

City of Salinas

Commercial Cannabis Business Permitting: Round 2, 2019

Scoring Notes: Sanborn Retail/Distribution/Manufacturing LLC

Initial Scoring by Community Development Department Staff

Applications #1 (dispensary) #2 (distribution) and #3 (manufacturing)

General Notes: The applicant submitted separate application packets for the three applications. The application form lists dispensary as accessory to distribution. This is accurate in terms of zoning; however, note that dispensary is not an accessory use in terms of the CCP applications. They are applying for three separate CCPs: manufacturing, distribution, and dispensary.

Proposed Location – dispensary: 200/300

The business is proposed at a site that allows for manufacturing and/or distribution use, with accessory retail on 30 percent of floor space. The location is within the buffer zones of several sensitive uses consisting of alcohol sales. The application acknowledges the sensitive use conflicts. The proposed location section does not include descriptive material about the location.

Note that the Municipal Code does not allow for exceptions to be made regarding sensitive use conflicts for a dispensary. The application can be reviewed but scoring should account for the fact that the location is not compliant with sensitive use restrictions.

Aside from sensitive use conflicts, the neighborhood consists of a mix of industrial and commercial uses and would be appropriate for the proposed commercial cannabis operations, based on the way that the City limits siting of these businesses.

Proposed Location – distribution and manufacturing: 250/300

The discussion above regarding the dispensary use also applies to the distribution and manufacturing uses, with the added note that the Selection Committee may issue a permit for distribution or manufacturing for a location that is within 1,000 feet of an alcohol sales sensitive use if the application is otherwise in compliance (Municipal Code 5-07.27(b)). Therefore, there is less concern for a potential sensitive use conflict for the distribution and manufacturing applications in comparison to the dispensary application.

Business Plan: 375/400 for all three CCPs

Application indicates that the applicants have total fixed assets over \$14 million, including \$650,000 in cash. These figures are provided on a self-produced balance sheet, rather than a bank notice. Application includes an “estimated budget and start up costs” totaling \$2,165,900, including \$350,000 in building costs; a detailed description of day to day operations; a proposed construction timeline of eight to twelve months; a description of compliance with local and state laws, including track-and-trace.

Neighborhood Compatibility Plan: 330/400 for all three CCPs

The Neighborhood Compatibility Plan describes an interest in being a positive presence in the community. The plan includes discussion of: nuisance avoidance, including odor and noise; foot and vehicle access; and aesthetic compatibility. A site plan and floor plan are provided in a separate section; plans show existing conditions but do not show proposed improvements.

Safety and Security Plan: 350/400 for all three CCPs

Safety and Security plan is thorough and detailed. Safety and security measures include: security guards; motion detectors; video surveillance with third party monitoring; staff ID cards; alarm system; panic buttons. Fire safety is not discussed in detail. A floor plan depicting security is not provided.