

**PLANNING COMMISSION MEETING  
THURSDAY, OCTOBER 11, 2018**

**PRESENTATIONS**

# **STAFF PRESENTATION**

**ITEM #2 PUBLIC HEARING  
Ph#18-075**

**ROUND ONE ENTERTAINMENT**

**COMMERCIAL AMUSEMENT  
FACILITY AT  
SOUTHLAND MALL**

# ROUND ONE FACILITY AT SOUTHLAND MALL

PLANNING COMMISSION PUBLIC HEARING  
JAY LEE, ASSOCIATE PLANNER  
OCTOBER 11, 2018



# **PRESENTATION OUTLINE**

- 1. Introduction & Background**
- 2. Proposed Project**
- 3. Staff Analysis**
- 4. Staff Recommendation**

# INTRODUCTION & BACKGROUND

**Applicant:** Round One Entertainment

**Owner:** Southland Mall LP

**Requested Entitlement:** Conditional Use Permit (CUP)

- 1. Commercial Amusement Facility**
- 2. Type 41 ABC License (On-Sale Beer and Wine)**

# INTRODUCTION & BACKGROUND





# INTRODUCTION & BACKGROUND



# PROPOSED PROJECT

**BOWLING & AMUSEMENT**  
**ROUND 1**



## Amenities:

1. Arcades: 8,900 sq. ft. (200+ games)
2. Bowling: 8 lanes
3. Restaurant/Bar: dining area with TVs
4. Private Karaoke: 2 rooms
5. Billiards: 4 tables

**Alcohol License:** Type 41

**Hours of Operation:** 10am to 1:30pm

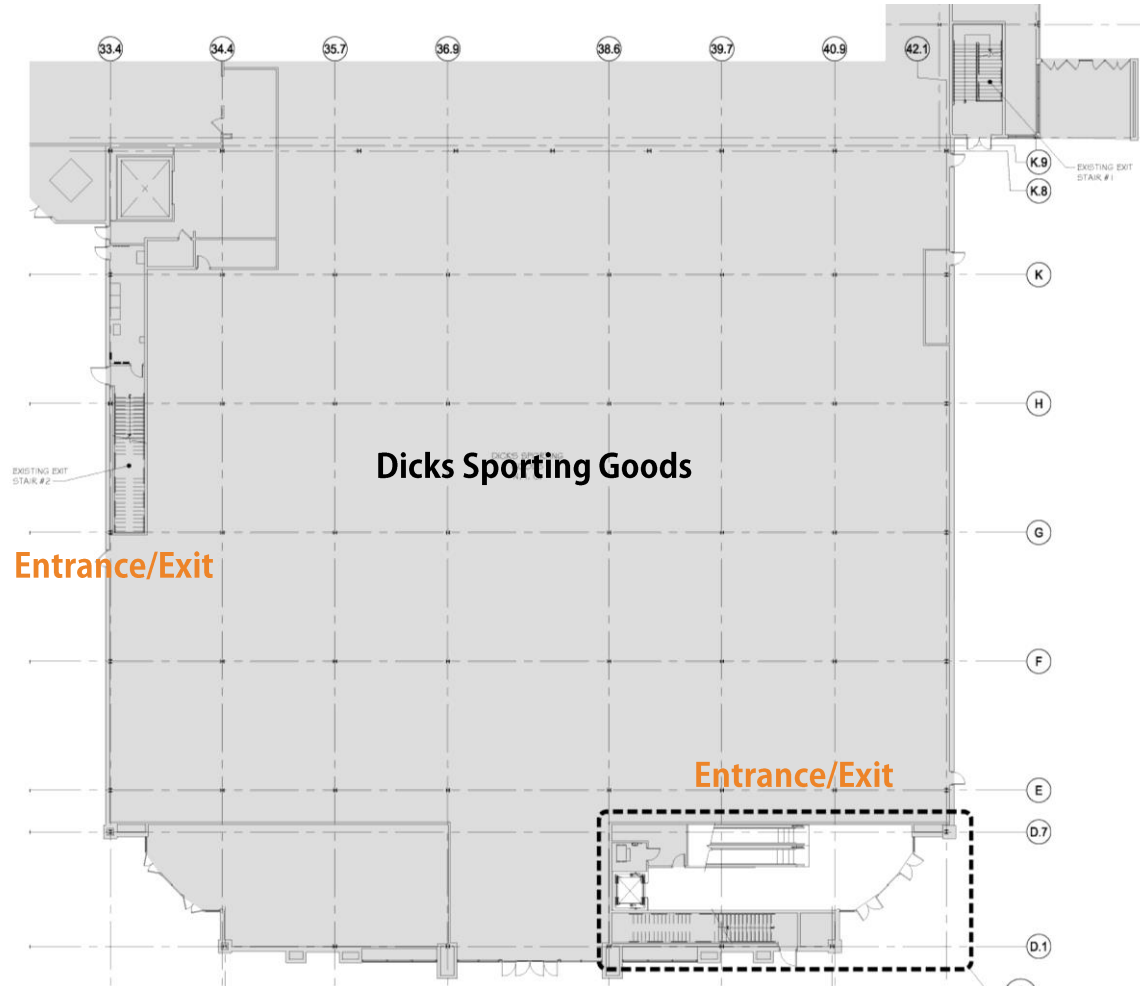
1. Curfew for Minors: 10pm
2. Curfew for Under 21: 12am



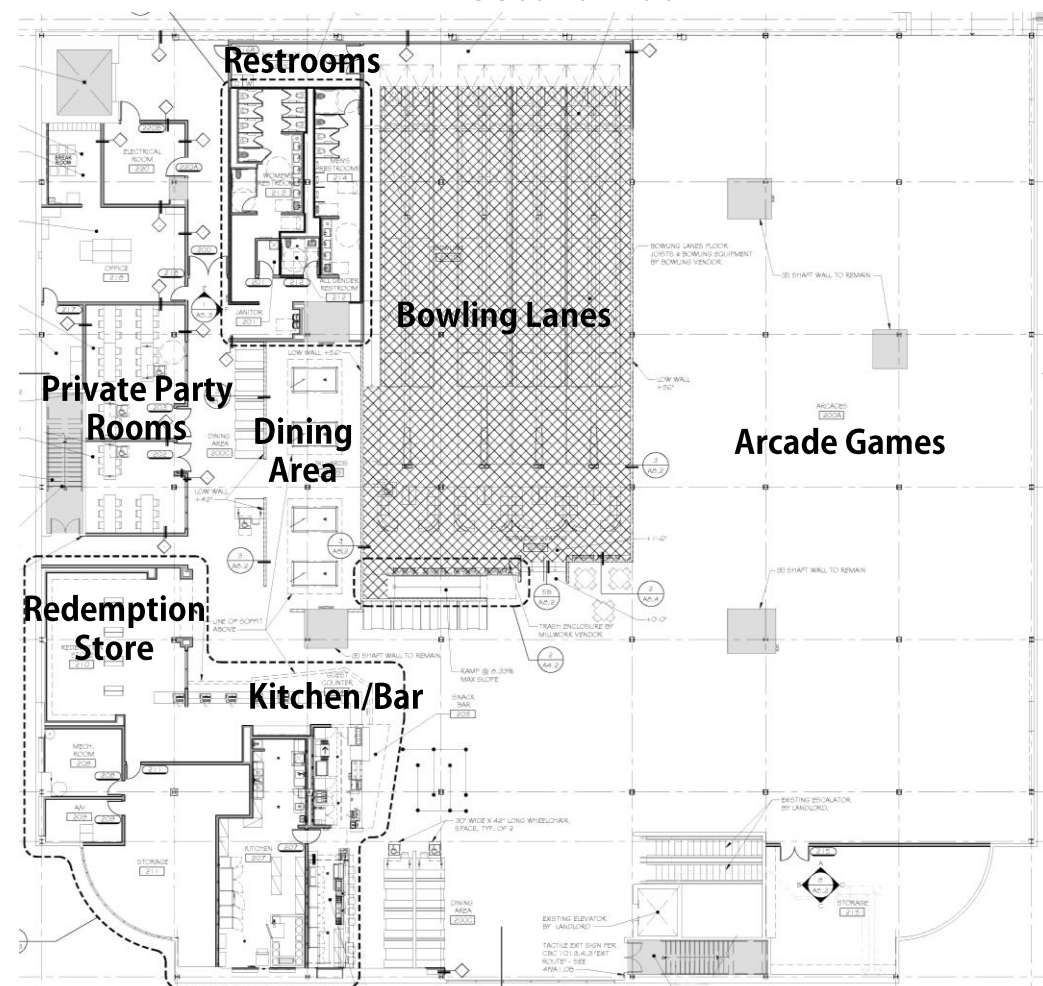
# PROPOSED PROJECT

## First Floor

## Entrance/Exit



## Second Floor



# STAFF ANALYSIS: LAND USE



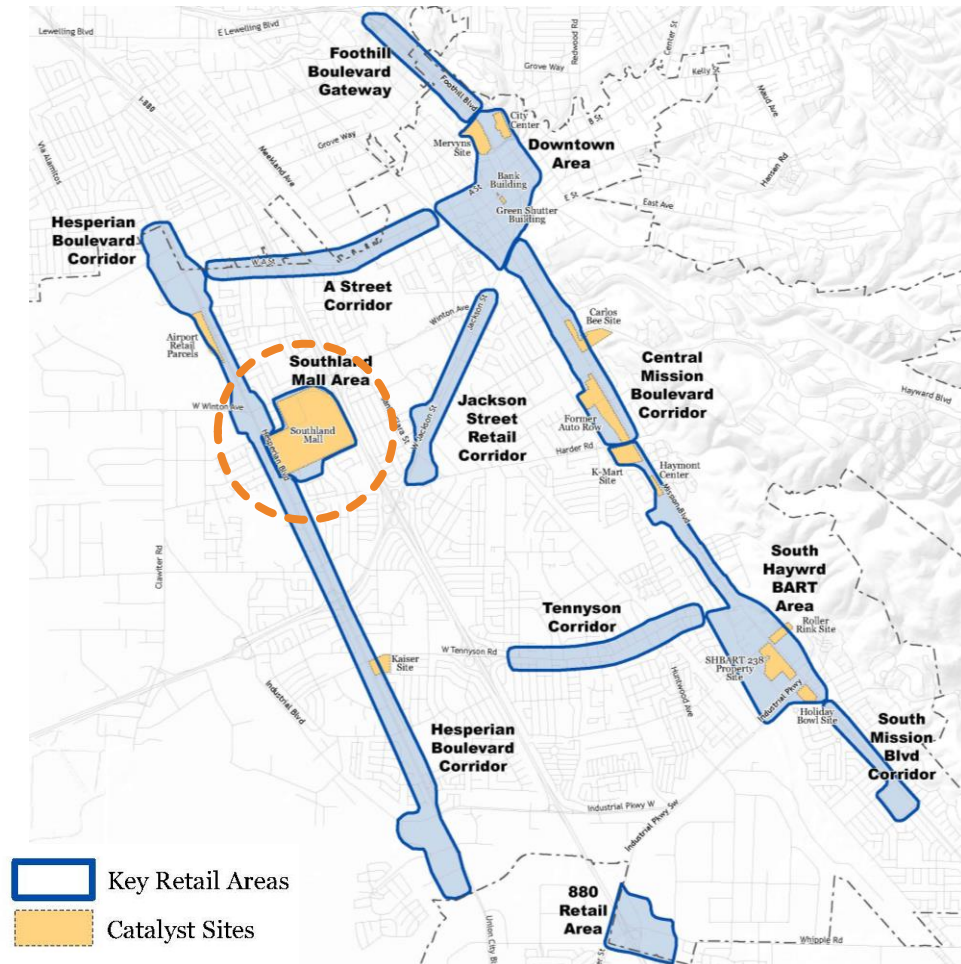
**Zoning:** Central Business District

**GP Land Use Designation:** Retail and Office Commercial

## GP Policies

1. Mix of uses
2. Southland Mall redevelopment
3. Opportunity sites
4. Hospitality and entertainment businesses
5. On-site security

# STAFF ANALYSIS: LAND USE



## Economic Development Strategic Plan

1. Key retail area and catalyst site
2. Goal SR2 (Service and Retail Industry): new businesses in priority locations

## Strategic Initiatives

1. Objective 2: Foster sense of place and support neighborhood pride
2. Objective 3: Increase collaboration with businesses, non-profits and neighborhood groups

# STAFF ANALYSIS: LAND USE

## Alcohol Beverage Outlets Ordinance

1. 500-foot buffer
2. Operational requirements

## Cabarets and Dances Regulation

1. Intended for live entertainment karaoke
2. Cabaret License to monitor private rooms (operation)

## Airport Land Use Compatibility Plan

1. Located in Safety Zone 2
2. In-fill development with lower intensity



# STAFF ANALYSIS: SECURITY

## Operational Details

1. Restricted hours of operation
2. Southland Mall security and third-party security company
3. Security plan (house rules, dress code, valid ID, etc.)
4. Security equipment (locks, cameras, surveillance, motion sensors, and window/door monitoring devices)
5. Wristbands and other alcohol-related COAs

# STAFF ANALYSIS: TRAFFIC STUDY

## Revised Study

1. Fix clerical errors
2. Adjusted report data for consistency with traffic counts

## Conclusions

1. No significant impacts to existing traffic flow (LOS) and queuing (intersection delays)
2. No mitigation or improvements required

# STAFF ANALYSIS: SUMMARY

## Summary

- 1. Supports GP, EDSP, and Strategic Initiatives**
- 2. Consistent with land use policies and regulations (zoning, alcohol, karaoke, etc.)**
- 3. Security plan (collaboration with HPD)**
- 4. Community benefit (unique recreational facility and economic catalyst)**

# STAFF RECOMMENDATION

## **Staff Recommendation:**

- 1. Approve Conditional Use Permit Application No. 201803296**



# STAFF RECOMMENDATION

Questions?

**PRESENTATION**

**ITEM #3 PUBLIC HEARING**

**Ph#18-074**

**STONED AGE EDIBLES  
CANNABIS ITEM**



# STONED AGE EDIBLES

PLANNING COMMISSION

OCTOBER 11, 2017



# PROPOSED ACTION

- Stoned Age Edibles Company (SAED) is requesting approval of a Conditional Use Permit (CUP) to occupy an 868 square foot space within an existing 8,800 square-foot industrial building located at 2363 Tripaldi Way in Hayward for a new Level 1, Cannabis Manufacturing operation that will infuse jerky and various dried fruit products with cannabis concentrates.
  - The project includes minor modifications to the existing commercial kitchen space to enhance building security, storage and manufacturing of the cannabis products.
  - Project is subject to dual licensing requirement: both local and State licenses required.
  - Application was originally filed in August 2018 and to date, no public correspondence has been received in support or opposition of the proposed use.
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# BACKGROUND

- In 2015, the State passed AB 243, 266, and SB 643, collectively referred to as the Medical Cannabis Regulation and Safety Act (MCRSA) which established the state-level licensing and regulatory framework for medical cannabis.
- On November 8, 2016, Proposition 64, known as the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA) was approved by California voters and authorized the use, possession, cultivation and processing of marijuana and its products for non-medical (or recreational) uses.
- On June 15, 2017, the State enacted Senate Bill 94, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), which consolidated provisions of MCRSA into the regulatory framework of the AUMA, thereby creating a unified regulatory scheme for medicinal and adult use cannabis.
- On October 30, 2017<sup>1</sup> and November 28, 2017<sup>2</sup>, respectively, the City Council enacted regulatory and land use ordinances authorizing cannabis businesses within the City of Hayward subject to compliance with local and state regulations.

# RFP & SELECTION PROCESS

- The RFP process commenced on December 8, 2017, with applications due on January 12, 2018. At that time, the City received 77 applications for commercial cannabis companies.
  - Four of these applications did not meet the background check requirements of the City's cannabis program; however, 73 applications were then sent to a neutral, third party reviewer hired by the City to evaluate and score the proposals.
  - Following an independent review by the outside consultants and interviews by key City staff, the City Manager recommended to City Council the award of commercial cannabis licenses to eleven (11) commercial operators for land use activities that include cultivation, manufacturing, distribution, testing labs, delivery and retail.
  - The applicant, Stoned Aged Edibles, was one of the 11 companies selected for a commercial cannabis permit and is the second commercial operator to file for license review and approval in the City.
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# EXISTING SITE

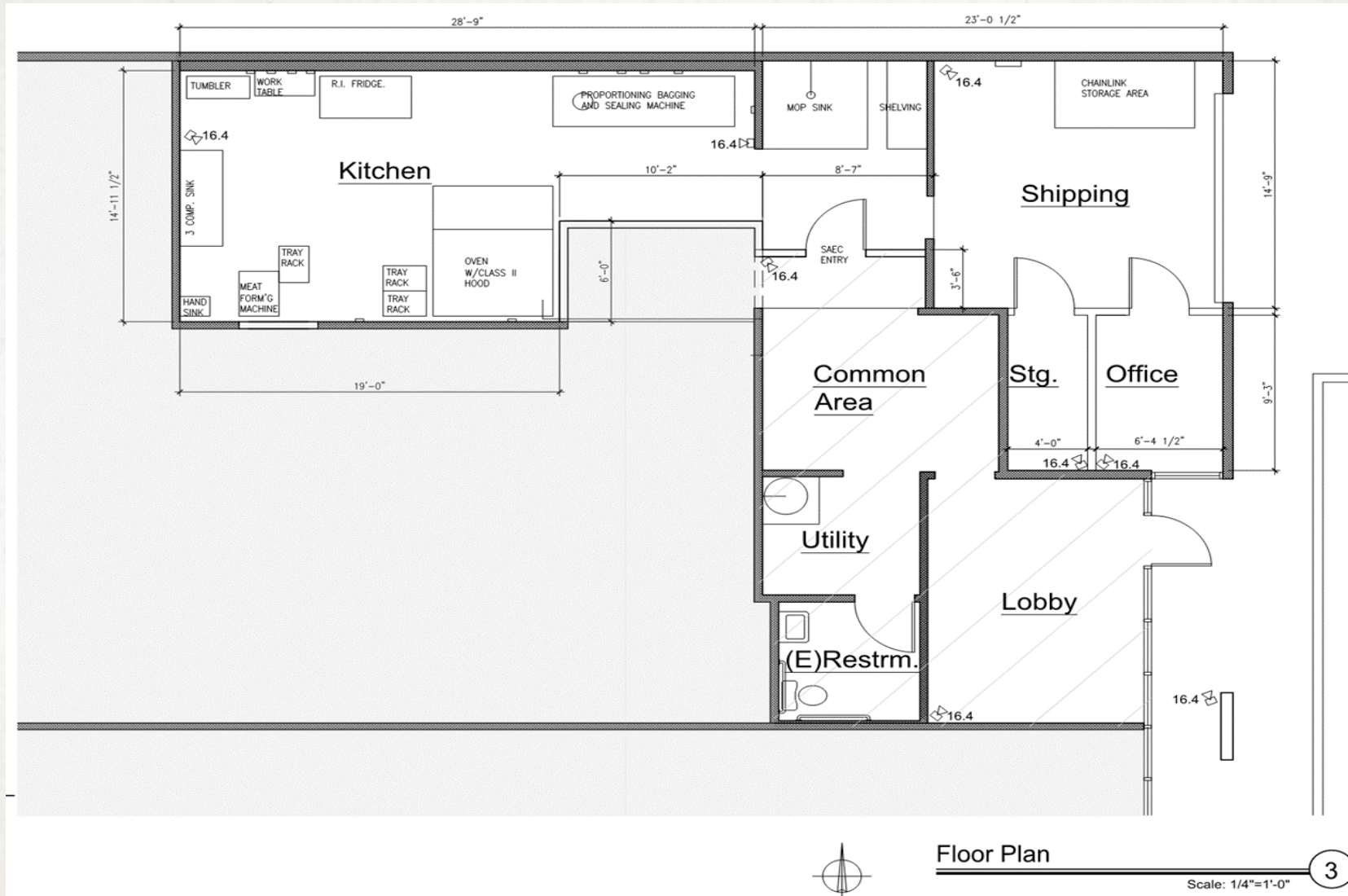
- .55- acre site; zoned Industrial. Designated as Industrial Corridor (IC) in Hayward 2040 General Plan
- 8,800 square foot building; project to occupy 868 square feet
- Building currently contains a commercial kitchen (Kitchen By the Hour)







# FLOOR PLAN



# SECURITY, ODOR CONTROL & SUSTAINABILITY

- The applicant submitted a detailed safety, security and odor control plan to minimize impacts and ensure a safe operational environment for employees and other tenants. The multi-layered security protocols include both physical and operational improvements intended to deter diversion and theft during the transport of cannabis products to and from dispensaries.
  - Odors from manufacturing activities will be minimized due to type of cannabis product used. Specifically, no cannabis flowers or odor causing concentrates will be used during the manufacturing process. Only odorless concentrates will be used.
  - The applicant has completed preliminary research and development of this type of infusion process and has determined that no cannabis odors have been detected during the process; however, air filtration systems and COA will further mitigate odors.
  - The applicant is proposing to utilize energy-efficient appliances, install energy-efficient lighting, and utilize recycling for all materials used during the manufacturing process, where possible. The implementation of these sustainable guidelines has been included as a condition of approval for the proposed manufacturing use.
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# COMMUNITY BENEFITS

- **Ongoing Neighborhood Graffiti Removal.** The applicant will partner with the City to organize graffiti removal projects aimed at removing blight and fostering a sense of neighborhood pride, in line with City's Complete Communities Strategic Initiative.
  - **Clothing and Canned Food Drive Network.** The applicant plans to develop and organize a volunteer network with South Hayward Parish to collect/donate food, hygiene essentials, and/or blankets to local shelters and community service organizations. The applicant plans to sponsor multiple food drives, a hygiene/essential drive for the homeless, and a blanket and warm clothing (distributed during winter months) drive for the winter months.
  - **Community Events.** The applicant will partner with and support local events to increase community awareness and outreach that focuses on local arts, animal rescue, and community pride events and the support will come in the form of financial donations and volunteerism.
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# REGULATORY FRAMEWORK



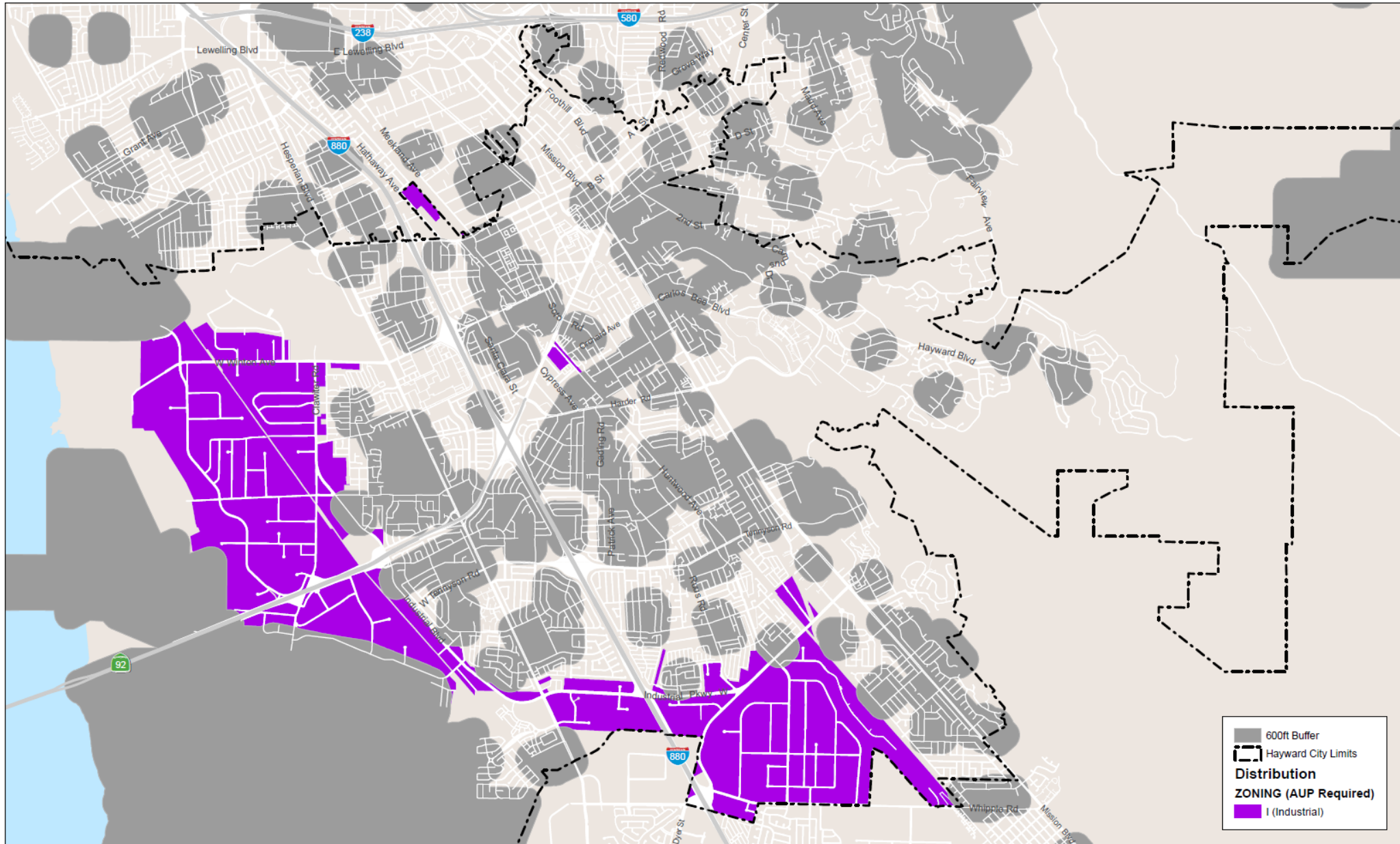
# COMMERCIAL CANNABIS MANUFACTURING

- Two types cannabis manufacturing: Level 1 and Level 2.
  - Main distinction between the two is that Level 1 involves the use of non-volatile solvents or no solvents for the manufacturing process while Level 2 may involve use of volatile solvents, such as butane. While both types of manufacturing activities create opportunities for cannabis businesses in the City, Level 2 manufacturing has a greater potential for public safety issues, including a higher risk for explosion and fire. As such, the City Council decided to prohibit Level 2 manufacturing activities until greater research is done and the potential risks are identified.
  - Applicant proposes Level 1 Manufacturing, which does not include volatile extraction
  - Use specific criteria/regulations adopted in 2017 by City Council
  - Mandatory land use buffer – 600 feet from sensitive land uses, including parks and open space areas
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# Commercial Cannabis Manufacturing (Level 1\*) – Zoning Districts



Note: Sensitive Receptors include libraries, community centers, public parks, recreation centers, youth centers, K-12 schools, and day care centers.

\*Level 2 manufacturing (using volatile substances) is prohibited

September 2017



# ZONING ORDINANCE & GENERAL PLAN

- **Industrial Zoning District**
    - Project meets development standards for uses in the Industrial Zoning District
    - Subject to the four general findings for Conditional Use Permits and subject to four special findings for cannabis land uses.
  - **Industrial Technology & Innovation Corridor (IC) General Plan designation**
    - The IC land use designation typically include warehouses, office buildings, research and development facilities, manufacturing plants, business parks, and corporate campus buildings. Allowed uses include professional office, research and development, warehousing and logistics and manufacturing (traditional, advanced, specialized, and food manufacturing).
    - Proposed use meets several goals & policies contained within the Land Use and Economic Development Sections of the *Hayward 2040 General Plan*.
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# COMMERCIAL CANNABIS PERMIT

- Commercial Cannabis Permit is separate process and required for all cannabis related uses and businesses operating in the City of Hayward.
  - Permits are non-transferable and subject to independent review and evaluation prior to issuance.
  - Permittees are subject to inspection of records and premises by the City to ensure compliance with local regulations.
  - Violations of operating and performance conditions constitute a basis for potential revocation of a permit.
  - Commercial Cannabis Permits issued by the City are good for one year and must be renewed annually following the completion of a mandatory safety inspection and demonstrated compliance with all local and State regulations, including any conditions of approval adopted as part of a Use Permit process.
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# RECOMMENDATION

- That the Planning Commission approve the Conditional Use Permit application for the proposed Stoned Age Edibles to allow for the manufacturing of cannabis-infused edible products, based on the analysis set forth in this report and the required Findings and subject to the Conditions of Approval.
  - If approved, the application will be subject to the required appeal period before the any decision will take effect.
  - Once approved, the applicant will be subject to mandatory review and inspection to ensure the operation complies with the conditions set forth in this application as well as those established as part of the Commercial Cannabis Permit issuance.
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# QUESTIONS?

