, 2018, as City Manager, I have approved a Commercial Cannabis Permit for Crosstown California Holdings, LLC located at 650 Farroll Road, Suites A-D, subject to the conditions contained herein. This approval is based upon the following findings as required by GBMC Article III, Chapter 18, Section 4000.160.G:

1. The commercial cannabis business has the right to operate at 650 Farroll Road, Suites A-D based on approval of Development Application 18-42 by the Planning Commission on November 14, 2018 subject to the conditions contained in Planning Commission Resolution 18-22.

2. The Police Department has completed the backgrounds as required by GBMC Article III Chapter 18 and the City Manager has determined that no “good cause” exists to deny the Commercial Cannabis Permit.

3. The applicant has demonstrated that it has the right to occupy and use the property as required by GBMC Article III Chapter 18 Section 4000.70.

4. The applicant has complied with all of the requirements for issuance of a Commercial Cannabis Permit consistent with GBMC Article III Chapter 18 Section 4000.10 et seq.

The approval of this Commercial Cannabis Permit is subject to the following conditions of approval:

GENERAL

G-1. This Commercial Cannabis Permit authorizes the applicant, Crosstown California Holdings, LLC, to operate a commercial medical and adult use cannabis facility consisting of manufacturing and distribution uses at 650 Farroll Road, Suites A-D. The applicant shall adhere to all conditions established by Planning Commission Resolution 18-22.
18-22 and all applicable regulations set forth in GBMC Article IX and Article III Chapter 18 and Article IX Section 4.10.015. Failure to operate in compliance with this Commercial Cannabis Permit may be justification for revocation by the City Manager.

G-2. The approval granted by this Commercial Cannabis Permit shall be valid for one year from the date of issuance of the certificate of occupancy and shall expire unless renewed consistent with GBMC Article III Chapter 18 Section 4000.40.

G-3. This Commercial Cannabis Permit shall not become effective nor shall the applicant commence operations related to this Commercial Cannabis Permit until such time as they have applied and been issued a State license to operate a Commercial Cannabis Business consistent with this Commercial Cannabis Permit and the Medicinal and Adult Use Cannabis Regulation and Safety Act, as amended hereafter.

G-4. Prior to issuance of a certificate of occupancy and commencing operations, the applicant shall complete all conditions of approval required by Planning Commission Resolution 18-22 and all applicable regulations set forth in GBMC Article IX and Article III Chapter 18.

G-5. This Commercial Cannabis Permit is non-transferable. In the event that the applicant leases, sells, or abandons the operation for a period longer than 180 days, the Commercial Cannabis Permit is void consistent with GBMC Article III, Chapter 18, Section 4000.180.

G-6. The applicant shall remit the required tax in such manner and at such times and adhere to all commercial cannabis tax regulations consistent with GBMC Article X Chapter 16.

G-7. The applicant shall pay an annual permit fee as established by the City Council as shown on the City's Master Fee Schedule.

G-8. Any amendment or renewal of the Commercial Cannabis Permit shall be reviewed and approved by the City Manager consistent with GBMC Article III Chapter 18.

G-9. The approved odor control system shall be operational at all times and be in compliance with GBMC Article III Chapter 18. If the commercial cannabis business is determined by City staff to not be in compliance, the City Manager, or designee, may revoke this Commercial Cannabis Permit until such time the business can demonstrate compliance.

COMMUNITY DEVELOPMENT DEPARTMENT

CDD-1. Prior to the issuance of a certificate of occupancy, the applicant shall schedule a final walk through with the Community Development Director, or designee, to ensure compliance with Planning Commission Resolution 18-22.

POLICE DEPARTMENT

PD-1. Prior to the issuance of a certificate of occupancy, the applicant shall schedule a final walk through with the Police Chief, or designee, to ensure compliance with the Commercial Cannabis Permit and GBMC Article III Chapter 18.

PD-2 All security measures shall be adhered to and implemented consistent with GBMC
Article III Chapter 18 Section 4000.50 at all times during operation of the business.

PD-3. All employees shall obtain a work permit issued by the City and be renewed annually consistent with GBMC Article III, Chapter 18, Section 4000.60.

FIRE DEPARTMENT

FD-1. Prior to issuance of certificate of occupancy, the Fire Chief or their designee shall be present to observe the applicant’s Certified Industrial Hygienist test all required equipment, manufacturing processes, and methodology for disposing of industrial waste to verify compliance with the approved Certified Industrial Hygienist Report and the Council adopted Fire and Life Safety Requirements.

FD-2. The applicant shall operate at all times in compliance with the approved Certified Industrial Hygienist Report. Any proposed changes to the approved manufacturing operations shall be submitted to the Fire Chief for review to determine if an amendment to the Certified Industrial Hygienist Report is required.

The applicant is responsible to ensure that the conditions are implemented. The approval of this Commercial Cannabis Permit by the City Manager is appealable to the City Council within 10 days of the approval date as provided in GBMC Article III Chapter 18 Section 4000.160.G. Appeals shall be filed with the City Clerk and the required appeal fee. If you have questions regarding this Commercial Cannabis Permit, please contact Rafael Castillo at (805) 473-4520 or rcastillo@groverbeach.org.

Sincerely,

Matthew Bronson
City Manager