

MEETING DATE: 10/5/2016

Continued from September 21, 2016

CASE NO. Conditional Use Permit No. 16-012

APPLICANT: Iguana Collective, Louis Guerra

LOCATION: 68449 Perez Road (APN: 687-322-008)

REQUEST: Consider a Conditional Use Permit Application to establish a medical cannabis business (dispensary and cultivation site) in a suite within an existing industrial building in the I-1 (Light Industrial) Zoning District located at 68449 Perez Road (APN: 687-322-008).

STAFF PLANNER:

Pat Milos, Community Development Director

RECOMMENDATION:

APPROVE an exemption to the California Environmental Quality Act (CEQA) pursuant to Section 15301, Class 1 (Existing Facilities).

APPROVE Conditional Use Permit No. 16-012 subject to the attached Conditions of Approval and based on the findings contained in the staff report.

FINDINGS:

APPROVAL OF AN EXEMPTION TO CEQA based on the finding that the project qualifies as Categorically Exempt under Section 15301, Class 1 (Existing Facilities) of the State CEQA Guidelines.

APPROVAL OF CONDITIONAL USE PERMIT NO. 16-012, subject to the attached conditions of approval, and based on the following findings:

1. The applicant has been granted a local license (MCL 16-004) in accordance with Chapter 5.88 of the Cathedral City Municipal Code (CCMC).
2. The medical cannabis business to be located at 68449 Perez Road in the I-1 (Light Industrial) Zoning District is authorized as a conditional use per the City of Cathedral City Zoning Ordinance,

Chapter 9.40.

3. The medical cannabis business as well as all operations as conducted therein, fully complies with all applicable building, electrical, zoning and fire codes, accessibility requirements of the Americans with Disability Act (ADA), and all relevant City and State Law.
4. The medical cannabis business fully complies with and meets all operating criteria required pursuant to State Laws, Chapter 5.88 of the CCMC, any other provisions of the CCMC, and any specific, additional operating procedures and measures as may be imposed as part the conditions of approval in this conditional use permit.
5. The number, type, and availability of dispensaries located in or near the proposed licensed premises is such that the issuance of a conditional use permit to the Applicant will not result in or add to an undue concentration of Dispensaries and/or result in a need for additional law enforcement resources.
6. The medical cannabis business is necessary or desirable for the development of the community, is in harmony with the various elements or objectives of the general plan, and is not detrimental to existing uses or to uses specifically permitted in the zone in which the proposed use is to be located.
7. The site for the medical cannabis business is adequate in size and shape to accommodate such use and any and all of the yards, setbacks and walls or fences, landscaping and other features required in order to adjust such use to those existing or permitted future uses on land in the neighborhood.
8. The site for the medical cannabis business relates properly to streets and highways which are designed and improved to carry the type and quantity of traffic generated or to be generated by the proposed use.
9. The applicant agrees to comply with any and all of the conditions imposed by the Planning Commission or be subject to a revocation hearing.

BACKGROUND:

On September 21, 2016, the Planning Commission continued the item to the October 5, 2016, regularly scheduled Planning Commission meeting. This decision was made following a motion for approval which failed on a 2-2 vote. Part of the Planning Commission's discussion at the meeting centered around compatibility of the proposed use with the existing nightclub occupying one of the adjacent suites. Specifically, concerns were expressed regarding the overlapping hours of operation with the night club and potential parking impacts.

As the Planning Commission is aware, the City Council recently enacted a number of ordinances allowing for the establishment of medical cannabis businesses (dispensaries, cultivation sites and manufacturing sites) within certain zoning districts of the City, subject to a Conditional Use Permit (CUP). The ordinances regulating medical cannabis businesses are codified at CCMC Chapters 5.88

and 9.108 (the “Ordinance”).

Under the ordinance, medical cannabis businesses are required to obtain both a medical cannabis license (local license) and CUP. For the local license, applicants are required to submit various documents such as the ownership structure of the medical cannabis business, a general description of the products and services to be provided and security and delivery plans. In addition, all owners, directors, officers and persons who are managing or otherwise responsible for the activities of a proposed medical cannabis business must submit to a background check. The City Manager, or his designee, shall decide whether to approve or deny a local license application.

The Local License application for a dispensary was submitted on April 1, 2016. The Conditional Use Permit was submitted on April 28, 2016. The Local License application was reviewed by staff including the Police Department, the background check completed and the license was granted on August 17, 2016 (see Attachment 4).

There are no exterior changes proposed to the building. Therefore, no review from the Architectural Review Subcommittee is needed. The Planning Commission will take final action on this matter unless it is appealed to the City Council.

ANALYSIS:

The project site is located within the I-1 (Light Industrial) zoning district. The surrounding uses are primarily retail and service commercial uses including a number of automobile repair and auto body shops. The center where the dispensary and cultivation site will be located is comprised of an existing one story, multi-tenant building. The other tenants in the building include a smog shop and night club. Pursuant to CCMC Section 9.108.090, a combined dispensary and cultivation site may only be located within the I-1 (Light Industrial), CBP-2 (Commercial Business Park) and PCC (Planned Community Commercial) Zoning Districts.

Furthermore, no combined dispensary and cultivation site shall be located: a) within six-hundred (600) feet of a school, day care center, or youth center or b) within two hundred and fifty (250) feet of East Palm Canyon Drive or a residential zone. Staff has confirmed that the subject location does not violate any of the applicable location restrictions set forth in the CCMC.

The applicant is proposing to establish the medical cannabis business in a multi-tenant industrial building. The applicant will occupy approximately 7,000 square feet of building area, in which approximately 1,500 square feet will be used for the dispensary (retail), approximately 3,500 square feet for cultivation, and the remaining 2,000 square feet for office and miscellaneous uses. The entire building is approximately 9,000 square feet. The remaining 2,000 square feet are currently occupied by existing businesses. The site is approximately 22,500 square feet.

There are no exterior changes or the addition of square footage proposed to the building. Therefore, there are no issues with setbacks, building height or number of parking spaces. The applicant is evaluating a number of alternatives to secure the windows and doors including metal bars and gates

and security glass. Staff has conditioned the project to ensure the security method chosen will be properly screened from the public street. Upon inspection of the site, there are a number of other concerns that the applicant has agreed to address and have been noted on the Site Plan and incorporated into the Conditions of Approval:

1. Illuminated building address numbers, a minimum of 12" in height, shall be placed on the building.
2. The existing parking area will be required to be repaved, parking stalls restriped and signed, and all existing broken or damaged sidewalk, curb, gutter and drive approach be replaced and/or repaired.
3. The existing window mounted air conditioners shall be removed.
4. The existing security bars on the exterior of the windows shall be removed.
5. Landscaping shall be renovated to comply with current City design standards and requirements.

ENVIRONMENTAL ANALYSIS:

Categorical Exemption under Section 15301, Class 1 (Existing Facilities) of the State CEQA Guidelines, which allows tenant improvements in existing buildings to be exempt. Since there is no outside expansion, this qualifies for a Class 1 Exemption.

NOTE: The City of Cathedral City Planning Department is custodian of the documents or other material, which constitute the record of proceedings upon which this decision is based.

PUBLIC NOTIFICATION:

This project and the environmental determination were noticed in accordance with the City Municipal Code and CEQA (see Attachment 5).

ATTACHMENTS:

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| Attachment 1: | Conditions of Approval |
| Attachment 2: | Site Plan |
| Attachment 3: | Floor Plan |
| Attachment 4: | Local License |
| Attachment 5: | Public Hearing Notice |