

PLANNING COMMISSION AGENDA REPORT

MEETING DATE: DECEMBER 11, 2017

ITEM NUMBER:

PLANNING APPLICATION PA-17-40 TO ALLOW A MEDICAL MARIJUANA SUBJECT:

DATE:

NOVEMBER 30, 2017

FROM:

PLANNING DIVISION/DEVELOPMENT SERVICES DEPARTMENT

DISTRIBUTION FACILITY AT 3505 CADILLAC AVENUE, UNIT N3

PRESENTATION BY: MEL LEE, SENIOR PLANNER

FOR FURTHER INFORMATION CONTACT: MEL LEE, AICP (714) 754-5611

mel.lee@costamesaca.gov

DESCRIPTION

Planning Application PA-17-40 is a request for a Conditional Use Permit for a Medical Marijuana distribution facility (CMX Distribution) within a 4,722-square-foot tenant space in an existing industrial warehouse building. The proposed facility would include an office, work area, secure product storage area, and indoor parking for two delivery trucks. The facility will be staffed by at least 3-8 persons, including transportation drivers. The initial hours of operation are proposed to be daily from 7 AM to 7 PM, increasing to 24-hour-a-day operation if demand warrants. The facility will have security systems (card readers, security cameras, etc.) throughout the facility. No manufacturing or cultivation of marijuana, or medical marijuana dispensary, is permitted.

APPLICANT/AUTHORIZED AGENT

The applicant/authorized agent is Robert Taft Jr., representing Russ Family Trust, the property owner.

RECOMMENDATIONS

- 1. Find that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301; and
- 2. Adopt a Resolution to approve Planning Application PA-17-40, subject to conditions of approval.

BACKGROUND

Project Site/Environs

The subject site is located on the west side of Cadillac Avenue, north of Sunflower Avenue. The property contains a vacant 4,722-square-foot tenant space within an existing industrial building constructed in 1982. The prior tenant was Lindora Weight Loss Clinic. The subject building is located within an existing multi-tenant industrial park (Commerce Park) zoned PDI (Planned Development Industrial) and has a General Plan Land Use Designation of Industrial Park. The site is bounded by industrial buildings used for warehousing and light manufacturing. There are no open Code Enforcement cases on the property.

City of Costa Mesa Medical Marijuana Measure (Measure X)

On November 8, 2016, voters approved Measure X, also known as the City of Costa Mesa Medical Marijuana Measure. Measure X allows the following medical marijuana-related uses: distributors, manufacturers, processors, research and development laboratories, as well as testing laboratories and transporters. These uses may only be located in specific Industrial Park (MP) and Planned Development Industrial (PDI) zoned properties north of South Coast Drive, west of Harbor Boulevard, excluding the South Coast Collection (SOCO) property located at 3303 Hyland Avenue. Additionally, such businesses may not be located on any property within 500 feet of Moon Park at 3377 California Street. Measure X prohibits the sale and cultivation of marijuana anywhere within the City.¹

Medical Marijuana Approval Process

Under Measure X, medical marijuana uses are required to obtain all of the following approvals before conducting business within the City:

- 1. A Medical Marijuana Business Permit;
- 2. A Conditional Use Permit; and
- 3. A Business License. Measure X imposes a 6 percent annual gross receipts tax on any marijuana business.

To facilitate the establishment of these uses, a new Administrative Regulation was adopted by the City Manager's Office. The Administrative Regulation establishes the policies and procedures by which the above applications and permits may be obtained, implemented, and enforced. Additional information regarding Measure X, including the application requirements, a map showing the locations where the uses are allowed, and a Frequently Asked Questions page (FAQ's) can be found on the City's website at the below link:

https://www.costamesaca.gov/index.aspx?page=2095

¹ Ordinance No. 05-11, adopted by the City Council on July 20, 2005, prohibits the establishment of Medical Marijuana Dispensaries in the City.

On November 27, 2017, Planning Commission reviewed and approved the first Conditional Use Permit under Measure X for a Medical Marijuana Extraction Facility at 3590 Cadillac Avenue, Unit B (PA-17-38) on a 5-0 vote.

Application for Medical Marijuana Use

Medical Marijuana Business Permit (Part 1)

Per the process described above, the applicant applied for a Medical Marijuana Business Permit for the proposed use on June 13, 2017. The Business Permit application was reviewed by the Community Improvement Division (CID). Review of the Medical Marijuana Business Permit consists of a background check of the proposed business owner(s) and/or corporation with each owner/officer of the company being required to complete and pass the background check, as well as the required submittal of a business plan and a security plan. Once the above items had been approved by City staff, a Notice to Proceed letter was issued. The Notice to Proceed letter allows an applicant to file an application for a CUP and was issued for this application on September 11, 2017.

Conditional Use Permit

A CUP application was filed on October 17, 2017 for consideration by the Planning Commission.

Medical Marijuana Business Permit Part 2 and Business License (If CUP Approved)
Upon approval of a CUP, the applicant would begin the remaining steps of the Medical Marijuana approval process, which includes obtaining any required Building Safety and Fire Prevention permits and inspections. Upon completion of all of the above steps, the Medical Marijuana Business Permit would be approved. To complete the approval process, the applicant must receive a business license from the City. After approval of the Medical Marijuana Business Permit, the CUP, and the business license, the applicant may begin operation. Medical Marijuana Business Permit approvals are issued for a two-year period and must be renewed by the end of the period for the use to continue. Extensions are also subject to the two-year term limit.

During the two-year permit period, the CID, along with other City staff, will conduct site visits to verify the operation is in compliance with all Conditional Use and Business Permit requirements. Violations identified during these site visits, including failure to renew the Business Permit, may be grounds for the revocation of the Business and/or Conditional Use Permits.

ANALYSIS

Proposed Use

The applicant is proposing to use a 4,722-square-foot tenant space within an existing industrial warehouse building for a medical marijuana distribution facility. The tenant space would be modified to provide an office, work area, secure product storage area, and a prep order work area, separated by a new demising wall from the proposed indoor parking area for two delivery trucks. The facility will be staffed by at least 3-8 persons, including transportation drivers. The initial hours of operation are proposed to be daily from 7 AM to 7 PM, increasing to 24-hour-a-day operation if demand warrants.

The facility will have security systems (card readers, security cameras, etc.) throughout the facility, consistent with those features identified in the approved security plan. No manufacturing or cultivation of marijuana, or medical marijuana dispensary, is permitted.

Per the requirements of Measure X, as discussed earlier in this report, the subject property is not located within a 500-foot radius of Moon Park (according to City maps, the subject property is approximately 567 feet away from Moon Park).

GENERAL PLAN AND ZONING CODE CONFORMANCE

Conformance with the City of Costa Mesa General Plan

The Costa Mesa General Plan establishes the long-range planning and policy direction that guides change and preserves the qualities that define the community. The 2015-2035 General Plan sets forth the vision for Costa Mesa for the next two decades. This vision focuses on protecting and enhancing Costa Mesa's diverse residential neighborhoods, accommodating an array of businesses that both serve local needs and attract regional and international spending, and providing cultural, educational, social, and recreational amenities that contribute to the quality of life in the community. Over the long term, General Plan implementation will ensure that development decisions and improvements to public and private infrastructure are consistent with the goals, objectives, and policies contained in this Plan.

The following analysis evaluates the proposed project's consistency with specific policies and objectives of the 2015-2035 General Plan.

1. **Policy LU-1.1:** Provide for the development of a mix and balance of housing opportunities, commercial goods and services and employment opportunities in consideration of the need of the business and residential segments of the community.

Consistency: The proposed use will provide a new entrepreneurial business in Costa Mesa as allowed under Measure X and provide new employment opportunities in the community.

2. **Policy LU-3.1:** Protect existing stabilized residential neighborhoods, including mobile home parks (and manufactured housing parks), from the encroachment of incompatible or potentially disruptive land uses and/or activities.

Consistency: The proposed use is not located near any residentially-zoned properties. Therefore, the use is consistent with the General Plan Policy.

3. Policy LU-6.15: Promote unique and specialized commercial and industrial districts within the City which allow for incubation of new or growing businesses and industries.

Consistency: The proposed use is part of a growing industry and is proposed in a location as specifically identified for such uses by the City's electorate through Measure X. Therefore, approval encourages new businesses and entrepreneurial opportunities in an area of the City identified for such by local voters.

Conformance with the Zoning Code

Staff believes the proposed use, as conditioned, meets the intent of the City's Zoning Code with regard to the PDI zone, as the use would entail product distribution within an existing industrial building. Distribution related to medical marijuana requires approval of a Conditional Use Permit. Further, the proposal complies with the development standards of the PDI zone.

JUSTIFICATIONS FOR APPROVAL

Pursuant to Title 13, Section 13-29(g), Findings, of the Costa Mesa Municipal Code, the Planning Commission shall find that the evidence presented in the administrative record substantially meets specified findings. Staff recommends approval of the proposed project, based on the following assessment of facts and findings which are also reflected in the draft Resolution.

Required Findings

- The proposed development or use is substantially compatible with developments in the same general area and would not be materially detrimental to other properties within the area. The proposed use, with the recommended conditions of approval, will be consistent with the other uses in the immediate vicinity, which consists of warehousing and light manufacturing uses. Compliance with the conditions of approval, as discussed in the following section, will allow this use to operate with minimal impact on surrounding properties and uses.
- Granting the conditional use permit will not be materially detrimental to the health, safety and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood. The proposed use would take place within an existing building consistent with the PDI zoning of the property and the properties immediately abutting the site. Compliance with the recommended conditions of approval and code requirements will ensure that the project is not materially detrimental to the health, safety and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood.
- Granting the conditional use permit will not allow a use, density or intensity which
 is not in accordance with the General Plan designation and any applicable specific
 plan for the property. The use is consistent with the use and intensity allowed by
 the Industrial Park General Plan land use designation and is consistent with the
 General Plan goals and policies as discussed earlier in this report.

Conditions of Approval

As part of the Administrative Regulations adopted for medical marijuana uses under Measure X, over 30 conditions of approval, in addition to the standard conditions of approval for CUP's, were developed specifically for these types of uses. These conditions are included in the draft Resolution for approval. The conditions include, but are not limited to, the following:

- Business identification signage shall be limited to that needed for identification only. Business identification signage shall not include any references to marijuana, whether in words or symbols. All signs shall comply with the Costa Mesa Municipal Code. (Condition Number 7).
- Cannabis shall not be consumed on the premises at any time, in any form.
 (Condition Number 14).
- No outdoor storage of cannabis or cannabis products is permitted at any time.
 (Condition Number 15).
- Persons under the age of twenty-one (21) years shall not be allowed on the premises of this business, including employees of the business. (Condition Number 18).
- No cannabis or cannabis products, or graphics depicting cannabis or cannabis products, shall be visible from the exterior of this property, or on any of the vehicles owned or used as part of the medical marijuana business. (Condition Number 20).
- All employees must wear an identification badge while on the premises of the business, in a format prescribed by the City Manager. (Condition Number 25).
- The business must obtain any and all licenses required by State law and or regulation within 90 days of the date that the State first begins to issue such licenses. (Condition Number 30).
- The Conditional Use Permit may only be amended by following the same procedure and fee schedule as required for the initial approval, and may not be modified by a Minor Conditional Use Permit. (Condition Number 33).

Completion of the Medical Marijuana Business Permit and Business License

As previously noted, obtaining approval of the CUP is only part of the process involved with obtaining the Medical Marijuana Business Permit for the proposed use and the commencement of operation. If the CUP is approved by the Planning Commission, the applicant would be required to obtain the necessary final approvals from CID, Building Safety, Fire Prevention, and the Finance Department in order to finalize the Medical Marijuana Business Permit and obtain a business license from the City. Additionally, the applicant must also receive approval form the State of California to operate the business after January 1, 2018.

ENVIRONMENTAL DETERMINATION

The project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 for Existing Facilities. The project is consistent with the applicable General Plan designation and all applicable General Plan policies as well as with the applicable zoning designation and regulations.

LEGAL REVIEW

The draft Resolution has been reviewed and approved as to form by the City Attorney's Office.

PUBLIC NOTICE

Pursuant to Title 13, Section 13-29(d), of the Costa Mesa Municipal Code, three types of public notification have been completed no less than 10 days prior to the date of the public hearing:

- 1. Mailed notice. A public notice was mailed to all property owners within a 500-foot radius of the project site. The required notice radius is measured from the external boundaries of the property. (See attached Notification Radius Map.)
- 2. On-site posting. A public notice was posted on the street frontage of the project site.
- 3. Newspaper publication. A public notice was published once in the Daily Pilot newspaper.

As of November 30, 2017, no written public comments have been received. Any written public comment(s) received prior to the Planning Commission hearing will be provided separately.

ALTERNATIVES

- 1. <u>Approve the project</u>. The Planning Commission may approve the project as proposed, subject to the conditions outlined in the attached Resolution.
- 2. <u>Approve the project with modifications</u>. The Planning Commission may require specific changes that are necessary to alleviate concerns regarding the proposed use. If any of the additional requested changes are substantial, the item should be continued to a future meeting to allow a redesign or additional analysis. In the event of significant modifications to the proposal, staff will return to the Planning Commission with a revised Resolution incorporating modified findings and/or conditions.
- 3. <u>Deny the project</u>. If the Planning Commission believes that there are insufficient facts to support the findings for approval, the Planning Commission should deny the application, provide facts in support of the denial, and direct staff to return to the Planning Commission at its next meeting with a Resolution for denial to be placed on the Commission's consent calendar. If the project were to be denied, the applicant could not submit substantially the same type of application for six months.

CONCLUSION

The use, as conditioned, reflects a use that is consistent with the intent of the Zoning Code, the City's General Plan, and the City of Costa Mesa Medical Marijuana Measure (Measure X). Therefore, staff recommends approval of the request.

MEL LEE, AICP

Senior Planner

BARRY CURTIS, AICP

Economic and Development Services

Director

Attachments:

1. Vicinity, Zoning, and Radius Map

2. Site Photos

3. Applicant's Project Description

4. Draft Planning Commission Resolution

5. Conceptual Plans

Distribution:

Economic and Development Services Director

Assistant Development Services Director

Senior Deputy City Attorney Public Services Director

City Engineer

Transportation Services Manager

Fire Protection Analyst

File

Applicant:

Robert Taft Jr.

2973 Harbor Boulevard, #350

Costa Mesa, CA 92626

Owner:

Russ Family Trust, c/o Jerald Russ

143 Calle Cuervo

San Clemente, CA 92627

CC:

Solutioneers

Attn: Jim Fitzpatrick, President 170 E. 17th Street, Suite 202 Costa Mesa, CA 92627

ATTACHMENT 1

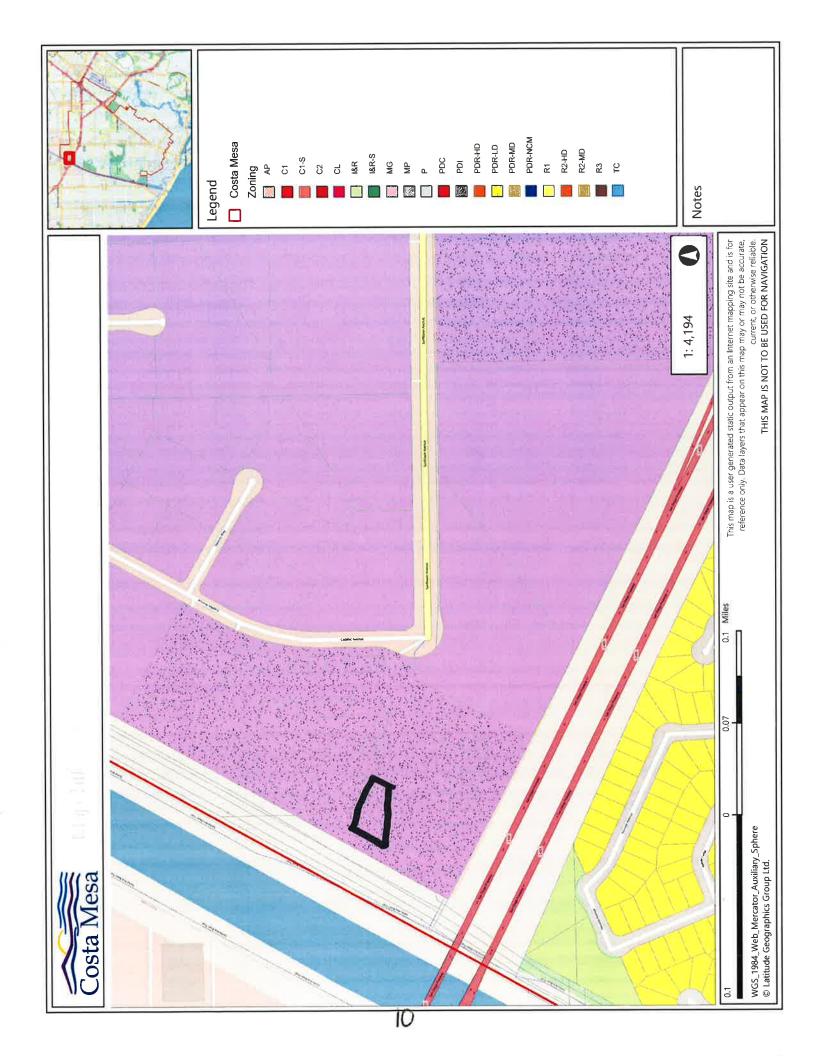


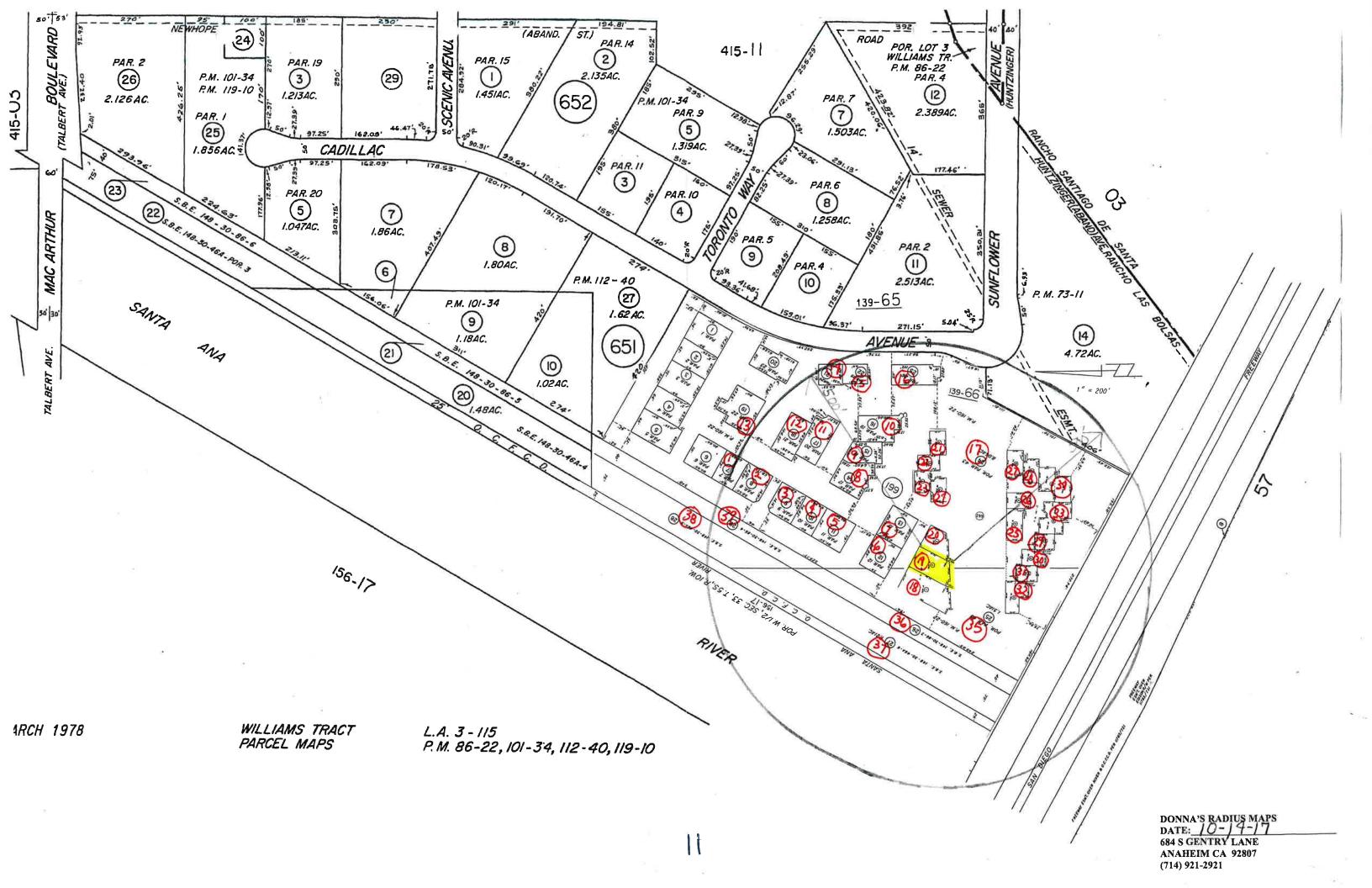
Costa Mesa Legend

Notes









ATTACHMENT 2

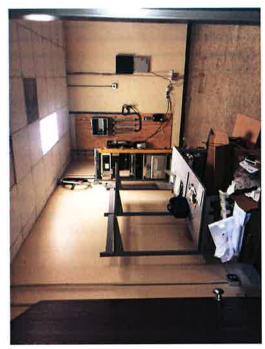




Building Exteriors

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Building Interiors





CadillaX Partners

ATTACHMENT 3

Conditional Use Permit Letter

Applicant Name: CadillaX Partners

Business Entity: LLC

Operators Business Name: CMX Distribution

Business and Operations Address: 3505 Cadillac Ave, Bldg. M, N3, Costa Mesa, CA 92626

APN: Parcel 13966202

Square Feet: 4,722 square feet

Year Built: 1982

Construction Type: TYPE IIIB, NON-SPRINKLED; ONE STORY BUILDING

Occupancy: F-1

Business Description: Licensed and Permitted Distributor of Medical Cannabis.

Types of medical marijuana business seeking permit in the city of Costa Mesa:

1. A Medical Marijuana Distributor

Types of California State License:

1. Type 11: Distribution

Notice to Proceed and Background Check Clearance Letter:

✓ Operator has successfully applied, received rigorous scrutiny, and received notice on August 11, 2017.

Cost Mesa Business License:

✓ Operator to apply after CUP approval, prior to operations as the process requires.

PRIOR LAND USE: Property originally entitled in 1982 and built in 1982. Recently Operated as a Lindora Distribution Center

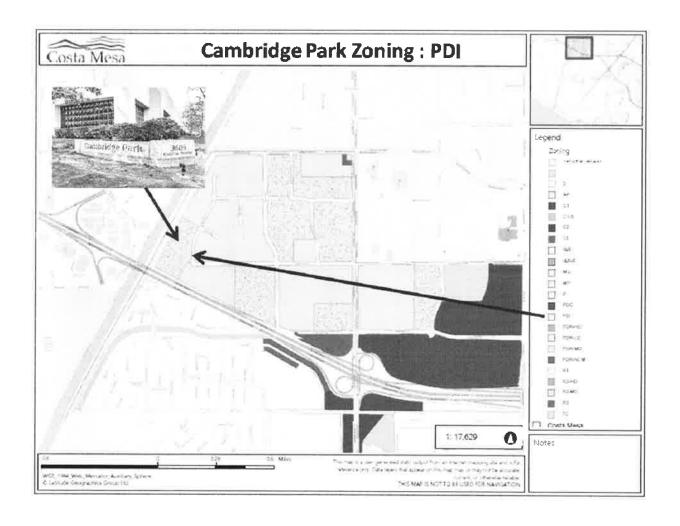
PROPOSED USE: Distribution of Medical Cannabis products.

PARKING:

Surplus parking exits within the development based on the number of parking spaces provided (670) and the number of parking spaces required (591), with a 79-space difference, per ZE-80-160.

The project is also located adjacent to the Santa Ana River Bike Trail, 50.3 miles, linking San Bernardino, Riverside with Orange County and the beaches. This will provide staff easy access.

ZONING: Property Zoned as PDI (Planned Development Industrial)



Measure X







X-City of Costa Mesa, The City of Costa Mesa Medical Marijuana Measure Completed Precincts: 66 of 66

Vote Count Percenta		ercentage	
Yes	19,870	54.2%	
4.1	10.450	P40 40 C4	

· More votes than any one Council Candidate

SUMMARY

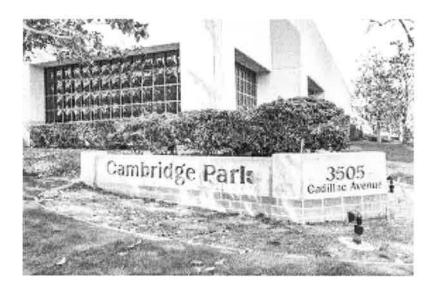
- City Sponsored Voter Initiative passes with 54%
- Removes Prohibition
- Allows Permissive Medical Marijuana Uses of:
 - 1. Research & Development
 - 2. Analytical Testing
 - 3. Processing
 - 4. Manufacturing
 - 5. Distribution
 - 6. Transportation
- Reaffirms Existing Bans
 - Dispensaries & Cultivation



SITE HISTORY:

<u>Distribution Facility</u>: Building N3 most recently operated as Distribution Facility for Lindora. There are several other Distribution Facilities in the Measure X Zone such as Fed-Ex

Cambridge Park:



Cambridge Park is located in the south west corner of the Measure X Zone

Cambridge Park borders the 405 Freeway and the Santa Ana River Trail making this an ideal location for Cannabis Use.

Cannabis Uses are often on a lower end of a range of square foot requirements making Cambridge Park an ideal location for Cannabis use.

Cambridge Park is an industrial condo complex comprised of approximately 40 Units, ranging from 2,000 sf to 7,000 sf.

The Concentration of Use will increase the local security through economies of scale. Together, the Cannabis use operations will work together to provide synergistic security, surveillance and crime prevention activates.

Building N3 Building N3 is an 4,722 sf building located at 3505 Cadillac Ave, within Cambridge Park.



CMX DISTRIBUTION: 3505 Cadillac, Building N Suite N3 Costa Mesa, CA 92626



CMX DISTRIBUTION: 3505 Cadillac, Building N Suite N3 Costa Mesa, CA 92626



CMX DISTRIBUTION: 3505 Cadillac, Building N Suite N3 Costa Mesa, CA 92626

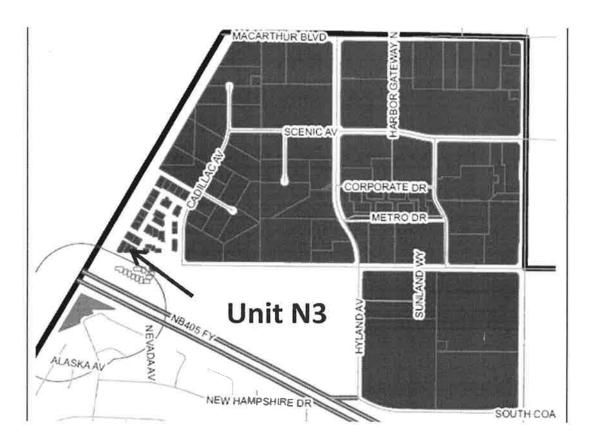


Moon Park: Measure X has a provision prohibiting any use to be conducted within 500 feet of Moon Park.

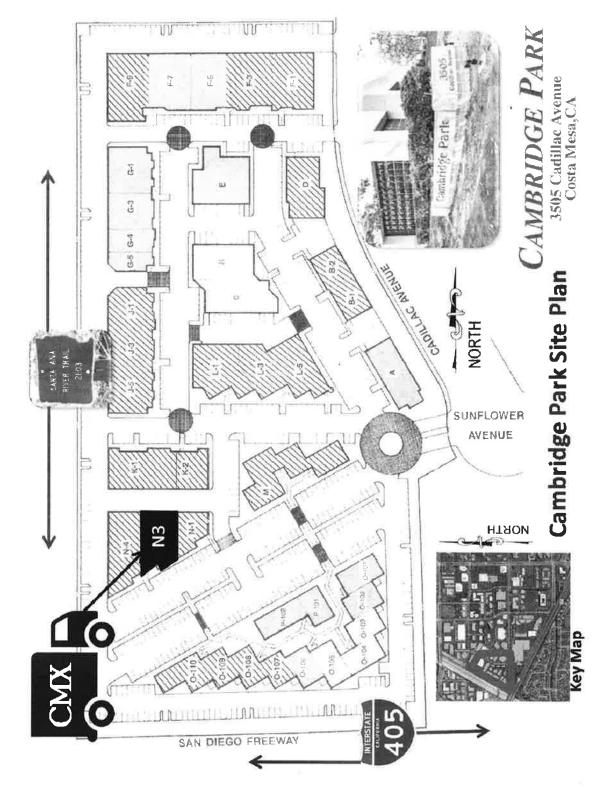
Finding:3505 Cadillac Ave, Building N, Unit N3 Costa Mesa, CA 926247 exceeds the 500-foot requirement

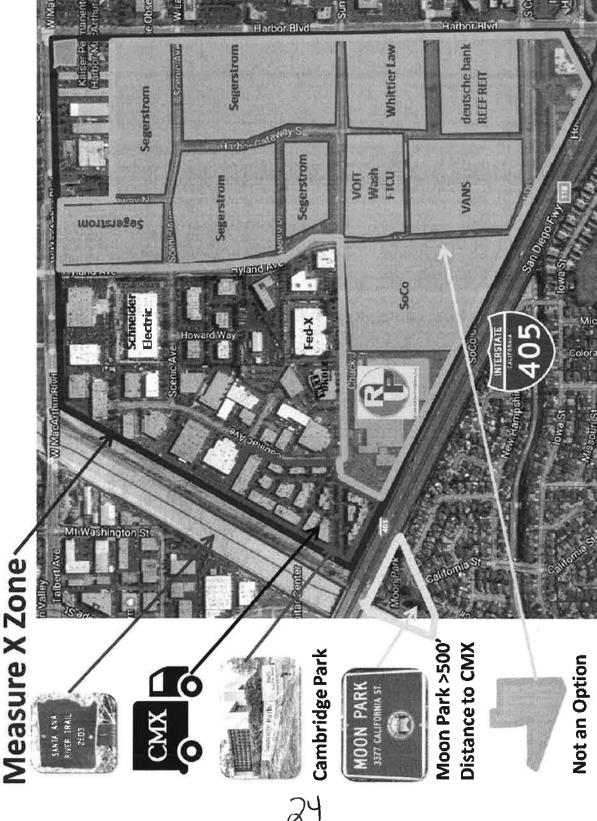
3505 Cadillac Ave Unit N3

More Than 500 Feet from Moon Park



Location of Building N, Unit N3





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OPERATING REQUIREMENTS & STANDARDS:

CMX Distribution has received approval of a Medical Marijuana Business Permit. During that rigorous review, many required document and signatures we required, the Operator wrote an approved Business Plan, an approved Safety Plan and an approved Security Plan. The Operator has paid \$21,525 for the Marijuana Business Permit Application Fee and \$300 per Background Check of owners / principles.

The Measure X Zone is a small geography with concentrated cannabis uses. This geography has physical boundaries like the 405 and Santa Ana River. The Medial Marijuana Business Permit Application went into extensive detail. For safety and security purposes, we offer the following information to demonstrate we are complying with and exceeding the requirements of Measure X:

<u>PROJECT LOCATION:</u> Measure X Zone is a small geography located in the North West corner of Costa Mesa. These boundaries are the 405, Santa Ana River, MacArthur Blvd and Harbor Blvd.

This project is located within Cambridge Park, an Industrial Condo Complex tucked in the corner of the Zone, up against the 405 and Santa Ana River.

With the concentration of Cannabis use, this allows the several cannabis uses to improve security on their own property, and work together as a group to increase the security in the Measure X Zone.

COMPLIANCE WITH LAWS:

It is the responsibility of the owners and operators of the medical marijuana business to ensure that at all times, operating in a manner compliant with all applicable state and local laws, and any regulations promulgated there under.

SECURITY:

The company has previously submitted an extensive Security Plan to the City for rigorous review and approval.

This is a highlight of the extensive Security Plan:

Measure X Specific Requirements:

(b)(1)

- (i) Established limited access areas accessible only to medical marijuana personnel.
- (ii) All medical cannabis and medical cannabis products shall be stored in a secured and locked room and will be kept in a manner as to prevent diversion, theft of loss
- (iii) sensors will be installed to detect entry and exit from all secure areas
- (iv) a professionally installed alarm system will be monitored and maintained
- (v) all bars installed only on the interior of the building
- (vi) security personnel will be licensed by the California Bureau of Security and Investigative Services Personnel
- (vii) business has the capability to remain secure and operational during a power outage. All doors will not be released during a power outage

Monitored Burglar Alarm

Installed by a licensed professional, the Intrusion alarm will provide 24/7 monitoring in remote areas where staff is not always present. The alarm sensors include door/window contacts, motion detection. These alarm sensors systems will be monitored after hours.

Security Lighting:

- Lighting will be provided at all exterior exit doors with a minimum 1-FC lumen.
- Perimeter building lighting will be utilized as crime prevention solution
- Exterior led lighting will serve as a crime deterrent as well as to aid in monitoring of the CCTV system.

Doors and windows will have contacts placed, if broken alarm and siren is activated, security and 24/7 monitoring company notified.

Surveillance:

• The standard will be that surveillance cameras will monitor all locations where cannabis is present

All cameras will be of adequate quality, color rendition, night vision and resolution to identify all individuals on property or adjacent to the exterior of the property. Cameras will record 24/7, daily. Cameras recording system will be able to play back quality suitable for viewing up to 180 days. No objects will be placed to obstruct cameras view. Cameras will be placed strategically on the exterior of building to view and record all ingress and egress of all vehicles, staff and visitors. Cameras will be placed to view and record all activity in parking lots. Cameras will be placed inside building to record and identify all personnel in warehouse and rooms. Recording system will be housed in a designed, locked and secured room with access to authorized employees with access cards. A sign in sheet with date and time will be completed and maintained when recording room is entered by service personal. Recording system will be serviced and inspected every quarter. Camera monitors will be reviewed and inspected daily for any camera malfunctions by Managers and security.

Controlled Access:

• Security features installed to control access to the facility. While inside the facility, access to areas containing cannabis will be controlled with technology, operating procedures and training.

All Access controls devices to be placed, will consist of electrical, mechanical devices create a perception of risk to offenders and deny them access to targets and escape routes providing a safe and secured environment. Access control will provide locked, secured doors with capability of tracking all employees with a date and time upon entry to any room. Control access will also allow only authorized personnel to certain rooms. All employees will be assigned their own identification number.

All Product Stored in a Secured and Locked Room:

• All cannabis will be stored in a secured authorized access only room.

Crime Prevention:

- Quarterly meetings with operators, community, property managers, City Staff and Costa Mesa PD
- With some generic exhibits

Notification of City Manager within 24 Hours:

Per Measure X, company will notify City Manager within 24 hours of significant discrepancies during inventory. For diversion, theft, loss or criminal activity. For the loss or unauthorized alteration of records related to cannabis.

Visitor Security

Visitors are not allowed into the facility without appointment and first being identified at the front entrance. Every visitor and their vehicles are video recorded. The video is stored for 180 days.

Once inside the facility, the visitor must sign in. The Visitor must be accompanied by an Employee at all times. Video surveillance will monitor visitors at all times, including their exit from the facility and property.

Employee Identification Badges

City issued Employee Identification Badges will be worn at all times while employee is on the premises.

SAFETY PLAN:

Under separate cove

Odor Control:

As required by Measure X, there will be no detectable cannabis odor on the exterior of the premises.



State of the art carbon filters that scour the air to make it clean of dust, foreign particulates, organic compounds and odors. Carbon Filters are professional-grade systems designed to meet the demands of commercial applications.

Records and Recordkeeping:

As required by Measure X and state requirements, the business will utilize an industry standard Track & Trace system to ensure compliance, prevent diversion and inversion, and be Cole Memo compliant.

This system will track and trace all cannabis, from the time it is acquired, through the manufacturing and distribution process until a final destination to a licensed permitted dispensary or manufacturer, including all cannabis waste.

This is the same system that will track, trace and report revenue from which the City's Tax payments will be supported.

Audits & Tax Compliance

Maintenance of Records and Audit Process as required by State and Local Cannabis Ordinances and Legislative actions. CMX will utilize a state of the art Track and Trace system provides full supply chain management and will be the basis of BOE and other agency reporting, auditing and payments as required.

Marijuana Tax:

This business shall pay an annual business tax of 6% based on gross receipts of the business, unless modified by City Council.

OPERATIONAL INFORMATION

Operation plans have been shared in great detail and approved under the Medical Marijuana Business Permit Application process.

Employees:

At launch, the operation will have three employees.

Noise:

We do not anticipate any operational requirements that will generate noise traveling beyond the property.

POS System:

Operations will have all necessary equipment and technology to meet and exceed Track & Trace, anti-diversion / inversion and be Cole Memo compliant.

Manufacturing Equipment: Type & Purpose

No Manufacturing or Equipment utilized in operations of this Use

Substantial Tax Revenue Generation:

Measure X cannabis uses will all currently generate 6% of gross revenues. This will become a significant revenue source for the city. On the low end, we have projected \$5 million in revenue. Taking a conservative estimate, that we achieve that revenue goal and maintain it for 10 years, this reasonable estimate alone will generate \$3 million over 10 years to the City.

As we consider the cumulative positive benefit of the collective Cannabis Industry, reasonable estimates are within three years, the industry will be generating \$200 million. With some scenarios higher.

\$200 million in revenue at the current 6% tax rate is \$12 million a year generated.

For perspective, South Coast Plaza generates \$18 million a year in city Tax revenue. So the Cannabis is quickly contributing two thirds of the tax generated by South Coast Plaza

Job Creation:

At launch we will have three employees, all background checked. Outside of the principals, other employees will typically receive between \$40,000 and \$90,000 a year in total compensation.

Environmental Determination:

The project is exempt from the provisions of the California Environmental Quality Act under Section 15301, for Existing Facilities.

Public Notice:

Pursuant to Title 13, Section 13-29(d), of the Costa Mesa Municipal Code, three types of public notification will be completed no less than 10 days prior to the date of the public hearing:

- 1. Mailed notice. A public notice will be mailed to all property owners within a 500-foot radius of the projects site, as measured from the external boundaries of the property (See attached Notification Radius Map)
- On-site posting. A public notice will be posted on each street frontage of the project site
- Newspaper Publication. A public notice will be published once in the Daily Pilot

<u>Police and Fire Inspection:</u> Police and Fire Inspections shall be performed for the completed facility to assure compliance with the local ordinances.

Tenant Businesses and Security Contacts:

At any time, if any parties are concerned about operations, direct contact can be made the following:

• Chris Kanic – Principal/Owner – (201) 873-3046

Area Identification:

Limited Access:

The Blue OFFICE area will have secure access to enter. Visitors will enter through a controlled access point into the Office Area. No Cannabis will be stored in the Office Area.

Green DISTRIBUITION AREA will be Limited Access. Any Owner or Employee must have gain access through this point and have badges at all time.

Any Visitor moving from the Office to the Limited Access Areas will require Visitor Protocols to be followed. Signing in, wear a Badge and be escorted by an Employee at all times. No more than 5 Visitors per Employee.

Restricted Access areas are the Safe and Video Surveillance Storage Equipment.

Operational Purpose of Each Area

Each area has been color coded with a border to define each zone.

Office - BLUE

This Secure Entrance area will be for general office purposes to Include Security Office

Secured Distribution – GREEN

This area will be secured storage for Distribution. Here Cannabis product will be stored in either the "Ready for Retail" packaging for licensed permitted Dispensaries, or "Ready for Transport" to a licensed permitted Manufacturer

Secure Storage

Secure Storage is indicated in the Green area. Access will be a secure pad monitored in the cloud. The Secure Storage is located within the Limited Access Areas. Only Employees and Owners with specific privileges will be granted access. All access is tracked





SECURE STORAGE:

= Temperature Controlled Secure / Restricted Access



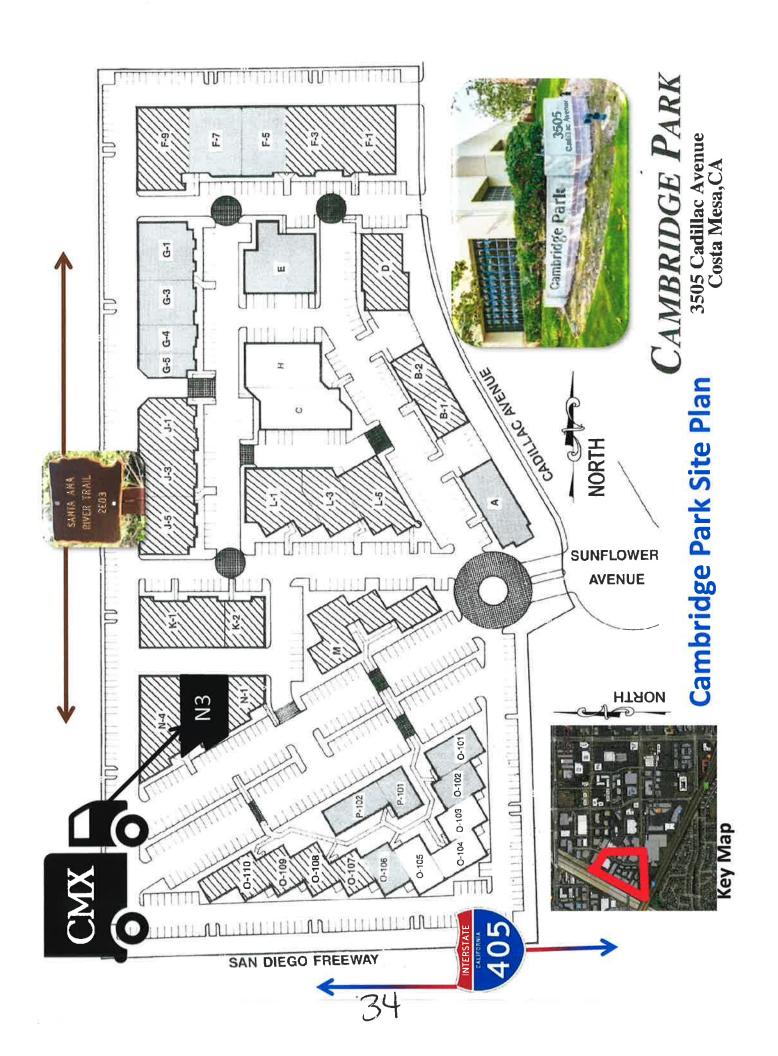
HANDONED ASSET DOOR







NORTH



Harbor Blvd deutsche bank Whittier Law VOIT Wash VANS Segerstrom Hyland Ave Soco Howard Way Colorad W/Weissonstations | Mt Washington St Moon Park >500' Distance to CMX Cambridge Park Not an Option MOON PARK
3377 CALIFORNIA ST. SAN'A ANA P 18 184

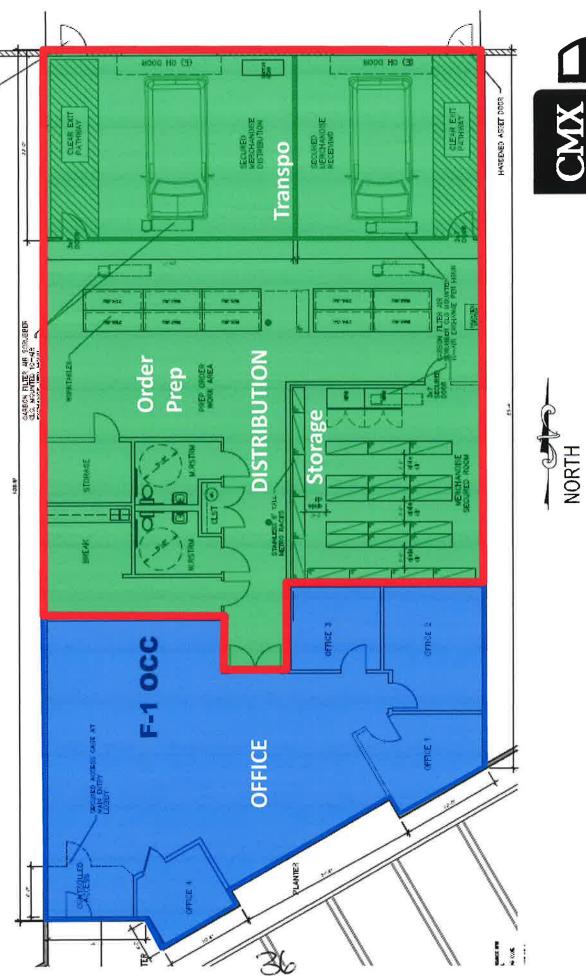
Measure X Zone

35

Operational Purpose:

BLUE = OFFICE GREEN = DISTRIBUTION / TRANSPORTATION

HARDENED ASSET DESAR







SAFETY PLAN

CMX DISTRIBUTION & TRANSPRIATION FACILITY

ADDRESS:
3505 Cadillac Avenue, Bldg. N
Suite N-3
Costa Mesa, CA 92626

PREPARED BY: SC Consulting Group 5151 California Avenue Suite 100 Irvine, CA 92617 949-280-4782 ed@sccqconsulting.com



June 7, 2017





CONFIDENTIALITY

Dear Planning Department:

At the request of our clients and in support of the application for the Medical Cannabis Facility license application, please accept the following request that certain privileged documents and information contained within the application be withheld from public disclosure pursuant to California Government Code § 6245(k) which protects certain copyrighted and trade secrets materials.

The Public Records Act provides that certain documents and records may be disclosed for public inspection. However, for some records "...the disclosure of which is exempted or prohibited pursuant to federal or state law, including, but not limited to, provisions of the Evidence Code relating to privilege." Copyright protection is presumably incorporated into the Public Records Act via Gov. Code § 6254(k). Trade secrets are considered privileged information under Evidence Code § 1060, which is incorporated into the PRA's exemptions through Gov. Code. § 6254(k).

A "'Trade secret' means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

- (1) Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and
- (2) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy." $\[\]$

The purpose of this privilege is to protect secret information that is essential to the continued operation of a business or industry and may be afforded some measures of protection against disclosure. $\frac{[4]}{}$

It is our belief that certain materials contained within the license application including but not limited to; the Standard Operating Procedures and Operating Plans for the operation of this Medical Cannabis Facility are protected as privileged information and shall not be disclosed pursuant to Government Code § 6254(k).

Please feel free to contact our office with any additional questions. Very truly yours, $\,$

Confidential

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Page 2 of 8



I. BUSINESS ENTITY

CMX DISTRIBUTION FACILITY

Address: 3505 Cadillac Avenue, Building N, Suite N-3, Costa Mesa, CA

The existing tenant space is a single-story structure currently used as a logistics office for a medical business. The proposed business is for a legal medical cannabis distribution facility.

Definition

City of Costa Mesa voter approved Ballot Measure X

"Distribution" means the procurement, sale, and transport of medical cannabis or medical cannabis products between entities that are currently in compliance with all applicable state and local laws and regulations pertaining to the medical marijuana business and medical marijuana activities.

The State of California AB 266

Procurement, sale, and transport of medical cannabis and medical cannabis products between State licensed entities

Products and goods

All products and goods are pre-packaged and stored for distribution. There will be no manufacturing activities within the proposed business and facility.

II. APPLICABLE BUILDING CODES

2016 California Building Code (CBC)

2016 California Fire Code (CFC)

2016 California Mechanical Code (CMC)

2016 California Plumbing Code (CPC)

2016 California Electrical Code (CEC)

III. PROJECT DATA AND BUILDING INFORMATION

Use:

Distribution Facility

Occupancy:

F-1 and B

Size of space:

5,050-SF

CBC Allowable Area:

10,100-SF > 4,600-SF **OK**

Construction:

Type V-N

Sprinkled:

Type V-IV

Sprinkled.

No sprinkler system required

High Pile Storage:

No high pile storage will be provided

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Page 3 of 8



IV. FIRE PREVENTION, SUPPRESSION, HVAC, ODOR CONTROL AND ALARM SYSTEM THE FACILITY

- FIRE PREVENTION: 2016 California Building Code analysis has determined that an automatic fire sprinkler system is not required for the F-1 and B occupancy for the proposed distribution tenant space.
- FIRE LIFE SAFETY PLAN: The Costa Mesa Fire Department has permitted the existing building at this location without requirement to have a fire sprinkler system. However, this building suite (N3) will have fire protection in strict compliance with the National Fire Alarm and Signal Code and the Costa Mesa Fire Department for the occupancy of a business with F-1 and B occupancy. The fire safety plan will be for a non-sprinkler building with a UL listed central station monitored fire alarm system consisting of NFPA approved smoke detectors and manual pull stations with horn strobes and strobes throughout building N3 in compliance with NFPA fire code.
- > SUPPRESSION: Provide approved portable fire extinguishers readily available rated Class 2A located no further than 75-linear feet from each other. Provide a yearly fire inspection certification for each portable fire extinguisher.
- ➤ HVAC: Existing HVAC system is a 5-ton AC rooftop package unit serving the office area only. The rated CFM flow rate is found to be 12,000 CFM < that 20,000 CFM. A duct detector is not required by the California Fire Code.
- DDER CONTROL: Marijuana facilities shall install and maintain appropriate ventilation and filtration systems to eliminate odor nuisance standards set forth by the City of Costa Mesa and governing jurisdiction. Generally, the standards may require that the odor of marijuana must not be perceptible at the exterior of the building, at the licensed premises or at any adjoining use of the property.
- ➢ Products stored for shipping within the distribution building are all pre-package with little or no detectable odor. Product transfer from various pre-packaged container require an odor control system. The facility shall be provided with a closed system carbon filter order control system with minimum air cycle scrubbing of 10-cycle per hour for 24-hour constant cycle.
- CONTROL AND ALARM SYSTEM: 24-hour constant access and fire alarm system shall be provided with constant off site monitor service. Refer to the Security Plan for specifics.
- > INTERIOR FINISHES: Interior finishes must comply with flame spread ratings in accordance with Table 803.3 of the CFC.





FUMIGATION AND INSECTICIDAL FOGGING

Fumigation and insecticidal fogging used to kill insects, rodents, other vermin, plant parasites, weed seeds, and fungi that adversely affect growth. Some fumigants are flammable under certain circumstances, and all fumigants are poisonous or toxic. Protection the public and fire fighters are required that must be followed when performing these operations:

 Written notice must be given to building occupants with enough notice to allow evacuation and must include information about the duration of the operation and all hazards associated with the operation. Only those directly conducting the operation are allowed to remain in the building.

Sources of ignition must be secured before these operations commence and must remain secure until after the space has been ventilated. Sources of ignition include electricity, portable electronic devices (such as cell phones), telephone lines, and any other sources of spark or flame. Certain types of electrical appliances deemed safe for hazardous atmospheres may be allowed when approved by the fire department.

- Materials used to seal the affected structure or space must comply with flame propagation performance standards and must be approved by the fire department prior to installation.
- Every access point to the affected structure or space must have both some warning signs and watch personnel to protect against unauthorized entry. The style and content of the warning signs and the duration of their posting must be approved by the fire department.
- Personnel engaged in these fumigation operations musts have proper respiratory protection available.
- At the end of the operation, the affected structure or space must be safely and properly ventilated, and all fumigation or fogging product containers, residues, debris, and other materials must be properly disposed of.

V. ASSESSMENT OF FACILITY'S FIRE SAFETY

Consider all possible fire, hazardous material, and inhalation issues / threats

- > EXITS AND EXIT SIGNAGE, EGRESS
 - Provide 2 exits shall be in accordance with Table 1006.2.1 and Table 1006.3.2(2) and Section 1017.2 of the CFC.



- The means of egress shall be clear and visible and cannot be concealed in any way.
- Exit egress doors are shall have the swing in of the door in the direction of egress travel.
- Provide illuminated exit signs that are readily visible from any direction of egress travel.
- Provide intermediary exit signs may also be required per Section 1013of the CFC.
- Provide battery back light for the exit path of travel. Lighted path of travel must be illuminated at least 1-FC.

> AISLES

 Provide clear aisles to facilitate rapid evacuation of occupants and provide emergency egress in the event of an emergency. Provide aisles with a minimum clear width of 32".

ELECTRICAL WIRING, EXTENSION CORDS, APPLIANCE, LIGHTING

- Provide sign at door of ELECTRICAL ROOM
- Electrical panels and electrical disconnect switches must be accessible at all times and with a clearance of 30 inches wide(wider for panels and equipment that exceeds 30 inches in width),36 inches deep, and 78 inches high is required to be maintained free from storage.
- Provide good maintenance and repair of exposed wiring, open junction boxes, or damaged equipment that could present an electrical shock or fire hazard.
- Provide power strips with built-in over current protection ("circuit breakers")
 are allowed, provided they are plugged directly into a permanent electrical
 receptacle. Power strips may not be plugged into additional power strips
 (daisy chaining). A power strip's cord may not be run through walls, above
 ceilings, or under doors or floor coverings. If power strips show evidence of
 physical damage, they must be replaced.
- Extension cords may only be used to provide temporary power to portable electric appliances. Extension cords may not be used as a substitute for permanent wiring, and may not be affixed to structures, extended through walls, ceilings or floors, or under doors or floor coverings. Multi-outlet extension cords that do not have built-in over current protection ("circuit

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breakers") are not allowed. If extension cords show evidence of physical damage, they must be replaced immediately.

 The distribution facility shall not have any flammable gases and liquids on the premise at any time.

PREMISE IDENTIFICATION

 Provide with address identification on the front of the Building per the Fire Department.

EMERGENCY POWER SYSTEM

- 90-minute emergency lighting battery power invertors for emergency life safety exit lights
- Provide separate UPS system for all security systems for egress hardware (doors), security cameras, monitors and alarms. The UPS system will be sized to power the for a minimum 24-hours after power failure.

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FIRE DEPARTMENT ACCESS

- Buildings/facilities must have at least one all-weather road that is wide enough and strong enough to support the size and weight of fire department apparatus. Roads must extend close enough to buildings to allow for firefighting operations. Roads may have special requirements for "fire lane" signage to disallow parking. A means for turning fire department apparatus around may be required for roads that contain dead ends or no outlet. Gates or barricades that obstruct roads must be approved by the fire department.
- All required exterior doors must remain operable for emergency access by firefighters. Eliminating the function of any exterior doors requires prior approval that cannot be granted in every circumstance, and where allowed, the door must be marked with a sign stating THIS DOOR BLOCKED.
- Certain equipment rooms contained within a building may require identifying signage to aid firefighters.
- Rooms containing fire protection equipment (fire alarm panels, fire sprinkler valves, etc.)
- o Rooms containing controls for air-conditioning equipment
- Rooms containing utility equipment for gas or electrical service

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Since 1956

www.PostAlarm.com



MEDICAL MARIJUANA DISTRIBUTION 3505 CADILLAC WAY, SUITE N3, COSTA MESA, CA 92626

ADDENDUM FOR POST ALARM DOC R 7905

Prepared by:

Thomas Johnson

Post Alarm Systems Cell: (626) 802 -0621

Email: tjohnson@postalarm.com

Post Alarm Systems Addendum DOC R 7905 for Fire Alarm System

Fire Alarm System Equipment List

Description	Addressable Fire Alarm Control Panel	Remote Annunciator Keypad	Back Up Battery for the Fire Alarm Control Panel	Addressable Smoke Detector	Addressable Manual Pull Station	Strobe Only - White - Wall Mounted	Horn Strobe - White - Wall Mounted	Dual Path Communicator to Replace the Phone I ines	Back Up Batteries for the Honeywell IP-GSM Communicator	Document Box	(1x) Permits and Engineering Plans with CAD Drawing for Submittal to the City of Costa Mesa Fire Denartment	
Model	SK-5700	SK-5860	PW-PS12120	SK-Photo	SK-PULLDA	BK-SWL	BK-P2WL	IP-GSM4G	PW-PS12120	06-SSU00672	gineering Plans w	on lacandaling Day
QN Brand	(1x) Silent Knight	(1x) Silent Knight	(2x) Silent Knight	(1x) Silent Knight	(1x) Silent Knight	(1x) Silent Knight	(1x) Silent Knight	(1x) Honeywell	(2x) Honeyweil	(1x) Honeywell	(1x) Permits and En	(4v) I shor for Tocting Increasing December

Installation Price: \$15,969.85 (includes tax and labor)

(1x) Post Alarm Pre-Test, 24 Hour Test, and Final Inspection with Costa Mesa Fire Department and Documentation

(1x) Labor for Testing, Inspecting, Programing

Total Monthly Fee: \$92.95

Consists of the items below:

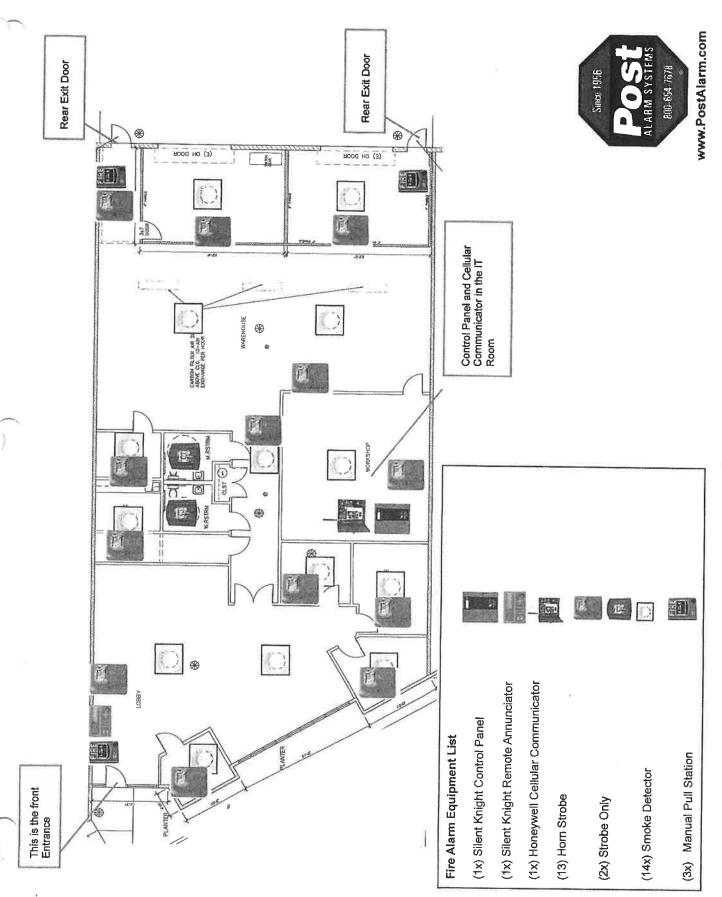
- Monthly Monitoring Fee: \$49.00
- Required Annual Inspections: \$25.00 per month
- Single Path GSM Communication with 5 minute supervision (replaces phone line): \$18.95 per month

Notes:

There is a need for dedicated power for the fire alarm panel at the panel location. The equipment is all customer owned.

The monthly service is month to month.





KNIGHT

by Honeywell

Single Loop Addressable IntelliKnight® Model 5700 Fire Alarm Control System

The affordable addressable fire

alarm control panel solution,

For more information about the IntelliKnight system, or to locate your nearest source, please call 1-800-328-0103.

5700 provides you with the revolutionary value and performance of addressable sensing technology combined with exclusive, built-in digital communication, distributed Intelligen; power, that includes an easy to use interface.

intelliKnight Model 5700 is a class leading single toop addressable fire alarm control/communicator system.

Powerful features such as drift compensation and maintenance aler; are delivered in this powerful FACP from

Silent Knight

Description

The basic Intellitknight 5700 system can be enhanced by adding modules such as 5860 remote annunciator. 5824 sorial/parallel printor interface module (for printing for reporting of all system activity to a remote monitoring 5700 supports SD or SK devices. 5700 also features a powerful built-in dual line fire communicator that allows system reports), and 5496 intelligent power module.

Features

- Bufft-in support for up to 50 SK detectors and 50 SK modules creating a total point capacity of 100 points
 - Built in support for up to 50 SD devices
- Up to 125 zonds and 125 output groups
- Uses standard wire- no shielded or twisted pair
- Built-in digital communicator
- Supports Class B (Style 4) and Class A (Style 6 or 7) Control station reporting by point or by zone
 - configuration for SLC
 - Orit compensation
- 13 pre-programmed output cadences (including ANSI.
- Notification circuits configurable, as 1 Class A (Stylo Z) or 2 Class B (Style Y), or auxiliary power for resettable, 3.41) and 4 programmable outputs constant, or door holder power
- Built-in synchronization for AMSECO, Gentex®
- Faraday. System Sensor® and Wheelock® appliances
 - Built-in annunciator with 80-character LCD display
 - RS-485 bus provides communication to system
- Two built-in Form C programmable relays rated at 2.5A detector status onsite or from a remote location using a PC and 5660 Silen: Knight Software Suite (SKSS) Uplcad or download programming, event history, or



Model 5700

- Improvements in SKSS deliver five times faster
- upload/downloads
- Built-in Form C trouble rolay rated at 2.5A at 27.4 Built-in RS-232 intorface for programming via PC
- Programmable date setting for Daylight Saving Time

Compatibility

The 5700 signal line circuit (SLC) supports muttiple device types of the same protecti

- · SK
- · SD

You cannot mix SD and SK SLC devices on a FACP.

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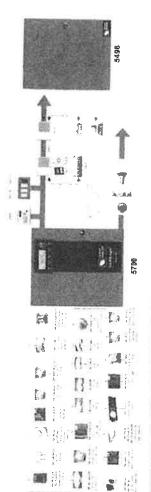


www.PostAlarm.com

ALARM SYSTEMS 800-854-7678

Since 1956

Fire Alarm Control Panel **Model 5700**



Specifications

Electrical

Battery Size 7 AH max, allowed in FACIT cabinat Larger capacity batteries can be housed in an RSB accessory cabinet. Parmary AG 120 VAC, 60 Hz. 1,54 7048 Accessory Load, 2,54 @ 27.4 VF)C Notification Power, 2,54 @ 27.4 VDC, power-finited Battery Charging Capacity 7.0-35.0 AH Notification/Aux Papwer Circuits, 254 & 274 VDC per prout Standby Current, 202 mA Alarm Current 365 nsv. power-limited

12.75° W.x. 15.2° H.x.3.4° D 132.39 W.x.38.42° H.x.B.57° D cm) Weight: 11.5° (5.2° Kg) Physical

FCC Part 15 and Part 68 approved Type of Jack, RUNIX (Iwo required) Telechone Requirements Color Red

Listings

Sgnafng, Loca Protective Signalling Systems, Auxiliary Protected Tremess Unit. & Water Cheluge Releasing Service, Suitable for aubmate, misrual, waterflow, sprinker NEPA 13, NEPA 15, NEPA 16, NEPA 70, & NEPA 72; Central Sanch, Ramote supervisory (DAC1 non-coded) signaling

CSFN 7170-3459: 144, MEA 429-92-E (10). XVP, USHPID (CA) OSH-0065-10 Other Approvals, UL Listed;

S-BUS Accessories

Features the same 50 character backyt 200 display keypad and lifelighter's key sinitch programmed and operated from any 5BEC. 5560 is gray and 5B50R is red. 5860/R Remote Fire Annunciatos as the 5700. The system can be fully

5496 Intelligent Power Module

A 6 anip neofication power expander that provides four additional provides four additional power-limited nolliteation appliance orders outputs 5880 LED/IO Module

Features 40 LEO outputs, Binormally open dry confact incuts and one piezo output.

5865-3 and 5865-4 Ramote LED Annunciator Features 10 Programaske LED (15 red and 15 yellow I cumus and a prezo sounder The 5885-4 adds a silence and reset switch to

5883 Relay Board

Features 10 genera pursosa Form Cirelays, Used with \$380 modula. Interface Module Provides one persitel and one RS-232 senal port for connecting a printer to 5808. Use to print a real-lune log of system events, defector status reports, and event history. 5824 Serial/Parallel Printer

Miscellaneous Accessories

Interfaces with builting control system.

programming of 5720s using a I¹C. Upicad and view panel account information, event User-Mendy Windows sollware for remote 5660 Silent Knight Software Suite history, and detector status.



Keep our product information up-to-data and accurate. We cannot cover all appeals excellested to a nilegate all requirements. All scent-calions are suspect to change without notice. For more information, contact Stiert Kinger 12 Chinamie Boda, Superbod, CT 08472-1610 (Hone, 800) 228-0133. Fax (233) 484-7718. For Technica's Susport Please call 900-446-6444.

www.silentknight.com

This document is not intended to be used for installation purposes. We try to

CIC

by Honoywell

SHENT

Assembled in America

allows wewing of defector status and event 5670 Silent Knight Software Sulte End-user lability management software history via modern or direct connection.

Renote Battery Box Accessory Cabinet, Use of Sackup batteries are too large to fit with 16" W. A. 10" H. X. 6" D. |406 mm W. X. 254 mm H. X. 152 mm D. FACS cazinel. Dimensions. RBB

SK-SCK

Seismic Compliance Kill.

SD505-DTS-K

Remote test switch that provides remole key operaked test function and annungation of detector alern with SDSDS_DLCTR SP-TR

Small pane thin ring lise to flush mount the paner 16,975° Hix 14,630° V;

See the data sheets listed below for a complete listing of the SD and SK dewoes. SD and SK Devices

SD Devices data sheet SK Devices data sheet

53624 53623

Since 1956

POST ALARM IS THE TRUSTED CHOICE!

- Better Business Bureau Rated A+
- Angie's List "Super Service Award" 6 years in a row
- Underwriters Laboratories Certified Company
 - Protective Signaling Services: S5606-1
 - Residential Alarm Systems: BP7053-1
 - Mercantile Alarm Systems: BP8577-1
- Police Station Connected Mercantile: BP4913-1
- Central Station Alarm Association Certified Member Only the most qualified can join.
- Consistently ranked one of the top alarm companies nationwide in the security industry
 - Owned and operated U.L. Listed 24/7 monitoring facility
- Family owned and operated since 1956 (still believers in old fashioned great customer service)
- All employees are local to the areas they serve and know the AHJ requirements for these areas
 - No long-term contracts and no credit inquiry necessary
- Post Alarm does not utilize subcontractors (a tactic sometimes used by others to lower costs)
 - All employees receive a polygraph examination during the hiring process
- Owned and operated Patrol Response(all officers are armed, many are former police officers
 - "Customer first" security solutions and not forced security packages
- Budget friendly and scalable systems that can be expanded as needed
- State-of-the-art equipment that is non-proprietary with open software architecture to assure a smooth path for future upgrades and for protection against technological obsolescence.



Prepared by:
Thomas Johnson
Post Alarm Systems
Cell: (626) 802-0621
Email: tjohnson@postalarm.com



by Honeywell

IntelliKnight® Model 5700 Single Loop Addressable Fire Alarm Control System

The affordable addressable fire alarm control panel solution.

IntelliKnight Model 5700 is a class leading single loop addressable fire alarm control/communicator system. 5700 provides you with the revolutionary value and performance of addressable sensing technology combined with exclusive, built-in digital communication, distributed intelligent power, that includes an easy to use interface. Powerful features such as drift compensation and maintenance alert are delivered in this powerful FACP from Silent Knight.

For more information about the IntelliKnight system, or to locate your nearest source, please call 1-800-328-0103.

Description

The basic IntelliKnight 5700 system can be enhanced by adding modules such as 5860 remote annunciator, 5824 serial/parallel printer interface module (for printing system reports), and 5496 intelligent power module. 5700 supports SD or SK devices. 5700 also features a powerful built-in dual line fire communicator that allows for reporting of all system activity to a remote monitoring location.

Features

- Built-in support for up to 50 SK detectors and 50 SK modules creating a total point capacity of 100 points
- · Built in support for up to 50 SD devices
- Up to 125 zones and 125 output groups
- Uses standard wire—no shielded or twisted pair required
- · Built-in digital communicator
- · Central station reporting by point or by zone
- Supports Class B (Style 4) and Class A (Style 6 or 7) configuration for SLC
- · Drift compensation
- 13 pre-programmed output cadences (including ANSI-3.41) and 4 programmable outputs
- Notification circuits configurable as 1 Class A (Style Z) or 2 Class B (Style Y), or auxiliary power for resettable, constant, or door holder power
- Built-in synchronization for AMSECO, Gentex[®],
 Faraday, System Sensor[®] and Wheelock[®] appliances
- Built-in annunciator with 80-character LCD display
- RS-485 bus provides communication to system accessories
- Upload or download programming, event history, or detector status onsite or from a remote location using a PC and 5660 Silent Knight Software Suite (SKSS)
- Two built-in Form C programmable relays rated at 2.5A at 27.4 VDC



Model 5700

- Improvements in SKSS deliver five times faster upload/downloads
- Built-in RS-232 interface for programming via PC
- Built-in Form C trouble relay rated at 2.5A at 27.4 VDC
- Programmable date setting for Daylight Saving Time

Compatibility

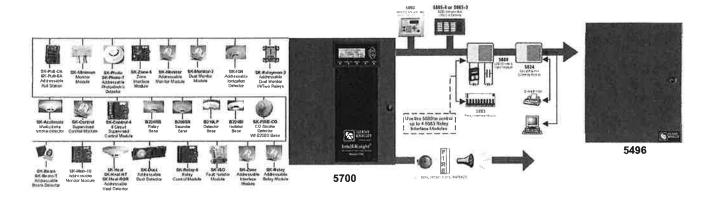
The 5700 signal line circuit (SLC) supports multiple device types of the *same* protocol:

- · SK
- · SD

You cannot mix SD and SK SLC devices on a FACP.

P/N 350392 Rev M © 2014 Honeywell International Inc.

Model 5700 Fire Alarm Control Panel



Specifications

Electrical

Primary AC: 120 VAC, 60 Hz, 1.5A Total Accessory Load: 2.5A @ 27.4 VDC Notification Power: 2.5A @ 27.4 VDC, power-limited

Standby Current: 200 mA Alarm Current: 365 mA

Notification/Aux Power Circuits: 2.5A @ 27.4 VDC per circuit,

power-limited

Battery Charging Capacity: 7.0-35.0 AH Battery Size: 7 AH max. allowed in FACP cabinet. Larger capacity batteries can be housed in an RBB accessory cabinet.

Physical

Dimensions:

12.75" W x 15.2" H x 3.4" D (32.39 W x 38.42 H x 8.57 D cm) Weight: 11.5 lbs. (5.2 kg)

Color: Red

Telephone Requirements:

FCC Part 15 and Part 68 approved Type of Jack: RJ31X (two required)

Listings

NFPA 13, NFPA 15, NFPA 16, NFPA 70, & NFPA 72: Central Station; Remote Signalling; Local Protective Signalling Systems; Auxiliary Protected Premises Unit; & Water Deluge Releasing Service. Suitable for automatic, manual, waterflow, sprinkler supervisory (DACT non-coded) signalling services.

Other Approvals: UL Listed; CSFM 7170-0559: 144; MEA 429-92-E Vol. XVI; OSHPD (CA) OSP-0065-10

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S-BUS Accessories

5860/R Remote Fire Annunciator

Features the same 80 character backlit LCD display keypad and firefighter's key switch as the 5700. The system can be fully programmed and operated from any 5860. 5860 is gray and 5860R is red.

5496 Intelligent Power Module

A 6 amp notification power expander that provides four additional power-limited notification appliance circuit outputs.

5880 LED/IO Module

Features 40 LED outputs, 8 normally open dry contact inputs and one piezo output.

5865-3 and 5865-4 Remote LED Annunciator

Features 30 Programmable LED (15 red and 15 yellow) outputs and a piezo sounder. The 5865-4 adds a silence and reset switch to the package.

5883 Relay Board

Features 10 general purpose Form C relays. Used with 5880 module.

5824 Serial/Parallel Printer Interface Module

Provides one parallel and one RS-232 serial port for connecting a printer to 5808. Use to print a real-time log of system events, detector status reports, and event history. Interfaces with building control system.

Miscellaneous Accessories

5660 Silent Knight Software Suite

User-friendly Windows software for remote programming of 5700s using a PC. Upload and view panel account information, event history, and detector status.

5670 Silent Knight Software Suite

End-user facility management software allows viewing of detector status and event history via modem or direct connection.

RRR

Remote Battery Box Accessory Cabinet. Use if backup batteries are too large to fit into FACP cabinet. Dimensions:

16" W x 10" H x 6" D

(406 mm W x 254 mm H x 152 mm D

SK-SCK

Seismic Compliance Kit.

SD505-DTS-K

Remote test switch that provides remote key operated test function and annunciation of detector alarm with SD505-DUCTR.

SP-TR

Small panel trim ring. Use to flush mount the panel. 16.975" H x 14.630" W.

SD and SK Devices

See the data sheets listed below for a complete listing of the SD and SK devices.

53624 SD Devices data sheet

53623 SK Devices data sheet



This document is not intended to be used for installation purposes. We try to keep our product information up-to-date and accurate. We cannot cover all specific applications or anticipate all requirements. All specifications are subject to change without notice. For more information, contact Silent Knight 12 Clintonville Road, Northford, CT 06472-1610 Phone: (800) 328-0103, Fax: (203) 484-7118. For Technical Support, Please call 800-446-6444.



Assembled In America

Honeywell

IPGSM-4G

Single or Dual Path Commercial Fire Communicator

General

The IPGSM-4G is a commercial fire alarm communicator that offers contact ID reporting with any Fire Alarm Control Panel (FACP) that has a built-in dialer. This single or dual path communicator connects directly to the primary and secondary communication ports of a fire panel's Digital Alarm Communicator Transmitter (DACT). It offers three selectable reporting paths which include: Cellular only, IP only, or IP primary/cellular backup. All signals from the IPGSM-4G are delivered to Honeywell's AlarmNet Network Control Center, which routes highly encrypted Ethernet data packets via a customer provided internet connection or cellular network to the appropriate central station. The state of the art AlarmNet network control center is fully redundant and monitored 24/7. AlarmNet has the ability to route messages using AlarmNet-I and 800 PLUS services, providing true redundancy and multipath message delivery.

Alternative communication methods are critical in the market-place due to VoIP (Voice over IP), migration from POTS (Plain Old Telephone Service) and growth of digital radio networks. The IPGSM-4G's single path communications solution allows one technology to be used (either IP or cellular) to provide the appropriate connectivity to a central station. For added reliability, our exclusive dual path solution allows both technologies (IP and cellular) to be used together for maximum survivability or for local jurisdiction requirements that specify a dual technology system.

The IPGSM-4G is designed to operate over the most common cellular networks including 2G, 3G and 4G. Its multi-GSM platform technology automatically chooses the best available cellular signal in the area based on signal strength and seamlessly self-adjusts to maintain critical life safety communication. In addition, it connects to any type of customer provided Ethernet 10/100 base network connection (LAN or WAN), DSL model or cable modem. Our selectable reporting path feature allows the radio to be configured for a single or dual path solution as well as the appropriate supervision intervals based on NFPA 72 requirements. (See diagram below for selectable paths and supervision timing intervals.)

Selectable Path	Description	Supervision Times
2010 GSM	Single Path (cellular only)	5 minutes
2010 IP	Single Path (IP only)	5 minutes
2010 IP & GSM	Dual Path (IP and cellular)	24 hours
2013 GSM	Single Path (cellular only)	1 hour
2013 IP	Single Path (IP only)	1 hour
2013 IP & GSM	Dual Path (IP and cellular)	6 hours

Features

- Saves the cost of two dedicated phone lines.
- Single or dual path communications. (Can communicate to central station using cellular technology, internet or both.
- PRequires no change to the existing Fire Alarm Control Panel configuration. (Connects directly to the primary and secondary telephone ports of a DACT.)



- Multi-GSM platform compatibility for 2G, 3G and 4G networks.
- Operates over the following communication protocols: HSPA+ (4G) HSPA (HSDPA & HSUPA) (3G) EDGE (2G) GPRS (2G).
- Selectable reporting paths and supervision intervals to meet NFPA 72, chapter 26 requirements. (Compliant with NFPA 72 2010 and 2013 supervision requirements.)
- Works over any type of customer provided Ethernet 10/100 based network connection (LAN or WAN), DSL modem or cable modem.
- Data transmits over standard contact-ID protocol but is secured with the industry's advanced encryption standard (AES 256 bit).
- Supports both dynamic (DHCP) or Public and Private Static IP addressing.
- Built-In Power Supply module: On board charging circuit design accommodates back-up battery. Includes primary power and battery supervision.
- · Diagnostic LEDs: Signal strength and status indicators.
- Reliable connection: IP and GSM connection tested every day.
- QOS: Quality of Service diagnostics via AlarmNet conveys vital communicator information including when message was received, signal strength, and message path used.
- 7720P Hand-held programmer for easy setup.

Operation

When an event occurs, the Fire Alarm Control Panel goes off hook to dial the central station. The IPGSM-4G Dialer Capture Module detects the off-hook condition and provides the fire panel with a dial tone. When the fire panel detects the dial tone, it begins dialing the central station. After the dialing is completed, the Dialer Capture Module returns a handshake to the fire panel. The fire panel then sends the contact ID reports to the Dialer Capture Module, which in turn sends a kiss-off after the report is successfully received from the fire panel. The Dialer Capture Module sends the contact ID reports to the IPGSM communications module. When all the reports are sent, the fire panel goes on-hook. The IPGSM communications module then transmits the messages to the central station either over the GSM network or the Internet (dependent on configuration).

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Easy to Program

The IPGSM-4G communicator can be pre-programmed using the 7720P programmer to enter all central-station information. This is saved to the IPGSM-4G communicator panel memory. When the IPGSM-4G communicator is installed at the site and connected to the Internet/Intranet, it registers itself with the AlarmNet receiver.

.For most installations, the only required parameters are:

- Primary City ID (two digits) obtained from your monitoring station.
- Primary Central Station ID (two digits) obtained from your monitoring station.
- Primary Subscriber ID (four digits) obtained from your monitoring station.
- Communication Module's MAC ID, and MAC CRC number located on outside of box, and inside of the module.

All of these parameters are assigned by the monitoring station.

NOTE: Some assembly is required. See Installation and Setup Guide #800-12454 for full details.

Fire Communicator Capability

The IPGSM-4G is compatible with fire panels that use the Contact ID communications format as described in the SIA DC-05 standard.

AlarmNet

Honeywell's AlarmNet has been the nationwide leader in alarm communications technology since 1986. A reliable alternative for the transmission of alarm signals, our radio network provides extensive coverage in the United States and Canada. AlarmNet Network Control center processes signals from powerful servers in multiple locations equipped with 24/7 infrastructure support. The AlarmNet network consist of redundant hardware servers, hot back-up databases and generators with battery back-up at all locations to ensure continuity of service. Signals from Alarm-Net are transmitted to the central station's receivers using multiple communications paths consisting of the Internet, radio network or toll-free POTS service.

Installation Requirements

UL COMPLIANCE

To meet UL864/NFPA, ensure the following:

- IPGSM-4G must be installed in accordance with NFPA (National Fire Protection Association) standards 70 and 72.
- IPGSM-4G must be mounted in the same room and within 20 feet of the fire panel.
- IPGSM-4G, and all equipment used for the IP connection (such as the router, hub, modem, etc.) shall be listed, must be powered from an un-switched branch circuit, and be provided with appropriate standby power.
- IPGSM-4G must use the 7AH battery (not supplied) to provide 24-hour backup capability.

Electrical Specifications

Transformer:

- Primary 120VAC, 60Hz, 0.5A.
- Secondary: 18VDC, 50VA.

Battery:

- One 12 V 7.0 AH lead-acid battery (not supplied).
- Battery charging current: 1 Amp maximum.
- Battery discharge current: Standby 230mA, Active 950mA.

Cabinet Specifications

Dimensions: 14.875" H x 12.75" W x 3.0" D (37.8 cm H x 32.4 cm W x 7.6 cm D).

Color: Red.

Shipping Specifications

Weight: 5.3 lbs. (6.94 kg).

Dimensions: 15.625" H x 13.79" W x 9.25" D (39.7 cm H x 34.9 cm W x 23.9 cm D)

Temperature and Humidity Ranges

This system meets NFPA requirements for operation at 0 - 49° C/32 - 120° F and at a relative humidity $93\% \pm 2\%$ RH (non condensing at 32° C $\pm 2^{\circ}$ C (90° F $\pm 3^{\circ}$ F). However, the useful life of the system's standby batteries and the electronic components may be adversely affected by extreme temperature ranges and humidity. Therefore, it is recommended that this system and its peripherals be installed in an environment with a normal room temperature of $15 - 27^{\circ}$ C/60 - 80° F.

Product Line Information

IPGSM-4G: Internet and Digital Cellular Fire Alarm Communicator Panel. Includes red cabinet with Ademco key and lock, wall outlet box, Dialer Capture Module, IGSM Communications Module, antenna & mounting adapter, PowerBoost1 power supply, LED display board, transformer, manual, & required screws, cables, etc.

Antenna Kits

GSM-ANT3DB25KT: 25 ft. antenna kit. Includes GSM-ANT3DB, WA7626-CA adapter cable, and a 25' RF cable.

GSM-ANT3DB50KT: 50 ft. antenna kit. Includes GSM-ANT3DB, WA7626-CA adapter cable, and a 50' RF cable.

Antenna External Hardware

GSM-ANT3DB: 3db gain external/remote antenna.

WA7626-CA: SNA to N Adapter.

7626-50HC: 50 ft. antenna cable, low loss.

7626-25HC: 25 ft. antenna cable, low loss.

NOTE: The GSM-ANT3DB and the WA7626-CA are both required for installing an external antenna along with the necessary cable needed (7626-50HC: 50 ft. or 7626-25HC: 25 ft.)

Other Accessories

7720P: IPGSM-4G hand held programmer.

HPTCOVER: Plug in transformer box for IPGSM communicator.

BAT-1270: Battery 12 Volts, 7 AH, sealed.

Agency Listings and Approvals

The listings and approvals below apply to the basic IPGSM-4G communicator panel. In some cases, certain modules may not be listed by certain approval agencies, or listing may be in process.

Consult factory for latest listing status.

UL Listed: S789.

CSFM: 7300-1645:0199.

FDNY: COA #6219.

This document is not intended to be used for installation purposes. We try to keep our product information up-to-date and accurate. We cannot cover all specific applications or anticipate all requirements. All specifications are subject to change without notice.

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Automation and Control Solutions

Honeywell

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Northford, CT 06472-1610

www.honeywellpower.com

1(877) HPP-POWR

hpp_techserv@honeywell.com

DH-60769:D
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Page 3 of 3





Bay Alarm Company 5130 Commercial Circle Concord, CA 94520-8522

> Pay Your Bill Online Using BayNet! www.bayalarm.com

Total Amount Due I	ayable Upon Receipt:	\$299.25
3353970	3353970170115M	01/15/17
Account Number	Document ID	Date

Payment is Due Upon Receipt. Please Do Not Staple Chack to Payment Coupon.

Amount Paid

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Make Checks Payable to:

Bay Alarm Company P.O. Box 7137 San Francisco CA 94120-7137

000003353970

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25662000000

000000029925

Return Above With Payment, Please Keep Below For Your Records



Please Address All Correspondence to:

Bay Alarm Company **Orange County Branch** 1590 S. Lewis Street Anaheim, CA 92805

Phone: (800) 470-1000 Fax: (714) 939-9759

3353970	3353970170115M	01/15/17
Account Number	Document ID	Date

Total Amount Due

\$299.25

Payment Is Due Upon Receipt. To Avoid Late Fees, Payments Must Be Received By The 15th Of The Following Month. Late Charge of 1.5% Per Month On Past Due Balances. \$1.00 Minimum Late Charge.

Invoice Summary

Date	lnv#	Description	Amount
		Previous Balance	\$299.25
Installation #: 02/01/17 - 05/0		3505 CADILLAC AVE F7, COSTA MESA MONITORING FEE-FIRE	299.25
Payments and 11/14/16 Total Amount	•	PAYMENT	-299.25 \$299.25

VIVOSCRIPT 3505 CADILLAC AVE F7 COSTA MESA CA 92626-1431



800-610-1000, www.bayalarm.com, bayalarm@bayalarm.com

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Current	30 Days	60 Days	90 Days	Over 90 Days
\$299.25	\$0.00	\$0.00	\$0.00	0.00

RESOLUTION NO. PC-17-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING CONDITIONAL USE PERMIT PA-17-40 TO ALLOW A MEDICAL MARIJUANA DISTRIBUTION FACILITY AT 3505 CADILLAC AVENUE, UNIT N3

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, on or about November 8, 2016, Costa Mesa voters approved Measure X; which allows for the distribution, manufacture, processing, research and development laboratories, testing laboratories and transportation of marijuana related uses located in Industrial Park (MP) and Planned Development Industrial (PDI) zoned properties north of South Coast Drive, west of Harbor Boulevard, excluding the South Coast Collection (SOCO) property located at 3303 Hyland Avenue.

WHEREAS, an application was filed by Chris Shepard, representing Scott and Anne Morton, the property owner, requesting approval of the following in accordance with Measure X:

Planning Application PA-17-40 is a request for a Conditional Use Permit for a Medical Marijuana distribution facility (CMX Distribution) within a 4,722-square-foot tenant space in an existing industrial warehouse building. The proposed facility would include an office, work area, secure product storage area, and indoor parking for two delivery trucks. The facility will be staffed by at least 3-8 persons, including transportation drivers. Proposed hours of operation at opening are 7:00 AM to 7:00 PM, seven days a week, with a 24-hour a day operation anticipated if demand warrants. The facility will have security systems (card readers, security cameras, etc.) throughout the facility. No manufacturing or cultivation of marijuana, or medical marijuana dispensary, is permitted.

WHEREAS, pursuant to the California Environmental Quality Act (CEQA), the project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 for Existing Facilities.

WHEREAS, a duly noticed public hearing was held by the Planning Commission on December 11, 2017 with all persons having the opportunity to speak for and against the proposal.

BE IT RESOLVED that, based on the evidence in the record and the findings contained in Exhibit A, and subject to the conditions of approval contained within Exhibit B, the Planning Commission hereby **APPROVES** Planning Application PA-17-40.

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission does hereby find and determine that adoption of this Resolution is expressly predicated upon the activity as described in the staff report for Planning Application PA-17-40 and upon the applicant's compliance with each and all of the conditions in Exhibit B, and compliance of all applicable federal, state, and local laws. Any approval granted by this Resolution shall be subject to review, modification or revocation if there is a material change that occurs in the operation, or if the applicant fails to comply with any of the conditions of approval and/or mitigation measures.

BE IT FURTHER RESOLVED that the CEQA determination for this project reflects the independent judgment of the Planning Commission of the City of Costa Mesa.

BE IT FURTHER RESOLVED that if any section, division, sentence, clause, phrase or portion of this Resolution, or the documents in the record in support of this Resolution, are for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions.

PASSED AND ADOPTED this 11th day of December, 2017.

Stephan Andranian, Chair Costa Mesa Planning Commission

STATE OF CALIFORNIA)
COUNTY OF ORANGE)ss
CITY OF COSTA MESA	j

I, Barry Curtis, Secretary to the Planning Commission of the City of Costa Mesa, do hereby certify that the foregoing Resolution Number PC-17-__was passed and adopted at a regular meeting of the City of Costa Mesa Planning Commission held on December 11, 2017 by the following votes:

AYES:

COMMISSIONERS

NOES:

COMMISSIONERS

ABSENT:

COMMISSIONERS

ABSTAIN:

COMMISSIONERS

Barry Curtis, Secretary Costa Mesa Planning Commission

Resolution Number PC-17-____

EXHIBIT A

FINDINGS (APPROVAL)

A. The proposed project complies with Title 13, Section 13-29(g)(2), Conditional Use Permit, of the Municipal Code due to the following:

Finding: The proposed development or use is substantially compatible with developments in the same general area and would not be materially detrimental to other properties within the area.

• Facts in Support of Findings: The proposed use, with the recommended conditions of approval, will be consistent with the other uses in the immediate vicinity, which consists of warehousing and light manufacturing uses. Compliance with the conditions of approval, as discussed in the following section, will allow this use to operate with minimal impact on surrounding properties and uses.

Finding: Granting the conditional use permit will not be materially detrimental to the health, safety and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood.

Facts in Support of Findings: The proposed use would take place within an existing building consistent with the PDI zoning of the property and the properties immediately abutting the site. Compliance with the recommended conditions of approval and code requirements will ensure that the project is not materially detrimental to the health, safety and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood.

Finding: Granting the conditional use permit will not allow a use, density or intensity which is not in accordance with the General Plan designation and any applicable specific plan for the property.

Facts in Support of Findings: The use is consistent with the use and intensity allowed by the Industrial Park General Plan land use designation and is consistent with the General Plan goals and policies as follows. The project is consistent with the following policies and objectives of the General Plan, Land Use Element.

Policy LU-1.1: Provide for the development of a mix and balance of housing opportunities, commercial goods and services and employment opportunities in consideration of the need of the business and residential segments of the community.

Consistency: The proposed use will provide a new entrepreneurial business in Costa Mesa and provide new employment opportunities in the community.

Policy LU-3.1: Protect existing stabilized residential neighborhoods, including mobile home parks (and manufactured housing parks), from the encroachment of incompatible or potentially disruptive land uses and/or activities.

Consistency: The proposed use is not located near any residentially-zoned properties. Therefore, the use is consistent with the General Plan Policy.

Policy LU-6.15: Promote unique and specialized commercial and industrial districts within the City which allow for incubation of new or growing businesses and industries.

Consistency: The proposed use is part of a growing industry and is proposed in a location as specifically identified for such uses by the City's electorate through Measure X. Therefore, approval encourages new businesses and entrepreneurial opportunities in an area of the City identified for such by local voters.

- B. The project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 for Existing Facilities. This exemption applies to projects that involve minor alterations to equipment, structures or facilities involving negligible or no expansion of the existing use. The use, as conditioned, is consistent with the applicable General Plan designation and all applicable General Plan policies as well as with applicable zoning designation and regulations. The use will be conducted within an existing industrial building involving only minor alterations to the existing site. Further, the proposed product distribution use is substantially similar to the previous use of the property for industrial purposes. Therefore, the City finds that the proposed use constitutes negligible or no expansion of the use.
- C. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

EXHIBIT B

CONDITIONS OF APPROVAL

Plng.

- 1. The use of this property as a medical marijuana distribution business shall comply with the approved plans and terms described in this Resolution and these conditions of approval. The business hours shall be 7:00 AM to 7:00 PM, seven days a week, with a 24-hour a day operation anticipated if demand warrants. The Planning Commission may modify or revoke any planning application based on findings related to public nuisance and/or noncompliance with conditions of approval [Title 13, Section 13-29(o)].
- 2. This CUP will expire and be of no further force and effect if the applicant does not obtain a valid medical marijuana business permit for this location within 6 months from issuance of this CUP.
- 3. Use of this property as a medical marijuana distribution business shall comply with the approved plans and terms described in this Resolution and the conditions of approval included herein.
- 4. The subject business shall not engage in the manufacturing of cannabis, marijuana, medical cannabis, medical marijuana, medical cannabis product, cannabis product, or any other item.
- 5. Prior to the issuance of certificates of use and occupancy, the applicant shall provide the City with photographs depicting the interior and exterior of the property, including, but not limited to, the entire interior of the proposed property entrances, exits, street frontage, parking, front, rear and side of the proposed property.
- 6. No cultivation of cannabis or marijuana may occur on the premises.
- 7. Business identification signage shall be limited to that needed for identification only. Business identification signage shall not include any references to marijuana, whether in words or symbols. All signs shall comply with the Costa Mesa Municipal Code. No sign shall be installed until the owner/operator or its designated contractor has obtained any permit required from the City.
- 8. A Medical Marijuana Business Permit may be revoked upon a hearing by the Director of Development Services pursuant to Section 9-120 of the Costa Mesa Municipal Code for failing to comply with the terms of the permit, the applicable provisions of the Municipal Code, state law or regulation and/or any condition of any other permit issued pursuant to this code. Revocation of the Medical Marijuana Business Permit shall trigger the City's proceedings to revoke this CUP. The CUP granted herein shall not be construed to allow any subsequent owner/operator to continue operating under PA-17-40 until a valid Medical Marijuana Business Permit is received from the City of Costa Mesa.
- 9. This business operator shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees and permits required under federal, state and local law. This business operator shall cooperate with the City with respect to any reasonable request to audit the medical marijuana business' books and records for the purpose of verifying compliance with the CMMC and this CUP, including but not limited to a verification of the amount of taxes required to be paid during any period.

- 10. a. The owner/operator of this medical marijuana business shall maintain accurate books and records, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis, or at any time upon reasonable request of the City, the owner/operator shall file a sworn statement detailing the number of sales by the medical marijuana business during the previous twelve month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid.
 - b. The owner/operator shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the medical marijuana business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the medical marijuana business. The register required by this condition shall be provided to the City Manager upon a reasonable request.
 - c. The owner/operator shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the production or manufacturing, laboratory testing and distribution processes. Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA), the owner/operator shall allow City officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted medical marijuana activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the City's request, unless otherwise stipulated by the City.
 - d. The owner/operator shall have in place a point-of-sale tracking system to track and report on all aspects of the medical marijuana business including, but not limited to, such matters as cannabis tracking, inventory data, and gross sales (by weight and by sale). The owner/operator shall ensure that such information is compatible with the City's record-keeping systems. The system must have the capability to produce historical transactional data for review by the City Manager.
- 11. The owner/operator shall obtain and maintain at all times during the term of the permit comprehensive general liability insurance and comprehensive automotive liability insurance protecting the permittee in an amount of not less than one million dollars (\$1,000,000.00) per occurrence, combined single limit, including bodily injury and property damage and not less than one million dollars (\$1,000,000.00) aggregate for each personal injury liability, products-completed operations and each accident, issued by an insurance provider admitted and authorized to do business in California and shall be rated at least A-:viii in A.M. Best & Company's Insurance Guide. Proof of said insurance must be provided to the Planning Division before the business commences operations. Any changes to the insurance policy must be submitted to the Community

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- Improvement Division within 10 days of the date the change is effective.
- 12. The operator shall maintain a valid Medical Marijuana Business Permit and a valid Business License at all times.
- 13. No person may engage in any medical marijuana business or in any medical marijuana activity within the City including manufacture, processing, laboratory testing, transporting, dispensing, distribution, or sale of medical cannabis or a medical cannabis product unless the person:
 - a. Has a valid Medical Marijuana Business Permit from the City.
 - b. Pays all Medical Marijuana Business Permit and all application fees and deposits established by resolution of the City Council, including, but not limited to, annual Community Improvement Division Inspection deposits.
 - c. Has obtained all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such medical marijuana business intends to operate.
 - d. Has obtained a City business license pursuant to Chapter I of the Municipal Code.
 - e. Has met all requirements of Community Improvement Division regarding the property.
 - f. Has satisfied all conditions of approval of this CUP.
- 14. Cannabis shall not be consumed on the premises at any time, in any form.
- 15. No outdoor storage of cannabis or cannabis products is permitted at any time.
- 16. All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with State and local regulations.
- 17. The sale, dispensing, or consumption of alcoholic beverages on or about the premises is prohibited.
- 18. Persons under the age of twenty-one (21) years shall not be allowed on the premises of this business. It shall be unlawful and a violation of this CUP for the owner/operator to employ any person who is not at least twenty-one (21) years of age.
- 19. The owner/operator shall prohibit loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises.
- 20. No cannabis or cannabis products, or graphics depicting cannabis or cannabis products, shall be visible from the exterior of this property, or on any of the vehicles owned or used as part of the medical marijuana business.
- 21. Each entrance to the business shall be visibly posted with a clear and legible notice stating the following:
 - a. That smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the medical marijuana business is prohibited.
 - b. That no person under the age of twenty-one (21) years of age is permitted to enter upon the premises.
 - c. That loitering by persons outside the facility both on the premises and

within fifty feet (50') of the premises is prohibited.

- 22. Odor control devices and techniques shall be incorporated to ensure that odors from marijuana are not detected outside the property, anywhere on adjacent property or public right-of-way, or within any other units located within the same building as the medical marijuana business. Building and mechanical permits must be obtained from the Building Division prior to work commencing on any part of the odor control system.
- 23. Security and Safety Measures: The Security Plan and Safety Plan identified in the approved Medical Marijuana Business Permit must be implemented at all times and must conform to the requirements of both Title 9, Chapter VI and the City's Administrative Regulation Number 4.2.
- 24. Every manager, supervisor, employee or volunteer of the medical marijuana business must submit fingerprints and other information specified on the Medical Marijuana Business Permit for a background check by the Costa Mesa Police Department to verify that person's criminal history.
 - a. No employee or volunteer may commence paid or unpaid work for the business until the background checks have been approved.
 - b. No medical marijuana business or owner thereof may employ any person who has convicted of a felony within the past 7 years, unless that felony has been dismissed, withdrawn, expunged or set aside pursuant to Penal Code sections 1203.4, 1000 or 1385, or who is currently on probation or parole for the sale, distribution, possession or manufacture of a controlled substance.
- 25. All employees must wear an identification badge while on the premises of the business, in a format prescribed by the City Manager.
- 26. Should any employee, volunteer or other person who possess an identification badge be terminated or cease their employment with the business, the applicant shall return such identification badge to the Community Improvement Division within 24 hours, not including weekends and holidays.
- 27. Inspections of this medical marijuana business by the City's Community Improvement Division will be conducted, at a minimum, on a quarterly basis. Code Enforcement officers, the Building Official and/or the Fire Marshall may enter and inspect the location of this business between the hours of 8:00 am and 5:00 pm Monday through Friday upon 24 hours telephonic notice to the owner or operator, to ensure compliance with this CUP. The owner/operator must post a deposit to cover the costs of such inspections during the first year within 15 days of the approval of this CUP. The inspection fee shall then be paid annually, based on the fee schedule in effect at the time the deposit is due. The Director of Economic and Development Services shall have the ability to reduce the amount of the deposit if a finding can be made that quarterly inspections are not required.
- 28. The City Manager or his or her designees may enter this business at any time during the hours of operation without notice, and inspect the location of this business as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law. The City Manager or his or her designees may conduct inspections at the site, as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable

provisions of State law.

- 29. Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a medical marijuana business to operate within the City, until the State of California, or its respective department or division, reinstates or reissues the State license. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a medical marijuana business, such revocation or termination shall also revoke or terminate the ability of a medical cannabis business to operate within the City. This CUP will expire and be of no further force and effect if any state issued license remains suspended for a period of 6 months. Documentation of three violations during routine inspections or investigations of complaints shall result in the Community Inprovement Division scheduling a hearing before the Director of Development Services to consider revocation of the Medical Marijuana Business Permit.
- 30. The business must obtain any and all licenses required by State law and or regulation within 90 days of the date that the State first begins to issue such licenses.
- 31. Pursuant to Title 9, Chapter VI It is unlawful for any person having responsibility for the operation of a medical marijuana business, to impede, obstruct, interfere with, or otherwise not to allow, the City to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a medical marijuana business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsifies any records, recordings or other documents required to be maintained by a medical marijuana business under this chapter or under State or local law.
- 32. The uses authorized by this Conditional Use Permit must be conducted in accordance with all applicable state and local laws, including, but not limited to compliance with the most current versions of the provisions of the California Code of Regulations that regulate the uses permitted hereby. Any violation thereof shall be a violation of the conditions of this permit and may be cause for revocation of this permit.
- 33. Notwithstanding any provision of the Zoning Code to the contrary, including but not limited to § 12-29(p)(1), this Conditional Use Permit may only be amended by following the same procedure and fee schedule as required for the initial approval, and may not be modified by a minor conditional use permit.
- 34. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval prior to the change taking place.
- 35. The operator shall maintain free of litter all areas of the premises under which applicant has control.
- 36. The use shall be conducted, at all times, in a manner that will allow the quiet enjoyment of the surrounding neighborhood. The operator shall institute whatever security and operational measures are necessary to comply with this requirement.
- 37. The applicant shall defend, indemnify, and hold harmless the City, its elected and appointed officials, agents, officers and employees from any claim, action, or proceeding (collectively referred to as "proceeding")

brought against the City, its elected and appointed officials, agents, officers or employees arising out of, or which are in any way related to, the applicant's project, or any approvals granted by City related to the applicant's project. The indemnification shall include, but not be limited to, damages, fees and/or costs awarded against the City, if any, and cost of suit, attorney's fees, and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, the City and/or the parties initiating or bringing such proceeding. This indemnity provision shall include the applicant's obligation to indemnify the City for all the City's costs, fees, and damages that the City incurs in enforcing the indemnification provisions set forth in this section. City shall have the right to choose its own legal counsel to represent the City's interests, and applicant shall indemnify City for all such costs incurred by City.

CODE REQUIREMENTS

The following list of federal, state and local laws applicable to the project has been compiled by staff for the applicant's reference. Any reference to "City" pertains to the City of Costa Mesa.

Plng.

- All contractors and subcontractors must have valid business licenses to do business in the City of Costa Mesa. Final inspections, final occupancy and utility releases will not be granted until all such licenses have been obtained.
- 2. Approval of the planning/zoning application is valid for two (2) years from the effective date of this approval and will expire at the end of that period unless applicant establishes the use by one of the following actions: 1) a building permit has been issued and construction has commenced, and has continued to maintain a valid building permit by making satisfactory progress as determined by the Building Official, 2) a certificate of occupancy has been issued, or 3) the use is established and a business license has been issued. A time extension can be requested no less than thirty (30) days or more than sixty (60) days before the expiration date of the permit and submitted with the appropriate fee for review to the Planning Division. The Director of Development Services may extend the time for an approved permit or approval to be exercised up to 180 days subject to specific findings listed in Title 13, Section 13-29 (k) (6). Only one request for an extension of 180 days may be approved by the Director. Any subsequent extension requests shall be considered by the original approval authority.
- 3. Hours of construction shall comply with Section 13-279, Title 13, of the Costa Mesa Municipal Code.
- 4. Permits shall be obtained for all signs according to the provisions of the Costa Mesa Sign Ordinance.
- 5. Street address shall be visible from the public street and/or shall be displayed on the freestanding sign. If there is no freestanding sign, the street address may be displayed on the fascia adjacent to the main entrance or on another prominent location. When the property has alley access, address numerals shall be displayed in a prominent location visible from the alley. Numerals shall be a minimum twelve (12) inches

in height with not less than three-fourth-inch stroke and shall contrast sharply with the background. Identification of individual units shall be provided adjacent to the unit entrances. Letters or numerals shall be four (4) inches in height with not less than one-fourth-inch stroke and shall contrast sharply with the background

- Any mechanical equipment such as air-conditioning equipment and duct work shall be screened from view in a manner approved by the Planning Division.
- Bldg. Comply with the requirements of the following adopted codes: 2016 California Building Code, 2016 California Electrical Code, 2016 California Mechanical Code, 2016 California Plumbing Code, 2016 California Green Building Standards Code, and 2016 California Energy Code (or the applicable adopted California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards, and California Energy Code, at the time of plan submittal or permit issuance) and California Code of Regulations, also known as the California Building Standards Code, as amended by the City of Costa Mesa. Requirements for accessibility to sites, facilities, buildings, and elements by individuals with disability shall comply with Chapter 11B of the 2016 California Building Code.
 - 8. The conditions of approval and ordinance or code provisions of planning application PA-17-40 shall be blueprinted on the face of the site plan as part of the plan check submittal package.
 - 9. Prior to the Building Division issuing a demolition permit, contact South Coast Air Quality Management District (AQMD) located at: 21865 Copley Dr.

Diamond Bar, CA 91765-4178

Tel: 909- 396-2000

or

Visit their web site:

http://www.costamesaca.gov/modules/showdocument.aspx?documentid =23381. The Building Division will not issue a demolition permit until an Identification Number is provided by AQMD.

- 10. Provide a plan to the County of Orange Health Dept. for review and approval.
- 11. Equipment shall be approved for use by a recognized testing laboratory.
- 12. Comply with the requirements of the 2016 California Fire Code and referenced standards as amended by the City of Costa Mesa.
- 13. A copy of the approved Safety Plan shall be maintained onsite at all times, and it shall be available at the request of any City Official.
- 14. There shall be no storage or use of volatiles, solvents, or hazardous materials at this facility.
- 15. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval prior to the change taking place.
- 16. Quarterly Fire & Life Safety Inspections may be conducted by the Community Risk Reduction Division to verify compliance will the approval operation. The applicant will pay for the inspection according to the Additional Required Inspections as adopted in the Fee Schedule.
- 17. Annual Fire & Life Safety Inspections may be conducted by the Fire

Fire

- Station Crew for emergency response pre-planning and site access familiarization. The applicant will pay for the inspection according to the adopted Fee Schedule.
- 18. Medical marijuana liquid or solid waste must be made unusable and unrecognizable prior to leaving a secured storage area and shall be disposed of at facility approved to receive such waste.
- 19. There shall be no extraction operations, refining, winterization or any other processing in this facility.

SPECIAL DISTRICT REQUIREMENTS

The requirements of the following special districts are hereby forwarded to the applicant:

- Sani. 1. The applicant is required to contact the Costa Mesa Sanitary District at (949) 654-8400 to arrange final sign-off prior to certificate of occupancy being released.
 - 2. Applicant shall contact Costa Mesa Sanitary District at (949) 654-8400 for any additional district requirements.
- AQMD 3. Applicant shall contact the Air Quality Management District (AQMD) at (800) 288-7664 for potential additional conditions of development or for additional permits required by AQMD.
- Water 4. Customer shall contact the Mesa Water District Engineering Desk and submit an application and plans for project review. Customer must obtain a letter of approval and a letter of project completion from Mesa Water District.
- State 5. Comply with the requirements of the California Department of Food and Agriculture (CDFA) to determine if red imported fire ants (RIFA) exist on the property prior to any soil movement or excavation. Call CDFA at (714) 708-1910 for information.

CMX DISTRIBUTION, INC
MEDICAL MARIJUANA DISTRIBUTION FACILITY
3505 CADILLAC AVENUE, BLDG N3, COSTA MESA, CA 92626 APN 139-662-02

ATTACHMENT 5



PROJECT INFORMATION

PROJECT DATA

MEDICAL MARIJUANA DISTRIBUTION FACILITY

4,720 SF TOTAL (E) BLDG AREA:

BUSINESS COMPLEX 3505 CADILLAC WAY, SUITE N3

BUILDING ADDRESS:

139-662-02 BALLOT MEASURE X ZONE

ZONE: DISTRIBUTION / OFFICE CONSTRUCTION:

(E) TYPE IIIB NON-RATED, NON-SPRINKLED CBC 2016 ABLE 506.2 FOR F-1 TYPE IIIB 12,000-SF < 4,720-SF OK SPRINKLER NOT REO'D

CODE COMPLIANCE

2016 CALIFORNIA BUILDING CODE 2016 CALIFORNIA MECHANICAL CODE

JURISDICTION

- CITY OF COSTA MESA PLANNING AND BUILDING DEPARTMENT
- CITY OF COSTA MESA POLICE DEPARTMENT
- CITY OF COSTA MESA FIRE DEPARTMENT

APPLICANT / OWNER

APPLICANT/TENANT
CMX DISTRIBUTION, INC. 3505 CADILLAC, N-3 COSTA MESA, CA 92626 714-345-7363

robert@420Central.org

PROPERTY OWNER
RUSS FAMILY TRUST, JERALD RUSS
143 CALLE CUERVO,
SAN CLEMENTE, CA 92672
949-361-3114
jmruss14**0**sbcglobol.net

CONSULTANTS

PLANNER AND ARCHITECT SC CONSULTING GROUP

SC CONSOLTING GROOP 5151 CALIFORNIA AVE, SUITE 100 IRVINE, CA 92617 CONTACT: ED SAPIGAO AIA PHONE NO: 949-280-4782



RE: 3505 Cadillac, N-3 (MX-17-0003)

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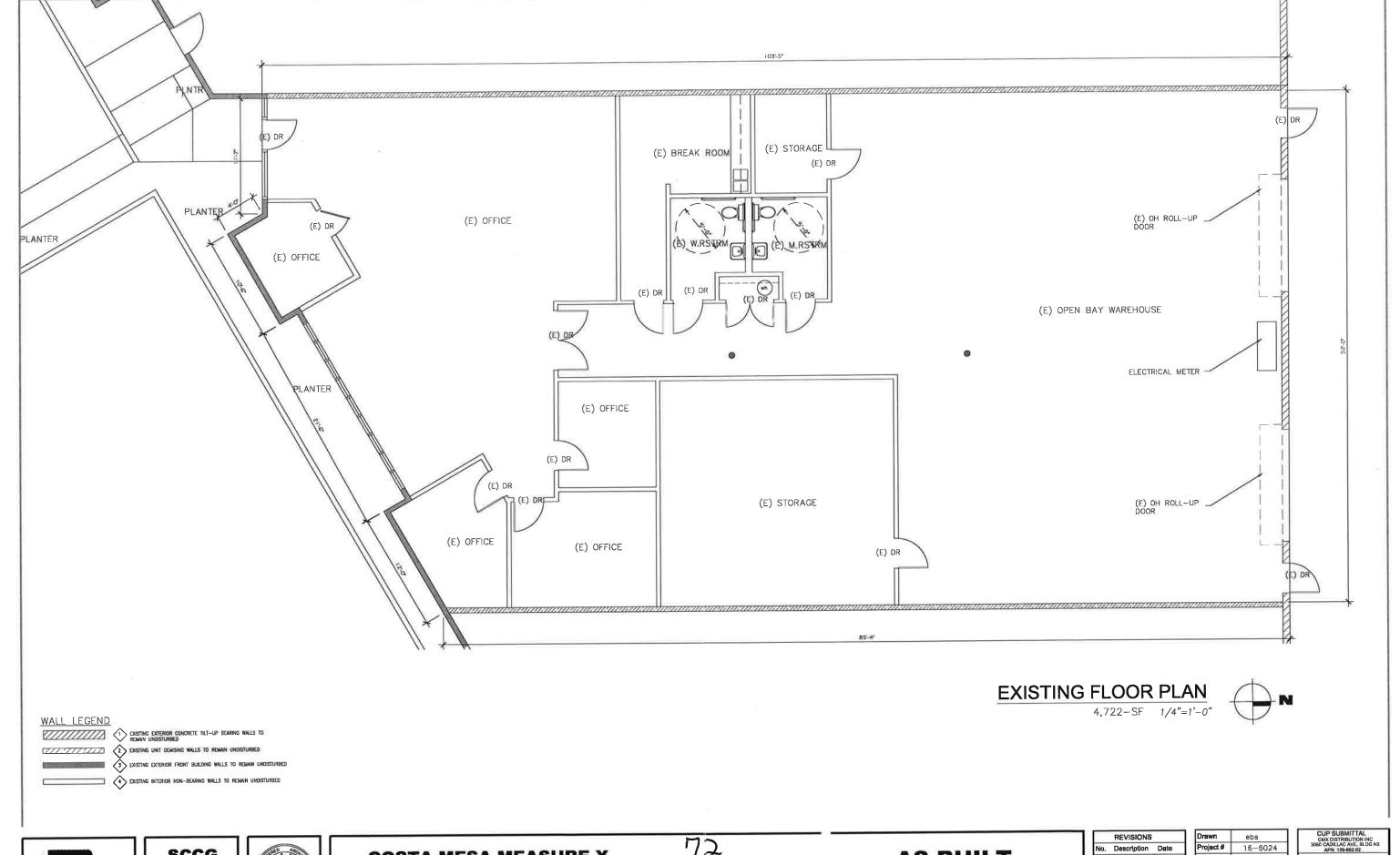
71 **COSTA MESA MEASURE X MEDICAL MARIJUANA DISTRIBUTION FACILITY** 3505 CADILLAC WAY, UNIT N3, COSTA MESA, CALIFORNIA 92626

SITE & DATA

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MEDICAL MARIJUANA DISTRIBUTION FACILITY
3505 CADILLAC WAY, UNIT N3, COSTA MESA, CALIFORNIA 92626

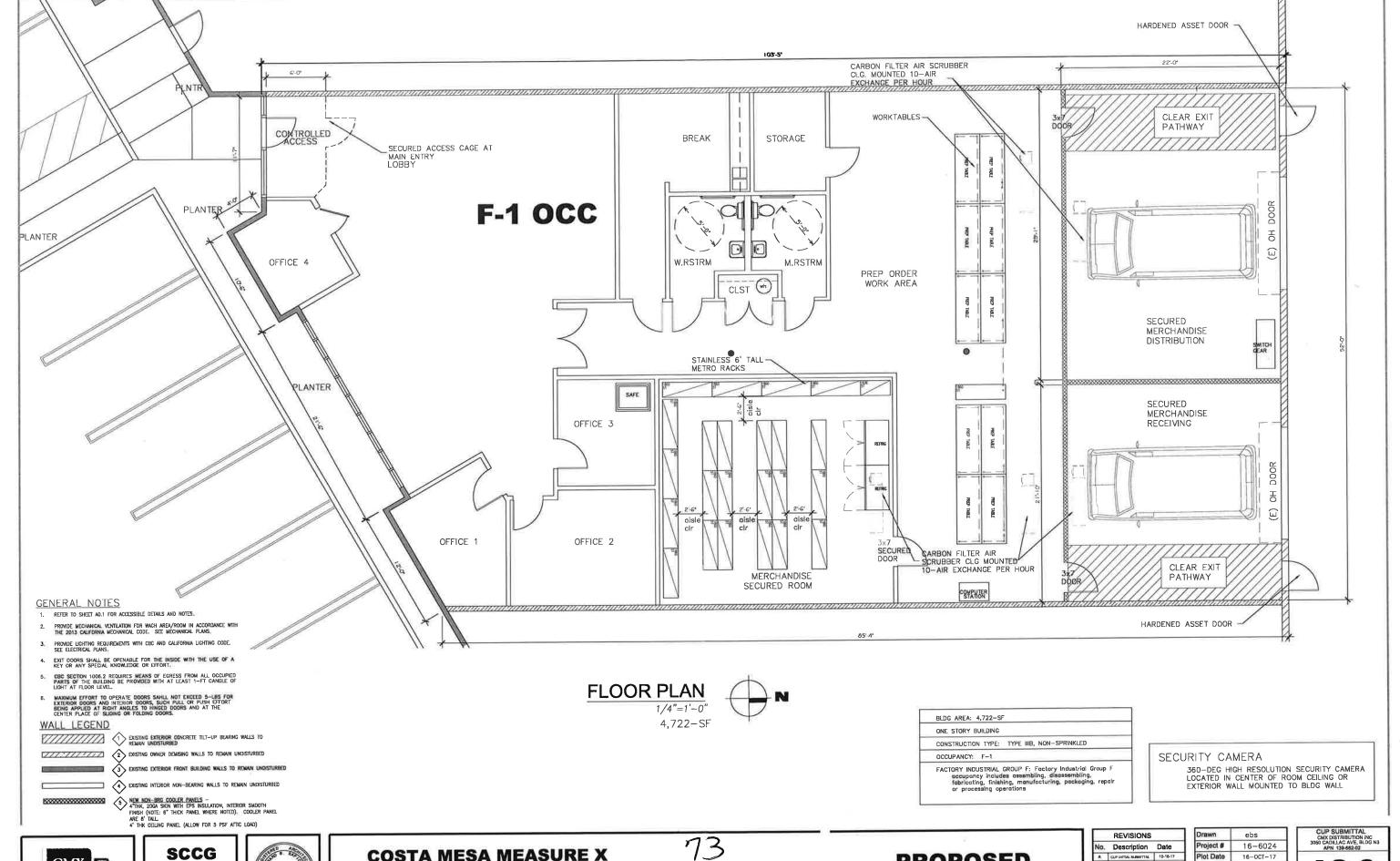
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AS—BUILT PLAN







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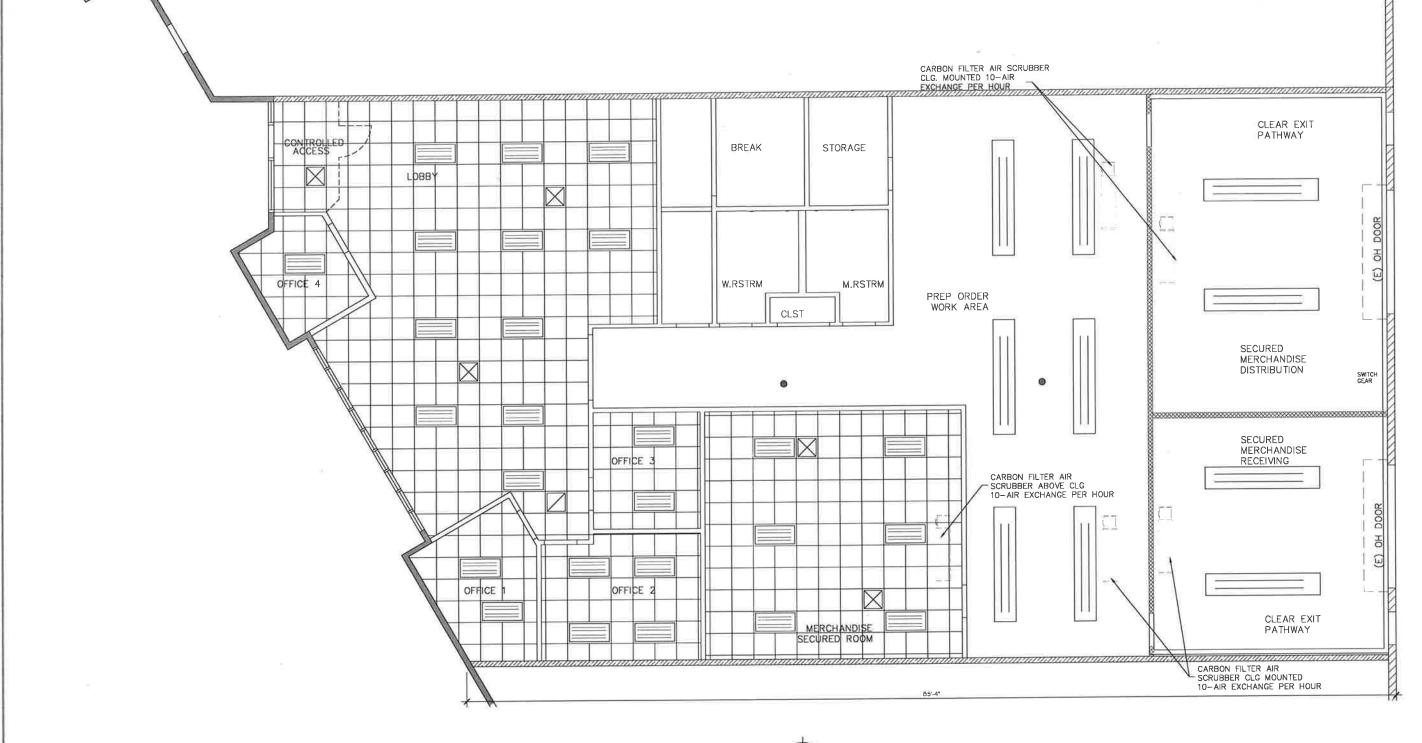
PROPOSED FLOOR PLAN

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FLOOR PLAN





SECURITY CAMERA

360-DEG HIGH RESOLUTION SECURITY CAMERA LOCATED IN CENTER OF ROOM CEILING OR EXTERIOR WALL MOUNTED TO BLDG WALL



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COSTA MESA MEASURE X

MEDICAL MARIJUANA DISTRIBUTION FACILITY
3505 CADILLAC WAY, UNIT N3, COSTA MESA, CALIFORNIA 92626

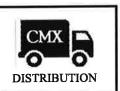
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COSTA MESA MEASURE X

MEDICAL MARIJUANA DISTRIBUTION FACILITY
3505 CADILLAC WAY, UNIT N3, COSTA MESA, CALIFORNIA 92626

ROOF PLAN

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N-3 SIDE ELEVATION



N-3 FRONT ELEVATION







COSTA MESA MEASURE X

MEDICAL MARIJUANA DISTRIBUTION FACILITY

3505 CADILLAC WAY, UNIT N3, COSTA MESA, CALIFORNIA 92626

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