FINDINGS AND CONDITIONS OF APPROVAL FOR COUNTY FILE CDLP25-02034, SGI PACHECO LLC – DBA STIIZY(APPLICANTS) & PAUL CHAHIN TRUST & RON ELVIDGE (OWNERS)

FINDINGS

A. Land Use Permit Findings

1. The project shall not be detrimental to the health, safety and general welfare of the county.

<u>Project Finding</u>. The project is to renew the land use permit for an existing commercial cannabis storefront retail and delivery business that was previously approved under CDLP20-02003. There is no changes or modifications to the existing building or business model. Cannabis operations are required to follow a myriad of local and state regulations aimed at preventing the use from being detrimental to the health of communities in which they operate. Under CDLP20-02003, the applicant submitted the following measures into their business operations to ensure public health is protected: 1) security plan, 2) youth access restrictions, 3) odor control measures, and 4) product testing. To ensure these measures are being implemented, periodic compliance reviews will be conducted by County staff to verify STIIZY effectiveness at operating within the parameters of all applicable regulations. Therefore, it is expected that strict adherence to the conditions of approval contained within this permit, as well as, implementation of the above-mentioned health and safety measures will ensure the approved STIIZY cannabis business will maintain the health, safety, and general welfare of the County.

2. The project shall not adversely affect the orderly development within the County or the community.

<u>Project Finding:</u> The storefront retail/delivery cannabis business is consistent and compatible with other surrounding retail/commercial land uses in the Pacheco area. Each of the location requirements set by the County's cannabis regulations have been met by siting the STIIZY business at this location. In the event, the operator/owner intends to expand or change the mode of operation, a new land use permit/development plan application may be required to ensure continued appropriateness of the project. The project will be required to comply with all relevant conditions of approval including conditions of approval that will carry over

from CDLP20-02003 and incorporated into this current permit. Therefore, as conditioned, the project will not adversely affect the orderly development of the County.

3. The project shall not adversely affect the preservation of property values and the protection of the tax base within the county.

<u>Project Finding</u>. The project is to renew the land use permit for an existing commercial cannabis storefront retail and delivery business. No other modifications or changes to the business or the building are proposed. Since inception of the business, the applicant has demonstrated that STIIZY is a profitable business and will continue to generate substantial sales tax revenue for the County. Allowing an existing commercial cannabis retailer to continue to provide retail commercial cannabis use to Contra Costa County will utilize an existing commercial building and increase visitors to the Pacheco area. Therefore, it is expected that the STIIZY cannabis business will positively contribute to the County's property values and tax base.

4. The project shall not adversely affect the policies and goals as set by the General Plan.

<u>Project Finding</u>. The subject property is located within a Mixed-Use Community-Specific Density (MUC) land use designation, which is intended to maintain a broad range of commercial uses typically found in smaller-scale neighborhood communities, and thoroughfare commercial districts. As such, the site has a long history of being occupied by retail businesses that have provided residents with goods and services. As mentioned above, the site was previously approved for a commercial cannabis business under CDLP20-02003 and has applied for a renewal to continue the business with no changes or modifications to the existing business operations or building. Because the project is not proposing any changes, the previously approved project which was consistent with the policies and goals of the General Plan will continue to remain consistent with the intent and purpose of the General Plan.

5. The project shall not create a nuisance and/or enforcement problem within the neighborhood or community.

<u>Project Finding</u>. The project has been operating since at least 2021 with no known nuisance or enforcement problems. The cannabis business was reviewed for

compliance under CDCV20-00047 and CDCV21-00083 and was determined to be compliant with the conditions of approval for CDLP20-02003. The project will continue to maintain the robust security plan that was reviewed under CDLP20-02003 that has accounted for surveillance, landscaping maintenance, lighting, inventory audits, transport procedures, money handling, opening/closing procedures, and training for employees. Therefore, it is not expected that the project will create a nuisance and/or enforcement problem within the neighborhood or community in which it is located.

6. The project shall not encourage marginal development within the neighborhood.

<u>Project Finding</u>: The County Board of Supervisors adopted Zoning Ordinance Chapter 88-28 – Cannabis Regulation on June 26, 2018. Following that Board action, a request for proposals was issued by County staff. A multi-departmental team of County staff scored and ranked each proposal. As a result of that scoring, the STIIZY proposal was allowed an opportunity to operate within the County based on their location, operating procedures, experience, security plan, sustainability goals and community economic initiatives. This project is a result of that Board action. Considering that this project has no known nuisance or code enforcement problems and the project is not changing the business operation or modifying the building, it is not expected that a renewal of an existing commercial cannabis business will not encourage marginal development within the neighborhood.

7. That special conditions or unique characteristics of the subject property and its location or surroundings are established.

<u>Project Finding</u>. The subject property is a 1.29-acre parcel developed with an approximately 20,235-square-foot commercial/retail business building. All offstreet parking, ingress/egress, landscaping, lighting, and frontage improvements have been well established. The project does not require expansion of the gross floor area or an increase in height of the existing building nor does the project change any existing operational plans. As mentioned above, the existing commercial cannabis business has been operating since 2021 and the project is only to renew the land use permit. Therefore, the implementation of the project will maintain the site-specific characteristics, as well as, maintain the unique characteristics of the Pacheco area in general.

B. Cannabis Permit Renewal Findings 88-28.426

1. The permit renewal request and all required submittals were timely received.

<u>Project Finding</u>. CDLP20-02003 was approved for five years from September 21, 2020. The expiration date therefore is September 21, 2025. On September 8, 2025, STIIZY submitted Land Use Permit application CDLP25-02034 for the renewal of the commercial cannabis activity. The renewal request was submitted prior to the expiration date, therefore, the renewal request was timely received.

2. The permit is eligible for renewal under this Section 88-28.424.

Project Finding.

<u>88-28.424(a)(1):</u> The permittee is in compliance with all of the terms of the permit being renewed, and there are no grounds to suspend or revoke the permit under this chapter or under Article 26-2.20.

<u>Staff Response</u>: CDLP20-02003 was approved on September 21, 2020 and an initial compliance review was reviewed under CDCV20-00047 and approved on October 22, 2020. Further compliance was done under CDCV20-00047 and evidence to the file shows that the applicant complied with all conditions of approval and no code enforcement violations were opened at the parcel. There is no evidence in the record that the permittee is not in compliance with all of the terms of the permit and there are no grounds to suspend or revoke the permit.

88-28.424(a)(2): The commercial cannabis activity authorized under the permit is authorized by this code as of the date the renewal request is made.

<u>Staff Response:</u> Commercial cannabis activity authorized under CDLP20-02003 is authorized at the project location because the site is zoned R-B which allows commercial cannabis activities. Furthermore, Chapter 88-28.412(a)-location requirements, states that commercial cannabis retailers are permitted in the retail-business (R-B) zoning district. Therefore, commercial cannabis activity is authorized by the code.

<u>88-28.424(a)(3):</u> The permittee maintains a current State license and current County health permit for each commercial cannabis activity authorized by the permit being renewed.

Staff Response: As part of this land use permit submittal, the applicant has

submitted evidence that STIIZY has maintained a current State License and Current County health permit. The State license (C10-0000889-LIC) has an expiration date of September 15, 2026 while the County Health permit (FA ID # FA0045717) has an expiration date of June 30, 2026. Therefore, the permittee maintains the current licenses required. (See Attachment C).

3. The applicant has paid all applicable fees required by the County, and has made all deposits required by the County, including, but not limited to, a renewal application fee and a condition compliance fee deposit.

<u>Project Finding</u>. On September 8, 2025, the applicant paid the applicable Land Use Permit fees and a condition compliance fee deposit for CDLP25-02034.

C. Environmental Findings

Categorical Exemption – CEQA Guidelines Section 15301, Existing Facilities exempts permitting, licensing or private structures involving negligible or no expansion of existing or former use. The project is to renew the Land Use Permit for an existing commercial cannabis facility. The project will not have any changes to the existing building or any change to the current business model. Therefore, there is negligible and no expansion of the existing use.

CONDITIONS OF APPROVAL FOR COUNTY FILE CDLP25-02034

Project Approvals

- 1. The Land Use Permit to allow for the renewal of a licensed cannabis retail and delivery operations "STIIZY" that was previously approved under CDLP20-02003, is APPROVED.
- 2. The project approval described above is granted based on, or as generally shown on the following documents.
 - Application accepted by the Department of Conservation and Development, Community Development Division (CDD) on September 8, 2025.
- 3. Any modification to the project approved under this permit that is not required by a Condition of Approval herein shall be subject to the review and approval of the CDD.

Application Costs

4. The Land Use Permit application is subject to an initial application deposit of \$5,500.00, which was paid with the application submittal, plus time, and material costs if the application review expenses exceed 100% of the initial deposit. Any additional fee due must be paid prior to an application for a grading or building permit, or 60 days of the effective date of this permit, whichever occurs first. The fees include costs through permit issuance and final file preparation. Pursuant to Contra Costa County Board of Supervisors Resolution Number 2019/553, where a fee payment is over 60 days past due, the Department of Conservation and Development may seek a court judgement against the applicant and will charge interest at a rate of ten percent (10%) from the date of judgement. The applicant may obtain current costs by contacting the project planner. If you owe additional fees, a bill will be sent to you shortly after permit issuance in the event that additional fees are due.

Permit Term:

- 5. This permit term shall be five years. The operator may apply for permit renewal of additional five-year terms, one additional term at a time, as set forth in Section 88-28.424.
- 6. Any deviation from or expansion beyond the limits of this permit approved under this application may necessitate the filing of a request for modification of the Land Use Permit and/or Development Plan.

Compliance Review:

7. The CDD may perform a compliance review at any time during the term of this permit to determine whether the permittee is complying with the permit terms and conditions, the requirements of Chapter 88-28, and all applicable laws and regulations. Because this is renewed under Chapter 88-28 for one or more additional five-year terms, CDD will perform a compliance review after the first two and one-half years of each renewal term. A permittee shall cooperate with the CDD to complete the compliance review and must pay all applicable compliance review fees.

Community/Economic Benefit:

8. The Community Benefits Agreement between Contra Costa County and SGI Pacheco LLC, approved under CLDP20-02003, shall be implemented for the full term of the current renewal permit.

9. Unless expressly stated otherwise herein, the approved Conditions of Approval for Land Use Permit CDLP20-02003 shall remain in full force and effect.

ADVISORY NOTES

PLEASE NOTE ADVISORY NOTES ARE ATTACHED TO THE CONDITIONS OF APPROVAL BUT ARE NOT A PART OF THE CONDITIONS OF APPROVAL. ADVISORY NOTES ARE PROVIDED FOR THE PURPOSE OF INFORMING THE APPLICANT OF ADDITIONAL ORDINANCE AND OTHER LEGAL REQUIREMENTS THAT MUST BE MET IN ORDER TO PROCEED WITH DEVELOPMENT.

A. NOTICE OF 90-DAY OPPORTUNITY TO PROTEST FEES, DEDICATIONS, RESERVATIONS, OR OTHER EXACTIONS PERTAINING TO THE APPROVAL OF THIS PERMIT.

This notice is intended to advise the applicant that pursuant to Government Code Section 66000, et. seq, the applicant has the opportunity to protest fees, dedications, reservations, and/or exactions required as part of this project approval. The opportunity to protest is limited to a ninety-day (90) period after the project is approved.

The 90-day period in which you may protest the amount of any fee or imposition of any dedication, reservation, or other exaction required by this approved permit, begins on the date this permit was approved. To be valid, a protest must be in writing pursuant to Government Code Section 66020 and delivered to the CDD within 90 days of the approval date of this permit.

- B. Prior to applying for a building permit, the applicant may wish to contact the following agencies to determine if additional requirements and/or additional permits are required as part of the proposed project:
 - Department of Conservation and Development, Building Inspection Division
 - Public Works Department
 - Health Services Department, Environmental Health Division
 - Contra Costa County Fire Protection District
 - Contra Costa Mosquito and Vector Control District