



City Council Staff Report

Date: September 3, 2014 PUBLIC HEARING

Subject: REVIEW AND EVALUATION OF APPLICATIONS AND AWARD A FOURTH PERMIT FOR A MEDICAL CANNABIS COOPERATIVES OR COLLECTIVE AND CEQA EXEMPTION DETERMINATION.

From: David H. Ready, City Manager
Douglas Holland, City Attorney

SUMMARY

The City has a comprehensive, regulatory program for medical cannabis cooperatives and/or collectives in the City. Pursuant to amendments to the program this year, the City Council authorized an increase in the maximum number of medical cannabis cooperatives and/or collectives that can operate in the City under the City's regulatory program. The City Manager is recommending the City Council grant the fourth and final medical cannabis permit to Palm Springs Safe Access, operated by Robert Van Roo.

RECOMMENDATION:

1. Open the public hearing and receive public testimony and award a permit to operate a medical cannabis cooperative and/or collective to Palm Springs Safe Access owned and operated by Robert Van Roo, subject to conditions.
2. Adopt Resolution No. ____ "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, AWARDDING A MEDICAL CANNABIS COOPERATIVE/COLLECTIVE PERMIT TO PALM SPRINGS SAFE ACCESS OPERATED BY ROBERT VAN ROO, LOCATED AT 1247 SOUTH GENE AUTRY TRAIL."

STAFF ANALYSIS:

BACKGROUND

The City has a comprehensive, regulatory program for medical cannabis cooperatives and/or collectives in the City. In March of this year, the City adopted Ordinance No. 1845 which amended the City's regulatory program for medical cannabis

cooperatives and/or collectives. As part of the modifications to the Code, the City is increasing the number of permits issued by the City to medical cannabis cooperatives and/or collectives from three to four.

Section 5.35.200 of the amended Code establishes the process for accepting and reviewing applications for the fourth permit. Section 5.35.200 prescribes the application period as sixty days plus an additional thirty days for the City Manager to review and prepare a report for City Council. In the event there is more than one application submitted for each unallocated regulatory permit, the City Manager must submit the qualified applications and the City Manager report on each application to the City Council for review and consideration. The qualified applications are required to be considered concurrently by the City Council at a public hearing. The deadline for submitting applications for the fourth permit was June 16, 2014. As of that date, the City Manager received eight applications. The review Process has been completed. The City Manager and various departments have reviewed all of the submitted applications. The City Manager and the City Attorney have prepared this staff report providing recommendations to the Council for awarding this permit.

Staff also notes that on December 5, 2013, the voters, with 66% of the voters in support, approved Measure B, establishing a tax on medical cannabis cooperatives and/or collectives. This voter approved ordinance broadly defines the term "cannabis or marijuana collective" to include not only collectives or cooperatives the City Council approves under Section 93.23.15 of the Code, but "any other activity or business that involves planting, cultivating, harvesting, transporting, dispensing, delivering, providing, manufacturing, compounding, converting, processing, preparing, storing, packaging, or testing any part of the marijuana plant for medical purposes." Thus, the City's ordinance is applicable to more than just the Council approved medical cannabis cooperatives and/or collectives currently operating in the City. It also applies to any dispensary operating in the City and to anyone engaged in one or more of the component parts of the marijuana cultivation, processing, and distribution chain within the City. The new tax rate became effective January 1, 2014 and requires that the medical cannabis cooperatives and/or collectives that are operating pursuant to Council approval pay 10 percent of their proceeds to the City and the cooperatives and/or collectives that are operating without a valid Council approved permit pay 15 percent.

In addition to amending the Code allowing a fourth permit, the City Council added Section 5.35.710 to the regulations regarding testing of cannabis to ensure cannabis is safe for treatment and free of pesticides, fungicides, and microbiological organisms such as mold, bacteria, and fungus, and to verify the potency of medical cannabis.

The City has contracted with CV Analytical Laboratories to develop and prepare a comprehensive quality assurance and protocol for medical cannabis collectives/cooperatives. The quality assurance and protocol will be completed in approximately four to six weeks. Upon completion of the standards and protocol, Staff

can solicit proposals from Commercial California Cannabis laboratories to provide the testing services and reports to ensure quality assurance of medical cannabis.

PROGRAM REQUIREMENTS

In order to be considered for the fourth permit, applicants must meet the requirements set forth in the Ordinance relating to background check, security plan, building review and zoning. If awarded the fourth permit, the owner/operator of the medical cannabis cooperatives and/or collectives must also undergo a fire review and install fire sprinklers if necessary.

Background Check

Ordinance No. 1845 requires the City Manager to conduct a background check of every applicant for a regulatory permit, including any person who is managing or is otherwise responsible for the activities of the medical cannabis cooperative and/or collective, and any employee. In order to successfully pass a background check, the applicant cannot have been found to (1) have made one or more false or misleading statements, or omissions on the application or during the application process; (2) have been convicted of a felony, or convicted of a misdemeanor involving moral turpitude, or the illegal use, possession, transportation, distribution or similar activities related to controlled substances, with the exception of marijuana related offenses for which the conviction occurred prior to passage of Compassionate Use Act; (3) have been engaged in unlawful, fraudulent, unfair, or deceptive business acts or practices or (4) have operated a marijuana dispensary, cooperative, or collective in the City without a properly issued permit and refused or failed to comply with any order or instruction of the City to cease such operation.

Security Plan Check

Ordinance No. 1845 requires that each medical cannabis cooperative and/or collective have security cameras that have been installed and maintained in good working condition, and which will be used in an on-going manner with at least 240 continuous hours of digitally recorded documentation. The areas to be covered by the security cameras include, but are not limited to: (1) the storage areas; (2) cultivation areas; (3) all doors; (4) all windows; and (5) any other areas as determined by the City Manager. In addition, the cooperative and/or collective must have a reliable and commercial alarm system that is operated and monitored by a lawfully operating security company or alarm business. The cooperative and/or collective must also meet the City's lighting standards regarding fixture type, wattage, illumination levels, shielding, etc.

Building Review

Ordinance No. 1845 requires that each medical cannabis cooperative and/or collective application provide an accurate site plan that lists the location of all of the doors, entrances, windows, exterior lighting fixtures, security cameras, and signage, as well as

the proposed use of each area, including storage, cultivation areas, restrooms and parking (including other tenant spaces if the cooperative is proposed for a multi-tenant building site).

Zoning Review/Location Requirements

Ordinance No. 1845 prohibits a medical cannabis cooperative and/or collective site location from being within 500 feet of a school, public playground or park, residentially zoned property, child or day care facility, youth center or religious institution. It is also prohibited within 1,000 feet of any other cooperative and/or collective. The medical cannabis cooperative and/or collective location is prohibited on properties in which the primary use of the property is commercial/retail. Administrative modifications to these requirements may be granted by the City Council at the discretion of the Council and only if the Council can make all of the following findings, based on evidence presented:

1. The requested modification is consistent with the general plan, any applicable specific plan, and the overall objectives of the Zoning Code;
2. The neighboring properties will not be adversely affected as a result of the approval or conditional approval of the modification;
3. The approval or conditional approval of the modification will not be detrimental to the health, safety, or general welfare of persons residing or working on the site or in the vicinity of the site; and
4. The approval of the modification is justified by environmental features, site conditions, location of existing improvements, or historic development patterns of the property or neighborhood.

Staff is not aware of facts that would support the approval or grant of any administrative modification for any applicant unable to fully satisfy the location requirements of Ordinance No. 1845 and is therefore not recommending the City Council approve or grant any administrative modification.

APPLICANTS

Brown Dog Farms Inc.

Brown Dog Farms' proposed location is 2050 Executive Drive Unit A, Palm Springs, CA 92262 in Zone M1, an industrial area, which meets the zoning requirements set forth in the Ordinance. The operators of record are Linda Milks, Jonathan Milks and Andrew Milks.

Background Check

The Palm Springs Police Department live scanned (finger printed) all of the operators and/or listed employees of the applicant. After reviewing the background files of the applicant, no disqualifying criminal convictions or actions were discovered.

Security Plan Check

Upon conducting a review of the security plan for camera locations, alarm monitoring company and any reference to 240 continuous hours of security recordings it was discovered that all of the required information was present. The applicant meets the camera security requirements.

Building Review Check

Upon conducting a review of the building it was discovered that the second floor storage area is in violation of the Ordinance because it impedes access to the exit. In addition, the rear stairs are in violation of the Ordinance because they discharge through a grow room.

Zoning Review Check

Brown Dog Farms' proposed location is within 500 feet of 9 residentially zoned properties located off Via Escuela/N. Gene Autry Trail on Norloti Street which is a direct violation of the Ordinance.

Fire Sprinklers

If awarded a permit, fire sprinklers would be required due to change of use to Occupancy F (on-site cultivation) and gross square footage of 4,100 feet.

P. S. Organica

P.S. Organica's proposed location is 400 East Sunny Dunes, Palm Springs, CA 92262 in Zone CM, a tourist/residential/commercial area, which is in violation of the Ordinance as the Ordinance prohibits a cooperative and/or collective from being located in an area used for commercial/retail. The operators of record are Julie Montante, Leonard Montante, Andrew Bloedel, and Blake Wheeler.

P.S. Organica was operating as a cooperative and/or collective in 2013 without a permit issued by the City and initially refused to close the business after being ordered by the City to do so. Only after a civil action was commenced in 2014, did P.S. Organica eventually cease operations.

Background Check

The Palm Springs Police Department live scanned (finger printed) operators or listed employees of the applicant. After reviewing the background files of the applicant, no disqualifying criminal conviction or actions were discovered.

Security Plan Check

Upon conducting a review of the security plan for camera locations, alarm monitoring company and any reference to 240 continuous hours of security recordings it was discovered that there is no camera depicted in the clone room, which is required by the Ordinance. Other than that, the applicant meets the camera security requirements.

Building Review Check

Upon conducting a review of the building, no outstanding issues were discovered.

Zoning Review Check

P.S. Organica's proposed location is within 500 feet of 29 residentially zoned properties within the Warm Sands Neighborhood Association which is a violation of the Ordinance.

Fire Sprinklers

If awarded a permit, fire sprinklers would be required due to change of use to Occupancy F (on-site cultivation) and gross square footage of 3,500 feet.

Palm Springs Safe Access

Palm Springs Safe Access' proposed location is 1247 South Gene Autry Trail, Palm Springs, CA 92262 in Zone M1, an industrial area, which meets the requirements of the Ordinance. The operators of record are Robert Van Roo, Cory Henderson, and Bikram Sandhu.

Background Check

The Palm Springs Police Department live scanned (finger printed) Mr. Van Roo, Mr. Henderson, and Mr. Sandhu. After reviewing the background files of the applicants, no disqualifying criminal conviction or actions were discovered.

Security Plan Check

Upon conducting a review of the security plan for camera locations, alarm monitoring company and any reference to 240 continuous hours of security recordings it was discovered that there is no camera depicted in grow area #2 as required by the Ordinance. Other than that, the applicant meets the camera security requirements.

Building Review Check

Upon conducting a review of the building, no outstanding issues were discovered.

Zoning Review Check

Palm Springs Safe Access' proposed location is near Knott's Soak City. The location requirements of the ordinance prohibit medical cannabis cooperatives and collectives within 500 feet of a "public playground or park;" thus, Palm Springs Safe Access technically meets the requirements of the Code.

Fire Sprinklers

If awarded a permit, fire sprinklers would be required due to change of use to Occupancy F (on-site cultivation) and gross square footage of 5,730 feet.

Southern C's

Southern Cs' proposed location is 63-738 Orr Way, Palm Springs, CA 92262, in Zone M2, in a Regional Business Center, which is in violation of the Ordinance as the Ordinance prohibits a cooperative and/or collective from being located in an area used for commercial/retail. The operator of record is William Cooper.

Background Check

The Palm Springs Police Department live scan (finger printed) the operator. After reviewing his background files, the police department did not find any disqualifying criminal convictions or actions.

Security Plan Check

Upon conducting a review of the security plan for camera locations, alarm monitoring company and any reference to 240 continuous hours of security recordings it was discovered that there is no reference to 240 of continuous recordings, which is a violation of the Ordinance. Other than that, the applicant meets the initial security requirement.

Building Review Check

Upon conducting a review of the building, no outstanding issues were discovered.

Zoning Review Check

Southern Cs' proposed location is 249.94 feet from another dispensary at 19437 Newhall Road, which is a violation of the Ordinance as the Ordinance prohibits a cooperative and/or collective from being located within 1,000 feet of another cooperative and/or collective.

Fire Sprinklers

If awarded a permit, fire sprinklers would be required due to change of use to Occupancy F (on-site cultivation) and gross square footage of 4,896 feet.

Oasis Wellness and Living Collective

Oasis Wellness and Living Collective's proposed location is 4810 East Camino Parocela, Palm Springs, CA 92262, in Zone M1, an industrial area. The operators of record are Laila Nabhi, Kayla Nabhi, and David Webb Jr.

Oasis Wellness and Living Collective was operating as a cooperative and/or collective in 2012 without a permit issued by the City and owner Laila Nabhi initially refused to close the business after being ordered by the City to do so. Only after a civil action was commenced in 2013, did Oasis Wellness and Living Collective eventually cease

operations. Later in 2013, Laila Nahbi opened a cooperative and/or collective, without being issued a permit by the City, named Discovering Alternative Medicine, located at 870 Research Drive #4. Despite being ordered by the City to close the business, Discovering Alternative Medicine continued to operate and only closed its doors after Laila Nahbi was issued a criminal citation by the police department.

Background Check

The Palm Springs Police Department live scanned (finger printed) all of the operators or listed employees of the applicant. After reviewing the background files of the applicant, the police department did not find any disqualifying criminal convictions or actions.

Security Plan Check

Upon conducting a review of the security plan for camera locations, alarm monitoring company and any reference to 240 continuous hours of security recordings it was discovered that no evidence of a security agreement with an alarm company was present, which is a violation of the Ordinance. In addition, no reference to 240 of continuous recordings was provided and no camera was depicted on the cultivation location; both violations of the Ordinance.

Building Review Check

Upon conducting a review of the building, no outstanding issues were discovered.

Zoning Review Check

Oasis Wellness and Living Collective's proposed location is 801.1 feet from another dispensary located at 4765 E. Ramon Road which is a violation of the Ordinance as the Ordinance prohibits a cooperative and/or collective from being located within 1,000 feet of another cooperative and/or collective.

Fire Sprinklers

If awarded a permit, based on submitted packet (no on-site cultivation), fire sprinklers would not be required. Total square footage is 2,200 feet.

Palm Springs Premier Care

Palm Springs Premier Care's proposed location is 180 W. Oasis Road, Palm Springs, CA 92262, in Zone M1, a mixed use/multi-use area. The operators of record are Joseph Michelson and James Kao.

Background Check

The Palm Springs Police Department live scanned (finger printed) all of the operators or listed employees of the applicant. After reviewing the background files of the applicant, the police department did not find any disqualifying criminal convictions or actions.

Security Plan Check

Upon conducting a review of the security plan for camera locations, alarm monitoring company and any reference to 240 continuous hours of security recordings it was

discovered that all of the required information was present. The applicant meets the camera security requirements.

Building Review Check

Upon conducting a review of the building it was discovered that no dimensions were listed on floor plan, which made it difficult to determine the actual exiting discharge distance. The building also had sliding glass doors, which are a violation of the Ordinance. Lastly, the building did not have two exits as required by the Ordinance since travel distance appears to exceed the maximum allowable.

Zoning Review Check

Palm Springs Premier Care's proposed location is within 500 feet of 18 residentially zoned properties, which is a violation of the Ordinance.

Fire Sprinklers

If awarded a permit, fire sprinklers would be required due to change of use to Occupancy F (on-site cultivation) and gross square footage of 4,524 feet.

Jade Organics Corporation

Jade Organics' proposed location is 1478 N. Palm Canyon Drive, Palm Springs, CA 92262, in Zone C1, a mixed use/multi-use area, which is a violation of the Ordinance as the Ordinance prohibits a cooperative and/or collective form being located in an area for used for commercial/retail. The operators of record are Edward J. Dietrich, Eduardo Rivera and William Basey.

Background Check

The Palm Springs Police Department live scanned (finger printed) Mr. Edward J. Dietrich and Mr. Eduardo Rivera. After reviewing the background files of Mr. Dietrich and Mr. Riviera, the police department did not find any disqualifying criminal convictions or actions. A preliminary review of Mr. William Basey's background did not show any disqualifying criminal convictions. However, Mr. Basey is currently in Hawaii and unavailable for fingerprinting. If awarded the permit, Mr. Basey will return from Hawaii to be finger printed.

Security Plan Check

Upon conducting a review of the security plan for camera locations, alarm monitoring company and any reference to 240 continuous hours of security recordings it was discovered that no reference that the applicant plans to meet the 240 of continuous recording requirement was provided. Other than that, the applicant meets the security requirements.

Building Review Check

Upon conducting a review of the building, no outstanding issues were discovered.

Zoning Review Check

Jade Organics' proposed location is within 500 feet of 42 residentially zoned properties which is a violation of the Ordinance.

Fire Review

If awarded a permit, based on submitted packet (no on-site cultivation), fire sprinklers would not be required. Total square footage is 1,886 feet.

Palm Springs Natural Healing Center Inc.

Palm Springs Natural Healing Center, Inc.'s proposed location is 903-913 Crossley Road, Palm Springs, CA 92262, in Zone M1, a neighborhood/community/commercial area. This is a violation of the Ordinance as the Ordinance prohibits a cooperative or collective from being located in an area for used for commercial/retail. The owners and/or operators of record are Joy Meredith and Stacy Hochanadel.

Mr. Hochanadel has been operating a marijuana grow facility at 903-913 Crossley Road without a valid regulatory permit, and has failed to pay the 15% tax on proceeds as required by Code since January, 2014.

Background Check

The Palm Springs Police Department live scanned (finger printed) operators or listed employees of the applicant. After reviewing the background files of the applicant, the police department found that Mr. Stacy Hochanadel was convicted in Riverside County Superior Court on December 1, 2006 for Business and Profession Code 17200 (unfair competition/unlawful or fraudulent business practices). Joy Meredith did not have any disqualifying criminal convictions or actions.

Security Plan Check

Upon conducting a review of the security plan for camera locations, monitoring company and any reference to 240 continuous hours of security recordings it was discovered that no reference that the applicant plans to meet the 240 of continuous recording requirement was provided, which is a violation of the Ordinance. However, this applicant was the only one that provided a security manual. No other issues were identified.

Building Review Check

Upon conducting a review of the building, no outstanding issues were discovered.

Zoning Review Check

Palm Springs Natural Healing Center, Inc.'s proposed location meets all of the zoning requirements set forth in the Ordinance.

Fire Sprinklers

If awarded a permit, fire sprinklers would be required due to change of use to Occupancy F (on-site cultivation) and gross square footage of 12,000 feet.

RECOMMENDATION

After reviewing all eight of the applications submitted, six were found to be in direct violation of the zoning location requirements set forth in the Ordinance. Therefore, Brown Dog Farms Inc., P.S. Organica, Oasis Wellness and Living Collective, Palm Springs Premier Care, Southern C's, and Jade Organics Corporation should be disqualified.

Palm Springs Natural Healing Center Inc. should be disqualified due to an unsatisfactory background check of owner and operator Stacy Hochanadel. Specifically, in 2006 Mr. Hochanadel was convicted in Riverside County Superior Court for Business and Profession Code 17200 (unfair competition/unlawful or fraudulent business practices).

Mr. Hochanadel was one of the initial recipients for a medical cannabis permit; however, his permit was later revoked by the City when Cannahelp ceased operation for a period in excess of 90 days. It should also be noted that Mr. Hochanadel has been operating a marijuana grow facility at 903-913 Crossley Road, the location for which he is applying for a medical cannabis permit as Palm Springs Natural Healing Center, Inc. Not only is this operation unlawful due to the fact that Mr. Hochanadel does not have a regulatory permit issued by the City, but to date, Mr. Hochanadel has failed to pay the 15% tax on proceeds as required by the Code since the first of the year.

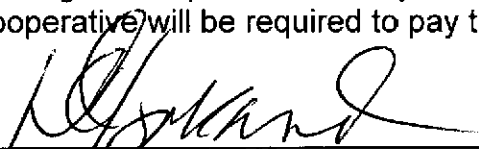
The City Manager is recommending that the City Council consider awarding the fourth permit to Palm Springs Safe Access owned and operated by Robert Van Roo. The reasons for recommending Palm Springs Safe Access are that it meets all of the requirements set forth in the revised code relating to background check, security plan, building review and zoning (or can bring the proposed location into compliance with minor modifications to the security camera system).

In addition, Mr. Van Roo has shown his willingness to comply with the laws of the City and the directives of City staff. Specifically, Mr. Van Roo previously owned and operated Palm Springs Safe Access, a medical cannabis collective and/or cooperative at a different location, in 2012. However, upon being advised by the City that operation of a medical cannabis cooperative and/or collective within the City required a permit issued by the City, Mr. Van Roo immediately closed his business and issued a press release to his patients advising them of the dispensary's intent to comply with the City's orders. In the same press release, Mr. Van Roo expressed his intent to abide by the City's laws, but while seeking to become a permitted dispensary within the City, he would continue to provide services to the City and its residents, including an art gallery,

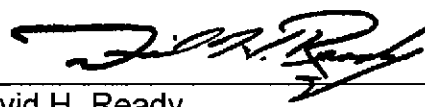
yoga studio, and holistic health services (other than offering medical marijuana to patients). He ultimately ceased operating at his previous location. Attached to this staff report is the press release issued by Mr. Van Roo on behalf of Palm Springs Safe Access announcing its closure in clear cooperation with the City and its enforcement efforts.

FISCAL IMPACT:

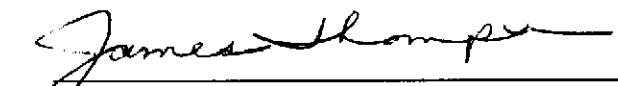
No negative impact on the City's General Fund. A fourth medical cannabis collective or cooperative will be required to pay the applicable marijuana tax of 10% on all proceeds.



Douglas Holland
City Attorney



David H. Ready
City Manager


James Thompson
City Clerk

Attachments:

1. Vicinity Maps for Applicants
2. Resolution Awarding Permit to Palm Springs Safe Access

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PALM SPRINGS, CALIFORNIA, APPROVING AN
APPLICATION BY PALM SPRINGS SAFE ACCESS FOR A
PERMIT TO OPERATE A MEDICAL CANNABIS
COLLECTIVE OR COOPERATIVE AT 1247 S. GENE AUTRY
TRAIL; ZONE M-1 SECTION 19 TOWNSHIP 4S, RANGE 5E.**

The City Council of the City of Palm Springs finds:

A. On March 5, 2014, Ordinance 1845 went into effect. This Ordinance increased the number of permits available in the City for Medical Cannabis Cooperatives/Collectives uses, revised the procedures for the application, administration, and permitting of Medical Cannabis Cooperative/Collectives in the City, revised the operational regulations for such uses, and moved the operational and permitting requirements and regulations from City's Zoning Code to Chapter 5.35 of the City's Municipal Code while retaining the traditional zoning and land use regulations within the City's Zoning Code, including locational requirements.

B. Between June 16, 2014 and July 16, 2014, the City received eight applications for the award of one available permit to operate a Medical Cannabis Cooperative/Collective within the City.

C. The City Manager has overseen the evaluation of each of the eight applications in accordance with the provisions of Ordinance 1845.

D. Palm Springs Safe Access (the "Applicant") is a Medical Cannabis Cooperative/Collective that filed an application pursuant to Chapter 5.35 "Comprehensive Medical Cannabis Regulatory Program" of the Palm Springs Municipal Code for a permit to operate a Medical Cannabis Cooperative/Collective at 1247 S. Gene Autry Trail, which application was received during the submittal period noted above and evaluated by the City.

E. Notices of public hearing of the City Council of the City of Palm Springs to consider the Medical Cannabis Cooperatives/Collective applications, including the application of Applicant, were given in accordance with applicable law.

F. On September 3, 2014, a public hearing on the applications for Medical Cannabis Cooperative/Collectives, including the application submitted by Applicant, was held by the City Council in accordance with applicable law.

G. The City Council has carefully reviewed and considered all of the evidence presented in connection with the meeting on the project, including but not limited to the staff report, and all written and oral testimony presented.

H. The City Council further finds that the City Council established and thereafter amended the Comprehensive Regulatory Program for Medical Cannabis Cooperatives and Collectives, which exists as part of the Municipal Code and is intended to ensure the health, safety, and welfare of the residents of the City by enacting a limitation on the establishment of medical cannabis cooperatives/collectives within the City, and to provide additional locational restrictions for such establishments. The City Council therefore finds that the Medical Cannabis Cooperatives/Collectives allowed under the Palm Springs Municipal Code Chapter 5.35 and the locational requirements provided for in Section 93.23.15 of the Zoning Code will promote the public health and safety by reducing the potential for the types of secondary negative effects caused by Medical Cannabis Cooperatives/Collectives experienced in other communities.

The City Council of the City of Palm Springs resolves:

Section 1. Pursuant to the California Environmental Quality Act ("CEQA") guidelines, the application has been determined to be a Project under the definition of CEQA. The case has been evaluated and staff has made a determination that the application is "Categorically Exempt" from further analysis under CEQA in accordance with CEQA Section 15303 (New Construction or Conversion of Small Structures).

Section 2. The obligations of the Medical Cannabis Cooperative/Collective receiving a permit, including all on-going and continuing obligations required pursuant to any provision of Chapter 5.35 of the Municipal Code as well as any conditional approval shall be set forth in a covenant running with the land or the leasehold interest, approved as to form by the City Attorney and enforceable by the City. Such covenant shall also provide that the cooperative or collective shall annually provide to the City Manager an updated application containing the information contained in Section 5.35.200 of the Municipal Code.

Section 3. City Council approves the application of "Palm Springs Safe Access", and approves the issuance of a regulatory permit to Palm Springs safe Access pursuant to Palm Springs Municipal Code Chapter 5.35 to operate a Medical Cannabis

Resolution No. _____

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Cooperative/Collective at 1247 S. Gene Autry Trail. These actions are subject to the conditions contained in Exhibit A attached to this Resolution.

ADOPTED, this 3rd day of September, 2014.

David H. Ready, City Manager

ATTEST:

James Thompson, City Clerk

CERTIFICATION:

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on September 3, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

James Thompson, City Clerk
City of Palm Springs, California

RESOLUTION NO. _____

EXHIBIT A

Palm Springs Safe Access
1247 S. Gene Autry Trail, Palm Springs, CA

September 3, 2014

CONDITIONS OF APPROVAL

Before final acceptance of the project, all conditions listed below shall be completed to the satisfaction of the City Manager, City Engineer, the Director of Planning Services, the Director of Building and Safety, the Chief of Police, the Fire Chief or their designee, depending on which department recommended the condition.

Any agreements, easements or covenants required to be entered into shall be in a form approved by the City Attorney.

ADMINISTRATIVE CONDITIONS

- ADM 1. Project Description. This approval is for the project described per Case (MC 09-003); except as modified with the conditions below;
- ADM 2. Reference Documents. The site shall be developed and maintained in accordance with the approved plans on file in the Office the City Clerk, Director of Planning Services, and the Director of Building and Safety, including without limitation site plans, architectural elevations, exterior materials and colors, landscaping, and security systems except as modified by the conditions below.
- ADM 3. Conform to all Codes and Regulations. The applicant shall conform to the conditions contained herein, all applicable regulations of the Palm Springs Zoning Ordinance, Municipal Code, and any other City County, State and Federal Codes, ordinances, resolutions and laws that may apply, including without limitation all provisions of Chapters 3.35 and 5.35 and Section 93.23.15 of the Palm Springs Municipal Code.
- ADM 4. Minor Deviations. The Director of Planning or designee may approve minor deviations to the project description and approved plans in accordance with the provisions of the Palm Springs Zoning Code.
- ADM 5. Indemnification. The owner shall defend, indemnify, and hold harmless the City of Palm Springs, its agents, officers, and employees from any claim, action, or proceeding against the City of Palm Springs or its agents, officers or employees to attach, set aside, void or annul, an approval of the City of Palm Springs, its legislative body, advisory agencies, or administrative

officers concerning Case MC 09-003. The City of Palm Springs will promptly notify the applicant of any such claim, action, or proceeding against the City of Palm Springs and the applicant will either undertake defense of the matter and pay the City's associated legal costs or will advance funds to pay for defense of the matter by the City Attorney. If the City of Palm Springs fails to promptly notify the applicant of any such claim, action or proceeding or fails to cooperate fully in the defense, the applicant shall not, thereafter, be responsible to defend, indemnify, or hold harmless the City of Palm Springs. Notwithstanding the foregoing, the City retains the right to settle or abandon the matter without the applicant's consent but should it do so, the City shall waive the indemnification herein, except, the City's decision to settle or abandon a matter following an adverse judgment or failure to appeal, shall not cause a waiver of the indemnification rights herein.

- ADM 6. Covenant. The obligations of the Medical Cannabis Cooperative or Collective, including all on-going and continuing obligations required pursuant to any provision of Chapter 5.35 of the Palm Springs Municipal Code or as may be provided in any conditional approval of the City Manager or the City Council, shall be set forth in a covenant running with the land or the leasehold interest, approved as to form by the City Attorney, and enforceable by the City. Such covenant shall also provide that the cooperative or collective shall annually provide to the City Manager an updated application containing the information required under Chapter 5.35 of the Palm Springs Municipal Code. To the fullest extent permitted by law, the City shall not assume any liability whatsoever, and expressly does not waive sovereign immunity, with respect to medical cannabis, or for the activities of any Medical Cannabis Cooperative or Collective. Upon receiving possession of a regulatory permit as provided in this Section, the collective or cooperative shall
- a. Execute an agreement indemnifying the City;
 - b. Carry insurance in the amounts and of the types that are acceptable to the City Manager;
 - c. Name the City as an additionally insured.
 - d. Agree to defend at its sole expense, any action against the City, its agents, officers, and employees because of the issues of such approval.
 - e. Agree to reimburse the City for any court costs and attorney fees that the City may be required to pay as a result of such action. The City may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve the operator of its obligation hereunder.

- ADM 7. Maintenance and Repair. The property owner(s) and successors and assignees in interest shall maintain and repair the improvements including and without limitation all structures, sidewalks, bikeways, parking areas, landscape, irrigation, lighting, signs, walls, and fences between the curb and property line, including sidewalk or bikeway easement areas that extend onto

private property, in a first class condition, free from waste and debris, and in accordance with all applicable law, rules, ordinances and regulations of all federal, state, and local bodies and agencies having jurisdiction at the property owner's sole expense. This condition shall be included in the recorded covenant agreement for the property if required by the City.

- ADM 8. Right to Appeal. Decisions of an administrative officer or agency of the City of Palm Springs may be appealed in accordance with Municipal Code Chapter 2.05.00. Permits will not be issued until the appeal period has concluded.
- ADM 9. Cause No Disturbance. The owner shall monitor outdoor parking areas, walkways, and adjoining properties and shall take all necessary measures to ensure that customers do not loiter, create noise, litter, or cause any disturbances while on-site. The owner and operator shall ensure that at closing time, all customers leave the property promptly and that the property is clean and secure before the owner/operator leaves the premises. The Police Chief, based upon complaints and/or other cause, may require on-site security officers to ensure compliance with all City, State, and Federal laws and conditions of approval. Failure to comply with these conditions may result in revocation of this permit, temporary business closure or criminal prosecution.
- ADM 10. Grounds for Revocation. Non-compliance with any of the conditions of this approval or with City codes and ordinances, State laws; any valid citizen complaints or policing and safety problems (not limited to alcohol consumption, noise, disturbances, signs, etc) regarding the operation of the establishment; as determined by the Chief of Policy or the Director of Building and Safety, may result in proceedings to revoke the Permit. In addition, violations of the City Codes and Ordinances will result in enforcement actions which may include citations, arrest, temporary business closure, or revocation of this permit in accordance with law.
- ADM 11. Comply with City Noise Ordinance. This use shall comply with the provisions of Section 11.74 Noise Ordinance of the Palm Springs Municipal Code. Violations may result in revocation of this Conditional Use Permit.
- ADM 12. Comply with all laws. The cooperative or collective shall comply fully with all of the applicable restrictions and mandates set forth in state law, including without limitation the Attorney General Guidelines.
- ADM 13. Hours of Operation Limited. The cooperative shall only be open between the hours of 9:00 a.m. and 7:00 p.m.
- ADM 14. Physician's referrals shall be verified by the cooperative prior to inclusion into the cooperative and at least every six months thereafter.

- ADM 15. Qualified Patients/Caregivers Only. Each member of the cooperative or collective shall be a patient or a qualified primary caregiver. The cooperative shall maintain patient records in a secure location within the City of Palm Springs, available to the City Manager to review upon demand. Such records shall include without limitation a copy of the physician's referral and, if using a primary caregiver, a notarized written authorization from the patient to be represented by such primary caregiver.
- ADM 16. Security. Cannabis shall be kept in a secured manner during business and non-business hours.
- ADM 17. Conditions for Food Consumption. If consumable Medical Cannabis products (including, but not limited to, lollipops, brownies, cookies, ice cream, etc.) are present on site or offered for distribution, then the applicant shall secure a County of Riverside Department of Health Services approval for handling food products.
- ADM 18. Sales Tax. Any Medical Cannabis Cooperative or Collective must pay any applicable sales tax pursuant to federal, state, and local law.
- ADM 19. Prohibited Activities. On-site smoking, ingestion, or consumption of cannabis or alcohol shall be prohibited on the premises of the cooperative or collective. The term "premises" as used in this Subsection includes the actual building, as well as any accessory structures and parking areas. The building entrance to a cooperative or collective shall be clearly and legibly posted with a notice indicating that smoking, ingesting, or consuming marijuana on the premises or in the vicinity of the cooperative or collective is prohibited.
- ADM 20. Signage for the cooperative shall be limited to name of business only, and no advertising of the goods and/or services shall be permitted.
- ADM 21. Alcoholic beverages shall not be sold, stored, distributed, or consumed on the premises. A cooperative or collective 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 cooperative or collective.
- ADM 22. Windows and/or entrances shall not be obstructed and must maintain a clear view into the premises during business hours and in conformance with the Security Plan Provisions of Chapter 5.35 of the Palm Springs Zoning Code.
- ADM 23. Minors. No one under 18 years of age shall be a member of a cooperative or a collective without written authorization of a parent or legal guardian.
- ADM 24. Physician services shall not be provided on the premises. "Physician services" does not include social services, including counseling, help with

housing and meals, hospice and other care referrals which may be provided on site.

- ADM 25. The building in which the cooperative or collective is located as well as the operations as conducted therein shall fully comply with all applicable rules, regulations, and laws including, but not limited to, zoning and building codes, the City's business license ordinances, the Revenue and Taxation Code, the Americans with Disabilities Act, and the Compassionate Use Act.
- ADM 26. No Distribution to non-members. The cooperative or collective shall not distribute, sell, dispense, or administer cannabis to anyone other than qualified patient members of the cooperative or collective and their primary caregivers.
- ADM 27. Restricted Source of Medical Cannabis. A Medical Marijuana Cooperative or Collective shall distribute only cannabis cultivated on the premises or by a member of the cooperative or collective or the member's primary caregiver. The cooperative or collective shall do an inventory on the first business day of each month and shall record the total quantity of each form of cannabis on the premises. These records shall be maintained for two (2) years from the date created.
- ADM 28. Provision of Records and Contacts. Provide the City Manager with the name, phone number, facsimile number, and email address of an on-site community relations or staff person or other representative to whom one can provide notice if there are operating problems associated with the Cooperative. The Cooperative shall make every good faith effort to encourage residents to call this person to try to solve operating problems, if any, before any calls or complaints are made to the police or planning departments.
- ADM 29. Fully comply with and meet all operating criteria required pursuant to the Compassionate Use Act, state law, the Attorney General Guidelines, the provisions of this Section, and any specific, additional operating procedures and measures as may be imposed as conditions of approval of the regulatory permit, and all requirements set forth in the covenant as described in Subsection C of Section 5.35.210 of the Palm Springs Municipal Code, in order to ensure that the operation of the cooperative or collective is consistent with the protection of the health, safety, and welfare of the community, qualified patients, and primary caregivers, and will not adversely affect surrounding uses.
- ADM 30. Security Recordings. Recordings made by the security cameras shall be made available to the City Manager upon verbal request; no search warrant or subpoena shall be needed to view the recorded materials.
- ADM 31. City Access The City Manager shall have the right to enter the Medical Cannabis Cooperative or Collective from time to time unannounced for the

purpose of making reasonable inspections to observe and enforce compliance with this Section and all laws of the City and State of California.

ADM 32. Operation of the cooperative or collective in non-compliance with any conditions of approval or standards of this Section shall constitute a violation of the Municipal Code and shall be enforced pursuant to the provisions of this Code.

ADM 33. Revocation of Regulatory Permit. The City Manager may revoke a medical marijuana regulatory permit if any of the following, singularly or in combination, occur:

- a. The City Manager determines that the cooperative or collective has failed to comply with this Section, any condition or approval, or any agreement or covenant as required pursuant to this Section; or
- b. Operations cease for more than 90 calendar days, including during change of ownership proceedings; or
 1. Ownership is changed without securing a regulatory permit; or
 2. The cooperative or collective fails to maintain 120 hours of security recordings; or
 3. The cooperative or collective fails to allow inspection of the security recordings, the activity logs, or of the premise by authorized City officials.

ADM 34.

By-laws. The Police Department and the City Attorney's Office are concerned that cannabis cooperatives can be operated illegally or as fronts for other criminal activity. The regulatory approach that the City has taken in the development and administration of the current zoning program helps address some of those concerns. Providing for heightened membership involvement in the operation of the collective or cooperative will also help ensure that each collective or cooperative is operating for the sole purpose of providing safe medicine at a reasonable cost to the member patients and their caregivers. Thus, the inclusion of the following provisions to the bylaws of the Applicant is required. A full copy of the Applicant organization by-laws shall be submitted to the City Attorney in a Microsoft Word Document (.doc) format incorporating the following aspects into the by-laws to the satisfaction of the City Attorney:

1. Members shall elect all Directors.
2. Compensation of Directors shall be approved by the membership.
3. Compensation of Officers shall be approved by the Directors.

4. The annual budget of the corporation and any amendment to the budget that results in increases in expenditures above any amount budgeted shall be approved by the membership.
5. No minimum attendance for membership meetings shall be required; any action requiring membership approval or action shall be approved by a majority or super-majority of the votes cast, as provided in the bylaws, so long as at least 50% of the membership participate in the vote. All members shall be provided the opportunity to participate in any vote, either by attendance at a meeting, by mail, or any other reasonable, objective, and fair method designed to encourage independent membership participation.
6. All membership meetings and all Board of Director meetings shall be held in Palm Springs
7. Any amendment of the bylaws shall be approved by the membership.
8. All records of the corporation shall be available for inspection by the membership.

ENVIRONMENTAL ASSESSMENT CONDITIONS

- ENV 1. Coachella Valley Multiple-Species Habitat Conservation Plan (CVMSHCP) Local Development Mitigation Fee (LDMF) required. This project is exempt from CVMSHCP LDMF fees.
- ENV 2. California Fish & Game Fees Required. The project is required to pay a fish and game impact fee as defined in Section 711.4 of the California Fish and Game Code. This CFG impact fee plus an administrative fee for filing the action with the County Recorder shall be submitted by the applicant to the City in the form of a money order or a cashier's check payable to the Riverside County Clerk prior to the final City action on the project (either Planning Commission or City Council determination). This fee shall be submitted by the City to the County Clerk with the Notice of Determination. Action on this application shall not be final until such fee is paid. The project may be eligible for exemption or refund of this fee by the California Department of Fish & Game. Applicants may apply for a refund by the CFG at www.dfg.ca.gov for more information.

PLANNING DEPARTMENT CONDITIONS

- PLN 1. Outdoor Lighting Conformance. Exterior lighting plans, including a photometric site plan showing the project's conformance with Chapter 5.35 of the Palm Springs Zoning ordinance, shall be submitted for approval by the Department of Planning. Manufacturer's cut sheets of all exterior lighting on the building and in the landscaping shall be included. If lights are proposed to

be mounted on buildings, down-lights shall be utilized. No lighting of hillsides is permitted.

- PLN 2. Sign Applications Required. No signs are approved by this action. Separate approval and permits shall be required for all signs in accordance with Chapter 5.35 of the Palm Springs Municipal Code. The applicant shall submit a sign program to the Department of Planning Services prior to the issuance of building permits.
- PLN 3. Maintenance of Awnings & Projections. All awnings shall be maintained and periodically cleaned.
- PLN 4. Screen Roof-mounted Equipment. All roof mounted mechanical equipment shall be screened per the requirements of Section 93.03.00 of the Zoning Ordinance.
- PLN 5. Exterior Alarms & Audio Systems. No sirens, outside paging or any type of signalization will be permitted, except approved alarm systems.
- PLN 6. Outside Storage Prohibited. No outside storage of any kind shall be permitted except as approved as a part of the proposed plan.
- PLN 7. No off-site Parking. Vehicles associated with the operation of the proposed development including company vehicles or employees vehicles shall not be permitted to park off the proposed building site unless a parking management plan has been approved.
- PLN 8. Bicycle Parking. The project shall be required to provide secure bicycle parking facilities on site for use by residents and commercial/retail patrons and owners. Location and design shall be approved by the Director of Planning.

POLICE DEPARTMENT CONDITIONS

- POL 1. Applicant shall comply with Section II of Chapter 8.04 "Building Security Codes" of the Palm Springs Municipal Code.

BUILDING DEPARTMENT CONDITIONS

- BLD 1. Prior to any construction on-site, all appropriate permits must be secured.
- BLD 2. All facilities and operations shall conform at all times to applicable California and Palm Springs Building Codes including Accessibility Codes.

ENGINEERING DEPARTMENT CONDITIONS

(none)

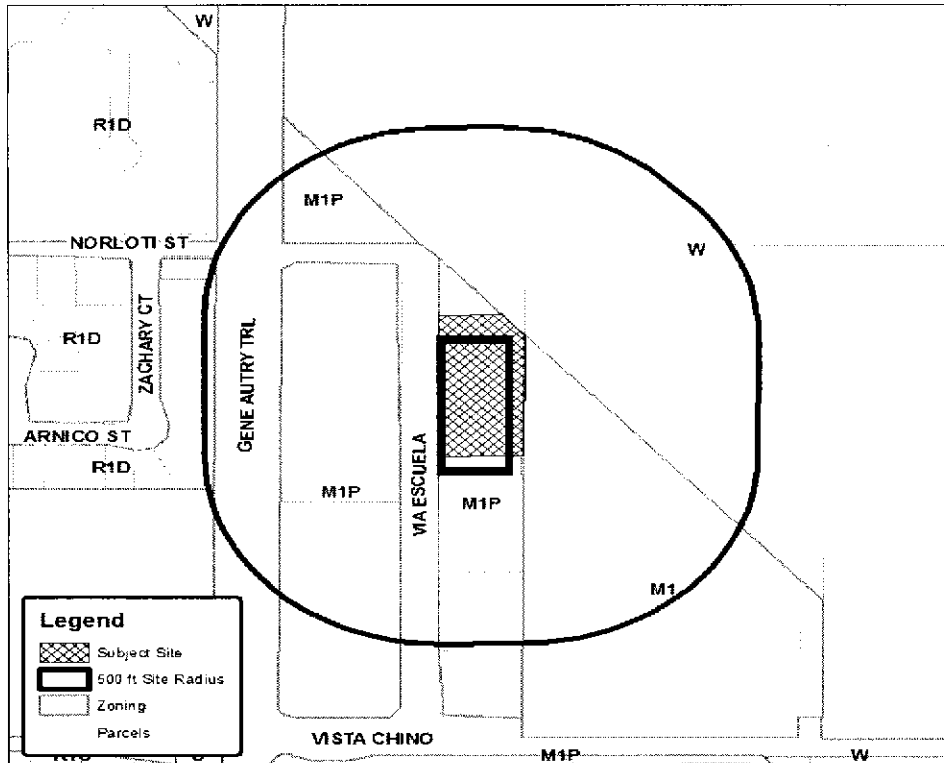
FIRE DEPARTMENT CONDITIONS

FIR 1. All facilities and operations shall conform at all times to applicable California and Palm Springs Fire Codes.

END OF CONDITIONS



Department of Planning Services Vicinity Map



Legend

- Subject Site
- 500 ft Site Radius
- Zoning
- Parcels

CITY OF PALM SPRINGS

APPLICANT: # 1

Brown Dog
2050 Executive Drive

DESCRIPTION: This map defines a 500 foot radius of the applicants' proposed medical cannabis dispensary.

NEIGHBORHOOD ORGANIZATIONS:

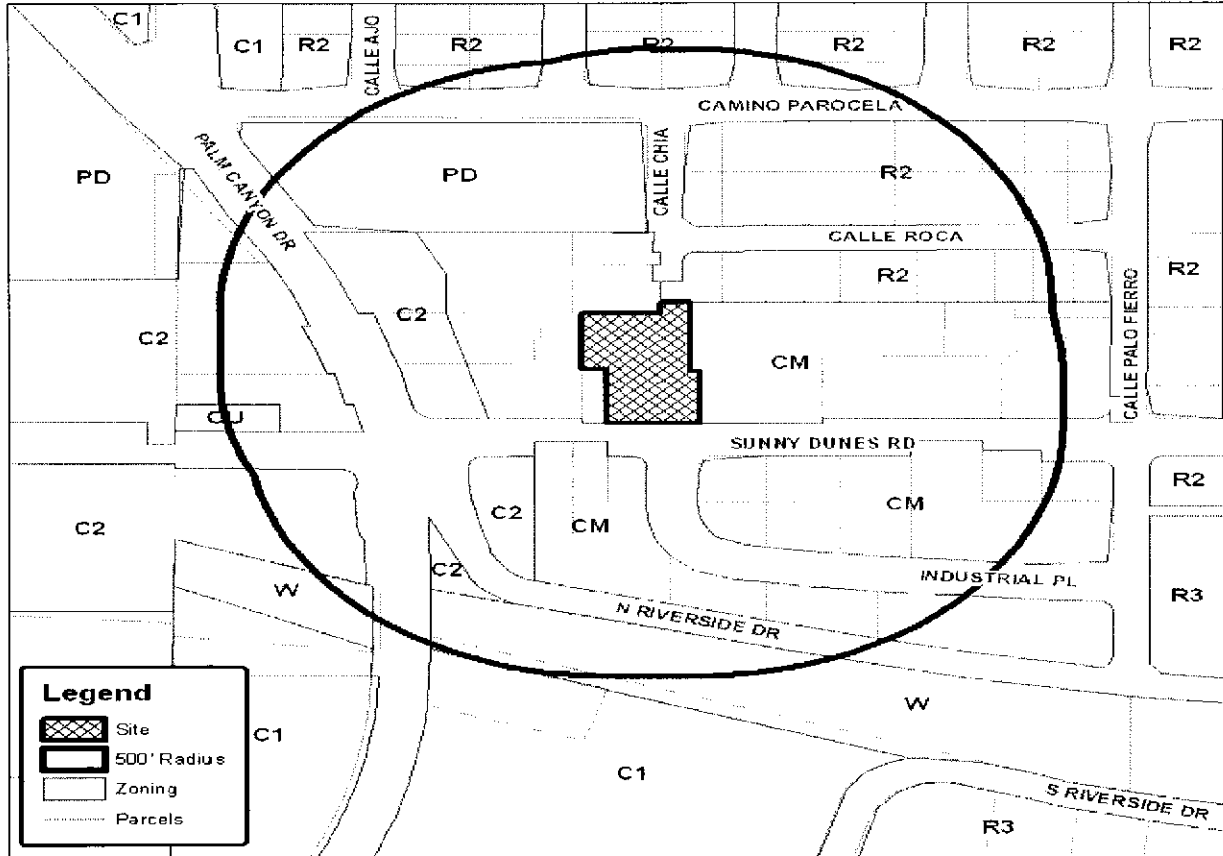
- El Rancho Vista Estates
- Agua Caliente Indian Reservation

ADJACENT ZONES:

- C-1: General Commercial
- M-1: Service/Manufacturing
- M-1-P: Planned Research and Development
- R-1-D Single Family Residential
- W: Watercourse



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

APPLICANT: # 2

Palm Springs Organica
400 East Sunny Dunes

DESCRIPTION: This map defines a 500 foot radius of the applicants' proposed medical cannabis dispensary.

NEIGHBORHOOD ORGANIZATIONS:

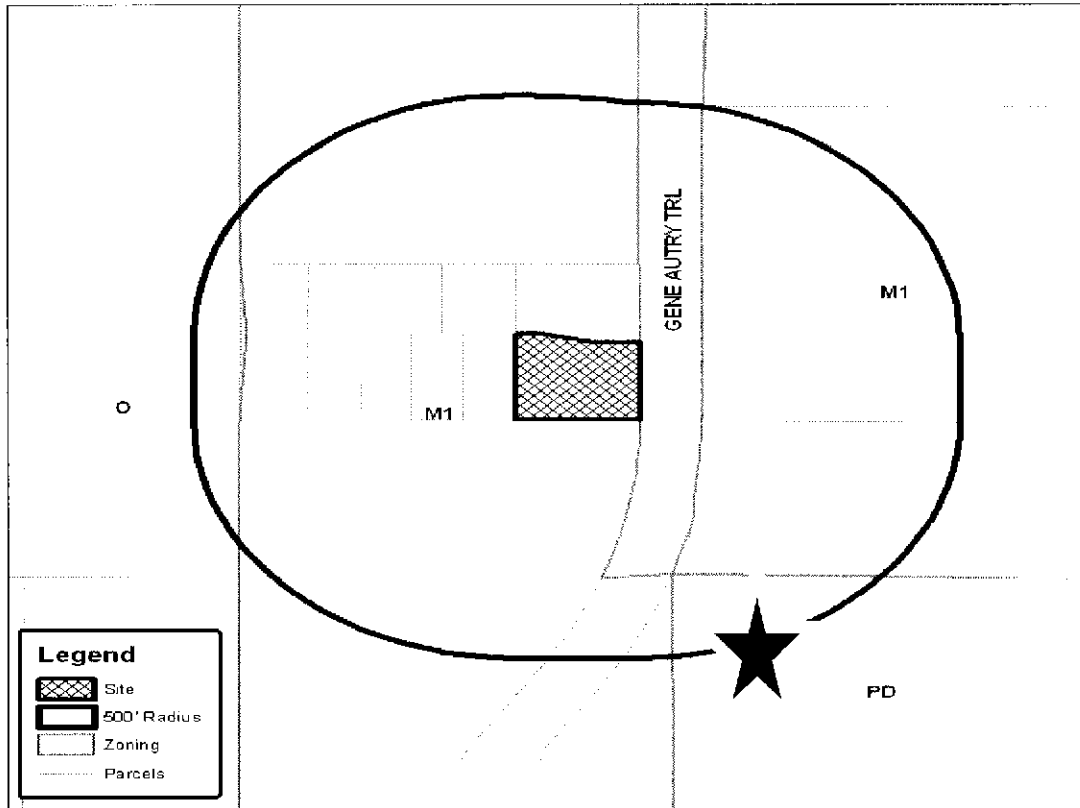
- Tahquitz River Estates
- Warm Sands Neighborhood

ADJACENT ZONES:

- CM- Commercial Manufacturing
- CU- Civic Uses
- C2- General Commercial
- R2- Multiple-Family Residential



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

APPLICANT: # 3

Palm Springs Safe Access
1247 S Gene Autry Trail

DESCRIPTION: This map defines a 500 foot radius of the applicants' proposed medical cannabis dispensary.

NEIGHBORHOOD ORGANIZATIONS:

None

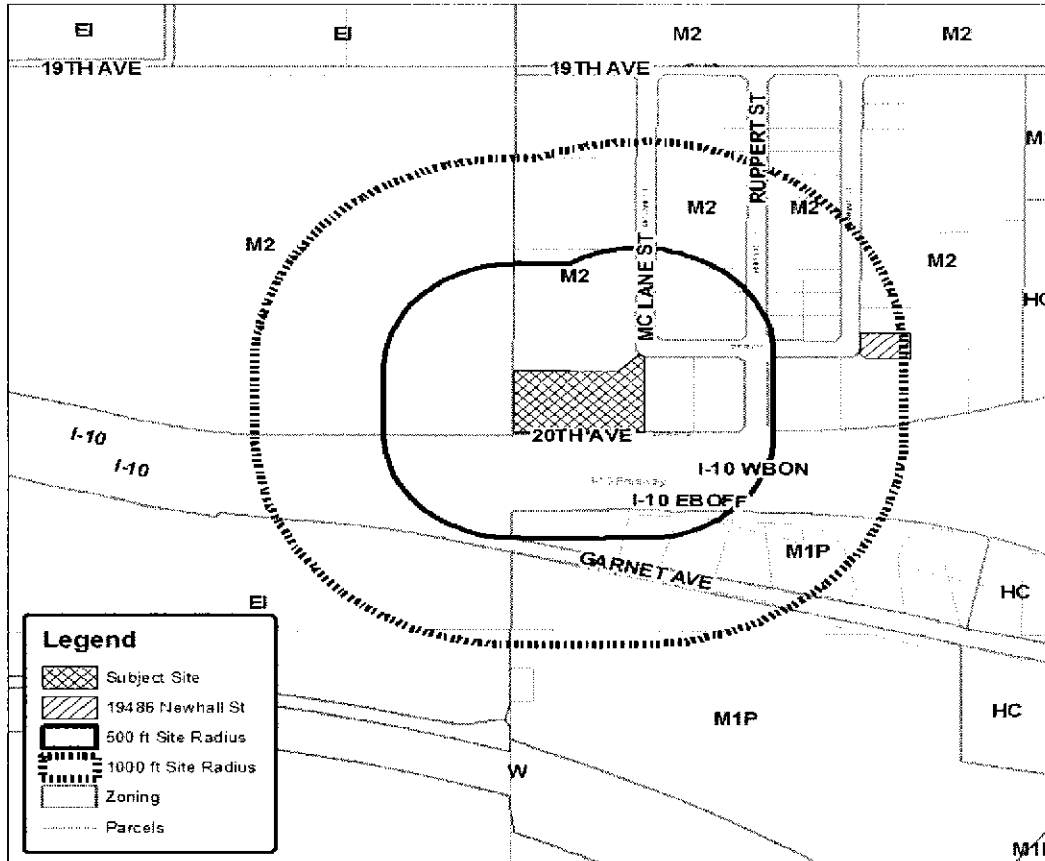
ADJACENT ZONES:

- M-1: Service/Manufacturing zone
- O: Open Space
- PD: Planned Development (Knots Soak City Water Park)
- R-1-C Single Family Residential Zone

NOTE: Soak City Water Park is located approximately 345.3 feet as marked with Star



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

APPLICANT: # 4
Southern C's
63-738 Orr Way

DESCRIPTION: This map defines a 500 foot radius of the applicants' proposed medical cannabis dispensary.

No adjacent Neighborhood Organizations are within the 500' radius of this site.

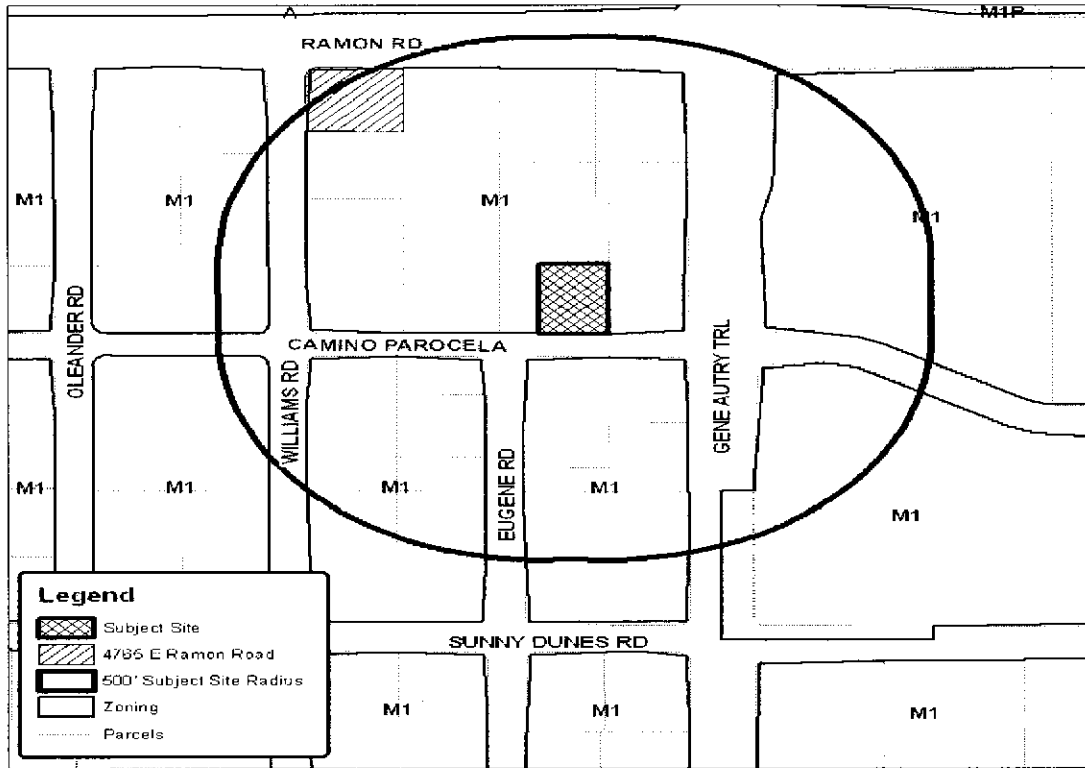
NOTE: As shown on the map the parcel addressed **Desert Organic Solutions** at **19486 Newhall Road** is within 1000' feet.

ADJACENT ZONES:

M-2: Manufacturing



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

APPLICANT: # 5

Oasis Wellness
4810 E. Camino Parocela

DESCRIPTION: This map defines a 500 foot radius of the applicants' proposed medical cannabis dispensary.

NEIGHBORHOOD ORGANIZATIONS:

- Demuth Park Neighborhood

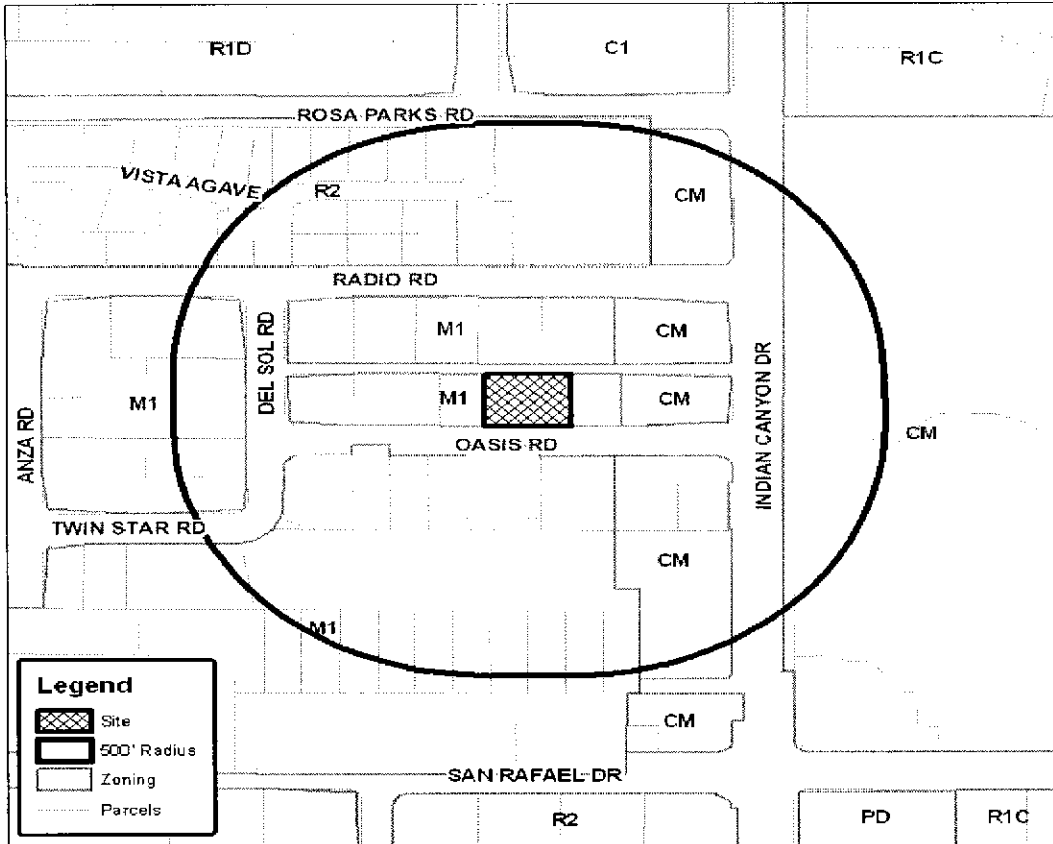
ADJACENT ZONES:

- A: Airport
- M-1: Service/Manufacturing
- M-1-P: Planned Research and Development Zone
- P: Professional Zone
- R-1-C: Single Family Residential
- O: Open Space

NOTE: The site is located within 500' from **Organic Solution of the Desert, 4765 E Ramon Road** as shown on the map to the northwest of applicant's propose dispensary.



Department of Planning Services Vicinity Map



Legend

- Site
- 500' Radius
- Zoning
- Parcels

CITY OF PALM SPRINGS

APPLICANT: # 6

Palm Springs Premier
188 West Oasis Road

DESCRIPTION: This map defines a 500 foot radius of the applicants' proposed medical cannabis dispensary.

NEIGHBORHOOD ORGANIZATIONS:

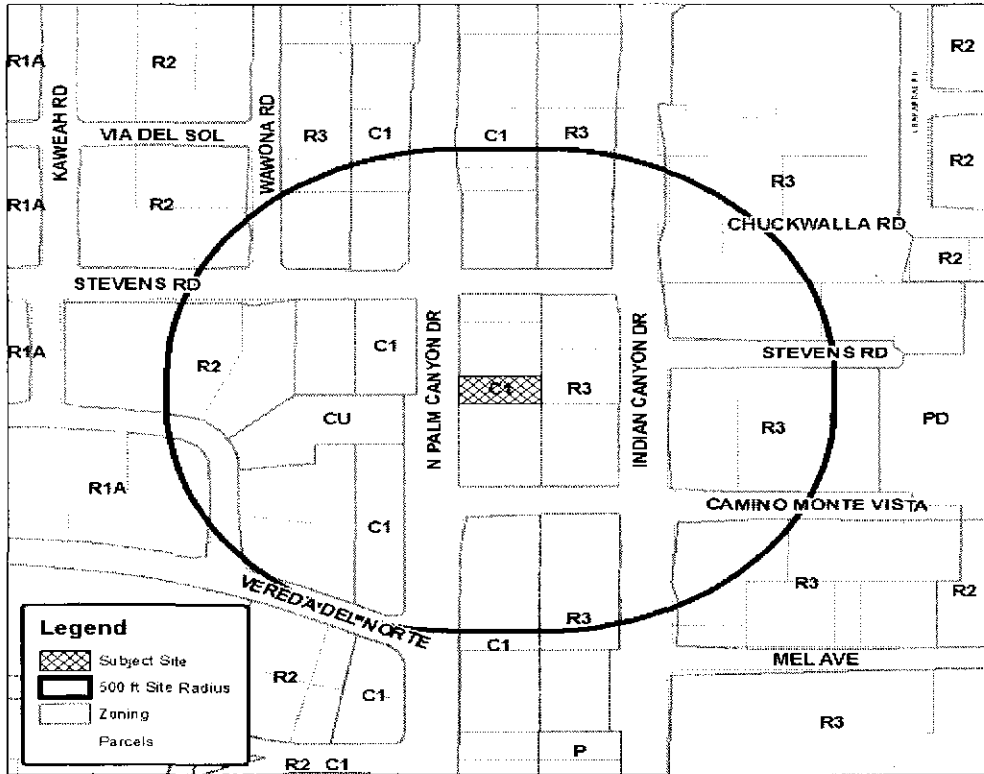
- Desert Highland Estates Neighborhood

ADJACENT ZONES:

- CM: Commercial Manufacturing
- M-1: Service/Manufacturing
- R-2: Limited Multi-Family Residential



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

APPLICANT: # 7

Jade Organics
1478 N Palm Canyon Drive

DESCRIPTION: This map defines a 500 foot radius of the applicants' proposed medical cannabis dispensary.

NEIGHBORHOOD ORGANIZATIONS:

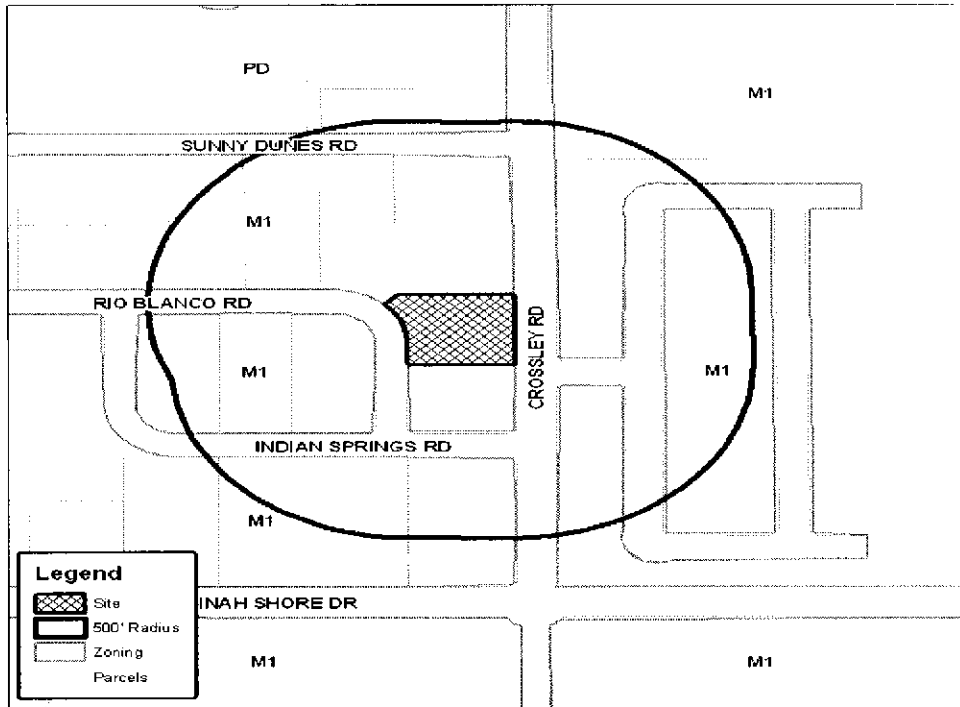
- Old Las Palmas Neighborhood Organization
- Vista Las Palmas Neighborhood Organization

ADJACENT ZONES:

- C-1: General Commercial
- CU: Civic Uses
- R-2: Limited Multi-Family Residential
- R-3: Multi-Family Residential and Hotel



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

APPLICANT: # 8

Palm Springs Natural Healings
913 Crossley Road

DESCRIPTION: This map defines a 500 foot radius of the applicants' proposed medical cannabis dispensary.

NEIGHBORHOOD ORGANIZATIONS:

None

INDIAN LAND:

Section 20

ADJACENT ZONES:

M1: Service and Manufacturing

**CITY OF PALM SPRINGS
PUBLIC HEARING NOTIFICATION**



Date: September 3, 2014
Subject: Medical Cannabis – 4th Permit

AFFIDAVIT OF PUBLICATION

I, Kathie Hart, Chief Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that the attached Public Hearing Notice was published in the Desert Sun on August 23, 2014, as a 1/8 page ad.

I declare under penalty of perjury that the foregoing is true and correct.

K Hart

Kathie Hart, MMC
Chief Deputy City Clerk

AFFIDAVIT OF POSTING

I, Kathie Hart, Chief Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that the attached Public Hearing Notice was posted at City Hall, 3200 E. Tahquitz Canyon Drive, on the exterior legal notice posting board, and in the Office of the City Clerk on August 21, 2014.

I declare under penalty of perjury that the foregoing is true and correct.

K Hart

Kathie Hart, MMC
Chief Deputy City Clerk

AFFIDAVIT OF MAILING

I, Kathie Hart, Chief Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing was mailed to each and every person on the attached list on August 21, 2014, in a sealed envelope, with postage prepaid, and depositing same in the U.S. Mail at Palm Springs, California. (6 notices)

I declare under penalty of perjury that the foregoing is true and correct.

K Hart

Kathie Hart, MMC
Chief Deputy City Clerk

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

FOURTH MEDICAL CANNABIS PERMIT

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing at its meeting of September 3, 2014. The City Council meeting begins at 6:00 p.m., in the Council Chamber at City Hall, 3200 E. Tahquitz Canyon Way, Palm Springs.

The purpose of this hearing is to consider the issuance of a fourth medical cannabis collective or cooperative permit in the City of Palm Springs. The City has received eight (8) applications as follows:

- | | |
|---|--------------------------|
| 1. Brown Dog Farm Inc. | 2050 Executive Dr Unit A |
| 2. Palm Springs Organica | 400 E Sunny Dunes Rd |
| 3. Palm Springs Safe Access | 1247 S Gene Autry Trail |
| 4. Southern C's Inc. | 63738 Orr Way |
| 5. Oasis Wellness and Living Collective | 4810 E Camino Parocela |
| 6. Palm Springs Premier Care | 180 W Oasis Rd |
| 7. Jade Organics Corporation | 1478 N Palm Canyon Dr |
| 8. Palm Springs Natural Healing Center Inc. | 903-913 Crossley Rd |

Only one (1) permit may be issued at this time.

REVIEW OF INFORMATION: The staff report and other supporting documents regarding this matter will be available for public review at City Hall starting 6:00 p.m., Thursday, August 28, 2014, between the hours of 8:00 a.m. and 6:00 p.m., Monday through Thursday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

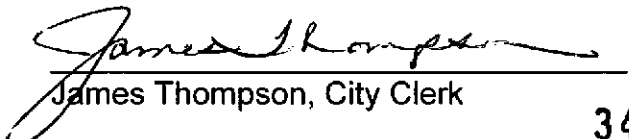
COMMENTS: At the hearing any person may present oral or written testimony. The City Council will consider all objections or protests, if any, to the Agreements. Response to this notice may be made verbally at the Public Hearing and/or in writing before the hearing. Written comments may be made to the City Council by letter (for mail or hand delivery) to:

James Thompson, City Clerk
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

Any challenge of the proposed in court may be limited to raising only those issues raised at the public hearing described in this notice, or in written correspondence delivered to the City Clerk at, or prior, to the public hearing. (Government Code Section 65009(b)(2)).

An opportunity will be given at said hearing for all interested persons to be heard. Questions regarding this case may be directed to James Thompson, City Clerk, at (760) 323-8204.

Si necesita ayuda con esta carta, por favor llame a la Ciudad de Palm Springs y puede hablar con Nadine Fieger telefono (760) 323-8245.


James Thompson, City Clerk

**CITY OF PALM SPRINGS
PUBLIC HEARING NOTIFICATION**



Date: September 3, 2014
Subject: Medical Cannabis – 4th Permit

AFFIDAVIT OF MAILING

I, Kathie Hart, Chief Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing was mailed to each and every applicant as shown on the attached list on August 25, 2014, in a sealed envelope, with postage prepaid, and depositing same in the U.S. Mail at Palm Springs, California. (8 notices)

I declare under penalty of perjury that the foregoing is true and correct.



Kathie Hart, MMC
Chief Deputy City Clerk

Robert Van Roo
Palm Springs Safe Access
1247 S Gene Autry Trail
Palm Springs CA 92264

Joseph Michelson
Palm Springs Premier Care
180 W Oasis Rd
Palm Springs CA 92262

Andrew Milks
Brown Dog Farm Inc
2050 Executive Dr Unit A
Palm Springs CA 92262

William Cooper
Southern C's Inc.
63738 Orr Way
Palm Springs CA 92262

Edward Dietrich
Jade Organics Corporation
1478 N Palm Canyon Dr
Palm Springs CA 92262

Julie Montante
Palm Springs Organica
400 E Sunny Dunes Rd
Palm Springs, CA 92264

Laila Nabhi
Oasis Wellness & Living Collective
4810 E Camino Parocela
Palm Springs CA 92264

Joy Brown Meredith
Palm Springs Natural Healing
Center Inc
903-913 Crossley Rd
Palm Springs CA 92264

Jay Thompson

To: Jay Thompson
Subject: Medical Cannabis Permit Notice of Public Hearing
Attachments: 1208_001.pdf

Dear Applicants,

Attached [PDF File] Notice of Public Hearing for the City Council meeting on September 3, 2014. The staff report and supporting materials will be made available for public inspection on or after Thursday, August 28, 2014, and will be posted to the City's website when the Meeting Agenda is posted pursuant to law. Jay

James Thompson
CHIEF OF STAFF/CITY CLERK
City of Palm Springs, California
TEL (760) 323-8204

RECEIVED
CITY OF PALM SPRINGS

August 25, 2014 2014 AUG 28 AM 8:06

JAMES THOMPSON
CITY CLERK

To James Thompson
City Clerk,

Fourth Medical Cannabis Permit

I received your email of the Notice of Public Hearing on the choice of the Fourth Medical Cannabis Permit. After reviewing the eight choices and addresses I would like to give my opinion on the selection procedure.

I have been to all the eight addresses of the eight choices. The City of Palm Springs gave strict requirements for location and the need of an address. This requirement for a prior address narrowed many from the selection process. With the requirements of distance from residential areas, parks, schools and other dispensaries and retail etc. it narrowed down the available choices. I was very careful with distance from other dispensaries. What is the correct way to measure the distance? Is a water park a park? Are condos across the street only two blocks away residential? We were very strict with the City's guidelines. I am sure that is what Palm Springs would want.

Very few property owners will lease their properties that met the City's requirements for fear of possible future action from Federal agencies against their properties. Most of the properties that were available were taken or held by past dispensaries that closed their doors after being shut down by the city. Many of these leases were kept in hopes of getting the Fourth Permit. This narrows the available properties even more.

This left only to purchase a property for the dispensary. What was available soon was tied up in escrow. The City of Palm Springs was doing the right thing with its requirements but, unknowingly limited many good people from the selection process. In the future if the City does this process again it would be better to give any future permits issued a time to find an address then let the City approve that address. These were my observations and recommendations for future selection processes. Please keep my name etc. private.

Thank you