



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

July 27, 2020

Fabian Gonzalez
1189 Pike
Oceano, CA 93445

SUBJECT: Notice of Final County Action, Modification to Conditional Use Permit
BLEU DIAMOND, LLC / COUNTY FILE NUMBER: DRC2020-0080

On, July 23, 2020 the County Planning Commission approved your application based on the approved Findings and subject to the approved Conditions, both attached as exhibits to the adopted official resolution, which is enclosed for your records.

If you disagree with this action, pursuant to County Land Use Ordinance Section 22.70.050, 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 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. The appeal fee is set by the current fee schedule and must accompany your appeal form for your appeal to be accepted for processing.

If you have any questions regarding your project, please contact the Project Manager, Holly Phipps at hphipps@co.slo.ca.us

Ramona Hedges, Secretary

A handwritten signature in blue ink that reads "R. Hedges".

County of San Luis Obispo
Department of Planning & Building

PLANNING COMMISSION
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

Thursday, July 23, 2020

PRESENT: Commissioners: Michael Multari, Don Campbell, Dawn Ortiz-Legg and Chairman Jay Brown,

ABSENT: None

PLANNING COMMISSION RESOLUTION NO. 2020-00020
RESOLUTION RELATIVE TO THE GRANTING
OF A MODIFICATION TO
CONDITIONAL USE PERMIT

WHEREAS, the County Planning Commission of the County of San Luis Obispo, State of California, did, on the 23rd day of July 2020, grant a modification to Conditional Use Permit DRC2020-00080 to BLEU DIAMOND, LLC finding consistency with the previously approved environmental determination ED18-127 and categorical exemption. The site is in the Commercial Service land use category and is located at 1189 Pike Lane, Suite 9 in the community of Oceano in San Luis Bay Inland subarea of the South County Planning Area. Assessor Parcel Number(s) / APN(s): 062-291-003.

WHEREAS, the Planning Commission, after considering the facts relating to such application, approves this Permit based on the Findings listed in Exhibit A.

WHEREAS, the Planning Commission, after considering the facts relating to such application, approves this Permit subject to the Conditions listed in Exhibit B.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the County of San Luis Obispo, State of California, in a regular meeting assembled on the 23rd day of July 2020, does hereby grant the aforesaid Permit No. DRC2020-00080.

This land use permit is valid for a period of 24 months from its effective date unless time extensions are granted pursuant to Land Use Ordinance/Coastal Zone Ordinance Section 22.64.070/23.02.050 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. Substantial site work is defined by Land Use Ordinance/Coastal Zone Ordinance Section 22.64.080/23.02.042.

If the use authorized by this Permit approval, once established, remains vacant and unused for its authorized purpose, or is abandoned or discontinued for a period greater than 12 consecutive months, such Permit approval shall become void.

On motion of Commissioner Ortiz-Legg, seconded by Commissioner Multari, and on the following roll call vote, to-wit:

AYES: Commissioners Multari, Ortiz-Legg, Campbell, and Chairman Brown
NOES: None
ABSENT: None

the foregoing resolution is hereby adopted.

the foregoing resolution is hereby adopted.

/s/ Jay Brown
Chairperson of the Planning Commission

ATTEST:

/s/ Ramona Hedges
Secretary, Planning Commission

FINDINGS – EXHIBIT A
BLEU DIAMOND, LLC / CONDITIONAL USE PERMIT DRC2018-00118

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 15061. The project qualifies for a Categorical Exemption for Class 1 as set forth in the CEQA Guidelines because it involves the operation and permitting of an existing private structure and facilities, involving negligible expansion of use beyond that which was existing. The project does not involve any site disturbance and 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.

Conditional Use Permit

- B. The proposed project or use is consistent with the San Luis Obispo County General Plan because cannabis distribution and a cannabis dispensary, as Cannabis Activities, are allowed land uses and, and are, as conditioned, consistent with all relevant polices of the General Plan.
- C. As conditioned, the proposed project or use satisfies all applicable provisions of Title 22 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 dispensary and distribution businesses do not generate activities that present a potential threat to the surrounding property or buildings, water use would be minimized and actual usage shall be monitored, energy usage shall be monitored, security fencing shall be installed, 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 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 activities would occur within an existing building, cannabis would not be visible from offsite, and nuisance odors would not be detectable from offsite.
- 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 is accessed from Pike Lane that connects to S. 13th Street in the community of Oceano. As described in the updated traffic study prepared by ATE Transportation Engineers dated January 14, 2020, the project is anticipated to generate six afternoon peak hour trips, a net increase of 0.87 peak hour trips from existing site operations.

Cannabis Dispensary

- G. The cannabis dispensary, as proposed, will comply with all the requirements of the State and County for the dispensing of cannabis, including all dual licensure and participation in an authorized track-and-trace program.
- H. The cannabis dispensary will not be open to the public (mobile deliveries only) and 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.

- I. The cannabis dispensary includes adequate measures to 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.

Cannabis Distribution

- J. The cannabis distribution business, as proposed, will comply with all the requirements of the State and County for the distribution of cannabis, including all dual licensure and participation in an authorized track-and-trace program.
- K. The cannabis distribution business will not be open to the public and 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.
- L. The cannabis delivery business includes adequate measures 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.

EXHIBIT B - CONDITIONS OF APPROVAL
BLEU DIAMOND, LLC / CONDITIONAL USE PERMIT DRC2018-00118

Approved Development

1. This approval authorizes use of the westerly 1,650 square foot lease space of the northerly most 3,300 square foot building located at 1189 Pike Lane for the following:
 - a. A non-storefront cannabis dispensary. And,
 - b. A cannabis distribution business.
 - c. Max of 46 delivery trips (one trip = one departure + one return) per day with a maximum of five delivery vehicles (plus two stand-by vehicles) and one distribution vehicle (cannot be used for delivery).
 - d. All delivery and distribution vehicles shall be owned or leased by the business.
 - e. Hours of operation between 8 A.M. and 10 P.M.
 - i. Delivery of cannabis or cannabis products to end users for retail sale allowed between 8 A.M. and 8 P.M.
 - ii. All delivery vehicles must depart no earlier than 8 A.M and must return to the project site by 8 P.M.
 - iii. Delivery driver activities between 8 P.M. and 10 P.M. are limited to closing procedures and to allow employees to clock out.
2. This approval authorizes a non-storefront dispensary. Retail sales from the dispensary shall be by delivery only. The products sold are limited to cannabis products obtained from licensed providers in accordance with applicable State regulations and licenses.
3. This approval authorizes a cannabis non-storefront dispensary and distribution business which shall be operated in compliance with the following restrictions:
 - a. Cannabis goods for distribution or delivery shall only travel in an enclosed motor vehicle operated by a delivery employee of the permittee.
 - b. While carrying cannabis goods for distribution or delivery, a delivery employee shall ensure the cannabis goods are not visible to the public.
 - c. Employees shall not leave cannabis goods in an unattended motor vehicle unless the motor vehicle is locked and equipped with an active vehicle alarm system.
 - d. All vehicles used for the delivery or distribution of cannabis goods shall be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle. A dedicated GPS device must be owned by the permittee and shall be either permanently or temporarily affixed to the delivery vehicle and shall remain active and inside of the delivery vehicle at all times during delivery. At all times, the permittee shall be able to identify the geographic location of all vehicles that are making deliveries or distribution and shall provide that information to the County upon request.
 - e. Upon request, the permittee shall provide the County with information regarding any motor vehicles used for the delivery or distribution of cannabis goods, including the vehicle's make, model, color, Vehicle Identification Number, license plate number and Department of Motor Vehicle's registration.
 - f. Delivery employees shall not carry cannabis goods worth in excess of \$3,000 at any time. This value shall be determined using the current retail price of all cannabis goods carried by the delivery employee.

- g. Employees shall not consume cannabis goods while delivering or distributing cannabis goods.

Conditions required to be completed prior to commencing permitted activities

4. **Prior to commencing permitted activities**, the applicant shall obtain 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.
5. **Prior to commencing permitted activities**, the applicant shall complete all State licensing requirements for cultivation 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.
6. **Prior to commencing permitted activities**, the applicant shall demonstrate to the Planning and Building Department 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.
7. **Prior to commencing permitted activities**, the applicant shall complete and submit the Hazardous Materials Declaration Flowchart to the Environmental Health Services office.

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

8. **Prior to issuance of 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 County Business License**, the applicant shall submit evidence that solid waste and recycling collection will be consistent with Sections 22.10.150.B and C of the County Land Use Ordinance.
10. **Prior to issuance of County Business License**, the applicant shall submit evidence that project security plan has been reviewed and approved by the County Sheriff as required by Section 22.40.040.D of the County Land Use Ordinance.

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

Fees

11. At the time of application for building permits, the applicant shall pay all applicable public utility and housing impact fees.
12. Within 30 days of Land Use Permit approval, because the project is located adjacent to the City of Grover Beach, the applicant shall submit evidence to the County that all impact fees applicable to this project have been paid, or that none are required.

Lighting

13. **Prior to issuance of construction permits**, the applicant shall provide a lighting plan showing all exterior security lighting with shielding that confines light sources to the project site and shields neighboring properties.

Ongoing conditions of approval (valid for life of the project)

14. To minimize project related traffic impacts in accordance with the project description, the permit is restricted as follows:
 - a. Maximum 1,650 square feet of combined dispensary and distribution activities;
 - b. Maximum of eleven employees(live scan required), including the business owner;

- c. Maximum of five delivery vehicles and one distribution vehicle may be in operation at any time;
- 15. 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 Public Works Department.
- 16. Throughout the life of the project, solid waste and recycling shall be conducted in accordance with LUO Sections 22.10.150 B. and C.
- 17. In accordance with the parking standards set forth in Section 22.18.050.C.1, the applicant shall maintain no less than two parking spaces onsite and one loading space for the life of the project.
- 18. The applicant shall post onsite all required land use permit approvals and all required State and County 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.
- 19. 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.
- 20. The applicant 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 applicant shall be responsible for the payment of all required fees and taxes.
- 21. Upon adoption of the County of San Luis Obispo Cannabis Monitoring Program, the applicant shall enter the program within 90 days of adoption. Any associated fees shall be paid to the County of San Luis Obispo.
- 22. No minors or unauthorized personnel shall be permitted inside any restricted access areas, including the cultivation areas, under any circumstance.

Land use permit expiration

- 23. This Conditional Use Permit for a cannabis dispensary and a cannabis distribution business shall expire in 5 years from the approval date. Within a 12-month period prior to expiration, the applicant may request the Conditional Use Permit be renewed for an additional 5-year period. Any such request for renewal shall be in writing to the Planning and Building Department and shall be submitted in conjunction with the appropriate land use permit application. The request for renewal shall be processed with the same type of permit for the original entitlement. If a request for renewal is not requested or not granted, the Conditional Use Permit shall be deemed expired.



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

July 27, 2020

Fabian Gonzalez
1189 Pike
Oceano, CA 93445

SUBJECT: Notice of Final County Action, Modification to Conditional Use Permit
BLEU DIAMOND / COUNTY FILE NUMBER: DRC2020-00080

On, July 23, 2020 the County Planning Commission approved your application based on the approved Findings and subject to the approved Conditions, both attached as exhibits to the adopted official resolution, which is enclosed for your records.

If you disagree with this action, pursuant to County Land Use Ordinance Section 22.70.050, 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 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. The appeal fee is set by the current fee schedule and must accompany your appeal form for your appeal to be accepted for processing.

If you have any questions regarding your project, please contact the Project Manager, Ian Landreth at ilandreth@co.slo.ca.us

Ramona Hedges, Secretary

A handwritten signature in blue ink that reads "R. Hedges".

County of San Luis Obispo
Department of Planning & Building

PLANNING COMMISSION
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

Thursday, July 23, 2020

PRESENT: Commissioners: Michael Multari, Don Campbell, Dawn Ortiz-Legg and Chairman Jay Brown,

ABSENT: None

PLANNING COMMISSION RESOLUTION NO. 2020-00020
RESOLUTION RELATIVE TO THE GRANTING
OF A MODIFICATION TO
CONDITIONAL USE PERMIT

WHEREAS, the County Planning Commission of the County of San Luis Obispo, State of California, did, on the 23rd day of July 2020, grant a modification to Conditional Use Permit DRC2020-00080 to BLEU DIAMOND, LLC finding consistency with the previously approved environmental determination ED18-127 and categorical exemption. The site is in the Commercial Service land use category and is located at 1189 Pike Lane, Suite 9 in the community of Oceano in San Luis Bay Inland subarea of the South County Planning Area. Assessor Parcel Number(s) / APN(s): 062-291-003.

WHEREAS, the Planning Commission, after considering the facts relating to such application, approves this Permit based on the Findings listed in Exhibit A.

WHEREAS, the Planning Commission, after considering the facts relating to such application, approves this Permit subject to the Conditions listed in Exhibit B.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the County of San Luis Obispo, State of California, in a regular meeting assembled on the 23rd day of July 2020, does hereby grant the aforesaid Permit No. DRC2020-00080.

This land use permit is valid for a period of 24 months from its effective date unless time extensions are granted pursuant to Land Use Ordinance/Coastal Zone Ordinance Section 22.64.070/23.02.050 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. Substantial site work is defined by Land Use Ordinance/Coastal Zone Ordinance Section 22.64.080/23.02.042.

If the use authorized by this Permit approval, once established, remains vacant and unused for its authorized purpose, or is abandoned or discontinued for a period greater than 12 consecutive months, such Permit approval shall become void.

On motion of Commissioner Ortiz-Legg, seconded by Commissioner Multari, and on the following roll call vote, to-wit:

AYES: Commissioners Multari, Ortiz-Legg, Campbell, and Chairman Brown
NOES: None
ABSENT: None

the foregoing resolution is hereby adopted.

the foregoing resolution is hereby adopted.

/s/ Jay Brown
Chairperson of the Planning Commission

ATTEST:

/s/ Ramona Hedges
Secretary, Planning Commission

FINDINGS – EXHIBIT A
BLEU DIAMOND, LLC / CONDITIONAL USE PERMIT DRC2018-00118

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 15061. The project qualifies for a Categorical Exemption for Class 1 as set forth in the CEQA Guidelines because it involves the operation and permitting of an existing private structure and facilities, involving negligible expansion of use beyond that which was existing. The project does not involve any site disturbance and 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.

Conditional Use Permit

- B. The proposed project or use is consistent with the San Luis Obispo County General Plan because cannabis distribution and a cannabis dispensary, as Cannabis Activities, are allowed land uses and, and are, as conditioned, consistent with all relevant polices of the General Plan.
- C. As conditioned, the proposed project or use satisfies all applicable provisions of Title 22 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 dispensary and distribution businesses do not generate activities that present a potential threat to the surrounding property or buildings, water use would be minimized and actual usage shall be monitored, energy usage shall be monitored, security fencing shall be installed, 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 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 activities would occur within an existing building, cannabis would not be visible from offsite, and nuisance odors would not be detectable from offsite.
- 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 is accessed from Pike Lane that connects to S. 13th Street in the community of Oceano. As described in the updated traffic study prepared by ATE Transportation Engineers dated January 14, 2020, the project is anticipated to generate six afternoon peak hour trips, a net increase of 0.87 peak hour trips from existing site operations.

Cannabis Dispensary

- G. The cannabis dispensary, as proposed, will comply with all the requirements of the State and County for the dispensing of cannabis, including all dual licensure and participation in an authorized track-and-trace program.
- H. The cannabis dispensary will not be open to the public (mobile deliveries only) and 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.

- I. The cannabis dispensary includes adequate measures to 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.

Cannabis Distribution

- J. The cannabis distribution business, as proposed, will comply with all the requirements of the State and County for the distribution of cannabis, including all dual licensure and participation in an authorized track-and-trace program.
- K. The cannabis distribution business will not be open to the public and 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.
- L. The cannabis delivery business includes adequate measures 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.

EXHIBIT B - CONDITIONS OF APPROVAL
BLEU DIAMOND, LLC / CONDITIONAL USE PERMIT DRC2018-00118

Approved Development

1. This approval authorizes use of the westerly 1,650 square foot lease space of the northerly most 3,300 square foot building located at 1189 Pike Lane for the following:
 - a. A non-storefront cannabis dispensary. And,
 - b. A cannabis distribution business.
 - c. Max of 46 delivery trips (one trip = one departure + one return) per day with a maximum of five delivery vehicles (plus two stand-by vehicles) and one distribution vehicle (cannot be used for delivery).
 - d. All delivery and distribution vehicles shall be owned or leased by the business.
 - e. Hours of operation between 8 A.M. and 10 P.M.
 - i. Delivery of cannabis or cannabis products to end users for retail sale allowed between 8 A.M. and 8 P.M.
 - ii. All delivery vehicles must depart no earlier than 8 A.M and must return to the project site by 8 P.M.
 - iii. Delivery driver activities between 8 P.M. and 10 P.M. are limited to closing procedures and to allow employees to clock out.
2. This approval authorizes a non-storefront dispensary. Retail sales from the dispensary shall be by delivery only. The products sold are limited to cannabis products obtained from licensed providers in accordance with applicable State regulations and licenses.
3. This approval authorizes a cannabis non-storefront dispensary and distribution business which shall be operated in compliance with the following restrictions:
 - a. Cannabis goods for distribution or delivery shall only travel in an enclosed motor vehicle operated by a delivery employee of the permittee.
 - b. While carrying cannabis goods for distribution or delivery, a delivery employee shall ensure the cannabis goods are not visible to the public.
 - c. Employees shall not leave cannabis goods in an unattended motor vehicle unless the motor vehicle is locked and equipped with an active vehicle alarm system.
 - d. All vehicles used for the delivery or distribution of cannabis goods shall be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle. A dedicated GPS device must be owned by the permittee and shall be either permanently or temporarily affixed to the delivery vehicle and shall remain active and inside of the delivery vehicle at all times during delivery. At all times, the permittee shall be able to identify the geographic location of all vehicles that are making deliveries or distribution and shall provide that information to the County upon request.
 - e. Upon request, the permittee shall provide the County with information regarding any motor vehicles used for the delivery or distribution of cannabis goods, including the vehicle's make, model, color, Vehicle Identification Number, license plate number and Department of Motor Vehicle's registration.
 - f. Delivery employees shall not carry cannabis goods worth in excess of \$3,000 at any time. This value shall be determined using the current retail price of all cannabis goods carried by the delivery employee.

- g. Employees shall not consume cannabis goods while delivering or distributing cannabis goods.

Conditions required to be completed prior to commencing permitted activities

4. **Prior to commencing permitted activities**, the applicant shall obtain 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.
5. **Prior to commencing permitted activities**, the applicant shall complete all State licensing requirements for cultivation 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.
6. **Prior to commencing permitted activities**, the applicant shall demonstrate to the Planning and Building Department 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.
7. **Prior to commencing permitted activities**, the applicant shall complete and submit the Hazardous Materials Declaration Flowchart to the Environmental Health Services office.

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

8. **Prior to issuance of 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 County Business License**, the applicant shall submit evidence that solid waste and recycling collection will be consistent with Sections 22.10.150.B and C of the County Land Use Ordinance.
10. **Prior to issuance of County Business License**, the applicant shall submit evidence that project security plan has been reviewed and approved by the County Sheriff as required by Section 22.40.040.D of the County Land Use Ordinance.

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

Fees

11. At the time of application for building permits, the applicant shall pay all applicable public utility and housing impact fees.
12. Within 30 days of Land Use Permit approval, because the project is located adjacent to the City of Grover Beach, the applicant shall submit evidence to the County that all impact fees applicable to this project have been paid, or that none are required.

Lighting

13. **Prior to issuance of construction permits**, the applicant shall provide a lighting plan showing all exterior security lighting with shielding that confines light sources to the project site and shields neighboring properties.

Ongoing conditions of approval (valid for life of the project)

14. To minimize project related traffic impacts in accordance with the project description, the permit is restricted as follows:
 - a. Maximum 1,650 square feet of combined dispensary and distribution activities;
 - b. Maximum of eleven employees(live scan required), including the business owner;

- c. Maximum of five delivery vehicles and one distribution vehicle may be in operation at any time;
- 15. 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 Public Works Department.
- 16. Throughout the life of the project, solid waste and recycling shall be conducted in accordance with LUO Sections 22.10.150 B. and C.
- 17. In accordance with the parking standards set forth in Section 22.18.050.C.1, the applicant shall maintain no less than two parking spaces onsite and one loading space for the life of the project.
- 18. The applicant shall post onsite all required land use permit approvals and all required State and County 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.
- 19. 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.
- 20. The applicant 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 applicant shall be responsible for the payment of all required fees and taxes.
- 21. Upon adoption of the County of San Luis Obispo Cannabis Monitoring Program, the applicant shall enter the program within 90 days of adoption. Any associated fees shall be paid to the County of San Luis Obispo.
- 22. No minors or unauthorized personnel shall be permitted inside any restricted access areas, including the cultivation areas, under any circumstance.

Land use permit expiration

- 23. This Conditional Use Permit for a cannabis dispensary and a cannabis distribution business shall expire in 5 years from the approval date. Within a 12-month period prior to expiration, the applicant may request the Conditional Use Permit be renewed for an additional 5-year period. Any such request for renewal shall be in writing to the Planning and Building Department and shall be submitted in conjunction with the appropriate land use permit application. The request for renewal shall be processed with the same type of permit for the original entitlement. If a request for renewal is not requested or not granted, the Conditional Use Permit shall be deemed expired.



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

December 18, 2018

Bleu Diamond, LLC
Attn: Fabian Gonzalez
1189 Pike Ln. Ste. 9
Oceano, CA 93445-9477

Mathew Goodman
1620 Nipomo St.
San Luis Obispo, CA 93401

SUBJECT: Notice of Final County Action, Conditional Use Permit DRC2018-00118

On, December 13, 2018 the County Planning Commission approved your application based on the approved Findings and subject to the approved Conditions, both attached as exhibits to the adopted official resolution, which is enclosed for your records.

If you disagree with this action, pursuant to County Land Use Ordinance Section 22.70.050, 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 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. The appeal fee is set by the current fee schedule and must accompany your appeal form for your appeal to be accepted for processing.

If you have any questions regarding your project, please contact **Megan Martin** at +1-805-781-4163


Ramona Hedges, Secretary
County of San Luis Obispo
Department of Planning & Building

PLANNING COMMISSION
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

Thursday, December 13, 2018

PRESENT: Commissioners Michael Multari, Jay Brown, Don Campbell, and Chairman James Harrison

ABSENT: Commissioner Dawn Ortiz-Legg

PLANNING COMMISSION RESOLUTION NO. 2018 - 026
RESOLUTION RELATIVE TO THE GRANTING
OF A
CONDITIONAL USE PERMIT

WHEREAS, the County Planning Commission of the County of San Luis Obispo, State of California, did, on the 13th day of December, 2018, grant a Conditional Use Permit, County File Number DRC2018-0018 to BLEU DIAMOND, LLC and approves the Categorical Exemption. The site is in the Commercial Service land use categorie and is located at 1189 Pike Lane in the community of Oceano, in the South County planning area. Assessor Parcel Number(s) / APN(s): 062-291-003.

WHEREAS, the Planning Commission, after considering the facts relating to such application, approves this Permit based on the Findings listed in Exhibit A.

WHEREAS, the Planning Commission, after considering the facts relating to such application, approves this Permit subject to the Conditions listed in Exhibit B.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the County of San Luis Obispo, State of California, in a regular meeting assembled on the 13th day of December, 2018, does hereby grant the aforesaid Permit No. DRC2018-00118.

This land use permit is valid for a period of 24 months from its effective date unless time extensions are granted pursuant to Land Use Ordinance/Coastal Zone Ordinance Section 22.64.070/23.02.050 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. Substantial site work is defined by Land Use Ordinance/Coastal Zone Ordinance Section 22.64.080/23.02.042.

If the use authorized by this Permit approval, once established, remains vacant and unused for its authorized purpose, or is abandoned or discontinued for a period greater than 12 consecutive months, such Permit approval shall become void.

On motion of Commissioner Multari, seconded by Commissioner Campbell, and on the following roll call vote, to-wit:

a

AYES: Commissioners Multari, Campbell, Brown, and Chairman Harrison

NOES: None

ABSENT: Commissioner Ortiz-Legg

the foregoing resolution is hereby adopted.

the foregoing resolution is hereby adopted.

/s/ James Harrison
Chairperson of the Planning Commission

ATTEST:

/s/ Ramona Hedges
Secretary, Planning Commission

FINDINGS - EXHIBIT A
Bleu Diamond, LLC DRC2018-00118

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 15061. The project qualifies for a Categorical Exemption for Class 1 as set forth in the CEQA Guidelines because it involves the operation and permitting of an existing private structure and facilities, involving negligible expansion of use beyond that which was existing. The project does not involve any site disturbance and 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.

Conditional Use Permit

- B. The proposed project or use is consistent with the San Luis Obispo County General Plan because cannabis distribution and a cannabis dispensary, as Cannabis Activities, are allowed land uses and, and are, as conditioned, consistent with all relevant polices of the General Plan.
- C. As conditioned, the proposed project or use satisfies all applicable provisions of Title 22 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 dispensary and distribution businesses do not generate activities that present a potential threat to the surrounding property or buildings, security fencing shall be installed, 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 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 activities would occur within an existing building, cannabis would not be visible from offsite, and nuisance odors would not be detectable from offsite.
- 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 is accessed from Pike Lane that connects to S. 13th Street in the community of Oceano. As described in the traffic study prepared by ATE Transportation Engineers dated September 25, 2018, the project is anticipated to generate five afternoon peak hour trips, a net decrease of 0.13 peak hour trips from existing site operations.

Cannabis Dispensary

- G. The cannabis dispensary, as proposed, will comply with all the requirements of the State and County for the dispensing of cannabis, including all dual licensure and participation in an authorized track-and-trace program.
- H. The cannabis dispensary will not be open to the public (mobile deliveries only) and 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.

- I. The cannabis dispensary includes adequate measures to 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.

Cannabis Distribution

- J. The cannabis distribution business, as proposed, will comply with all the requirements of the State and County for the distribution of cannabis, including all dual licensure and participation in an authorized track-and-trace program.
- K. The cannabis distribution business will not be open to the public and 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.
- L. The cannabis distribution business includes adequate measures 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.

EXHIBIT B - CONDITIONS OF APPROVAL

Approved Development

1. This approval authorizes use of the westerly 1,650 square foot lease space of the northerly most 3,300 square foot building located at 1189 Pike Lane for the following:
 - a. A non-storefront cannabis dispensary. And,
 - b. A cannabis distribution business.
2. Retail sales from the dispensary shall be by delivery only. The products sold are limited to cannabis products obtained from licensed providers in accordance with applicable State regulations and licenses.

Conditions required to be completed prior to commencing permitted activities

3. **Prior to commencing permitted activities**, the applicant shall obtain 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.
4. **Prior to commencing permitted activities**, the applicant shall complete all State licensing requirements for non-storefront retail and distribution 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.
5. **Prior to commencing permitted activities**, the applicant shall demonstrate to the Planning and Building Department 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.
6. **Prior to commencing permitted activities**, the applicant shall complete and submit the Hazardous Materials Declaration Flowchart to the Environmental Health Services office.

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

7. **Prior to issuance of County Business License**, the applicant shall submit evidence of compliance with all requirements of the Central Coast Regional Water Quality Control Board (CCRWQCB).
8. **Prior to issuance of County Business License**, the applicant shall submit evidence that solid waste and recycling collection will be consistent with Sections 22.10.150.B and C of the County Land Use Ordinance.
9. **Prior to issuance of County Business License**, the applicant shall submit evidence that project security plan has been reviewed and approved by the County Sheriff as required by Section 22.40.040.D of the County Land Use Ordinance.

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

Fees

10. At the time of application for building permits, the applicant shall pay all applicable public utility and housing impact fees.

11. Within 30 days of Land Use Permit approval, because the project is located adjacent to the City of Grover Beach, the applicant shall submit evidence to the County that all impact fees applicable to this project have been paid, or that none are required.

Lighting

12. **Prior to issuance of construction permits**, the applicant shall provide a lighting plan showing all exterior security lighting with shielding that confines light sources to the project site and shields neighboring properties.

Ongoing conditions of approval (valid for life of the project)

13. To minimize project related traffic impacts in accordance with the project description, the permit is restricted as follows:
 - a. Maximum 1,650 square feet of combined dispensary and distribution activities;
 - b. Maximum of five full time equivalent employees;
 - c. Maximum of two delivery vehicles;
14. 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 Public Works Department.
15. Throughout the life of the project, solid waste and recycling shall be conducted in accordance with LUO Sections 22.10.150 B. and C.
16. In accordance with the parking standards set forth in Section 22.18.050.C.1, the applicant shall maintain no less than two parking spaces onsite and one loading space for the life of the project.
17. The applicant shall post onsite all required land use permit approvals and all required State and County 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.
18. 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.
19. The applicant 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 applicant shall be responsible for the payment of all required fees and taxes.
20. Upon adoption of the County of San Luis Obispo Cannabis Monitoring Program, the applicant shall enter the program within 90 days of adoption. Any associated fees shall be paid to the County of San Luis Obispo.

Land use permit expiration

21. This Conditional Use Permit for a cannabis dispensary and a cannabis distribution business shall expire in 5 years from the approval date. Within a 12-month period prior to expiration, the applicant may request the Conditional Use Permit be renewed for an additional 5-year period. Any such request for renewal shall be in writing to the Planning and Building Department and shall be submitted in conjunction with the appropriate land use permit application. The request for renewal shall be processed with the same type of

permit for the original entitlement. If a request for renewal is not requested or not granted, the Conditional Use Permit shall be deemed expired.