

The City of Hanford
CALIFORNIA



City Council Meeting Agenda

January 3, 2018
5:30 PM – Special Meeting
Council Chambers
400 N. Douty St.

CALL TO ORDER SPECIAL SESSION:

ROLL CALL BY THE CITY CLERK:

FLAG SALUTE:

PUBLIC COMMENT:

*Comments from the public are limited to items listed on the agenda (GC 54954.3a). A maximum of **three minutes** is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

PUBLIC HEARINGS:

- A. Commercial Medical Cannabis Business Permit 2017-03 (Distribution) – A request by Nc3 LLC, dba as Caliva, to relocate approved Commercial Medical Cannabis Business Permit 2017-03 to 10757 Energy Street (APN 018-242-070) in accordance with Hanford Municipal Code 5.56.180(a). The applicant proposes to distribute cannabis in an existing 20,000 square foot facility.

ADJOURNMENT:

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available to public inspection in the City Clerk's Office located at 319 N. Douty Street, Hanford, California 93230, during normal business hours. Such agendas are also available at the city's website, www.cityofhanfordca.com subject to staff's ability to post the agenda before the meeting.

If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's office, 559-585-2515, 319 N. Douty Street, Hanford, California 93230, at least 2 days prior to the meeting {28 CFR 35.102.35.104 ADA Title II}



AGENDA STAFF REPORT

MEETING DATE: 1/3/2018	AGENDA SECTION: A
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SUBJECT:

Commercial Medical Cannabis Business Permit 2017-03 (Distribution) – A request by Nc3 LLC, dba as Caliva, to relocate approved Commercial Medical Cannabis Business Permit 2017-03 to 10757 Energy Street (APN 018-242-070) in accordance with Hanford Municipal Code 5.56.180(a). The applicant proposes to distribute cannabis in an existing 20,000 square foot facility.

RECOMMENDATION:

That the City Council hold a public hearing and approve Resolution 17-65-R an amendment to Commercial Medical Cannabis Business Permit 2017-02, to allow the applicant to change the location of the permit to 10757 Energy Street (APN 018-242-070) in accordance with the Hanford Municipal Code 5.56.180(a) and as shown on the attached Exhibit A.

BACKGROUND:

Commercial Medical Cannabis Business Permit 2017-03 (Distribution) was approved by the City Council on November 21, 2017 to be located at Houston Avenue, between 10th and 11th (APN 018-232-002 and 003). The permit was one of three approved at this location. Shortly after the approval, the applicant was offered a property with an existing building located at 10757 Energy Street. The request is to move one of the permits, distribution, to this location, see the attached letter from the applicant. The remaining one permit would remain at the Houston location.

Section 5.56.180 of the Hanford Municipal Code allows a permittee to change the location of a site by re-registering with the Chief of Police and pay appropriate application fees. No changes to ownership are proposed. The applicant has submitted the request in writing and paid the application fee.

The proposed locations meets the criteria for cannabis business as defined in the Municipal Code and the applicants business plan and operations remain unchanged from the original submittal.

The approval of the proposed location will allow the applicant to occupy the building in first

quarter of 2018 and begin distribution and manufacturing in second quarter of 2018, 6-8 months earlier than at the original location. According to the applicants letter, this mean construction starts earlier and jobs are created earlier.

FISCAL IMPACT:

ATTACHMENTS:

Applicant Letter

Resolution 18-01-R Caliva New Location

Exhibit A: Site Plan

Elevations

Floor Plan



December 6, 2017

Darlene Mata
Community Development Director
City of Hanford
317 North Douty St.
Hanford, CA 93230

Dear Darlene,

NC3 Systems (dba Caliva) is seeking to relocate the site of its cannabis manufacturing and distribution operations from the property on Houston Avenue (APN 018-232-002 and 018-232-003) that was included in our application to an existing building at 10757 Energy Street. This 20,000 sq. ft. building meets all of the site requirements under Hanford's medical cannabis ordinance. In addition, we have been in communication with the City's Building Official, Tom Webb, and understand what needs to be done to make the building fully compliant for a manufacturing operation.

This new property recently became available to us and the owner has agreed to lease it to NC3 Systems immediately. Switching to the Energy Street property gives NC3 Systems the ability to ramp up its manufacturing and distribution operations much sooner. The Houston Avenue property would have required substantially more time to construct from the ground up. The original plan anticipated construction completed by late 2018. By switching to the Energy Street property, we believe we can be prepared to begin distribution operations in the first quarter of 2018 and manufacturing in the second quarter of 2018, easily 6-8 months earlier than the Houston Avenue property.

The benefits to the City of Hanford are obvious. We will be able to begin hiring personnel for both operations 6-8 months earlier than originally expected. Construction and other activities to prepare the building for our occupation will begin earlier and proceed more swiftly, benefitting construction businesses in the Hanford area. Indirect and induced economic benefits will also begin to be realized earlier. Finally, while a tax measure will not be adopted by the voters until November 6, 2018, we expect that the Energy Street property, by being in operation earlier, will be able to generate tax benefits to the City sooner than the Houston Avenue property.

We recognize that all other elements of our application, including our business plan and security plan, will continue to be operationalized as proposed in our initial application.

We look forward to swift approval of this site change and are prepared to immediately answer any question you or other city staff may have. Thank you.

Sincerely,

Larry Thacker
Chief Executive Officer

RESOLUTION NO. 18-01-R

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD
 APPROVING THE RELOCATION OF COMMERCIAL MEDICAL CANNABIS
 BUSINESS PERMIT 2017-03 TO 10757 ENERGY STREET (APN 018-242-070)
 ACCORDANCE WITH SECTION 5.56.090 AND 5.56.170 OF THE HANFORD
 MUNICIPAL CODE.**

At a special meeting of the City Council of the City of Hanford duly called and held on January 03, 2018, it was moved by Council Member _____, and seconded by Council Member _____, and carried that the following resolution be adopted:

WHEREAS, Resolution 17-60-R was adopted on November 21, 2017 approving Commercial Medical Cannabis Business Permit 2017-03 located on the south side of Houston Avenue between 10th and 11th Avenue, APN 018-232-002 and 003; and,

WHEREAS, the applicant Nc3 has submitted a request to relocate the permit to 10757 Energy Street (APN 018-242-070) in accordance with the Hanford Municipal Code 5.56.180(a); and,

WHEREAS, the proposed change in location will not change the application materials evaluated and approved by the City Council; and,

WHEREAS, the issuance of a Commercial Medical Cannabis Business Permit is considered exempt from the California Environmental Quality Act under the General Rule, Section 15061(b)(1) and in accordance with Business and Professions Code 26055(h) based on the requirement that further environmental review is required due to a future conditional use permit for all cannabis facilities in the City of Hanford; and,

NOW, THEREFORE, BE IT RESOLVED that the City Council finds that the following Commercial Medical Cannabis Permits be awarded:

1. Commercial Medical Cannabis Business Permit 2017-03 (Distribution) be approved at 10757 Energy Street (APN 018-242-070).

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council finds that the Commercial Medical Cannabis Permits 2017-03 is conditionally awarded, subject to the approval of a conditional use permit and environmental analysis for each permit in accordance with the California Environmental Quality Act.

PASSED, ADOPTED AND APPROVED this 3rd day of January, 2018 by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

Attachment: Resolution 18-01-R Caliva New Location (Cannabis Permit (Distribution))

ABSENT: _____

DAVID G. AYERS
MAYOR of the City of Hanford

Attest:

JENNIFER GOMEZ
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

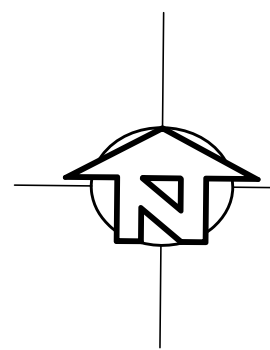
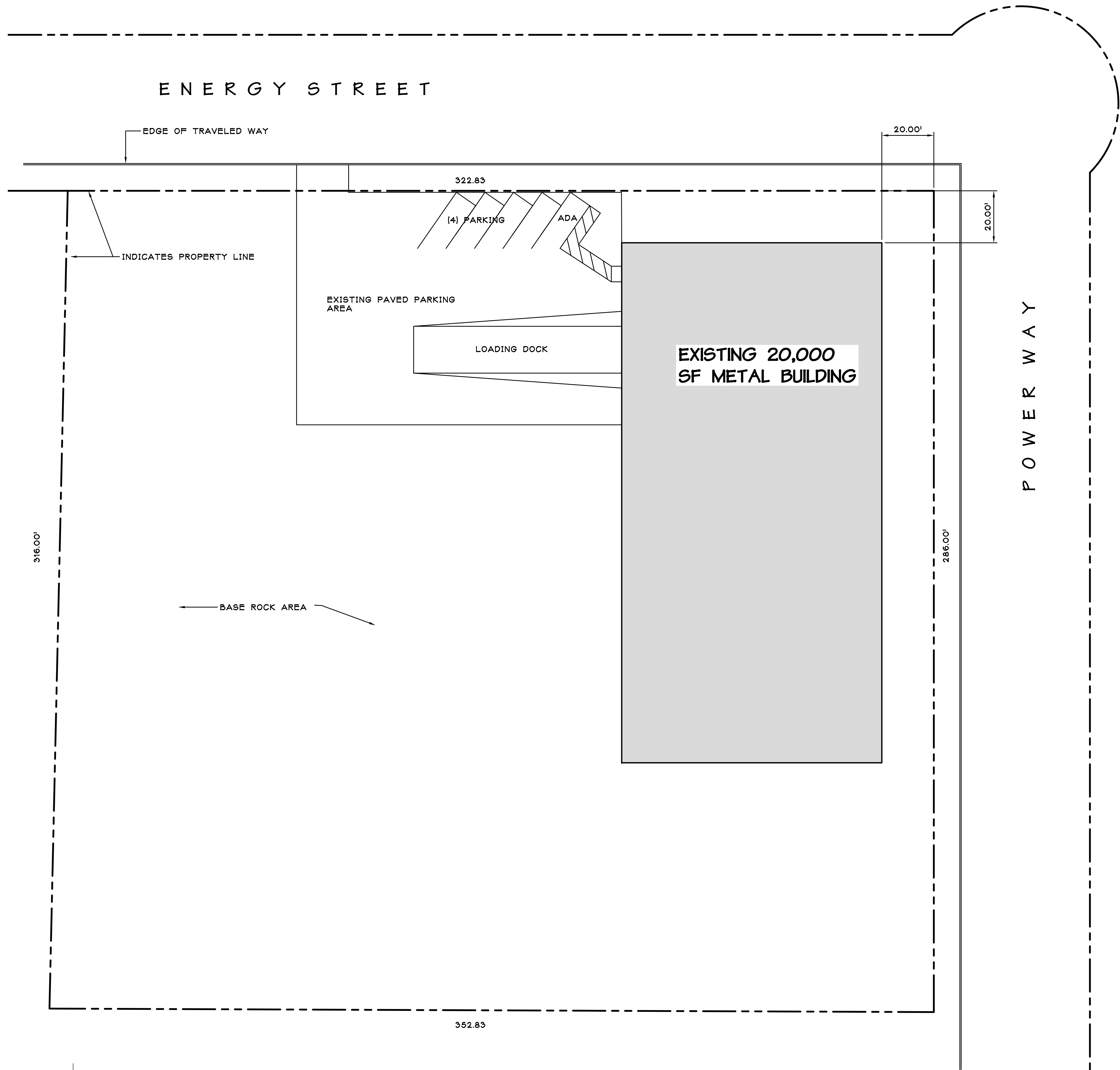
I, Jennifer Gomez, City Clerk of the City of Hanford, do hereby certify the foregoing Resolution was duly passed and adopted at a special meeting of the City Council of the City of Hanford held on the 3rd day of January, 2018.

Date: _____

City Clerk

Attachment: Resolution 18-01-R Caliva New Location (Cannabis Permit (Distribution))

EXHIBIT A
SITE PLAN



SITE PLAN 2.56 ACRES

SCALE: 1"=20'
NOT AN OFFICIAL SURVEY, SITE PLAN PROVIDED BY
ARCHITECT FOR REFERENCE PURPOSES ONLY

SHEET INDEX

C1.1 COVER AND SITE PLAN

CONSULTANTS

ARCHITECTS
STREETER GROUP, INC.
2571 MAIN STREET, SUITE C
SOQUEL, CA 95073
(831) 477-1781

PROJECT DESCRIPTION

DESCRIPTION:	(E) SITE WITH PRE-MANUFACTURED METAL BUILDING, PARKING AREA AND LOADING DOCK.
BUILDING SIZE:	20,000 SF
LOT AREA:	2.56 ACRES
LOT COVERAGE:	18 %
PROPOSED USE:	
MANUFACTURING:	8,000 SF
DISTRIBUTION:	8,000 SF
ADMIN:	4,000 SF



VICINITY MAP

NOT TO SCALE

5.A.c

REVISIONS	BY
1	
2	
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5	
6	

Streeter Group, Inc.
Architecture, Structural Engineering
2571 Main Street, Suite C, Soquel, CA 95073
Phone: (831) 477-1781 | www.streetergroup.com

10757 ENERGY STREET
A.P.N. 018-242-070-000

Attachment: Exhibit A: Site Plan (Camabis Permit (Distribution))

SITE PLAN
VICINITY MAP

DATE:	12/6/1
SCALE:	AS NOTE
DRAWN BY:	K:
CHECK BY:	BS
CAD FILE:	C1
JOB NO:	17116
SHEET	
C1.1	
OF	Packet Pg. 8

REVISIONS	BY
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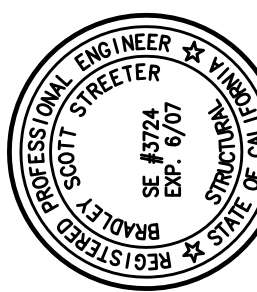
Streeter Group, Inc.
Architecture, Structural Engineering
2571 Main Street, Suite C, Soquel, CA 95073
Phone: (831) 477-1781 www.streetergroup.com



10757 ENERGY STREET

A.P.N. 018-242-070-000

Attachment: Elevations (Cannabis Permit (Distribution))



ELEVATIONS

DATE: 12-08-

SCALE: AS NOTED

DRAWN BY: K

CHECK BY: BS

CAD FILE: A

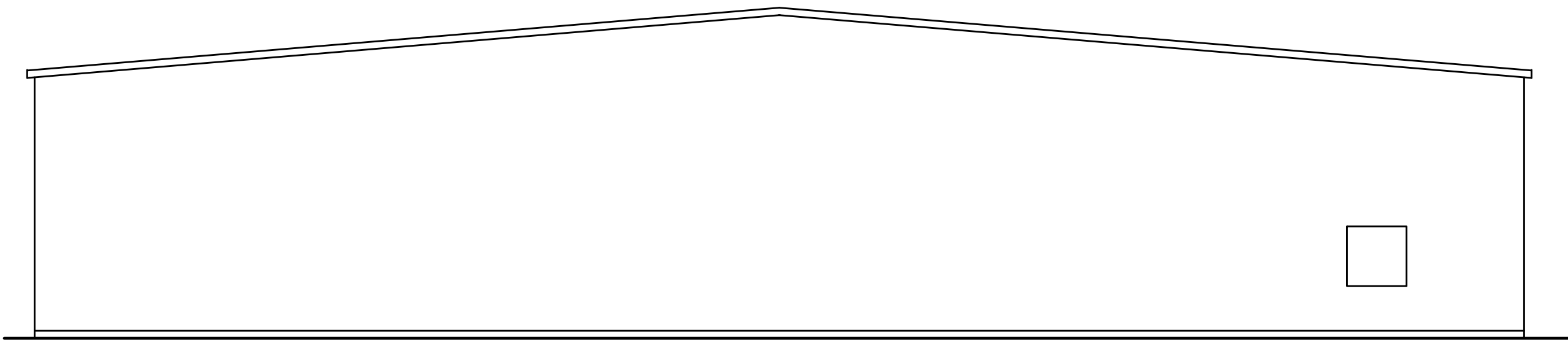
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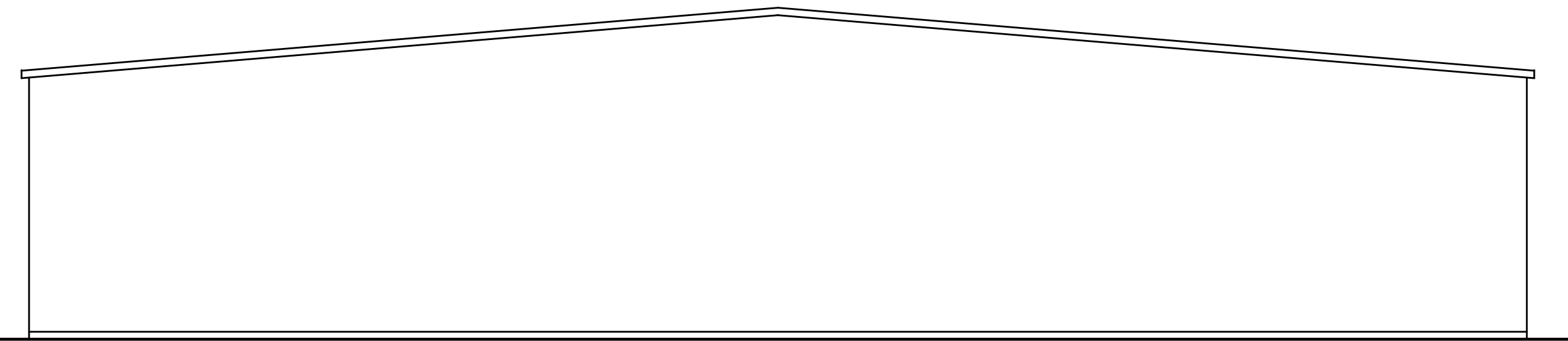
OF 11 SHEETS

Packet Pg. 9



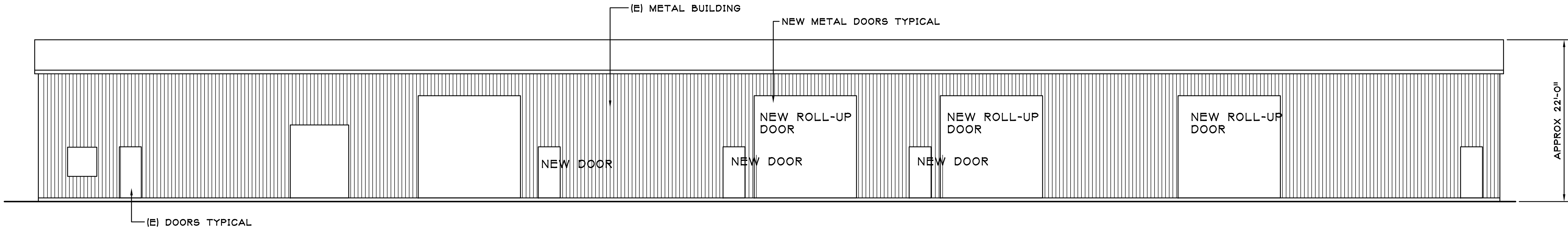
NORTH ELEVATION

SCALE: 1/8"=1'-0"



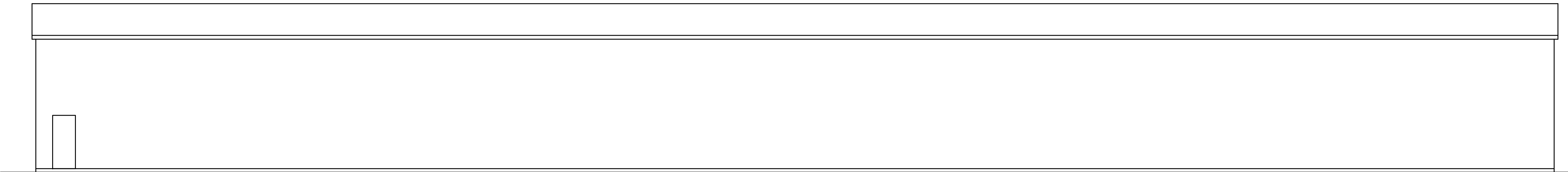
SOUTH ELEVATION

SCALE: 1/8"=1'-0"



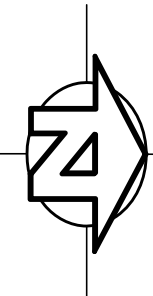
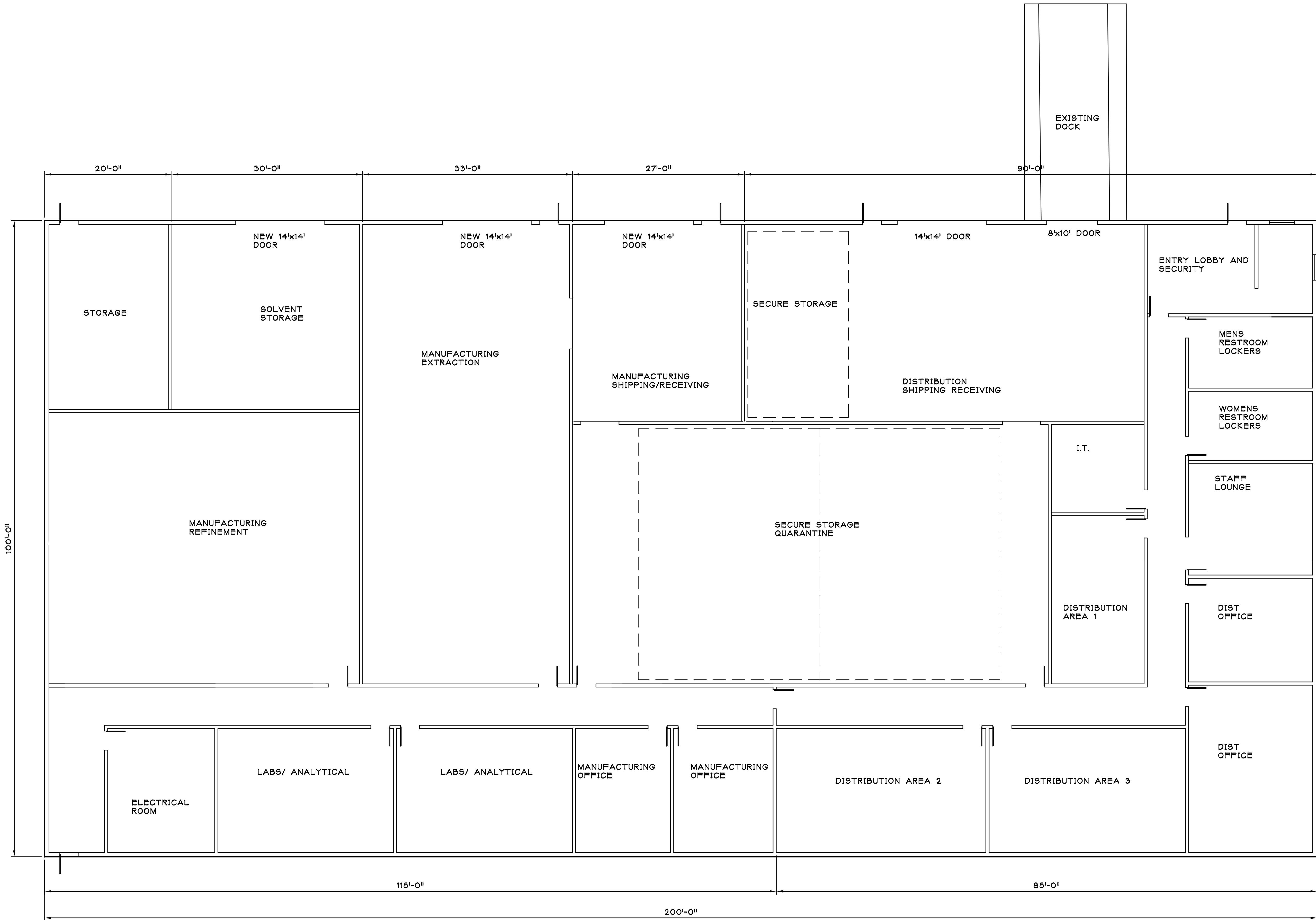
WEST ELEVATION

SCALE: 1/8"=1'-0"



EAST ELEVATION

SCALE: 1/8"=1'-0"



PROPOSED FLOOR PLAN

SCALE: 1/8"=1'-0"

REVISIONS		5.A.e
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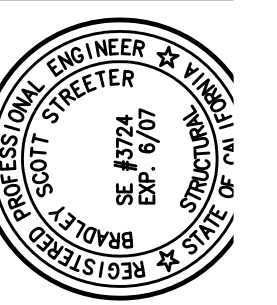
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10757 ENERGY STREET

A.P.N. 018-242-070-000

Attachment: Floor Plan (Cannabis Permit (Distribution))



**PROPOSED FLOOR
PLAN**

DATE:	12-08-
SCALE:	A5 NOTI
DRAWN BY:	K
CHECK BY:	BS
CAD FILE:	A
JOB NO:	1711
SHEET	

A11

OF Packet Pg. 10