



MINUTES

REGULAR MEETING OF THE PLANNING COMMISSION OF THE CITY OF WATSONVILLE

January 9, 2024

6:03 PM

In accordance with City policy, all Planning Commission meetings are recorded on audio and video in their entirety and are available for review in the Community Development Department (CDD). These minutes are a brief summary of the action taken.

1. ROLL CALL

Chair Daniel Dodge, Commissioners Peter Radin, Lucy Rojas, Brando Senci3n, Martha Vega, and Jenni Veitch-Olson were present. Vice-Chair Ed Acosta was absent.

A. MOTION TO EXCUSE ABSENT PLANNING COMMISSIONERS (IF ANY)

MOTION: It was moved by Commissioner Vega, seconded by Commissioner Veitch-Olson, and carried by the following vote to excuse Vice-Chair Acosta:

AYES: COMMISSIONERS: Dodge, Radin, Rojas, Vega, Senci3n,
Veitch-Olson
NOES: COMMISSIONERS: None
ABSENT: COMMISSIONERS: Acosta

Staff members present were Community Development Director Suzi Merriam, Assistant City Attorney Denise Bazzano, Assistant Community Development Director Justin Meek, Associate Planner Ivan Carmona, Administrative Analyst Elena Ortiz, Executive Assistant Celia Castro, and City Interpreter Carlos Landaverry.

2. PLEDGE OF ALLEGIANCE

Commissioner Radin led the Pledge of Allegiance.

3. PRESENTATIONS & ORAL COMMUNICATIONS

A. ORAL COMMUNICATIONS FROM THE PUBLIC

None

B. ORAL COMMUNICATIONS FROM THE COMMISSION

Commissioner Vega wished all a Happy New Year.

4. CONSENT AGENDA

A. MOTION APPROVING MINUTES OF DECEMBER 5, 2023, REGULAR MEETING

PUBLIC INPUT

None

MOTION: It was moved by Commissioner Vega, seconded by Commissioner Rojas, and carried by the following vote to approve the Consent Agenda minutes of December 5, 2023:

AYES: COMMISSIONERS: Radin, Rojas, Sención, Vega, Veitch-Olson
NOES: COMMISSIONERS: None
ABSENT: COMMISSIONERS: Acosta
ABSTAIN: COMMISSIONERS: Dodge

5. PUBLIC HEARINGS

A. CANNABIS USE PERMIT WITH ENVIRONMENTAL REVIEW (PP2023-5027) TO ALLOW A CHANGE OF OWNERSHIP OF AN EXISTING CANNABIS RETAIL FACILITY LOCATED AT 1324 WEST BEACH STREET (APN: 018-304-05) BASED ON PROPOSED FINDINGS AND SUBJECT TO PROPOSED CONDITIONS OF APPROVAL AND FINDING PROJECT EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO SECTION 15301 OF THE CEQA GUIDELINES

1) Staff Report

Associate Planner Ivan Carmona gave the presentation. Associate Planner Carmona clarified there is a typo in the staff report and resolution the correction is for a Special Use Permit to Cannabis Use Permit.

2) Planning Commission Clarifying & Technical Questions

Commissioner Veitch-Olson inquired about the timing of the application. In response, Associate Planner Carmona clarified that the application was submitted in July 2023.

In response to a follow-up question by Commissioner Veitch-Olson about the status of Cannabis Equity Use Program, Associate Planner Carmona noted that the Municipal Code allows one Equity Applicant per license. As the applicant will relinquish their equity license, another potential retailer would now be allowed to apply for an equity license.

Commissioner Rojas inquired about a violation of the Sign Ordinance and the request for a Special Use Permit. In response, Associate Planner Carmona clarified the applicant will comply with the application process to a Sign Permit.

Chair Dodge asked if the current Cannabis Ordinance can be modified and updated. In answering, Community Development Director Merriam stated there are modifications under review for amending the Cannabis Ordinance.

Commissioner Radin inquired if Cannabis Equity applications are beneficial or neutral to the community. In response, Community Development Director Merriam clarified the benefits of being an Equity applicant and explained the application process and criteria.

Commissioner Radin further asked if the three licenses available are general licenses, not including Equity applications, and if they may only become available if an applicant withdrew their business. Community Development Department Director Merriam confirmed that is correct and noted that the City could decide to add more retail licenses in the future.

In response to Commissioner Radin if the City is recovering Fees from Equity Applicants. Community Development Director Merriam explained, Equity applicants operating the dispensary have been in business for a year and did not ask for grant funding due to the anticipated change of ownership.

In response to Commissioner Radin request to name of the CEOs of the Pajaro Inc. cannabis retail facility, Associate Planner Carmona named the three CEOs: Jonathan Kolondinski, Mark Davis and Jake Farrar.

Commissioner Radin made reference to the Watsonville Municipal Code provision that requires 24-hour patrol, and commented that the requirement was not met by the applicant, resulting in an incident. Associate Planner Carmona confirmed an incident had occurred and commented on alternative measures, such as a monitoring alarm system.

Commissioner Rojas inquired about the date of the agreement between both parties and the involvement of the City. In response, Associate Planner Carmona explained the initial date of the application and the overall alignment with changing ownership. Community Development Director Merriam added that the agreement with both parties has no bearing on the Use Permit.

Assistant City Attorney Bazzano confirmed that private agreements amongst the parties do not negate the obligations under the Municipal Code.

Commissioner Radin asked for clarification regarding the approved ownership structure and how the City navigates premature ownerships. In answering, Assistant City Attorney Bazzano clarified that the question asked by Commissioner Radin involves two different matters and clarified the current action on the meeting's agenda is whether the Planning Commission will approve the new ownership structure. Associate Planner Carmona added that the application process to change ownership involves the State and clarified the application process with the City and State.

In answering Commissioner Radin question concerning the change of ownership process, Community Development Director Merriam noted that the City does not close a business down during the process to change ownership. She further clarified the application process involving the change of ownership for the current and new business owners.

Commissioner Vega inquired about the existing owners prior to the change of ownership. In response, Associate Planner Carmona shared the name of the current owners and the percentage of ownership. Commissioner Vega further asked if in the change of ownership, the four current owners will still be involved. Associate Planner Carmona confirmed that is correct.

Commissioner Rojas inquired about the viability of the business owners and the staff recommendations. In answering, Associate Planner Carmona shared his opinion regarding needed changes to the Cannabis Ordinance to help make businesses prosperous.

Community Development Director Merriam added a comment regarding the current business and the City inception of the Cannabis regulations in year 2016-2017.

Chair Dodge shared a comment regarding the City's approval process for the Equity Grant.

Assistant City Attorney noted the recommendations that staff make are based on findings of the Municipal Code.

Commissioner Radin shared a comment regarding fair and equitable application process for change of ownership and current City procedures.

Commissioner Sencion commented on approving the application.

Commissioner Radin inquired about the reporting process from the City to the State regarding changes to the ownership. In answering, Associate Planner Carmona clarified the State recognizes the current owner of the property is Pajaro Inc. and has communicated to the City the requested change of ownership. Associate Planner explained the State procedure that follows.

Commissioner Vega inquired if businesses occasionally violate the Sign Ordinance. In response, Associate Planner Carmona commented that is a fair statement. Commissioner Vega further inquired if the current owner violated State regulations regarding 24-hour onsite security. Associate Planner Carmona clarified the State only requires onsite security during business hours.

3) Applicant Presentation

Applicant Jonathan Kolodinski gave the presentation.

4) Planning Commission Clarifying & Technical Questions

Chair Dodge recognized the involvement of the current owner through the establishment of Cannabis Ordinance. Applicant and owner Kolodinski appreciated the recognition and shared a comment regarding low numbers of current cannabis business owners.

Chair Dodge inquired if the owner supports the right to a union. In response, Owner Kolodinski confirmed his support.

Commissioner Vega inquired about the current employee status after changes to ownership. Applicant and Owner Kolodinski answered the employers will remain the same.

Commissioner Radin requested clarification of who the CEO and Secretary of the business are. In answering, Applicant and Owner Kolodinski clarified the names of each. Commissioner Radin further inquired for clarification on who the financial interest holders are. Applicant and Owner Kolodinski clarified the financial interest holders are not owners but do hold financial interest of the business.

Applicant and Owner Kolodinski further explained the background of the financial position of the business and Associate Planner Carmona added the description of a Chief Financial Interest Holder.

Commissioner Radin asked for clarification regarding the status of the application. In answering, Applicant and Owner Kolodinski stated the business in the status of transition.

Chair Dodge inquired about security. Applicant and Owner Kolodinski shared his sentiment of the current crimes against the industry and the types of measures being implemented to provide better security.

Chair Dodge asked Assistant Chief of Police Sims to report on the organized crimes happening affecting the cannabis industry within the City.

Assistant Chief of Police Sims gave his report.

Chair Dodge further inquired if the industrial area creates an isolation factor that increases crime in the cannabis industry. Assistant Chief of Polica Sims answered that he agrees it does and there are benefits for a business to be in a visible area.

5) Public Hearing

Chair Dodge opened the public hearing.

Hearing no comment, Chair Dodge closed the public hearing.

6) Appropriate Motion(s)

MAIN MOTION: It was moved by Commissioner Vega, seconded by Commissioner Rojas, and carried by the following vote to approve the following recommendation with corrected language to Cannabis Use Permit:

RESOLUTION NO. 1-24 (PC)

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WATSONVILLE, CALIFORNIA APPROVING A CANNABIS USE PERMIT WITH ENVIRONMENTAL REVIEW (PP2023-5027) TO ALLOW A CHANGE IN THE OWNERSHIP STRUCTURE OF AN EXISTING CANNABIS RETAIL FACILITY LOCATED AT 1324 WEST BEACH STREET, WATSONVILLE, CALIFORNIA (APN: 018-304-05)

7) Deliberation

Commissioner Vega shared a comment regarding the current organized crime against the cannabis industry.

Commissioner Rojas inquired if the sign violation will be a contingency. Community Development Director Merriam confirmed it will not be and it will be resolved as an Administrative Review Application.

Commissioner Radin shared a comment regarding the item and findings.

8) Vice-Chair Calls for a Vote on Motion(s)

AYES:	COMMISSIONERS:	Dodge, Radin, Rojas, Sencion, Vega, Veitch-Olson
NOES:	COMMISSIONERS:	None
ABSENT:	COMMISSIONERS:	Acosta

B. CANNABIS USE PERMIT WITH ENVIRONMENTAL REVIEW (PP2023-6374) TO ALLOW A CHANGE IN OWNERSHIP OF AN EXISTING CANNABIS RETAIL FACILITY LOCATED AT 274 KEARNEY STREET (APN: 018-291-47) BASED ON THE ATTACHED FINDINGS AND CONDITIONS OF APPROVAL AND FINDING PROJECT EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) AS A CLASS 1 CATEGORICAL EXEMPTION PURSUANT TO SECTION 15301 OF CEQA GUIDELINES

1) Staff Report

Associate Planner Ivan Carmona gave the presentation. Associate Planner Carmona clarified there is a typo in the staff report and resolution the correction is for a Special Use Permit to Cannabis Use Permit.

2) Planning Commission Clarifying & Technical Questions

None

3) Applicant Presentation

Applicant Brad Palmer gave the presentation.

4) Planning Commission Clarifying & Technical Questions

Chair Dodge asked if the applicant supports the right to a union. In answering, Applicant and Owner Palmer confirmed their support.

Chair Dodge inquired about their stance regarding the location of the current business. Applicant Palmer shared his opinion.

Commissioner Rojas inquired about the reason behind the partial sale of the retail by the Santa Cruz Veterans Alliance. In answering, CEO and Co-founder of Santa Cruz Veterans Alliance Jason Sweatt shared the facts behind the sale of retail.

Commissioner Vega inquired about the proposed number of employees. In response, Applicant and Owner Palmer stated the location will have 15 employees.

Commissioner Rojas asked if the business is experiencing decline of sales or other hardships in the industry. Applicant and Owner Palmer shared their current success in the industry.

Chair Dodge asked Owner of Santa Cruz Veterans Alliance Sweatt if their retail space has the potential to be fully used. CEO Sweatt confirmed that is so. He further shared a comment regarding his support for the cannabis business in normal retail areas.

Chair Dodges shared a comment regarding cannabis business and locations.

5) Public Hearing

Chair Dodge opened the public hearing.

Hearing no comment, Chair Dodge closed the public hearing.

6) Appropriate Motion(s)

MAIN MOTION: It was moved by Commissioner Vega, seconded by Commissioner Sencion, and carried by the following vote approve the following recommendation:

RESOLUTION NO. 2-24 (PC)

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WATSONVILLE, CALIFORNIA, APPROVING A CANNABIS USE PERMIT WITH ENVIRONMENTAL REVIEW (PP2023-6374) TO ALLOW A CHANGE IN THE OWNERSHIP OF AN EXISTING CANNABIS RETAIL FACILITY LOCATED AT 274 KEARNEY STREET, WATSONVILLE, CALIFORNIA (APN: 018-291-47)

7) Deliberation

Commissioner Rojas shared a supporting comment regarding the presentations surrounding the Cannabis Industry.

Chair Dodge shared a comment regarding Cannabis Industry.

Commissioner Rojas requested Assistant Chief of Police Sims to report on the business. Assistant Chief of Police Sims shared his support to the business and benefits that minimize crime related incidents in the located area.

8) Vice-Chair Calls for a Vote on Motion(s)

AYES:	COMMISSIONERS:	Dodge, Radin, Rojas, Sencion, Vega, Veitch-Olson
NOES:	COMMISSIONERS:	None
ABSENT:	COMMISSIONERS:	Acosta

6. REPORT OF THE SECRETARY

No report from the Secretary.

7. ADJOURNMENT

Chairperson Dodge adjourned the meeting at 8:03 PM. The next Planning Commission meeting is scheduled for February 6, 2024, at 6:00 PM.

Suzi Merriam, Secretary
Planning Commission

Daniel Dodge, Chair
Planning Commission