



## City of Needles, California Request for City Council Action

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CITY COUNCIL    NPUA

Regular    Special

**Meeting Date:**   December 15, 2020

**Title:**                    City Council Resolution 2020-79  
A Resolution of the City Council of the City of Needles  
Approving a Conditional Use Permit for a Cannabis Distribution  
Facility Located In the C-2 (General Commercial) Zone,  
at 2208 Needles Highway, Building 2, Phase 2, also known as  
APN 0185-268-08, 0185-268-10 and 0185-268-11

**Background:**            Applicant, Matt Bates, representative for “Marvins Mary J” is proposing construction of a new 800 sq. ft. building to utilize as a Cannabis Distribution Facility, Building 2. The site is also proposed to include a Retail Cannabis Business, Building 1, as well as a cultivation facility, Building 3, both being processed under separate CUPs. The project site is the former site of the “Relax Inn” Motel. The structure is proposed as a phase 2 project, beginning construction 12 months after the completion of the retrofit of the existing office into a Cannabis Retail Business. The project site is located within the Highway Commercial General Plan land use designation and zoned C-2 “General Commercial” whereby a Cannabis Distribution Facility is permitted with a Conditional Use Permit. The project site is in the vicinity of several cannabis facilities, including a recently approved cannabis retail business and consumption lounge at 2205 Needles Highway, the “Green Acres” cultivation facility located west of the proposed project site, and the Route 66 Cultivation facility currently under construction at 2109 Needles Highway, located southeast of the proposed project site.

The Cannabis Distribution Facility will employ 1 full-time employee. The facility’s hours of operation are proposed to be seven days a week from 6:00 A.M. to 10:00 P.M.

Attachment C, Site Plan, includes the 800 square foot building that is proposed to house the Cannabis Distribution Facility (Bldg. 2). The site will include 7 parking spaces for the Cannabis Distribution Facility, with secure fencing separating it from the Cannabis Retail Business to ensure it is secure and inaccessible to the general public. Entry to the Cannabis Distribution Facility will be from “T” Street

Attachment D, *Floor Plan* shows the one-story building’s interior layout.

Attachment E, Elevations an example of a steel building style to be used, with colors and architectural enhancements to be submitted to the Planning Commission for approval prior to issuance of building permits.

Attachment F, *Project Site Landscaping Plans*, includes installation of wrought iron and plant material in the existing beds along Needles Highway, with shrubs and existing wrought iron along “T” Street.

Security measures have been incorporated into the project, both inside and outside of the building. As shown in Attachment C, Site Plan, outside security cameras will be mounted at all corners of the building and door entrances. Inside cameras will be mounted in all areas of the interior to ensure full coverage.

The project has been conditioned to require the merge of all three parcels, APN 0185-268-08, 0185-268-10 and 0185-268-11 prior to receiving building permits for Phases 2 and 3.

A public hearing was held at the December 2, 2020 Planning Commission meeting without public testimony being received. The Planning Commissioners voted unanimously to recommend approval of the Cannabis Distribution Facility at 2208 Needles Highway, also known as APN 0185-268-08, 0185-268-10, and 0185-268-11.

**Conditional Use Permit Findings.**

In accordance with Section 94.07, the City Council must make the following findings for a Conditional Use Permit:

1. That the requested permit is within its jurisdiction according to the table of permissible uses.
2. The application is complete.
3. The use is consistent with the General Plan.
4. The use will be in harmony with the area in which it is to be located.
5. The use will not materially endanger the public health or safety.
6. The use will not substantially injure the value of adjoining or abutting property.
7. That the project overall is consistent with the preceding findings.

**Public Notification:** A public hearing notice was published in the Needles Desert Star on Wednesday, November 25, 2020. Notices were sent to property owners within 300 feet of the proposed project and posted in two conspicuous locations.

**Critical Timeline:** The applicant wants to be in production as soon as possible.

- Fiscal Impact:**
1. The 10% of gross sales of marijuana business tax (voter approved (2012))
  2. Valuation of new buildings – added to city tax rolls.
  3. NPUA – electric/water/sewer usage revenue.
  4. Recurring business license and permitting fees.
  5. A 25% State tax – a portion of which will be passed to local government, as enacted from approval of Proposition 64 in November 2016.
  6. Statewide 10% sales tax, the city’s share is 1%.

**Environmental:** This project is categorically exempt under California Environmental

Quality Act, CEQA guidelines Class 3: New Construction or Conversion of Small Structures. Class 3 consists of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure.

**Recommended Action:** Approve Resolution No. 2020-79 approving a Conditional Use Permit for a Cannabis Distribution Facility at 2208 Needles Highway, in the C-2 (General Commercial) Zone, also known as APN 0185-268-08, 0185-268-10, and 0185-268-11

**Submitted By:** Patrick Martinez, Development Services Director

**City Management Review:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
Agenda Item: _____			

## RESOLUTION 2020-79

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEEDLES APPROVING A CONDITIONAL USE PERMIT FOR A CANNABIS DISTRIBUTION FACILITY IN THE C-2 (GENERAL COMMERCIAL) ZONE, AT 2208 NEEDLES HIGHWAY, BUILDING 2, ALSO KNOWN AS APN 0185-268-08, 0185-268-10, AND 0185-268-11**

**WHEREAS**, the City Council wishes to assist property owners in their efforts to build in the City in a reasonable manner that does not create a hazard to health, safety and welfare or degrade property values or create incompatibility with surrounding uses; and

**WHEREAS**, City of Needles Municipal Code Section 12A provides requirements for all Cannabis Distribution Facility with consumption lounges within the city; and

**WHEREAS**, on May 26, 2020 City Council Ordinance No. 629-AC was approved allowing Cannabis Distribution Facility with consumption lounges in zones C1, C2, C3, M1 and M2, with a Conditional Use Permit and Regulatory License; and

**WHEREAS**, the parcels being considered for a Cannabis Distribution Facility are located within the Highway Commercial General Plan land use designation and zoned C-2 "General Commercial" whereby Cannabis Distribution Facility are permitted with a Conditional Use Permit and a Regulatory License; and

**WHEREAS**, a public hearing notice for the Needles Planning Commission meeting was published in the Needles Desert Star on Wednesday, November 11, 2020 at least 10 days prior to said meeting, and notices were sent to property owners within a 300-foot radius of the subject property specifying the date, time and location of the public hearing; and

**WHEREAS**, on December 2, 2020, the Needles Planning Commission held a duly noticed and advertised public hearing to receive oral and written testimony relative to RESOLUTION 12-02-2020-4 PC recommending approval of a Cannabis Distribution Facility with conditions, at 2208 Needles Highway, Building 2; and

**WHEREAS**, a public hearing notice for the Needles City Council meeting was published in the Needles Desert Star at least 10 days prior to said meeting, and notices were sent to property owners within a 300-foot radius of the subject property specifying the date, time and location of the public hearing; and

**WHEREAS**, at the adjourned City Council meeting of December 15, 2020 the Needles City Council held a duly noticed and advertised public hearing to receive oral and written testimony for a Conditional Use Permit for a Cannabis Distribution Facility at 2208 Needles Highway, Building 2, and

**WHEREAS**, Section 94.07(d) of the Needles City Code describes the findings required to approve a Conditional Use Permit; and

**WHEREAS**, the Needles CITY COUNCIL has sufficiently considered all testimony and any documentary evidence presented to them in order to make the following determination.

**NOW, THEREFORE, BE IT RESOLVED** by the CITY COUNCIL of the City of Needles as follows:

**SECTION 1.** The City Council HEREBY FINDS AND DETERMINES that this project is categorically exempt under California Environmental Quality Act, CEQA guidelines Class 3: New Construction or Conversion of Small Structures. Class 3 consists of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure.

**SECTION 2** The City Council HEREBY FINDS AND DETERMINES, with reports and findings, that facts do exist to approve a Conditional Use Permit for a Cannabis Distribution Facility, according to the criteria specified in Section 94.07(d) of the Needles City Code:

A. *That the requested permit is within its jurisdiction according to the table of permissible uses.*

**FINDING:** The project site is zoned General Commercial (C-2) and a Cannabis Distribution Facility is permitted in the C-2 Zone with a Conditional Use Permit (CUP) and a Regulatory License in accordance with City Code Section 12A.

B. *The Application is Complete*

**FINDING:** The applicant has submitted a complete application and has provided the required Site, Floor, Landscape and Elevation plan drawings for the proposed development for an 800 square foot building for the purpose of a Cannabis Distribution Facility

C. *The development is in general conformity with the Needles General Plan.*

**FINDING:** The proposed project, a Cannabis Distribution Facility, is consistent with uses identified in the General Plan General Commercial designation through the adoption of Ordinance No. 629-AC, which allows for a Cannabis Distribution Facility to operate within the Highway Commercial designated zone, thereby providing consistency with the General Plan.

D. *The development is in harmony with the area in which it is located.*

**FINDING:** The project site is located in a developed portion of the city, situated on a combined acreage of .68 acres of previously developed land used as the Relax Inn Motel. To the east are commercial businesses, including Cannabis cultivation and distribution facilities, restaurants, and hotels/motels. To the west are commercial businesses, including Cannabis cultivation facilities, gas stations, restaurants, hotels/motels. To the

south is vacant land with a recently approved dispensary and consumption lounge and industrial uses including BNSF railroad tracks. The project consists of construction of a new 800 sq. ft. building to house the Cannabis Distribution Facility. Construction is expected to begin one year after completion of Building 1.

The project is proposed to function 16 hours per day. On-site parking includes 7 parking spaces to be shared between the Distribution and Cultivation Facilities. The proposed project will upgrade an existing site that has been vacant and vandalized for several years. Therefore, this type of project is consistent with the uses occurring in the vicinity of the project site.

E. *The development will not materially endanger the public health or safety.*

**FINDING:** The project site is in a commercially developed area of the City. Conditions of approval have been placed on the project to ensure appropriate lighting, security systems, fencing, and ventilation systems are in place for health and safety purposes.

F. *The development will not substantially injure the value of adjoining or abutting properties.*

**FINDING:** The project site is zoned General Commercial (C-2). The area surrounding the site is also zoned General Commercial (C-2). The project has been conditioned to require installation of architectural enhancements to the exterior of the building, wrought iron and/or block walls, and landscaping. The project will replace a vacant, vandalized existing site with a new commercial business. These requirements will assist in maintaining the value of adjoining or abutting properties

G. *The project overall is consistent with the preceding findings.*

**FINDING:** The project, with findings discussed in detail regarding compatibility with other similar uses in the area, conditions of approval applied to the project for enhancements to the building and site to ensure the surrounding area's adjoining or abutting property values are not substantially injured, places the overall project in consistency with the preceding findings.

**SECTION 3.** The City Council HEREBY FINDS AND DETERMINES that facts do exist to approve **RESOLUTION 2020-79**.

**SECTION 4.** The City Council HEREBY APPROVES Resolution **2020-79**, Approving a Conditional Use Permit for an 800 square foot Cannabis Distribution Facility, phase 2, Building 2, at 2208 Needles Highway, with the following conditions of approval:

1. Conditional Use Permit ("CUP") No. 12-02-2020-4 PC conditionally authorizes an 800 square foot Cannabis Distribution Facility to operate as depicted in the Project Site Plan and located at 2208 Needles Highway, phase 2, building 2, also known as APN 0185-268-08, 0185-268-10 and 0185-268-11. This CUP does not authorize the use of a Cooperative/Collective, Cultivation,

Manufacturing, or Testing Laboratory within the aforementioned building. These Conditions of Approval shall apply to the establishment of the Distribution Facility only, whether it is classified as medical or, in the event it is legalized or otherwise provided immunity from prosecution within the State or by the Federal Government, recreational.

2. The Applicant/Owner/Operator, and his/her/its successor(s) in interest ("Applicant") shall comply with all conditions of this CUP, including the Needles Municipal Code ("Municipal Code") and Chapter 12A thereof, the City Zoning Code, including Article IV and Section 94 thereof, and all applicable laws, policies, rules and regulations of the City, County, and State; and shall comply with any requirements associated with this approval or with the issuance of any Distribution Facility License as required by Chapter 12A of the Municipal Code.
3. This CUP is issued in accordance with the provisions of the Municipal Code, and all development subject to the CUP shall occur strictly in accordance with the CUP plans and applications approved by the City. Failure to implement and maintain all provisions of these conditions of CUP approval shall be deemed grounds for revocation.
4. The CUP is issued contingent upon the Applicant's compliance with the provisions of Municipal Code Chapter 12A, and the issuance of all applicable permits and licenses in connection therewith, including, without limitation, a Cannabis Distribution License, prior to the issuance of a Certificate of Occupancy pursuant to this CUP.
5. The approval for CUP No. 12-02-2020-4 PC for an 800 square foot Cannabis Distribution facility, phase 2, building 2, is subject to the six (6) month expiration provisions of Section 94.13(a) of the City's Zoning Code, and will expire on **06-02-2021**.
6. The permit issuing authority may extend for a period of up to six (6) months, the date when the permit would otherwise expire pursuant to 94.13(a) if it concludes that: (1) the permit has not yet expired; (2) the permit recipient has proceeded with due diligence and in good faith; and (3) conditions have not changed so substantially as to warrant a new application.
7. Applicant to provide secure fencing separating the cannabis distribution facility and its parking area from the Retail Cannabis Business and its parking area.
8. The Applicant shall indemnify, protect, hold harmless and defend, with counsel selected by the City, the City and any agency or instrumentality thereof, and/or any of its officers, employees and agents from any and all claims, actions, or proceedings against the City to attack, set aside, void, annul and/or seek monetary damages resulting from an approval of the City; or any agency or instrumentality thereof, advisory commission; appeal board or legislative body including actions approved by the voters of the City, concerning Applicant's project. The City shall promptly notify the Applicant of any claim, action; or proceeding to which this condition is applicable and shall reasonably cooperate in the defense of the action. The City reserves its right to take any and all action the City deems to be in the best interest of the City and its citizens in regard to such defense. As a condition of this approval, the Applicant or its authorized representative shall:

- (a) Execute an agreement to defend (with legal counsel of the City's choice), indemnify and hold the City harmless from any and all claims, damages, legal or enforcement actions, including, but not limited to, any actions or claims associated with violation(s) of federal law associated with the permitting, licensing, approval, and/or operation of the Distribution Facility; and
  - (b) Maintain insurance in the minimum amount of \$1 million per claim and \$2 million in the aggregate; and
  - (c) Name the City as an additional insured on all City required insurance policies; and
  - (d) Agree to defend, at its sole expense, any action against the City, its agents, officers, and employees related to the approval of the Distribution Facility.
9. All development on the project site shall be in compliance with all applicable provisions of the City's Municipal Code and all applicable provisions of the adopted and applicable Building, Construction and Fire Codes, the Americans with Disabilities Act, and all City building, zoning, business, and health regulations. All new construction shall obtain appropriate building permits and comply with the requirements of the Planning, Building, and Fire Departments.
10. With the exception for amendments and/or modifications that are consistent with Section 94.15 of the City's Zoning Code, anything not shown on the CUP application or the Site Plan, or which is not specifically approved herein, or which is not in compliance with the CUP, is not approved. Any application and/or plans which are defective as to, but not limited to, omissions, dimensions, scale, use, colors, materials, encroachments, easements, etc., shall render any entitlements granted hereunder null and void. Construction (if any) shall cease until all requirements of this CUP are complied with, and development entitlements may be withheld until any Code violations are abated.
11. No Certificate of Occupancy for Building 2 shall be granted until all Conditions of Approval have been completed and approved by the City and Fire Department unless otherwise identified herein, and all offsite improvements have been completed and accepted by the City.
12. Within fifteen (15) days of final approval by the City Council, the Applicant shall submit a notarized affidavit acknowledging acceptance of the conditions of this CUP. This authorization shall become void, and any privilege, permit, or other authorization granted under these entitlements shall be deemed to have lapsed if compliance with this condition has not been undertaken within the specified time limits.
13. A scanned copy of the signed Conditions of Approval shall be included in the Building Construction Plans submitted for plan check.

14. The Applicant shall pay all established service, permit, impact, environmental, and other applicable fees required by the City as a condition of this CUP.
15. The Applicant shall at all times comply with any applicable State law, including but not limited to: the Compassionate Use Act (Proposition 215), the Medical Cannabis Program Act (Senate Bill 420), the Medical Cannabis Regulation and Safety Act (collectively Assembly Bill 266, Assembly Bill 243, and Senate Bill 643, signed into law by Governor Brown on October 9, 2015, as may be amended from time to time), and any other State or California Constitutional provision, whether now or later adopted, including any location restrictions.
16. The Applicant shall apply for and obtain a Cannabis Distribution License prior to operating the Distribution Facility conditionally authorized by this CUP, and shall at all times comply with the provisions of such license and applicable City Codes and regulations. The revocation or suspension of any required regulatory license shall operate to suspend all operations.
17. The Applicant must comply with the recommendations and conditions of the City Manager or his/her designee prior to issuance of any building permits. All development pursuant to this CUP must be kept in full compliance with the County Fire Code to the satisfaction of the County Fire Department.
18. A Management, Operations, and Security Plan shall be reviewed, and approved by the City Manager (or Designee) and City Building Official prior to Building Permit Issuance. Installation of security measures, including those listed below must be completed, inspected, and approved by the City Manager (or Designee) and City Building Official prior to issuance of a Certificate of Occupancy.
19. The Applicant shall provide adequate lighting above all entrances and exits to the proposed building, as well as all parking areas and walkways that are under the control of the Applicant.
20. All required lighting shall be of sufficient power to illuminate and make easily discernible the appearance and conduct of all persons within lighted areas during operating hours and shall be designed so as to direct light and glare onto the premises only. Said lighting and glare shall be shielded to deflect lighting away from all adjoining properties.
21. Prior to the issuance of a Conditional Use Permit, the Applicant shall obtain an electric "Will-Serve" letter, as well as a "Will-Serve" letter for Domestic Water and Sanitary Sewer Service from the Needles Public Utility Authority ("NPUA").
22. If the Applicant utilizes an average of 125 percent or more of the permitted electricity or water amount based on the electric and water Will-Serve letters, in any one (1) year without prior written approval by the NPUA, all operations must cease immediately and the same shall be grounds for revocation of the CUP. Average electricity and water usage will be monitored on a quarterly basis by NPUA and City of Needles.

23. During construction activities for the proposed building, the Applicant shall, at all times, maintain the project site free of weeds, debris, trash or any other offensive, unhealthful and dangerous material. If after five (5) days' notice by certified mail, the Applicant does not comply with a notice of violation issued during construction, the City may either cancel building permits and/or implement nuisance abatement proceedings, including placing a lien on the property for costs of abatement.
24. Applicant shall locate outside trash bin(s) or trash cans in a secured, enclosed area; not to be seen by public view and shall be locked at all times.
25. The outdoor Distribution and/or sale of Cannabis and/or Cannabis products are prohibited on the project site. No activity including, but not limited to, seeding, growing, or processing shall be conducted outside of the enclosed Distribution Facility. The only time in which the product of any type is allowed to be outside of the building is for loading and/or transportation/logistic and/or disposal purposes, consistent with the approved Site Plan. Indoor Distribution is allowed only within a fully enclosed and secure structure of Building 2, which after construction, will have a complete roof enclosure supported by connecting walls extending from the ground to the roof, and are secured against unauthorized entry, provides complete visual screening, and are only accessible through doors, and are inaccessible to minors. Other types of activities or special events are prohibited on the project site unless the applicant has received an approved Temporary Use Permit subject to the provisions of the City Municipal Code.
26. All structures, building walls open to public view shall remain free of graffiti or other extraneous markings, drawing, or signage that was not approved by the City, unless directly related to the business being operated on the premises or otherwise providing pertinent information about said premises. In the event graffiti or other extraneous markings occur, the Applicant shall remove or cover said markings, drawings, or signage within 24 hours of notification of such occurrence, weather permitting. Paint utilized in covering such markings shall be of a color that matches, as closely as possible, the color of the adjacent surface.
27. Prior to occupancy of Building 2 the Applicant shall prepare and file with the County Fire Department and Sheriff's Department a detailed evacuation plan in the event of an emergency that details how the building will be secured and how first responders will gain access to the project site and to the building.
28. No nuisance water shall escape the Project Site onto public streets or adjacent properties.
29. If hazardous substances are used and/or stored in connection with the project, that exceed 55 gallons, 500 pounds, or 200 cubic feet (compressed gas) at any one time in the course of a year, a Business Emergency/Contingency Plan shall be prepared prior to issuance of Certificate of Occupancy and shall be in compliance with California Health & Safety Code (CHSC), Division 20, Chapter 6.95, Sections 25500 – 25520, California Code of Regulations (CCR), Title 19, Division 2, Chapter 4, Article 4, Sections 2729 - 2732, Title 40, Code of Federal Regulations (CFR), and EPA (SARA, Title III). A technical opinion and report may be required, identifying and developing

methods of protection from the hazards presented by the hazardous materials. This report shall be prepared by a qualified and properly licensed person, firm, or corporation and submitted to the Fire Department. This report shall also explain the proposed Facility's intended methods of operation and list all of the proposed materials, their quantities, classifications, and the effects of any chemical (material) inter-mixing in the event of an accident or spill.

30. Indoor Distribution shall not exceed 800 square feet of interior floor space as contained within Building 2 and as authorized pursuant to the CUP. In the event that State law further restricts or limits these requirements, the Distribution Facility shall comply with all building size requirements for such facilities imposed by State law and consistent with any State issued permit or license.
31. Indoor Distribution shall not adversely affect the health or safety of the nearby residents, businesses or properties by creating offensive odors, dust, glare, heat, noise, smoke, traffic, vibration, or other impacts that are disturbing to people of normal sensitivity residing or present on adjacent or nearby properties or areas open to the public, and shall not be hazardous due to use or storage of materials, processes, products or wastes. The building shall incorporate, operate and maintain sufficient odor absorbing ventilation through the use of charcoal lined filtration and exhaust systems.
32. The Distribution Facility, Building 2, shall comply fully with all applicable restrictions and mandates set forth in State law, including without limitation, the Guidelines for the Security and Non-Diversion of Cannabis Grown for Medical Use issued by the California Attorney General in August 2008, as may be amended from time to time. The Distribution Facility shall not engage in any activities not allowed at Distribution Facilities pursuant to State law and Chapter 12A of the Municipal Code. The Distribution Facility shall comply with all horticultural, labeling, processing, and other standards required by State law and Chapter 12A of the Municipal Code.
33. All Cannabis and Cannabis products shall be stored in a secured manner within the Distribution Facility in Building 2 during business and non-business hours.
34. On-site smoking, ingestion, or consumption of Cannabis or alcohol shall be prohibited on the premises of the Distribution Facility. The term "premises" includes the actual building, as well as parking areas. The building entrance to the Distribution Facility shall be clearly and legibly posted with a notice indicating that smoking, ingesting, or consuming Cannabis on the premises or in the vicinity of the Facility is prohibited.
35. Alcoholic beverages shall not be sold, stored, distributed, or consumed on the premises. A Distribution Facility shall not hold or maintain a license from the State Department of Alcohol Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages. In addition, alcohol shall not be provided, stored, kept, located, sold, dispensed, or used on the premises of the Distribution Facility.

36. With the exception of Emergency Medical Care provided in the event of an accident or injury, Physician services shall not be provided on the premises.
37. No physical change, alteration, or modification of the premises of the Distribution Facility, Building 2, is allowed that materially or substantially alters the permitted use or the approved site plans. Material changes include, but are not limited to, an increase or decrease in the total square footage of the Distribution Facility, or the addition, sealing of, or relocation of a wall, common entryway, doorway, or other means of ingress and/or egress to the Facility.
38. The Distribution facility in Building 2 shall not distribute, sell, dispense, or administer Cannabis out of its Facility to the public. A Distribution facility shall not be operated as a Cooperative/Collective.
39. The Applicant shall identify the on-site manager(s) of the Facility to whom notice of operational issues may be provided. The Distribution Facility in Suite "B" shall make every good faith effort to encourage residents, businesses, or members of the public to call this Facility Manager as a first step to resolving operating problems, if any, before calls or complaints are lodged with the Sheriff's or Planning Department.
40. A security plan shall be clearly detailed on the Site Plan and installed at the Facility, including the following measures:
  - (a) Security cameras shall be installed and maintained in good condition, and used in an on-going manner with at least 240 concurrent hours of digitally recorded documentation in a format approved by the City Manager or his/her designee. The cameras shall be in use 24 hours per day, 7 days per week. The areas to be covered by the security cameras include, but are not limited to, the storage areas, Distribution areas, all doors and corners of the building, and any other areas as determined by the City Manager or his/her designee. These records shall be maintained for seven (7) years from the date created or longer if required by State or Federal law. Recordings shall be made available to the City Manager or his/her designee upon 24 hours' notice;
  - (b) The Distribution facility in Building 2 shall be alarmed with an alarm system that is operated and monitored by a properly licensed security company. Any security personnel, whether armed or unarmed, employed by the Distribution Facility shall have and possess on their person a valid, State issued, licenses (commonly known as a "Guard Card");
  - (c) Entrance to the Distribution area in Building 2 and any storage areas shall be locked at all times, and under the control of staff of the Distribution Facility.
  - (d) The entrance(s) shall be illuminated during evening hours. The Applicant shall comply with the City's lighting standards regarding fixture type, wattage, illumination levels, shielding, etc., and secure the necessary approvals and permits as needed.

(e) Entry doors to the building shall be appropriately secured and all Cannabis securely stored, and a reliable, commercial alarm system shall be installed and maintained.

41. The Applicant shall enter into an agreement with the City that fully reimburses the City for all costs incurred by the City, resulting from the existence of the Facility, and provides the City with any applicable impact or other fees, imposed now or hereafter, to offset the potential impacts of the Distribution Facility within the City.
42. The City Manager, or the City Manager's designee, shall have the right to enter the Distribution Facility in Building 2 from time to time upon 24 hours' notice for the purpose of making reasonable inspections to observe and enforce compliance with these conditions of approval and all laws of the City and State of California.
43. Operation of the Distribution Facility in Building 2 in violation of any condition(s) of this CUP approval or requirements of Chapter 12A of the Municipal Code or other City regulation or ordinance shall constitute a violation of the CUP and shall be enforced pursuant to the provisions of thereof.
44. If any condition of approval of this CUP is held or declared to be invalid by a court of competent jurisdiction, the entire Project and CUP may be reviewed and substitute and/or additional conditions may be imposed.
45. Any violation of these conditions of approval shall constitute grounds for revocation of the CUP. The CUP may be revoked by the permit-issuing authority only in accordance with the requirements of Section 118.04 of the City's Zoning Code. Any such decision is appealable by the Applicant in accordance with Section 118.05 of the City's Zoning Code.
46. At such time as is deemed necessary by the City Engineer, a Traffic Impact Analysis shall be required to identify any traffic mitigation measures necessary for appropriate safety and traffic flow in the vicinity of the project site. Costs for funding the preparation of the Traffic Impact Analysis would be borne by the businesses located in the general vicinity of the traffic study.
47. The Applicant must use asphalt or concrete for driving and parking surfaces per City standards.
48. The project is required to be handicap accessible, with Americans with Disabilities Act (ADA) compliant restrooms for both building. Prior to release of building permits.
49. Any exposed metal surfaces to the building shall be painted over with an exterior paint color that blends-in and matches with the building's existing exterior paint color. The primary exterior paint color will be of a muted color palette, excluding the use of green, with trim color complimenting the primary exterior color, except themed building.

50. The landowner shall be responsible for maintaining the vigor and life of planted landscape species and shall replace landscaping that shows signs of severe stress through the life of the project.
51. The Applicant must comply with the recommendations of the San Bernardino County Fire Department prior to issuance of any building permits. All development pursuant to this permit must be kept in full compliance with the County Fire Code to the satisfaction of the County Fire Department.
52. The Distribution Site shall be in possession of a valid seller's permit issued by the State Board of Equalization.
53. The Distribution Site is in compliance with any additional conditions imposed by the City, the county of San Bernardino, or the State regarding issuing a local license, permit, or other authorization.
54. The Applicant acknowledges that the Bureau of Reclamation ("BOR") Policy entitled "Use of Reclamation Water or Facilities for Activities Prohibited by the Controlled Substances Act of 1970", which may be amended and/or extended from time to time, prohibits the BOR from approving the use of Reclamation water or facilities to facilitate activities prohibited by the Controlled Substances Act, including the use of Reclamation facilities or water in the distribution of Cannabis, and in the event the BOR becomes aware that Reclamation facilities or the water they supply are being used to facilitate distribution of Cannabis, will report such action to the Department of Justice ("DOJ"). Applicant acknowledges and agrees that as a result of any determination by the BOR that water service constitutes Reclamation water or facilities or any action of the BOR or DOJ taken as a result of such determination, is beyond the reasonable control of the NPUA and/or the City, and the NPUA and the City and its employees shall be free from any liability to the Applicant, its successors in interest, or any other interested party as a result thereof. The Applicant is required to take any action necessary as a result of any BOR determination or action related thereto, including obtaining additional sources of water for the Project. Any actions must be done in accordance with all applicable City Code provisions and regulations.
55. Applicant to record a lot merge combining all parcels prior to receiving a Certificate of Occupancy for the distribution and cultivation facilities.
56. Applicant to remove existing sign pole and frame or install themed or graphic art of subject matter relating back to Needles prior to receiving Certificate of Occupancy for Building 2
57. Applicant to identify on site plan drawing, and install, a sampling manhole for water test purposes prior to receiving a building permit for the cultivation facility, building 3.
58. Applicant to repair curb, gutter and sidewalk in the vicinity of the ingress/egress driveway along Broadway, and at the intersection of Broadway and "T" street, and along the entire street frontage of

“T” Street. Applicant to install handicap ramp at intersection of Broadway and “T” Street prior to receiving a Certificate of Occupancy for Building 2

59. Applicant to provide payment of electric upgrade and transformer for building 3, new cultivation facility, prior to issuance of building permit for cultivation facility, building 3
60. Applicant to submit to Planning Commission the building color and architectural enhancement for steel building(s) prior to issuance of building permits.
61. Prior to issuance of Certificate of Occupancy for the Phase 2 Cannabis Distribution Facility building, the applicant shall install wrought iron fencing separating it from the Retail Cannabis Business, as well as along any area of the perimeter of the site that is visible from the street.
62. Applicant to submit recycle plan prior to building permit issuance for any tenant improvements and/or new construction at the site.
63. The Applicant acknowledges that the Bureau of Reclamation (“BOR”) Policy entitled “Use of Reclamation Water or Facilities for Activities Prohibited by the Controlled Substances Act of 1970”, which may be amended and/or extended from time to time, prohibits the BOR from approving the use of Reclamation water or facilities to facilitate activities prohibited by the Controlled Substances Act, including the use of Reclamation facilities or water in the cultivation of Cannabis, and in the event the BOR becomes aware that Reclamation facilities or the water they supply are being used to facilitate cultivation of Cannabis, will report such action to the Department of Justice (“DOJ”). Applicant acknowledges and agrees that as a result of any determination by the BOR that water service constitutes Reclamation water or facilities or any action of the BOR or DOJ taken as a result of such determination, is beyond the reasonable control of the NPUA and/or the City, and the NPUA and the City and its employees shall be free from any liability to the Applicant, its successors in interest, or any other interested party as a result thereof. The Applicant is required to take any action necessary as a result of any BOR determination or action related thereto, including obtaining additional sources of water for the Project. Any actions must be done in accordance with all applicable City Code provisions and regulations.

**SECTION 5.** This action shall become final and effective fifteen (15) days after this decision by the CITY COUNCIL, unless within such period, a written appeal is filed with the City Clerk for consideration by the City Council as provided by the Needles City Code.

**PASSED, APPROVED AND ADOPTED** at an adjourned regular meeting held the 15<sup>th</sup> day of December, 2020 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

Mayor

**(Seal)**

**Attest:**

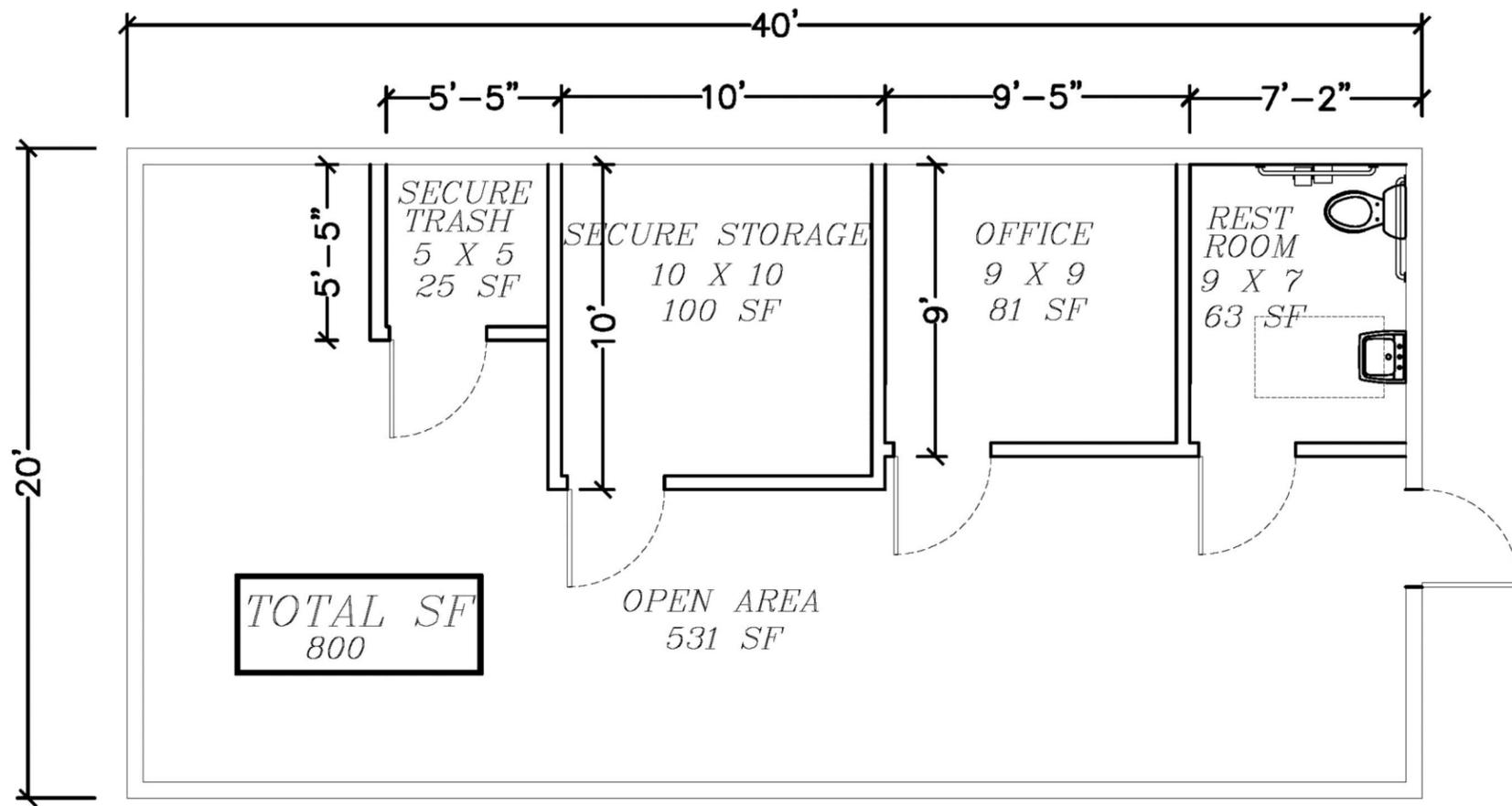
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City Clerk

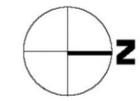
Approved as to form:

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City Attorney



① FUTURE BUILDING 2 DISTRIBUTION FLOOR PLAN  
 1/4" = 1'-0"



Dan Cline  
 ARCHITECTURE, INC.  
 8107 AVONDA DRIVE  
 SUITE 100  
 FORELA, CA 92388  
 TEL (714) 315-0099  
 dcl@dancline.com

DAN CLINE  
 LICENSED ARCHITECT  
 NO. 00918

**MARVINS MARY J**  
 FUTURE BUILDING 2 DISTRIBUTION FLOOR PLAN  
 2208 NEEDLES HWY  
 NEEDLES, CA 92363

DO NOT SCALE DRAWINGS

DATE: 06/04/2020

ISSUE: PLAN CHECK

PROJECT No.  
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DRAWN: CC

CHECKED: DC

FLOOR PLAN

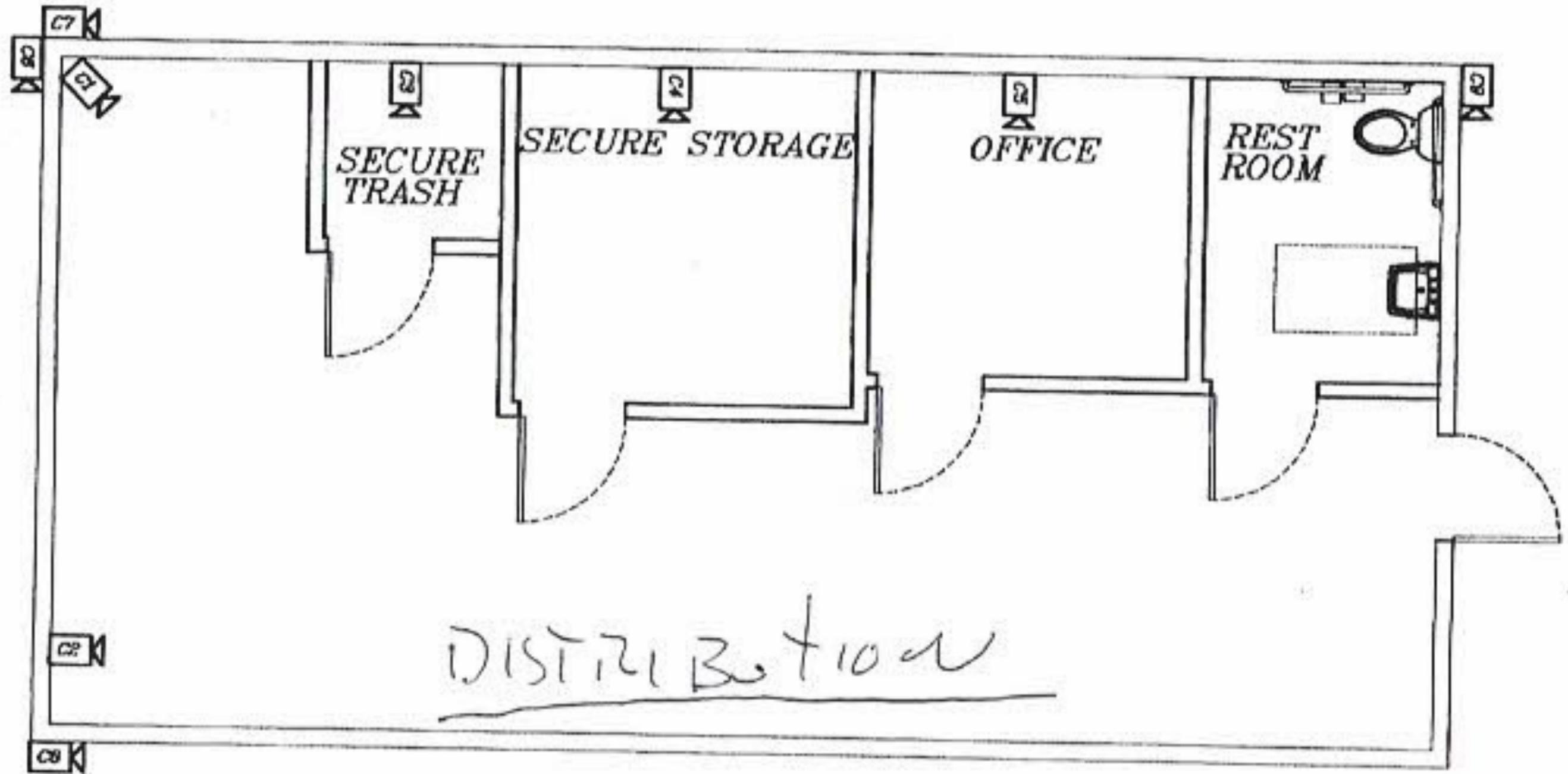
A1.1



**ATTACHMENT E: FLOOR PLAN—CANNABIS DISTRIBUTION FACILITY-BUILDING 1**

**APPLICANT: MATT BATES**

**SITE ADDRESS: 2208 NEEDLES HIGHWAY**



**ATTACHMENT F: CAMERA PLAN—CANNABIS DISTRIBUTION FACILITY-BUILDING 2**

**APPLICANT: MATT BATES**

**SITE ADDRESS: 2208 NEEDLES HIGHWAY**



**ATTACHMENT F-2: ARCHITECTURAL/ELEVATION—BUILDING 2 AND 3**  
**APPLICANT: MATT BATES**  
**SITE ADDRESS: 2208 NEEDLES HIGHWAY**