



COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING & BUILDING
TREVOR KEITH, *DIRECTOR*

June 8, 2021

Compass Consulting
791 Price St., Ste 186
Pismo Beach, CA 93449

NOTICE OF FINAL COUNTY ACTION

HEARING DATE: June 4, 2021
SUBJECT: **County File Number:** DRC2020-00213
Minor Use Permit / Coastal Development

LOCATED WITHIN COASTAL ZONE: YES
COASTAL APPEALABLE: YES

On **June 4, 2021**, the above referenced application was approved by the **Planning Department Hearing** based on the approved Findings, and subject to the approved Conditions, which are both enclosed for your records.

If you disagree with this action, pursuant to the County Coastal Zone Land Use Ordinance (CZLUO) Section 23.01.042, and in the manner described therein, you have the right to appeal this decision, or a portion of this decision, to the Board of Supervisors within 14 calendar days after the date of the action.

The appeal must be submitted to the Director of the Department of Planning and Building on the proper Department appeal form, as provided on the County website. The appeal form must be submitted with an original signature; a facsimile will not be accepted.

If the appeal is consistent with the standards set forth in CZLUO Section 23.01.043.d, there is no fee to file an appeal. If the appeal is not consistent with CZLUO Section 23.01.043.d, a fee, set by the current fee schedule, will be required and must be submitted with the appeal form at time of filing. If the County requires that an appellant submit a fee to file an appeal, the action may be directly appealable to the California Coastal Commission pursuant to the CZLUO Section 23.01.043, and in the manner contained therein, precluding the need to exhaust local administrative appeals.

Additionally, CZLUO Section 23.01.043 and applicable sections of the Coastal Act provide the California Coastal Commission 10 working days following the expiration of the County appeal period to appeal the County's Final Action. This means the Applicant cannot commence development and the County cannot take any further administrative actions for the proposed development, including but not limited to, the request or issuance of a building permit, until the County appeal period and the Coastal Commission Appeal period, including any

suspension of the appeal period by the Coastal Commission pursuant to CZLUO 23.02.039, have expired without an appeal being filed.

Additionally, should a local appeal be filed, and the County approves the application on appeal, that action would be appealable to the California Coastal Commission, pursuant to regulations contained in Coastal Act Section 30603 and the County Coastal Zone Land Use Ordinance 23.01.043. An appellant may include any of the following: an applicant, an aggrieved person as defined in CZLUO 23.01.043 and any two California Coastal Commissioners. CZLUO Section 23.01.043 and applicable sections of the Coastal Act provide ten (10) working days for an appellant to appeal the County's Final Action. The County Coastal Zone Land Use Ordinance and Coastal Act contain specific time limits to appeal, criteria, and procedures that must be followed to appeal this action. The appeal must be made directly to the California Coastal Commission. For further information on their appeal procedures, contact the Commission's Santa Cruz Office at (831) 427-4863.

Please note that exhaustion of local appeals at the County level is almost always required prior to appealing the matter to the California Coastal Commission. Three exceptions apply to this requirement as provided in CZLUO Section 23.01.043.b(1) (3).

If you have any questions regarding your project, please contact Hannah Nguyen at 805-781-5600.

Sincerely,

Daniela Chavez

Daniela Chavez, Secretary
County of San Luis Obispo
Department of Planning & Building

cc: Papa Bear Farms, LLC
2015 11th St., Ste A&B
Los Osos, CA 93402

FINDINGS – EXHIBIT A
PAPA BEAR FARMS LLC (DRC2020-00213)

ENVIRONMENTAL DETERMINATION

- A. The project is categorically exempt under CEQA, pursuant to CEQA Guidelines Section 15061(b)(2). A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062. The project qualifies for a Categorical Exemption for Class 1 as set forth in the CEQA Guidelines because it involves the operation of a cannabis non-storefront dispensary within an existing 842 square foot building. In accordance with *Berkeley Hillside Preservation v. the City of Berkeley* (2015) 60 Cal.4th 1086, the project does not present unusual circumstances, such as size or location. The project is not located in a sensitive environment, will not have a cumulative impact, will not have a significant effect due to unusual circumstances, will not damage scenic resources, is not located on a hazardous waste site, and will not affect any historical resources.

MINOR USE PERMIT

- B. The proposed project or use is consistent with the County of San Luis Obispo Coastal Zone Land Use Ordinance, Local Coastal Program, and General Plan because a cannabis non-storefront dispensary is an allowed land use and is, as conditioned, consistent with all relevant policies of the General Plan.
- C. As conditioned, the proposed project or use satisfies all applicable provisions of Title 23 of the County Code.
- D. The establishment and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety, or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use because the proposed cannabis non-storefront dispensary does not generate activities that present a potential threat to the surrounding property or buildings, water and energy use would be minimal and monitored, State water quality regulations shall be met, solid waste shall be properly disposed of, and nuisance odor shall be controlled. This project is subject to Coastal Zone Land Use Ordinance and Building Code requirements designed to address health, safety, and welfare concerns.
- E. The proposed project or use will not be inconsistent with the character of the immediate neighborhood or contrary to its orderly development because the proposed cannabis non-storefront dispensary would occur within an existing building, cannabis would not be visible from off-site, and nuisance odors would not be detectable from off-site.
- F. The proposed project or use will not generate a volume of traffic beyond the safe capacity of all roads providing access to the project, either existing or to be improved with the project. The project site is accessed from 11th Street in the community of Los Osos.

CANNABIS DISPENSARY

- G. The cannabis distribution facility, as proposed, will comply with all of the requirements of State and County for the distribution of cannabis, including dual licensure and participation in an authorized track and trace program.

- H. The cannabis distribution facility operating plan demonstrates proper protocols and procedures that address enforcement priorities for cannabis activities including restricting access to minors, and ensuring that cannabis and cannabis products are obtained from and supplied only to other permitted licensed sources within the State and not distributed out of State.
- I. The cannabis distribution facility will not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility.

**EXHIBIT B – CONDITIONS OF APPROVAL
PAPA BEAR FARMS LLC (DRC2020-00213)**

Approved Development

1. This approval authorizes use of an 842 square foot building located at 2015 11th Street, Suites A & B, for the following:
 - a. An 842 square foot cannabis non-storefront dispensary;
 - b. A maximum of six (6) full-time equivalent employees (includes office/dispatch and delivery drivers) to serve all on- and off-site operations;
 - c. A maximum of five (5) drivers and five (5) delivery vehicles; and
 - d. Operational hours of 8:00 A.M. to 8:00 P.M. Monday through Sunday to serve all operations.
2. This approval does not authorize operations of a cannabis mobile retailer, cultivation, nursery, processing, manufacturing, or distribution facility.
3. The non-storefront dispensary shall not be open to the general public.

Conditions required to be completed prior to commencing permitted activities

4. **Prior to commencing permitted activities**, the applicant shall submit evidence to the Planning and Building Department that all conditions of approval have been satisfied. After conditions have been satisfied in a format acceptable to the County, the County will issue a “Notice to Proceed” for the approved project.
5. **Prior to commencing permitted activities**, the applicant shall obtain and maintain a business license through the County of San Luis Obispo Tax Collector’s Office. Business license renewals shall be obtained by the applicant annually as required by Title 6 of the County Code.
6. **Prior to commencing permitted activities**, the applicant shall complete all State licensing requirements for a cannabis non-storefront dispensary at the approved location. A copy of all pertinent State licenses shall be submitted to the County of San Luis Obispo Planning and Building Department prior to commencing permitted activities.
7. **Prior to commencing permitted activities**, the applicant shall demonstrate to the Department of Planning and Building how cannabis activities will be physically and adequately separated from vacant areas or other non-cannabis uses onsite. The applicant shall obtain any necessary building permits to create the separation between uses.

Conditions required to be completed prior to issuance of a County Business License

8. **Prior to issuance of a County Business License**, the applicant shall submit evidence of compliance with all requirements of the Central Coast Regional Water Quality Control Board (CCRWQCB).
9. **Prior to issuance of a County Business License**, the applicant shall submit evidence that solid waste and recycling collection will be consistent with Sections 23.04.280.b and 23.04.280.c of the County Coastal Zone Land Use Ordinance.
10. **Prior to issuance of a County Business License**, the applicant shall enter the County of San Luis Obispo Cannabis Monitoring Program. Any associated fees shall be paid to the County of San Luis Obispo Department of Planning and Building.

11. **Prior to issuance of County Business License**, the applicant shall submit evidence that the Security Plan has been reviewed and approved by the County Sheriff as required by Section 23.08.427.c.1 of the County Coastal Zone Land Use Ordinance.
12. **Prior to issuance of a County Business License**, the applicant shall be responsible for the timely payment of all fees associated with this approval. Failure to pay fees in a timely manner may result in revocation of the permit.

Conditions required to be completed at the time of application for construction permits

13. **At the time of application for construction permits**, plans submitted shall show all development consistent with the approved architectural site plan, floor plan, and elevations.
14. **At the time of application for construction permits**, all project conditions shall be clearly printed on the plans and construction documents shall be consistent with the currently adopted California Codes.
15. **At the time of application for construction permits**, all plans and engineering shall be prepared by a California Licensed Architect of Record or Engineer for all design portions of the project that do not meet "conventional construction" as defined by the current building code.
16. **At the time of application for construction permits**, the submitted building plan set shall demonstrate consistency with California State Title 24 energy laws.
17. **At the time of application for construction permits**, the submitted building plan set shall show that existing plumbing fixtures in the entire structure shall be retrofitted in compliance with Sections 19.07.042 and 19.07.042.8.

Fire Safety Plan

18. **At the time of application for construction permits**, the applicant shall obtain a Fire Safety Plan from Cal Fire / County Fire. All plans submitted to the Department of Planning and Building shall meet the fire and life safety requirements of the California Fire Code and those outlined in the Fire Safety Plan.

Services

19. **At the time of application for construction permits**, the applicant shall submit evidence to Building and Safety staff that there is adequate water service to serve the proposal.
20. **At the time of application for construction permits**, the applicant shall submit evidence to Building and Safety staff that the existing wastewater system is adequate to serve the proposal.

Fees

21. **Prior to issuance of a construction permit**, the applicant shall pay all applicable school and public facilities fees.

Condition required to be completed during and throughout project ground disturbance and construction activities

22. **During and throughout all project ground disturbance and construction activities**, in the event that a potentially significant cultural resource is encountered during subsurface earthwork activities, all construction activities within a 100-foot radius of the find shall cease and the County Department of Planning and Building shall be notified immediately. Work shall not continue until a County-qualified archaeologist, in conjunction with locally affiliated Native American representative(s) as necessary, evaluates the uncovered resource. Any previously unidentified

resources found during construction shall be recorded on appropriate California Department of Parks and Recreation (DPR) forms and evaluated for significance in terms of CEQA criteria by a qualified archaeologist. Potentially significant cultural resources consist of, but are not limited to, stone, bone, glass, ceramic, wood, or shell artifacts; fossils; or features including hearths, structural remains, or historic dumpsites.

Conditions required to be completed prior to occupancy, final building inspection, or establishment of the use

23. **Prior to occupancy or final inspection, whichever occurs first**, the applicant shall obtain final inspection and approval from Cal Fire for all required fire and life safety measures including, but not limited, to those outlined in referral response, dated February 11, 2021, from Kevin McLean of Cal Fire / County Fire.
24. **Prior to occupancy of any structure associated with this approval**, the applicant shall contact the Department of Planning and Building to have the site inspected for compliance with the conditions of this approval.

Ongoing conditions of approval that are valid for life of the project

25. To minimize project related traffic impacts in accordance with the project description, the permit is restricted as follows:
 - a. A maximum 842 square foot of cannabis non-storefront dispensary;
 - b. A maximum of six (6) full-time equivalent employees (includes office/dispatch and delivery drivers) working at any one time to serve all on- and off-site operations; and
 - c. A maximum of five (5) delivery vehicles in operation at any one time.
26. **Throughout the life of the project**, and in accordance with County Code Section 13.08, no activities associated with this permit shall be allowed to occur within the public right-of-way, including, but not limited to, project signage, landscaping, etc., without a valid Encroachment Permit issued by the Department of Public Works.
27. **Throughout the life of the project**, the applicant shall post on-site all required land use permit approvals, and all required County and State permits and licenses required to operate. Such posting shall be in a central location, visible to the visitors, at the operating site, and in all vehicles that deliver or transport cannabis.
28. **Throughout the life of the project**, the applicant shall maintain clear and adequate records and documentation demonstrating that all cannabis or cannabis products have been obtained from, and are provided to, other permitted and licensed cannabis operations. The County shall have the right to examine, monitor, and audit such records and documentation, which shall be made available to the County upon request.
29. **Throughout the life of the project**, the owner and all permittees shall conduct all cannabis activities in compliance with the approved Operations Plan, as well as all required County permits, State licenses, County ordinance, and State law and regulation. The owner shall be responsible for the payment of all required fees and taxes.
30. **Throughout the life of the project**, solid waste and recycling shall be conducted in accordance with Sections 23.04.280.b and 23.04.280.c of the County Coastal Zone Land Use Ordinance.

31. **Throughout the life of the project,** in accordance with the parking standards set forth in Section 23.04.160, the applicant shall maintain no less than two parking spaces (includes one ADA accessible parking space).
32. **Throughout the life of the project,** the property owner(s) shall grant access to the County of San Luis Obispo, its officers, agents, employees, and any other governmental entities and their respective officers, agents, and employees to enter onto the subject property to conduct site inspections for the purposes of compliance with this Use Permit. Inspections may occur any day of the week, without prior notice, between the hours of 8:00 A.M. – 6:00 P.M.
33. **Throughout the life of the project,** the applicant shall submit to the Department of Planning and Building any proposed changes to the approved Site Plans, Operations Plan, Security Plan, or other plan approved through this Use Permit prior to the proposed change. Changes shall be submitted in writing and must be approved by the Department of Planning and Building prior to the implementation of the proposed changes. Any changes to the approved project, including features identified in the Conditions of Approval stated herein, may require additional environmental analysis and/or revisions to the approved Use Permit that requires review and approval by the appropriate Review Authority.
34. **Throughout the life of the project,** the applicant shall submit to the Department of Planning and Building any changes to the applicant name, business name, business owners, State license status, landowner, or changes in ownership requiring approval from the County Tax Collector's Office or County Sheriff's Department prior to the proposed change. Changes shall be submitted in writing and must be approved by the Department of Planning and Building prior to the implementation of the proposed changes.
35. **Throughout the life of the project,** all conditions of this approval shall be strictly adhered to, within the time frames specified, and in an on-going manner for the life of the project. Failure to comply with these conditions of approval may result in an immediate enforcement action by the Department of Planning and Building. If it is determined that violation(s) of these conditions of approval have occurred, or are occurring, this approval may be revoked pursuant to relevant provisions of the County Coastal Zone Land Use Ordinance. Revocation may require restoration to pre-existing conditions of any areas of disturbance for cannabis-related activities authorized by this permit.
36. **Throughout the life of the project,** no minors or unauthorized personnel shall be permitted inside any restricted access areas under any circumstance.

Land Use Permit Expiration

37. This land use permit is valid for a period of 24 months from its effective date unless time extensions are granted pursuant to County Land Use Ordinance Section 23.02.050 or the land use permit is considered vested. This land use permit is considered to be vested once a construction permit has been issued and substantial site work has been completed, or pursuant to Land Use Ordinance Section 23.02.044, the Director verifies that the use or activity not involving a building or grading permit is occurring on the subject site in compliance with all applicable provisions of the Land Use Ordinance and these conditions of approval. Substantial site work is defined by County Land Use Ordinance Section 23.02.042 as site work progressed beyond grading and completion of structural foundations; and construction is occurring above grade.

Defense and Indemnity of the County

38. The applicant shall, as a condition of approval of this land use permit application, defend, hold harmless and indemnify, at his or her sole expense (including attorney's fees, with Counsel approved by the County), any action brought against the County of San Luis Obispo, its present or former officers, agents, or employees, by a third party challenging either its decision to approve this land use permit or the manner in which the County is interpreting or enforcing the conditions of this land use permit, or any other action by a third party relating to approval or implementation of this land use permit. The applicant shall reimburse the County for any court costs and attorney fees that the County may be required by a court to pay as a result of such action, but such participation shall not relieve the applicant of his obligation under this condition. Upon request of the County, the applicant shall also enter into a separate agreement with the County (the "Indemnity Agreement"), in a form approved by County Counsel, agreeing to defend, indemnify, save and hold harmless the County, its present or former officers, agents, or employees, against actions by a third party challenging either its decision to approve this land use permit or the manner in which the County is interpreting or enforcing the conditions of this land use permit, or any other action by a third party relating to or arising out of the approval or implementation of this land use permit. The agreement shall provide that the applicant will indemnify the County and reimburse it for any costs and/or attorney's fees which the County incurs as a result of such action, and that the County's participation or non-participation in any such litigation shall not relieve the applicant of his or her obligations under this condition or the agreement. The applicant shall also provide sufficient guarantees for the obligations hereunder as determined by County Counsel. Any violation of this condition, including the applicant's failure to execute the Indemnity Agreement or breach thereof, or failure to provide sufficient guarantees, is grounds for the County to rescind and/or revoke its approval of this land use permit. These defense and indemnity obligations shall survive any rescission, revocation and/or set aside of this land use permit.