

**CITY OF HAYWARD PLANNING DIVISION
PROPOSED CANNABIS MICROBUSINESS WITH MANUFACTURING, DISTRIBUTION,
DELIVERY, AND ANCILLARY RETAIL ACTIVITIES
JUVA LIFE, ALWAYS ON TIME CONSULTING, 23000 CONNECTICUT STREET, SUITE 5
CONDITIONAL USE PERMIT APPLICATION NO. 202001006**

CONDITIONS OF APPROVAL

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. Prior to the issuance of the Certificate of Occupancy, the applicant shall contact the Planning Division and be subject to a site inspection by the designated project planner to verify that all applicable mitigations and conditions of approval have been satisfied. The cost of inspection, including any subsequent inspections that are deemed necessary by the City, shall be paid by the applicant.
4. Failure to comply with any of the conditions set forth in this approval, or as subsequently amended in writing by the City and agreed to by the applicant, 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. The applicant acknowledges that the conditions set forth in this approval are not intended to supersede any obligations imposed pursuant to Chapter 6, Article 14 of the Hayward Municipal Code related to commercial cannabis permits, as it may be amended from time to time.
5. 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.
6. 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 within 72 hours of discovery.

7. Delivery vehicles shall not be stationed on public right of way.
8. The cannabis microbusiness facility with manufacturing, distribution, delivery, and ancillary retail activities shall operate according to these conditions of approval and the business plan submitted on September 30, 2022, including the hours of operation, intensity of use and mode/character of the proposed microbusiness operation. Any future change or modification of the operational plan and/or any expansion of the approved 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.
9. Any ancillary retail must be inspected by the Planning Division, Code Enforcement Division, and Police Department prior to operation to ensure compliance with these Conditions of Approval and City regulations and standards.
10. The cannabis facility may operate 24 hours a day, seven days a week, with the exception of the delivery component, which is limited to 6:00 a.m. to 10:00 p.m., as required by State law and any ancillary retail, which shall be limited to 9:00 a.m. to 9:00 p.m. Upon license renewal, the City may impose more restrictive hours of operation due to site specific conditions or as the result of excessive and/or extraordinary calls for service, as determined by the City's Police Department.
11. 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.
12. 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.
13. The proposed cannabis 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.
14. The applicant shall notify the City if it intends to transfer any portion of ownership or operational control of a Commercial Cannabis Business and shall complete the New Owner/Investor Application Attestation Form as provided by the City. All new owners/investors are subject to the LiveScan fingerprint background check and the transferee shall be responsible for complying with all applicable local and state licensing requirements. Any conditions imposed upon the transferor by the original 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 and/or commercial cannabis permit, consistent with Sections 10-1.3170 or 10-1.3270 of the Hayward Municipal Code, as applicable.
15. 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.
 16. No closed loop systems shall be utilized without prior inspection and approval of the City's Building Official and Fire Code Official.
 17. 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.
 18. 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 is allowed on-site, including in outdoor areas and parking lots.
 19. 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.
 20. No person who is younger than the minimum age established by state law for the purchase, possession or consumption of cannabis and cannabis-related products shall be allowed on the premises of a permitted Commercial Cannabis Business.
 21. The applicant shall provide the Police Department with information regarding any motor vehicle used for the delivery of cannabis goods, including the vehicle's make, model, color, vehicle identification number (VIN), license plate number and Department of Motor Vehicles registration information. Vehicles shall be registered with the Hayward Police Department.

22. Any motor vehicle used to deliver or transport cannabis goods is subject to inspection by the Hayward Police Department. Vehicles may be stopped and inspected by the Hayward Police Department at any licensed premises or during delivery or transport.
23. A licensed retailer's delivery employee shall not carry cannabis goods in the delivery vehicle with a value in excess of \$3,000 (three-thousand) at any given time.
24. The facility must be conducted in accordance with the Sustainability Plan approved.

Security

25. The proposed cannabis use shall provide adequate security on the premises, including any on-site security, lighting, and alarms, to ensure 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. Additionally, all Commercial Cannabis Businesses and Cannabis Operators shall maintain and implement a security and safety plan that includes the following minimum requirements:
 - a. *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 weighed, manufactured, packaged, stored, and transferred. 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 ninety (90) days.
 - b. *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.
 - c. *Secure Storage and Waste.* Commercial Cannabis products and associated product manufacturing, distribution, and delivery waste shall be stored and secured in a manner that prevents diversion, theft, loss, hazards and nuisance.
 - d. *Transportation.* The proposed 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 use shall have markings or advertising that indicates the presence of cannabis on-site.

- e. *Security Fencing.* In coordination with the Property Owner and the cannabis business located in Unit 3, the applicant shall be responsible for maintaining the perimeter fencing in good condition with durable, weather-proof materials. Chain-link fencing along McCone Avenue shall be replaced with durable wrought-iron fencing and/or similar material to the satisfaction and discretion of the Police and Development Services Departments. Fencing and/or walls shall adhere to the height limitations and setback standards of the respective zoning district.
- f. *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. All heating, ventilating, air-conditioning and service openings shall be secured with steel bars and/or metal grating.
- g. *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.
- h. *Background Checks.* All employees working in conjunction with the cannabis microbusiness 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.
- i. *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.
- j. *Security Guards.* The applicant shall provide at least one uniformed security guard licensed by the State of California.
 - i. The security guard(s) shall maintain order therein and prevent any activity which would interfere with the quiet enjoyment of the properties of nearby businesses.
 - ii. Said personnel shall carry his/her Guard Card on their person at all times and present it to any Peace Officer upon demand. Said personnel shall be clothed in such a manner as to be readily identifiable.
 - iii. The security guard shall be contracted out through a licensed security employer. If the business owner chooses to hire security guards under his/her business, he/she must hold a PSE license (Proprietary private Security Employer). See further information from the Bureau of

Security and Investigative services:
<https://www.bsis.ca.gov/consumers/faqs/ppse.shtml>.

- k. *Records Retention.* All financial records, personnel records, training records, contracts, permits, security records, destruction records, data entered into track-and-trace, and an accurate record of all business activities must be made available to the Hayward Police Department upon request.

Odor Control

26. 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 resulting from cannabis manufactured and stored on-site 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.
27. The building permit application shall include duct work, filters and other odor mitigation measures in the Odor Mitigation Plan and shall be certified by a professional engineer or industrial hygienist. The Odor Mitigation Plan shall include 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

28. The applicant shall obtain and maintain a valid Commercial Cannabis Permit from the City, including any other applicable State and local permits and inspections. Commercial Cannabis Permit 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 from the date that the permittee received land use approval 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 Cannabis Permit for excessive calls for service or nuisance citations.

29. The proposed commercial cannabis 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.
30. 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 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.

Building Design & Signage

31. All exterior and rooftop mechanical equipment shall be screened. Mechanical and rooftop equipment shall include, but is not limited to, electrical panels, pull boxes, air conditioning units, gas meters, and other equipment. All rooftop screening and mechanical equipment shall be shown on the project plans and be subject to final review and approval by City staff prior to the issuance of an occupancy permit.
32. Any above-ground structures that may be required to provide utilities for the project shall be compatible as to location, form, design, exterior materials, and noise generation. The applicant shall obtain staff approval prior to issuance of permits.
33. There shall be no display of cannabis goods and/or cannabis related products visible to the general public at the licensed premises. The establishment shall not display any cannabis related paraphernalia that may be used to administer commercial cannabis and/or commercial cannabis products.
34. No signs are approved with this project. Any signs shall be reviewed and approved by the Planning Division and a separate Sign Permit application shall be required, consistent with Hayward Municipal Code Sign Ordinance requirements.

Expiration & Revocation

35. 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 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.
- 36. If this conditionally permitted use ceases 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.
- 37. 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 cannabis or 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

- 38. 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.
- 39. No outdoor storage or uses permitted. All cannabis related activities are to be conducted indoors.

40. The Commercial Cannabis establishment shall maintain and visibly post valid copies of 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 permits and licenses according to the specific cannabis use.
41. 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.

BUILDING

42. The project requires a building permit for the tenant improvement. During that review process, additional comments will be provided.

WATER POLLUTION SOURCE CONTROL

43. No wastewater from any process other than domestic waste is allowed down the sanitary sewer. Domestic waste shall only include normal potable water usage, such as bathroom wastewater, or employee breakroom wastewater. Any other use of water or generation of wastewater, inside or outside the building, requires the user to contact Water Pollution Source Control at 881-7900 for approval for sanitary discharge if the facility changes the plumbing of the building.
44. All waste associated with the cannabis production shall be contained inside and off hauled to the appropriate waste disposal, not disposed of in the existing trash enclosure at the facility.
45. The existing monitoring structure is shared amongst all the tenants of the warehouse. WPSC reserves the right to monitor the sanitary sewer discharge at any time and monitor the water use of the facility.

SOLID WASTE

46. Owner or property manager will be responsible for staging all non-cannabis waste containers (landfill, recycling, and organics) for waste collection on collection days. The non-cannabis waste containers will be staged on Connecticut St. The containers cannot be placed at the curb any earlier than 6:00 a.m. the day before scheduled collection, and are required to retrieve them no later than midnight the days the containers are emptied.
47. The owner or property manager shall be responsible for litter-free maintenance of the property and shall remove any litter on or within 50 feet of the property daily to

ensure that the property and its street frontage remain clear of any abandoned debris or trash per Municipal Code Sec.11-5.22.

FIRE PREVENTION/HAZARDOUS MATERIALS

Project Site Requirements

48. A key switch (electrified gates) or Knox brand lock (manual gates) should be provided and mounted on a stationary place on the outside of the gate. The key switch shall be mounted on a permanently affixed monument three (3) to five (5) feet above ground. Knox products are available for purchase online at the website www.knoxbox.com.
49. Building Address – 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 so as to be visible from the street.
50. Extraction equipment (rosin heat press) used for the extraction of plant oils shall be listed or approved for the specific use. If the equipment is not listed, then the system shall be reviewed by a registered design professional. For systems and equipment not listed for specific use, a technical report shall be prepared and submitted to the fire code official for review and approval. The individual preparing the technical report shall be approved by the fire code official prior to performing the analysis.

Fire Protection Requirements

51. Submit for proper building permits for the interior construction/modifications of the building to the Building Department. All building construction shall meet the requirements of adopted California Building and Fire Code(s) respectively.
52. This project proposed the installation of a fire alarm system. Proposed installation shall meet the standards of the current edition of the California Fire Code (CFC) the National Electrical Code (NEC) and National Fire Protection Agency NFPA 72 Standards. A separate submittal is required for this installation.
53. 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.
54. A building permit is required for the installation of steel pallet racking. This is a separate submittal that shall be acquired through the City of Hayward Building Division.

55. Portable fire extinguishers shall be installed throughout the new tenant space 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.
56. In conjunction with the current edition of the California Building and Fire Code(s), illuminated exit signage shall be provided at locations approved by the AHJ.

Hazardous Materials Requirements

57. The proposed application does not include the storage or use of hazardous materials. If the applicant in the future would like to store or use hazardous materials or generate hazardous waste, then the applicant shall provide adequate information to the Hazardous Materials Office and Fire Prevention Office in order to provide appropriate conditions.