

**CITY OF HAYWARD PLANNING DIVISION
PROPOSED CANNABIS MANUFACTURING USE – LEVEL 1
STONED AGE EDIBLES, 2363 TRIPALDI WAY
CONDITIONAL USE PERMIT APPLICATION NO. 201803933**

Planning Division

General

1. The applicant shall assume the defense of and shall pay on behalf of and hold harmless the City, its officers, employees, volunteers and agents from and against any or all loss, liability, expense, claim costs, suits and damages of every kind, nature and description directly or indirectly arising from the performance and action of this permit.
2. The applicant, property owner or designated representative shall allow the City's staff to access the property for site inspection(s) to confirm all approved conditions have been completed and are being maintained in compliance with all adopted city, state and federal laws.
3. Failure to comply with any of the conditions set forth in this approval, or as subsequently amended in writing by the City, may result in failure to obtain a building final and/or a Certificate of Occupancy until full compliance is reached. The City's requirement for full compliance may require minor corrections and/ or complete demolition of a non-compliant improvement regardless of costs incurred where the project does not comply with design requirements and approvals that the applicant agreed to when permits were pulled to construct the project.
4. All outstanding fees owed to the City, including permit charges and staff time spent processing or associated with the development review of this application shall be paid in full prior to any consideration of a request for approval extensions and/or the issuance of a building permit.
5. The applicant shall take all reasonable steps to discourage and correct conditions that constitute a public or private nuisance in parking areas, sidewalks, alleys and areas surrounding a permitted facility. Such conditions include but are not limited to: smoking; creating a noise disturbance; loitering; littering; and graffiti. Graffiti must be removed from property and parking lots under the control of the permittee within 72 hours of discovery.
6. The cannabis manufacturing use shall operate according to these conditions of approval and the business plan included as part of the conditional use permit application, received August 2, 2018, including the hours of operation, intensity of use and mode/character of the proposed manufacturing operation. Any future change or modification of the operational plan and/or any expansion of the approved manufacturing use may require the submittal of a new use permit

application and commercial cannabis permit and shall be subject to additional review and approval by the City prior to any change, modification or expansion.

7. The applicant shall provide specific details of their draft Community Benefits program and coordinate the implementation of the proposed Community Benefits program with City staff within six months from use permit approval. The applicant will be subject to annual review and verification on the implementation of the approved Community Benefits program prior to permit renewal.
8. Permittees shall employ only persons at least 21 years of age at any permitted facility within the City of Hayward. Employee records shall be kept and maintained, and proof of age shall be provided to the City upon request.
9. Permittees shall have an on-site manager at each permitted facility within the City of Hayward who is responsible for overall operation during times that employees are conducting operations and shall provide the City with contact information for all such persons, including telephone number and email address. Permittees shall also provide the City with the name and contact information including phone number of at least one manager that can be reached 24-hours a day.
10. The proposed cannabis manufacturing use shall operate in a manner to prevent possible diversion of Cannabis and shall promptly comply with any track and trace program established by the State.
11. The applicant shall notify the City if it intends to transfer ownership or operational control of a Commercial Cannabis Business. The transferee shall be responsible for complying with all applicable local and state licensing requirements, including the requirement to apply for a new commercial cannabis permit pursuant to Chapter 6, Article 14 of the Hayward Municipal Code. Any conditions imposed upon the transferor by the original conditional use permit shall be binding upon any subsequent transferees. Any transfer of ownership or operational control of a Commercial Cannabis Business which results in a lapse of normal operations for a period of six months or more shall be required to obtain a new use permit consistent with Sections [10-1.3170](#) or [10-1.3270](#) of the Hayward Municipal Code, as applicable.
12. The applicant shall utilize only extraction processes that are (a) solvent-free or that employ only non-flammable, nontoxic solvents that are recognized as safe pursuant to the federal Food, Drug, and Cosmetic Act, and/or (b) use solvents exclusively within a closed loop system that meets the requirements of the federal Food, Drug, and Cosmetic Act including use of authorized solvents only, the prevention of off-gassing, and certification by a California licensed engineer. The use of volatile solvents, defined as Commercial Medical and Non-Medical Cannabis Manufacturing - Level 2, is prohibited.

13. No closed loop systems shall be utilized without prior inspection and approval of the City's Building Official and Fire Code Official.
14. Any manufacturing, processing and analytical testing devices used by the applicant must be UL (Underwriters Laboratories) listed or otherwise certified by an approved third-party testing agency or engineer and approved for the intended use by the City's Building Official and Fire Code Official.
15. All owners, employees, volunteers or other individuals that participate in the production of edible cannabis products must be state certified food handlers. The valid certificate number of each such owner, employee, volunteer or other individual must be on record at approved facility where that individual participates in the production of edible cannabis products. No consumption of any cannabis product manufactured on-site is allowed.
16. If applicable, the applicant shall obtain a permit from the Alameda County Public Health Department and provide a copy of the valid permit to the City prior to the operation of any cannabis manufacturing activities on-site. All permit holders shall comply with State and County health permit requirements. These requirements provide a system of prevention and overlapping safeguards designed to minimize foodborne illness, ensure employee health, demonstrate industry manager knowledge, ensure safe food preparation practices and delineate acceptable levels of sanitation for preparation of edible products.

Security

17. The proposed cannabis manufacturing use shall provide adequate security on the premises, including any on-site security, lighting and alarms, to insure the public safety and the safety of persons within the facility and to protect the premises from theft. The applicant shall provide at least one, State-licensed, security guard on the premises during hours of operation. Besides the components listed below, additional security measures may be required, consistent with CPTED best practices (Crime Prevention Through Environmental Design). The proposed safety and security plan will be enforced and monitored by the City's Code Enforcement Division, the Building Division and the Hayward Police Department. The applicant shall include a security and safety plan that includes the following minimum requirements:

Security Cameras. Security surveillance IP video cameras shall be installed and maintained in good working order to provide coverage on a twenty-four (24) hour real-time basis of all internal and exterior areas where Cannabis is cultivated, weighed, manufactured, packaged, stored, transferred, and dispensed. The cameras shall allow for remote access to be provided to the Hayward Police Department. The security surveillance cameras shall be oriented in a manner that provides clear and certain identification of all individuals within those areas. IP cameras shall remain active at all times and shall be capable of operating under

any lighting condition. Security video must use standard industry format to support criminal investigations and shall be maintained for sixty (60) days.

Alarm System. A professionally monitored security alarm system shall be installed and maintained in good working condition. The alarm system shall include sensors to detect entry and exit from all secure areas and all windows. The applicant shall keep the name and contact information of the alarm system installation and monitoring company as part of the Commercial Cannabis Business's onsite books and records. Cannabis Operators shall also identify a local contact who will be responsible for addressing security and safety issues and shall provide and keep current that contact information to the Hayward Police Department as part of the permitting process.

Secure Storage and Waste. Commercial Cannabis products and associated product manufacturing, distribution or cultivation waste shall be stored and secured in a manner that prevents diversion, theft, loss, hazards and nuisance.

Transportation. The manufacturing use shall implement procedures for safe and secure transportation and delivery of Commercial Medical and Non-Medical Cannabis, including all Cannabis products and currency, in accordance with local and state law. None of the vehicles associated with commercial manufacturing use shall have markings or advertising that indicates the presence of cannabis on-site.

Building Security. All points of ingress and egress to the proposed use shall be secured with Building Code compliant commercial-grade, non-residential door locks and/or window locks.

Emergency Access. Security measures shall be designed to ensure emergency access is provided to the Hayward Police Department and Hayward Fire Department for all areas on the premises in the case of an emergency.

Background Checks. All employees working in conjunction with the cannabis manufacturing use shall be subject to background/LiveScan checks. Additionally, all employees shall furnish the Hayward Police Department a state or federal registered Identification Card, upon request.

Inspections. During regular business hours, the building premises shall be accessible, upon request, to an identified Hayward Police Department, Building Division or Code Enforcement employee for random and/or unannounced inspections.

Odor Control

18. No cannabis odors shall be detectable outside of the facility. The applicant shall incorporate and maintain adequate on-site odor control measures such that the odors as a result of edible manufacturing of Cannabis and Cannabis-related products cannot be readily detected from outside of the structure in which the Business

operates or from other non-Cannabis businesses adjoining the Commercial Cannabis Business. Prior to operation, the applicant shall provide an Odor Mitigation Plan certified by a professional engineer or industrial hygienist that includes the following:

- a. Operational processes and maintenance plan, including activities undertaken to ensure the odor mitigation system remains functional;
- b. Staff training procedures; and
- c. Engineering controls, which may include carbon filtration or other methods of air cleansing, and evidence that such controls are sufficient to effectively mitigate odors from all odor sources. All odor mitigation systems and plans submitted pursuant to this subsection shall be consistent with accepted and best available industry-specific technologies designed to effectively mitigate cannabis odors.

Commercial Cannabis Permit

19. The applicant shall obtain and maintain a valid Commercial Cannabis Permit from the City, including any other applicable State and local permits. Commercial Cannabis Permit applications and renewals are subject to the requirements of Section 6-14.15 of the Hayward Municipal Code. Commercial Cannabis Permits are valid for a period of one year and shall be renewed annually. The permit is invalid if the term has expired and the annual fee, as established in the City of Hayward Master Fee schedule, has not been timely paid in full. Non-payment will result in a violation penalty fee in accordance with the Master Fee Schedule for Cannabis uses. Additionally, the City may invalidate or suspend a Commercial Cannabis Permit for excessive calls for service or nuisance citations.
20. The proposed cannabis manufacturing use shall not commence operations until the Business can demonstrate compliance with all necessary state and local licenses (dual licensing) and agency permits. Failure to demonstrate dual licensing in accordance with the Hayward Municipal Code shall be grounds for revocation of a City approved permit. Revocation of a local permit and/or a state license shall terminate the ability of the Commercial Cannabis Business to operate until a new permit and/or state license is obtained.
21. The applicant shall maintain books, records, accounts, public safety calls for service, and all data and information relevant to its operations of the commercial cannabis use, including the implementation of the proposed community benefits component, and allow the City access to such records for purposes of conducting an audit or examination to determine compliance with this Article, the Hayward Municipal Code, and other local regulations, including compliance with local tax obligations. Prior to the applicant's commercial cannabis permit renewal each year, the applicant shall provide these records to the City for review to verify compliance.

22. The applicant shall allow inspections by the City of any facility permitted pursuant to this Article to verify compliance with the requirements of this Article, the Hayward Municipal Code and the requirements of state law.

Expiration & Revocation

23. This Use Permit approval is void 36 months after the effective date of approval unless:
 - a. Prior to the expiration of the 36-month period, a building permit application has been submitted and accepted for processing by the Building Official or a time extension of the approval has been granted by the Planning Director.
 - b. If a building permit is issued for construction of improvements authorized by the conditional use permit approval, said approval shall be void two years after issuance of the building permit, or three years after approval of the application, whichever is later, unless the construction authorized by the building permit has been substantially completed or substantial sums have been expended in reliance on the conditional use permit approval. A request for an extension must be submitted in writing to the Planning Division at least 30 days prior to the above date.
 - c. Business operations have commenced in accordance with all applicable conditions of approval.
24. If this conditionally permitted use cease operation for a period of more than six consecutive months, it shall be deemed to be discontinued, and the use permit establishing said use shall become null and void. Reestablishment of said use shall only be permitted upon obtaining a new use permit.
25. The Planning Commission may require modification, discontinuance or revocation of this Conditional Use Permit if its determined that the use is operated or maintained in a manner that it:
 - a. Adversely affects the health, peace or safety of persons living or working in the surrounding area;
 - b. Contributes to a public nuisance; or
 - c. Has resulted in excessive nuisance activities including disturbances of the peace, illegal drug activity, diversion of Commercial Cannabis or Commercial Cannabis Products, public intoxication, smoking in public, harassment of passerby, littering, or obstruction of any street, sidewalk or public way; or
 - d. Violates any provision of the Hayward Municipal Code or condition imposed by a City issued permit, or violates any provision of any other local, state, regulation, or order, including those of state law or violates any condition imposed by permits or licenses issued in compliance with those laws.

Code Enforcement Division

1. All tenant improvements and modifications and/or demolition require approval of a building permit prior to the start of the work. Verified violations of the

California Building Code Section 105.1 are subject to a penalty fee of 205% of the required permit fees in addition to the regular Building Division fees in accordance with the City of Hayward Master Fee Schedule.

2. No outdoor storage or uses permitted. All cannabis manufacturing and related activities are to be conducted indoors.
3. The Commercial Cannabis establishment shall maintain and visibly post valid copies all required State, Local, and Municipal permits, including but not limited to the State of California Cannabis Bureau license, the Hayward Cannabis license, City of Hayward business license, and other pertinent permit and licenses according to the specific cannabis use.
4. Every owner of real property within the City is required to manage the property in a manner so as not to violate the provisions of the Cannabis Ordinance and/or any State and Municipal regulations. The property owner remains ultimately liable for all penalties and fees as a result of violation of any of the requirements for the Commercial Cannabis operation thereof regardless of any contract or tenant agreement or other third parties.

Fire Department

1. Any portion of the building or facility shall be within 400 feet of a fire hydrant. The spacing between the hydrants is 300 feet. Fire hydrants shall be placed at least 50 feet from the building to be protected. Where it is not feasible to place them at that distance, they may be in closer proximity in approved locations. A separate fire permit is required for hydrant installation. (provide the location of nearest fire hydrant and provide water/fire flow data less than 5 years)
2. Portable fire extinguishers shall be installed throughout the storage area at every 75 feet of travel or in areas required by the Fire Department. Portable fire extinguishers shall have a minimum rating of 2A:10BC, of which the maximum protection area is 1,500 square feet. Signage shall be provided for each portable fire extinguisher and shall be acceptable to the Fire Department.
3. This building is not currently approved for high piled storage. A building permit is required for the installation of storage racks greater than 6 feet in height. A Fire Department annual operation permit is required for any combustible storage (floor and/or rack) which exceeds 12 feet in height (Class I-IV type commodities), AND/OR any high hazard storage which includes commodities such as hazardous materials, flammable liquids, plastics, foam and rubber products, or any other classified commodity as dictated by the California Fire Code and NFPA 13 Standards, which exceeds 6 feet in height. (please identify the amount and array of storage in the shipping space and if pallet racks will be utilized)
4. Minimum building address shall be 12" high with 1.5" stroke. When building is located greater than 50 feet from street frontage, address shall be minimum 16"

high with 1.5" stroke. Tenant space number shall be 6" high with 0.75" stroke on a contrasting background to be visible from the street.

5. Future Changes to Operations - If this facility does change its operation, including the use of hazardous materials or the generation of hazardous waste, then the Hayward Fire Department and Planning Division shall be notified by the operator prior to the changes so as to allow review and/or determine if additional conditions of approval will be required by the City. The minimum requirements for the use of hazardous materials shall include:
 - a. Hazardous Materials Business Plan (HMBP) / California Environmental Reporting System (CERS) – The storage and/or use of hazardous materials shall be electronically reported through the California Environmental Reporting System for the HMBP elements.
 - b. Hazardous Materials Permit – The business shall apply for a Consolidated Permit/Registration for the Unified Hazardous Materials/Hazardous Waste Management Regulatory Program. The applicant shall obtain and keep current this Consolidated Permit. Contact the Hayward Fire Department, Hazardous Materials Office at (510) 583-4910 to obtain the application and permit.
 - c. Hazardous Materials Limits – Hazardous materials storage and use in each control area shall not exceed the maximum allowable quantities (MAQs) as given in Chapter 50 of the 2016 California Fire Code (CFC) for non-hazardous occupancy classifications.
 - d. Additional Requirements – Depending on specific proposed changes, additional conditions may be required.
6. Final Inspection – A final inspection of this facility shall be completed by the Hazardous Materials Office once the facility is ready for operations and before commencement of operations. Please contact the Hazardous Materials Office at (510) 583-4910 to schedule the inspection at least 48 hours in advance.

Utilities Division

1. Water Services – The property at 2363 Tripaldi Way is served by a 1" domestic water meter (account 34319) and a 1.5" irrigation water meter (account 30708). Any modifications to existing water services (upsized, downsized, relocate, abandon, etc.) must be performed by City personnel at the applicant's/owner's expense. The new tenant space being formed for Stoned Age Edible Co. at 2363 Tripaldi Way may not share the existing 1" domestic water meter with Kitchens By The Hour. Each tenant space must be served by separate water meters. Based on the plans, the tenant space will have 12.5 water fixtures, which requires a minimum 5/8" domestic water meter. The cost to install a 5/8" domestic water meter and a 3/4" service line is \$9,984 (\$3,500 installation fee + \$6,484 facilities fee).

2. Sewer Service – The property at 2363 Tripaldi Way has an existing sewer connection with a “grandfathered” sewer capacity of 210 gallons per day of domestic strength discharge, which will remain credited to Kitchens By The Hour. The new tenant space being formed for Stoned Age Edible Co. will be required to pay a sewer connection fee. Nonresidential sewer connection fees are based on the volume and strength of wastewater discharge estimated from the proposed businesses. Sewer capacity for the proposed business will be sized based on information provided on the Industrial & Commercial Sanitary Sewer Capacity form.
3. All domestic & irrigation water meters must have Reduced Pressure (RP) Backflow Prevention Assemblies, per City of Hayward Standard Detail 202. Backflow Prevention Assemblies shall be at least the size of the water meter or the water line on the property side of the meter, whichever is bigger. Backflow devices installed on potable water services must be lead-free.
4. Water meters and services are to be located a minimum of two feet from the top of driveway flares, per SD-213 through SD-218.
5. Water mains and services, including meters, must be located at least 10 feet horizontally from and one-foot vertically above any parallel pipeline conveying untreated sewage (including sanitary sewer laterals), and at least four feet from and one foot vertically above any parallel pipeline conveying storm drainage, per the current California Waterworks Standards, Title 22, Chapter 16, Section 64572. The minimum horizontal separation distances can be reduced by using higher-grade (i.e., pressure) piping materials.
6. The applicant/developer shall install a grease control device to control fat, oil and grease discharge from any food service establishment.

Building Division

1. The proposed commercial kitchen tenant improvement will require a separate building permit application and plan review process. During the building permit review, technical comments will be provided related to the applicable codes. This includes the following: 2016 CA Energy Code, CA Building Code, CA Plumbing Code, CA Electrical Code and CA Mechanical Code. As required by the CA Building Code, disabled access upgrades shall be incorporated into the scope of work as described in CBC Ch. 11B section 202.

Solid Waste

1. Construction & Demolition Debris: The City requires that construction and demolition debris be recycled per certain ordinance requirements. Submittal of the Debris Recycling Statement will be required at the time of your building permit. The form can also be found at <http://www.hayward-ca.gov/services/city-services/construction-and-demolitiondebris-disposal>. You may also visit

Hayward's Green Halo webpage and create a waste management plan instead of filling in the Debris Recycling Statement.

2. Prior to the operation, please provide the City a copy of the Cannabis Waste Management Plan to be implemented by the Cannabis Waste Disposal Company when the company has been selected and the plan is finalized.