

RESOLUTION NO. 6047

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MAYWOOD, CALIFORNIA, GRANTING COMMERCIAL CANNABIS CULTIVATION, MANUFACTURING, RETAIL DISPENSARY, VEHICLE DISPENSARY AND DISTRIBUTION LICENSES FOR PMB GROUP LLC, LOCATED AT 3580 FRUITLAND AVENUE

THE CITY COUNCIL OF THE CITY OF MAYWOOD, CALIFORNIA, HEREBY FINDS, DETERMINES AND RESOLVES AS FOLLOWS:

WHEREAS, On February 22, 2017, the Maywood City Council approved a fee schedule and an application and evaluation procedure for commercial cannabis license applications pursuant to Maywood ordinance 16-03 titled "Code Amendment Permitting Marijuana Businesses in Certain Zones of the City;"

WHEREAS, PMB Group LLC, ("Applicant") has been issued a conditional use permit for commercial cannabis cultivation, manufacturing, retail dispensary, vehicle delivery and distribution for the property located at 3580 Fruitland Avenue and has applied for a commercial cannabis license for cultivation, manufacturing, retail dispensary, vehicle dispensing and distribution;

WHEREAS, City staff worked with HdL Companies ("HdL"), a consultant who provided expert evaluation of PMB Group LLC's license application;

WHEREAS, Prior to the final review and evaluation, the City reserves the right to request and obtain additional information from any candidate who submitted an application. Upon the completion of the final review process, the final score is tabulated and a minimum 80% overall score is required in order for the application to move forward to the City Manager for her recommendation and the City Council for review;

WHEREAS, Staff presented to the City Council the final rating for PMB Group LLC along with its recommendation in which the City Council may award a license pursuant to MMC Section 5-45.02;

WHEREAS, Based on the application and evaluation process as scored by HdL and evaluated by staff, the PMB Group LLC application for Commercial Cannabis Cultivation, Manufacturing, Retail Dispensary, Vehicle Dispensary and Distribution licenses at 3580 Fruitland Avenue received a composite score as follows:

Category (Phase 2)	Points Given	Points Allowed	Percentage
Proposed Location of Business	182	200	91%
Business Plan	320	400	80%
Neighborhood Compatibility Plan	240	300	80%
Safety & Security	220	300	73%
Air Quality Plan	73	100	73%
Labor & Employment Plan	165	200	83%
Total Points & Percentage Avg.	1,200	1,500	80%

Category (Phase 3)	Points Given	Points Allowed	Percentage
Final Location	180	200	90%
Business Plan	275	300	92%
Community Benefits	258	300	86%
Enhanced Product Safety	175	200	88%
Environmental Benefits	170	200	85%
Labor & Employment	175	200	88%
Local Enterprise	180	200	90%
Neighborhood Compatibility Plan	175	200	88%
Qualifications of Principals	258	300	86%
Safety & Security	155	200	78%
Air Quality Plan	155	200	78%
SUB-TOTAL	2156	2500	84%
TOTAL SCORE (PHASE 2 & 3)	3,356	4,000	84%

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MAYWOOD DOES RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and incorporated herein as if set forth in full.

Section 2. Based on the entire record before the City Council, including all written and oral evidence including the staff report, and pursuant Section 5-45.04 of the Maywood Municipal Code, the City Council finds as follows: (i) the applicant qualifies for licensure under the provisions of the Maywood Municipal Code; (ii) the applicant has not made any false or misleading statements during the application process; (iii) the applicant has paid the fees associated with its application; (iv) the applicant has the right to occupy or use the premises as described in the application; and (v) the applicant has demonstrated the ability to adequately satisfy the requirements of Ordinance 18-02, based on evidence submitted during the application process.

Section 3. Section 5-45.06(a)(6) and Appendix C of the Maywood Municipal Code requires that a licensee provide an odor absorbing ventilation and exhaust system so that odor generated inside the facility is not detected outside of the facility. While the applicant's composite score is at least 80%, the Applicant scored less than 80% in the "Air Quality Plan" category with scores of 73% during Phase 2 review and 78% during Phase 3 review. In order to ensure that the health, safety and welfare of the community is protected from the effects of cannabis order, the Applicant shall comply with the conditions set forth in Exhibit A.

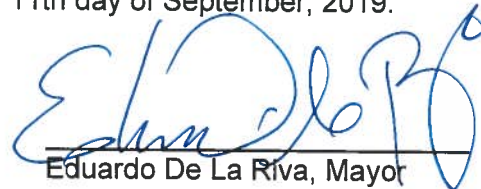
Section 4. Sections 5-45.03(a)(5), Section 5-45.06(a)(4) and Appendix C of the Maywood Municipal Code requires that a licensee provide a security plan to address the safety and security and both community as well the facility and its employees and customers. While the applicant's composite score is at least 80%, the Applicant scored less than 80% in the "Safety & Security" category with scores of 73% during Phase 2 review and 78% during Phase 3 review. In order to ensure that the health, safety and welfare of the community as well as the facility's employees and customers, the Applicant shall comply with the conditions set forth in Exhibit A.

Section 5. The City Council hereby approves and grants the Commercial Cannabis Cultivation, Manufacturing, Retail Dispensary, Vehicle Dispensary and Distribution Licenses to PMB Group LLC for a term not to exceed one year from the date this Resolution is adopted subject to the conditions set forth in Exhibit A.

Section 6. PMB Group LLC shall comply with all applicable provisions related to the operation of a Commercial Cannabis Cultivation, Manufacturing, Retail Dispensary, Vehicle Dispensary and Distribution facility as set forth in Ordinance No. 18-12.

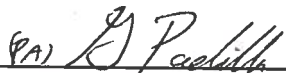
Section 7. The City Clerk will certify to the passage and adoption of this Resolution and shall enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED this 11th day of September, 2019.



Eduardo De La Riva, Mayor

ATTEST:



Gerardo Mayagoitia, City Clerk

APPROVED AS TO FORM:



Roxanne Diaz, City Attorney


I, Gerardo Mayagoitia, City Clerk of the City of Maywood, do hereby certify that the foregoing Resolution No. 6047 was adopted at a regular meeting of the City Council of the City of Maywood held on the 11th day of September, 2019 by the following vote:

AYES: DeLaRiva, Lara and Marquez

NOES:

ABSTAINED:

ABSENT: Medina and Alvarez



Gerardo Mayagoitia, City Clerk

EXHIBIT A
CONDITIONS OF APPROVAL

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1. The Applicant shall revise its Safety and Security Plan and its Air Quality Plan to achieve a minimum percentage score of 80%, as further described in the document entitled "Application Procedure to Operate a Commercial Cannabis Business in Maywood." Within 45 days of the adoption of this Resolution, the Applicant shall revise its plans to address the areas set forth below and resubmit the plan to HdL, through the Director of Building & Planning, for rescoring. The City shall within 30 days rescore the plan. If the plan does not achieve the minimum rating of 80%, the applicant shall make the required revisions and resubmit the plan to HdL until a score of 80% is met. No building permits shall be issued until the Applicant complies with this condition.

SAFETY PLAN

1. The facility's fire safety plan shall be prepared or assessed by a qualified third-party fire prevention and suppression consultant.
2. The detailed safety plan shall describe the fire prevention, suppression, HVAC and alarm systems the business will have in place. The plan will have considered all possible fire, hazardous material, storage and handling of flammable gases and liquids, and inhalation issues/threats and will have both written and physical mechanisms in place to deal with each specific situation, including but not limited to:
 - a. Identification and storage location of all gases, pesticides, and chemicals
 - b. Fire alarm and monitoring system
 - c. Fire suppression equipment and procedures
 - d. Location of fire extinguishers
 - e. Emergency procedures (medical, fire, natural disaster, etc.)
 - f. Description of evacuation routes and muster stations
 - g. Personal protective equipment
 - h. Accident and incident reporting procedures
 - i. Building Occupancy rating/description

SECURITY PLAN

1. The facility's Security Plan shall be prepared or assessed by a qualified security consultant.
2. The Security Plan shall include details on the operational security, including but not limited to:
 - a. General security policies for the facility
 - b. Employee-specific policies
 - c. Training
 - d. Sample written policies
 - e. Cash handling security

- f. Visitor security
- g. Third-party contractor security
- h. Delivery security
- 3. In particular, applications should address:

- i. Perimeter Security:

- i. An alarm system on all perimeter entry points and perimeter windows shall be professionally installed, maintained, and monitored.
- ii. The exterior of the business shall be monitored at all times by a web-based, closed-circuit television for security purposes. The recordings shall be maintained for a period of not less than six months. The owner/operator shall make the recordings available to local law enforcement immediately upon request.

- j. Building ingress and egress access security:

- i. Sensors are installed to detect entry and exit from all secure areas
- ii. Additional security measures for doors and windows, as defined by the City.

- k. Product Security

- i. All cannabis and cannabis products are stored in a secured and locked room, safe, or vault, and are kept in a manner as to prevent diversion, theft, loss, and unauthorized access.
- ii. Overnight inventory storage procedure

- l. Internal Security Measures for Access

- i. Limited access areas accessible only to authorized cannabis business personnel shall be identified in the Security Plan.
- ii. Each cannabis business will have the capability to remain secure and operational during a power outage.
- iii. Will ensure that all access doors are not solely controlled by an electronic access panel, ensuring that locks are not released during a power outage.
- iv.

- 4. Proposed floor plan should be accurate, dimensioned and to scale (minimum scale 1/4"). The scale may be smaller if it exceeds more than a 1/2-acre parcel but must not be printed on larger than an 11" x 17" sheet of paper. The floor plan should include:

- m. Proposed use of each room
- n. Limited access areas
- o. Access-controlled doors to all limited access areas
- p. Cameras in every room (depending on the size and function of the room, a business will likely need more than one camera per room)
- q. Full camera coverage of the outside property

- r. Inventory storage/vaults/safes separate from customer areas and not on an external wall adjacent to large streets/highways
- s. Separate and defined spaces for different license types, if applicant proposes to have more than one license type in the same facility (e.g., cult./man. or man./dist.)
- t. Separate delivery entrance

AIR QUALITY PLAN

1. The Air Quality Plan shall describe the ventilation systems that will be used to prevent the odor of cannabis from being detectable beyond the premises of the business. The plan shall the following:
 - a. Facility floor plan. This section should include a facility floor plan, with locations of odor-emitting activity(ies) and emissions specified. Relevant information may include, but is not limited to, the location of doors, windows, ventilation systems, and odor sources.
 - b. Specific odor-emitting activity(ies)
This section should describe the odor-emitting activities or processes (e.g., harvesting) that take place at the facility, the source(s) (e.g., budding plants) of those odors, and reference the location(s) from which they are emitted (e.g., flowering room) on the floor plan.
2. Odor Mitigation Practices (based on industry-specific best control technologies and best management practices) For each odor-emitting source/process outlined in the Odor Control Plan, specify the administrative and engineering controls the facility implements or will implement to control odors. Descriptions of 'administrative controls' and 'engineering controls' shall include, but are not limited to, the following sections:
 - a. Administrative Controls
 - b. Procedural Activities - This section should describe activities such as building management responsibilities (e.g., isolating odor-emitting activities from other areas of the buildings through closing doors and windows).
 - c. Staff training procedures – This section should describe the organization responsibility(ies) and the role/title(s) of the staff members who will be trained about odor control; the specific administrative and engineering activities that the training will encompass; and the frequency, duration, and format of the training (e.g., 60 minutes in-person training of X staff, including the importance of closing doors and windows and ensuring exhaust and filtration systems are running as required).
 - d. Recording keeping systems and forms – This section should include a description of the records that will be maintained (e.g., records of purchases

of replacement carbon, performed maintenance tracking, documentation and notification of malfunctions, scheduled and performed training sessions, and monitoring of administrative and engineering controls). Any examples of facility recordkeeping forms should be included as appendices to the OCP.

- e. Engineering Controls - The best control technology for marijuana cultivation facilities is carbon filtration. Facilities equipped with alternative engineering controls for odor sources shall provide evidence that engineering controls are sufficient to effectively mitigate odors for all odor sources. This section should include evidence that engineering controls meet at least one of the following:
 - i. Are consistent with accepted and available industry-specific best control technologies designed to effectively mitigate odors for all odor sources.
 - ii. Have been reviewed and certified by a Professional Engineer or a Certified Industrial Hygienist as sufficient to effectively mitigate odors for all odor sources.
- f. Components of engineering controls – This section shall include, but is not limited to, technical system design, a description of technical process(es), and an equipment maintenance plan.
- g. System Design - The system design should describe in detail the odor control technologies that are installed and operational at the facility (e.g., carbon filtration) and to which odor-emitting activities, sources, and locations they are applied (e.g., bud room exhaust). The description should include installation, maintenance, calculations of number of carbon filters per cubic feet per room and use documents from the equipment manufacturer. You should use the CFM calculator provided by your manufacturer on their website. Otherwise you may need the assistance of a mechanical engineer but must fully answer each section.
- h. Operational process – This section should describe the activities being undertaken to ensure the odor mitigation system remains functional, the frequency with which such activities are performed, and the role/title(s) of the personnel responsible for such activities (e.g., when trimming activities are conducted, X personnel are responsible for isolating the trim room from non-odorous areas of the facility and ensuring the exhaust system is operational and routed through odor mitigation systems).
- i. Maintenance Plan - The maintenance plan should include a description of the maintenance activities that are performed, the frequency with which such activities are performed, and the role/title(s) of the personnel responsible for maintenance activities. The activities should serve to maintain the odor mitigation systems and optimize performance (e.g., change carbon filter, every 6 months, carried out by the facility manger).