

### *Planning Commission*

**MEETING DATE:** 2/1/2017

**CASE NO.** Conditional Use Permit No. 16-034

**APPLICANT:** Coastal Harvest, LLC, Edlin Kim

**LOCATION:** 68956 Perez Road, Suite F (APN: 687-330-010)

**REQUEST:** Consider a Conditional Use Permit Application to operate a medical cannabis business (manufacturing site) within an existing commercial building in the I-1 (Light Industrial) Zoning District located at 68956 Perez Road, Suite F.

**STAFF PLANNER:**

Pat Milos, Community Development Director

**RECOMMENDATION:**

**APPROVE** an exemption to the California Environmental Quality Act (CEQA) pursuant to Section No. 15301, Class No. 1 (Existing Facilities).

**APPROVE** Conditional Use Permit No. 16-034 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 No. 15301, Class No. 1 (Existing Facilities) of the State CEQA Guidelines.

**APPROVAL OF CONDITIONAL USE PERMIT NO. 16-034**, subject to the attached conditions of approval, and based on the following findings:

1. The medical cannabis business to be located at 68956 Perez Road, Suite F, in the I-1 Zoning District is authorized as a conditional use per the City of Cathedral City Zoning Ordinance, Chapter 9.40.
2. 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. Staff has reviewed the site and floor plans submitted and determined that, as conditioned herein, the medical cannabis business will

comply with all relevant building codes, zoning, and the ADA.

3. The medical cannabis business fully complies with and meets all operating criteria required pursuant to State Laws, Chapter 5.88 of the City Municipal Code (CCMC), any other provisions of the CCMC, and any specific, additional operating procedures and measures as may be imposed as conditions of approval in this conditional use permit. The applicant has been granted a local license (MCL 16-034) in accordance with Chapter 5.88 of the CCMC, and in granting the local license the City Manager determined that the medical cannabis business was in compliance with all applicable laws regarding the operation of the business.

4. 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. By allowing medical cannabis businesses in certain zones, the City Council has determined that medical cannabis businesses are necessary and desirable for the development of the community, is consistent with the general plan, and will not be detrimental to other uses in the zones.

5. 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. The medical cannabis business meets all site development standards.

6. 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. The medical cannabis business primary collector street is Perez Road, which has adequate capacity to serve the limited traffic that will be generated by the use.

7. 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:**

City ordinances allow 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.

A Local License application and Conditional Use Permit application for a medical cannabis manufacturing business were submitted by the Applicant on August 23, 2016. The Local License application was reviewed by staff including the Police Department, the background check completed and the license was granted on September 15, 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 include automobile body and repair facilities, retail and service uses, and medical cannabis businesses. Pursuant to CCMC section 9.108.090, a manufacturing site may only be located within the I-1 (Light Industrial) Zoning District.

Furthermore, no manufacturing site shall be located: a) within six-hundred (600) feet of a school, day care center, or youth center; or b) within three hundred (300) feet of a residential zone, or C) within two hundred and fifty (250) feet of East Palm Canyon Drive. 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 cannabis manufacturing. Due to the volatile nature of the majority of manufacturing processes, the Fire Department is required to review all proposals. The Fire Department has reviewed the proposal and approved the conceptual plan subject to the formal review and approval of a plan check submittal which shall comply to the requirements and standards contained in the Cannabis Extraction for Commercial Manufacturing Facilities section of the Fire Department Development Guidelines (see Attachment 6).

The manufacturing facility will be located in Suite F of Building B, one of three buildings located on the 2.1 acre site. The approximately 13,069 square foot Building B consists of six suites in all. Suite F which is at the eastern end of the building, is approximately 2,133 square feet and will include extraction, vault, offices, bathrooms, storage, packaging and ancillary space.

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. However, upon inspection of the site, there were a number of other concerns that the applicant has agreed to address and have been incorporated into the Conditions of Approval:

1. The existing trash enclosure shall be retrofitted to City standard.
2. Illuminated building address numbers, a minimum of 12 inches in height, shall be placed on the building, plainly visible from the street.

3. The existing parking area shall be repaved, parking stalls striped and signed in accordance with ADA (American with Disabilities Act) standards.
4. All existing broken or damaged sidewalk, curb, gutter and drive approach replaced and/or repaired.
5. Landscaping shall be renovated to comply with current City design standards and requirements.

**ENVIRONMENTAL ANALYSIS:**

Categorical Exemption under Section No. 15301, Class No. 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 No. 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                     |
| Attachment 6: | Cathedral City Fire Department Guidelines |