

**CITY OF HAYWARD PLANNING COMMISSION  
PROPOSED CANNABIS MICROBUSINESS WITH DELIVERY,  
DISTRIBUTION, AND MANUFACTURING ACTIVITIES  
GREEN GRIZZLY, 2416 RADLEY COURT UNIT 3  
CONDITIONAL USE PERMIT APPLICATION NO. 201901980**

**FINDINGS FOR APPROVAL**

**Conditional Use Permit**

Pursuant to Hayward Municipal Code Section 10-1.3225, The Planning Commission or other approving authority may approve or conditionally approve an application when all the following findings are made:

**1.     *The proposed use is desirable for the public convenience or welfare;***

The proposed cannabis microbusiness with delivery, distribution and manufacturing uses would be desirable for the public convenience and welfare in that it would result in establishment of a cannabis facility with delivery, distribution, and manufacturing activities in an industrial tenant space within the Industrial Park (IP) Zoning District. The proposed cannabis microbusiness would positively contribute to the City by paying local taxes and contributing to the diversification of uses within the industrial area. Additionally, the interior tenant space would be renovated, and the applicant would provide video surveillance and exterior lighting, benefitting the neighborhood's security.

**2.     *The proposed use will not impair the character and integrity of the zoning district and surrounding area;***

The proposed facility would occupy a tenant space within an existing multi-tenant industrial building. In the IP District, a cannabis microbusiness with manufacturing activities is allowed with approval of a Conditional Use Permit. If approved, the cannabis microbusiness would operate in similar fashion as other surrounding industrial uses.

To ensure that the proposed use would not impair the character and integrity of the applicable zoning district, the facility would adhere to all the requirements set forth by the City's Cannabis Ordinance, in addition to the requirements set forth by the Hayward Police Department, Hayward Fire Department, Hayward Building Division, and all other pertinent regulations established by State, County and local laws. No changes to the building exterior are proposed, which will maintain a consistent appearance with the surrounding area.

**3.     *The proposed use will not be detrimental to the public health, safety, or general welfare; and***

The proposed cannabis microbusiness would not be detrimental to the public health, safety, or general welfare in that the facility, as conditioned, would operate within the permit requirements and regulations established by State and local laws. The

applicant has provided an Odor Mitigation Plan to ensure that cannabis odors cannot be detected outside of the building, and a detailed Safety and Security Plan that includes installation of security cameras inside and outside of the building and sufficient exterior lighting to deter and prevent crime. Additionally, the facility would have an alarm system; maintain compliance with a State-mandated track and trace program to prevent diversion of cannabis; maintain a records retention program; and provide identification of a local contact to handle all safety and security issues. The applicant and all employees associated with the business are subject to extensive background screening by the Hayward Police Department and will be subject to employee training.

**4. *The proposed use is in harmony with applicable City policies and the intent and purpose of the zoning district involved.***

The proposed cannabis microbusiness operation is in harmony with the applicable regulations of the City's Cannabis Ordinance, which contains operational measures to mitigate possible impacts related to the cannabis uses. The proposed use is also consistent with the applicable policies and intent of the Industrial Park (IP) zoning district, which is to provide for and encourage the development of industrial uses within the industrial zoning district and promote a desirable and attractive working environment with a minimum of detriment to surrounding properties. The proposed microbusiness operation will include operation like the other business that currently operate on-site and is consistent with other manufacturing, distribution, and warehousing uses in the project vicinity.

The project is also consistent with the Industrial Technology and Innovation Corridor (IC) land use designation of the *Hayward 2040 General Plan* in that the IC land use designation allows uses that includes professional office, research and development, warehousing and logistics and manufacturing (traditional, advanced, specialized, and food manufacturing). Additionally, the proposed distribution use is consistent with the following goals and policies of the Hayward 2040 General Plan:

- Land Use Goal 6. Enhance the Industrial Technology and Innovation Corridor to expand the economic and employment base of Hayward and to achieve a healthy balance between a manufacturing-based economy and an information- and technology-based economy.
- Land Use Policy LU-6.2. The City shall encourage the conversion of obsolete industrial and warehouse distribution space to a productive use, such as advanced manufacturing, professional office centers, corporate campuses, research and development parks, and flex space.
- Economic Development Goal ED-1. Diversify the economic base of Hayward to support a robust and stable economy with a diverse range of employment, shopping, and cultural opportunities for local residents.

- Economic Development Policy ED-1.4. The City shall establish business attraction efforts that focus on small and medium-sized businesses within emerging and growing business sectors.
- Economic Development Policy ED-1.6. The City shall encourage the establishment and expansion of advanced and specialized manufacturing businesses to counter declining employment trends in traditional industrial manufacturing.
- Economic Development Goal ED-2. Cultivate a culture of entrepreneurship to encourage and support local business start-ups.

### Cannabis Ordinance

In addition to the required findings contained in HMC Section 10-1.3225 (Conditional Use Permit), every land use application requiring discretionary review for cannabis and cannabis products shall be required to make the following findings per HMC Section 10-1.3609 prior to issuance:

1. ***The proposed cannabis use will not be detrimental to the public health, safety, or general welfare in that the cannabis operation is situated in an appropriate location where sensitive land uses will not be adversely impacted;***

The proposed cannabis microbusiness would not be detrimental to the public health, safety, or general welfare in that the facility, as conditioned, would operate within the permit requirements established by the State and by the City. The cannabis operation will be situated outside the City's and State's 600-foot buffer for schools, public parks, open space areas, libraries, community centers, day care, etc. and as such, the proposed use will not adversely impact sensitive land uses. Per the City's land use requirements, cannabis facilities with manufacturing activities are allowed in the IP District with the approval of a Conditional Use Permit.

The proposed project includes a Safety and Security Plan, including but not limited to cameras, employee background checks, loading and unloading of vehicles within the enclosed tenant space, and Conditions of Approval related to odor, loitering, and other potential nuisances. In addition, the facility would not be open to the public. Together, these measures and conditions protect public health and safety within the vicinity of the subject site.

2. ***Appropriate measures have been taken to address nuisances related to odor, noise, exhaust, and waste related to the cannabis operation;***

Physical and operational safeguards are in place to ensure this cannabis microbusiness operates at the proposed location without impacts to other properties. The proposed project includes an Odor Mitigation Plan and a Safety and Security Plan that contain measures including, but not limited to installing an air scrubbing system reviewed by a professional engineer or industrial hygienist, installing security cameras inside and outside of the building, submitting to employee background checks, and securing and properly disposing of cannabis waste.

As part of the initial RFP process, the applicant's business plan was reviewed and scored by an independent, outside consultant who determined this operator would meet the City's objectives related to cannabis industry best practices. Furthermore, per the proposed Conditions of Approval and as required by the Municipal Code, the applicant's Commercial Cannabis Permit shall be renewed annually. This provides the City a yearly opportunity to reevaluate the proposed business, and ensure compliance with the approved business plan, the Conditions of Approval, and all pertinent City regulations.

**3. *The cannabis operation is designed to be safe, secure, and aesthetically compatible with the surrounding area; and***

The proposed cannabis microbusiness operation is designed to be safe, secure and aesthetically compatible with the surrounding area. The applicant has provided a detailed safety and security plan which will include safety and security upgrades to the existing building to ensure the employees and any visitors will have a safe environment, including security cameras, lighting, security personnel and track and trace protocols. No significant exterior modifications to the existing building are proposed; however, the applicant will be responsible for submitting a building permit for a tenant improvement within the interior to enhance security of the tenant space and to accommodate the distribution vehicles inside and compartmentalize the areas to deter theft and/or robbery of the business. As such, the proposed use will be aesthetically compatible with the adjacent land uses on site and similar to other industrially zoned businesses in the surrounding area.

**4. *The cannabis operation will not place a burden on the provision of public services disproportionate to other industrial or commercial uses.***

The proposed use would operate in an existing industrial tenant space. The energy and water needs of the proposed facility do not exceed those of other similar industrial uses. In addition, the applicant would be subject to annual review, which would require inspection of the cannabis microbusiness by the City's Code Enforcement Division, Police Department and Fire Department. Further, as conditioned, any excessive calls for service, including nuisance and code violations, may result in the revocation of the approval.

**Environmental Review**

1. The proposed project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Class 1), Existing Facilities, in that the proposed use would occupy a tenant space within an existing industrial building to accommodate a cannabis microbusiness. As proposed and conditioned, the proposed use will not result in any significant impacts related to traffic, noise, air quality and water quality.