

REPORT TO THE PLANNING COMMISSION



DATE: January 13, 2015

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Reviewed by: Alexander P. Meyerhoff,
Director of Community Development

TITLE: Consideration of a Conditional Use Permit application to allow Sun Grow Collective Medical Marijuana Dispensary to operate a medical marijuana dispensary with limited cultivation operations of up to 99 mature plants located in an existing building on a 1.37 acre lot at 17001 Palm Drive which is the southwest corner of Palm Drive at Dillon Road in the Proposed General Commercial District/ Existing Rural Residential District.

RECOMMENDATION

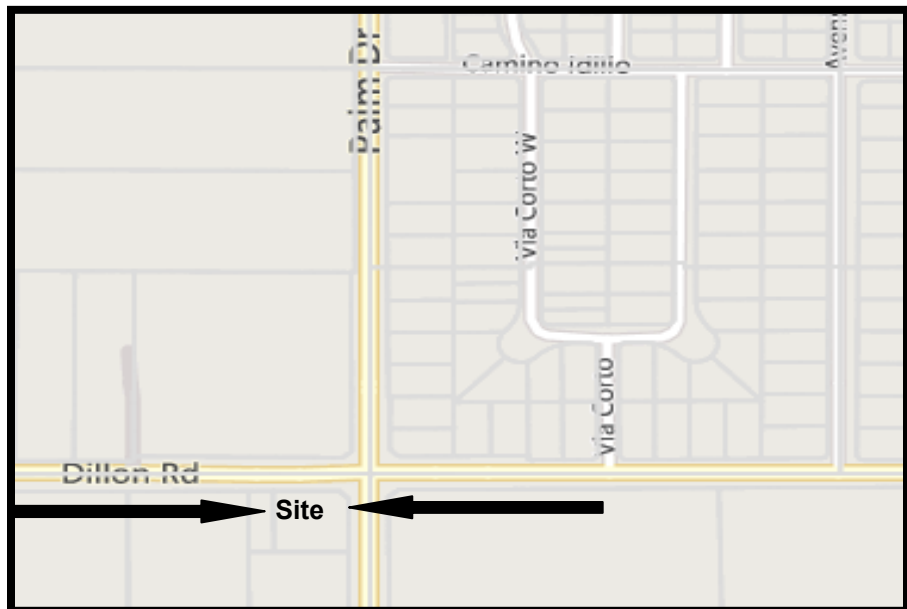
That the Planning Commission approve Conditional Use Permit No. 06-14 to allow a medical marijuana dispensary with limited cultivation at 17001 Palm Drive.

BACKGROUND

The Applicants Anthony Yong Hae Lee and Christine Lee, filed a CUP application on November 20, 2014, to establish a medical marijuana dispensary in an existing building. The existing building is located at 17001 Palm Drive, on Assessor Parcel Number 650-220-022. The site has an existing shopping center with two buildings, and is located on the southwest corner of Dillon Road and Palm Drive. The lease area of this facility is 3,310 square feet of a 7,723 square foot building. The second building is a Valero Gas Station which has an area of 4,802 square feet. The applicant is not proposing any new structures and will be making minor modifications to outside of the structure. The access to the site is from three existing driveways, two on Dillon Road and one on Palm Drive.

Mr. Mae Lee is requesting a Conditional Use Permit to operate a Marijuana Dispensary at his location. If approved, he will be required to obtain a regulatory permit from the City Manager

The site is located within the area recently annexed by the City called I-10 Annexation area. The current zoning designation is R-R, Rural Residential District which allows various retail uses with a Conditional Use Permit. The City's Preferred Land Use Plan which has not been adopted lists this property as General Commercial.



Zoning & General Plan Designations

North = Proposed General
Commercial/Existing Rural Desert
Proposed Medium Density
West = Residential/Existing High Density
Residential
South = Proposed General
Commercial/Existing Rural Desert
East = Proposed General
Commercial/Existing Rural Desert

Current Land Use

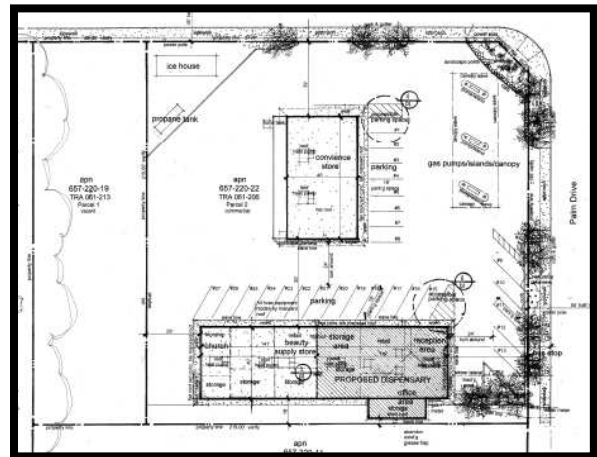
Vacant Land
Trailer Park
Vacant Land
Vacant Land

Site Analysis

The Applicant seeks to operate a medical marijuana dispensary. The proposed improvements include minor changes to the exterior of the building envelope, tenant improvements, and some new landscaping.

The applicant proposes interior tenant improvements which include: a reception area, storage, offices, dispensing, and a cultivation area for up to 99 plants.

Size, Coverage and Height - The project site consists of two lots (only one which will be used) totaling 59,936 square feet in area with three structures. The structures are a commercial building, a convenience store, and a fuel canopy. The total area of these buildings is 12,525 square feet which covers 21% of the lot which complies with the maximum coverage requirement of 35%. The maximum building height in this district is 35 feet and the commercial building which is the subject of the CUP has a height of 15 feet. The applicant included both lots on their application which includes the lot to the west with the water sales facility. This lot has no access of its own and, as a Condition of Approval, the applicant will be required to complete a lot merger. The setbacks of this facility are all consistent with the General Commercial Section of the Municipal Code.



Site Circulation/Off-Street Parking – Existing ingress and egress to the site is provided via a driveway on Palm Drive and a second driveway on Dillon Road. The parking is broken down in the following table:

Parking Calculation				
Use	Area in Square Feet	Ratio	Number of Spaces Required	Number of Spaces Provided
Medical Marijuana Dispensary	1,522	1 per 250 gross floor area	6.0	2
Medical Marijuana Cultivation	1,788	1 space per 500 square feet	3.5	
Convenience Store	2,000	1 per 250 gross floor area	8	8
Service Station		1 per pump island	3	
Church	640 Seating for 30	1 per 5 Fixed Seats	6	6
Beauty Supply	1,000	1 per 250 gross floor area	4	4
Beauty Parlor	1,000	2 spaces per chair	4	4
			34.5	24

The site has 24 existing parking spaces. The code requires 35 parking spaces to accommodate the Medical Marijuana Facility, leaving the site eleven (11) spaces short. The code requires all fractions to round up to the next whole number. The existing uses comply with the parking requirements and the 11 spaces are solely for the Medical Marijuana Facility. However, Section No. 17.120 allows staff to reduce the parking by 10 percent which reduces the gap to 9 spaces. The applicant is reworking the site plan to accommodate the required parking and staff will review the plans with the Planning Commission during the public hearing.

Elevations, Colors and Materials – The applicant proposes three changes to the building:

1. Paint the exiting beige plaster powder blue.
2. Installation of 4 planter boxes along the front of the building.
3. Removal of the Windows to match the surrounding material.

One of the roles of staff is to ensure that each project provides for the aesthetic enhancement of the City. Each project reviewed by the Commission must result in a net aesthetic improvement to the City. Projects located on entry corridors are especially important because their prominent locations and high visibility.

The applicant has moved windows on the north elevation of the building for security purposes. Staff does not support the removal of the windows in that it will create a large vacant space which will not be aesthetically pleasing. Staff recommends that the applicant place two spandrel windows on either side of the main entrance. A spandrel window is a false window that appears to be a window but provides no access. Lastly, staff recommends that all roof mounted mechanical and HVAC equipment be screened from view from the public right of way on the

building where the dispensary will housed. Roof mounted equipment is currently visible to northbound traffic on Palm Drive.

Landscaping – The site currently is landscaped. The applicant intends to supplement the existing landscape program and include the following:

Common Name	Size	Count
Southern Live Oak Tree	15 gallon	8
Shoestring Acacia Tree	15 gallon	9
Desert Spoon	5 gallon	8
Feathery Cassia	5 gallon	2
Bush Lantana	5 gallon	3
Lavender Lantana	5 gallon	18
Star Jasmine Vine	5 gallon	6
Bougainvillea Vine	5 gallon	8
Primrose Jasmin Vine	5 gallon	2
Annual Flowers and Succulents	To be determined	
10 New Concrete Planter Boxes	Species and Number of Plants to be determined	
Crushed Rock	1-6 inch diameter	
Crushed Rock	1'-6" to 3'-0"	3

The applicant will be adding new landscape material around the perimeter of the site, along the parking area in front of both buildings, and adjacent to the canopy over the gas pumps. Staff recommends that all the bollards on site be replaced with decorative bollards and that the wood barrier along the landscaping along the street frontage be removed and replaced with concrete mow strips if necessary. Lastly, all planters should have decomposed granite as a ground cover in between all planting materials.

Lighting Plan – The applicant has submitted a lighting plan with a lighting or photometric study that depicts a range of values from 0 foot-candle to 7.6 foot-candle in the parking area. There will be 12 new building lights and 8 ground mounted lights which will be installed on various parts of the building and grounds.

Conditional Use Permit Analysis

Phasing Plan

The applicant proposes to improve this property in a single phase.

Operational Issues

In reviewing the project, staff has reviewed and summarized a number of operational issues below.

Security

All clients and potential clients will enter through the front door where they will present their prescription and valid identification to an armed security guard and then will present that information at a teller window to be verified and/or become a member of the Sun Grow Collective. Once this has been done the client will gain access to the double security to enter the sales area. Nobody will be admitted to the sales area without verified prescription and identification. The building will have an exit only point adjacent to the front entrance and one emergency exit on the rear of the building. The applicant plans on restricting the number of clients in the building to six (6) at any given time. There will be an armed guard at the building entrance and at the entrance to the sales area. The Police Department is requesting that the

main entrance and the entrance have double door (Sally Port) entrances, currently only the door leading to the reception area has this type of door.

The applicant will have a café Cartel Point of Sales System for the purposes of record keeping of sales and inventory. This will enable the City to be able to monitor the sales and ensure that the appropriate taxes are being paid.

The operator has entered into a contract with Warner Security to provide one armed guard at the entrance to the facility. The Guard will be provided from 12PM to 8:00 PM when the heaviest traffic is expected. The guards will ensure that all decorum is appropriate and that there is no loitering.

A total of 20 closed circuit television cameras (CCTV) will be installed both inside and outside of the building. The outside cameras will be hard wired to the Desert Hot Springs Police Department and offer both color and infrared for nighttime vision. The CCTV will also record to DVR for 240 continuous hours (10 days) straight.

Odor Control

The operator will provide a complete odor control and ventilation system for both the dispensary and cultivation areas to ensure there are no negative impacts to the surrounding area. The ventilation system will include the following: activated carbon filtration, negative ion generation, ozone generators, and masking agents. These systems together will effectively control any odors coming from the facility.

Outdoor Sales

No outdoor sales are proposed or permitted by the ordinance.

Age Restrictions

All patients must have a valid recommendation from a California doctor that states the need for medical marijuana and be a member of the Sun Grow Collective to be able to buy any products. Sun Grow Collective will not be providing any services to anyone under the age of 18 and they will be prohibited from entering the premises at any time.

Hours of Operations

Operations will initially be between the hours of 8:00am to 10:00pm, seven days per week. The City's ordinance presently allows these hours.

Delivery Hours

Delivery will be offered on a case-by case basis during operating hours.

CONDITIONAL USE PERMIT FINDINGS

Conditional Use Permits are regulated under Section 17.76 of the Desert Hot Springs Municipal Code. At the completion of the public hearing, the Commission shall record the decision in writing and shall recite therein the findings upon which such decision is based. The Commission may approve and/or modify a Conditional Use Permit application in whole or in part, with or without conditions, only if the following findings are made:

1. That the proposed use is conditionally permitted within the subject land use district and complies with all of the applicable provisions of this Zoning Ordinance;
2. That the proposed use would not impair the integrity and character of the land use district in which it is to be located;

3. That the subject site is physically suitable for the type and intensity of land use being proposed;
4. That the proposed use is compatible with the land uses presently on the subject property;
5. That the proposed use would be compatible with existing and future land uses within the general area in which the proposed use is to be located;
6. That the proposed use is compatible in scale, mass, coverage, density, and intensity with all adjacent land uses;
7. That there are adequate provisions for water, sanitation, and public utilities and services to ensure that the proposed use would not be detrimental to public health and safety;
8. That there will be adequate provisions for public access to serve the site;
9. That there will not be an adverse effect upon desirable neighborhood characteristics;
10. That the proposed use is necessary and essential to the community.
11. That the proposed use is consistent with applicable goals and policies of the General Plan;
12. That there will not be significant harmful effects upon environmental quality and natural resources;
13. That the proposed location, size, design, and operating characteristics of the proposed use would not be detrimental to the public interests, health, safety, convenience, or welfare of the City.

In reviewing this application, plans, documents and other supporting information, staff has determined that the Planning Commission can make these findings and has added additional findings specific to the project..

ENVIRONMENTAL ANALYSIS

In accordance with the provisions of the California Environmental Quality Act ("CEQA"), Public Resources Code Section 21000 *et seq*, and the CEQA Guidelines, Title 14, Chapter 3 of California Code of Regulations, the project is found to be Categorically Exempt from further environmental review as a Class 2 (Existing Facility) Categorical Exemption of Section 15302 of CEQA.

ENVIRONMENTAL ANALYSIS

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The Applicant proposes the continued use of an existing structure where minor improvements are proposed to bring the property into compliance including, plumbing fixtures, electrical switches, lighting, painting, paving, restriping the parking lot, and upgrading the landscaping which is not expected to cause significant environmental impacts.

ARCHITECTURAL AND LANDSCAPE REVIEW COMMITTEE (ALRC)

The ALRC is scheduled to review the project on January 8, 2015. Findings from that meeting will be presented to the Planning Commission during the public hearing.

FISCAL IMPACT

Improvements to the existing hotel will generate one-time revenues to the City in the form of Building Permits. In addition, the City will also receive on-going revenue from the marijuana taxes.

RECOMMENDATION

Staff finds that the proposed project is substantially consistent with the General Plan and meets the development standards of the C-G (General Commercial) District. Staff recommends that the Planning Commission approve Conditional Use Permit No. 06-14 subject to the Conditions of Approval and the adoption of a the following Minute Motions:

APPROVAL OF AN EXEMPTION TO CEQA based on the finding that the project qualifies as Categorical Exempt under Section No. 15302, Class Two which allows minor changes to existing facilities. The Desert Hot Springs Planning Department is custodian of the documents or other material which constitute the record of proceedings upon which this decision is based.

APPROVAL OF CONDITIONAL USE PERMIT NO. 06-14 to allow a Marijuana Dispensary with limited cultivation subject to the following findings and the attached Conditions of Approval:

1. That the proposed use is conditionally permitted within the CG (General Commercial) District and complies with all of the applicable provisions of this Zoning Ordinance;
2. That the proposed use would not impair the integrity and character of the CG (General Commercial) District in which it is to be located;
3. That the southwest corner of Palm Drive at Dillon Road is physically suitable for the type and intensity of the Marijuana Dispensary being proposed;
4. That the proposed Marijuana Dispensary is compatible with the land uses presently on the subject property and/or immediately adjacent;
5. That the proposed Marijuana Dispensary would be compatible with existing and future land uses within the neighborhood in which the proposed use is to be located;
6. That the proposed Marijuana Dispensary is compatible in scale, mass, coverage, density, and intensity with all adjacent land uses;
7. That there are adequate provisions for water, sanitation, and public utilities and services to ensure that the proposed Marijuana Dispensary would not be detrimental to public health and safety;
8. That the project site will have adequate provisions for public access to serve the site located on the southwest corner of Dillon Road and Palm Drive.
9. The proposed Marijuana Dispensary will not be an adverse effect upon desirable neighborhood characteristics;
10. That the proposed Marijuana Dispensary is necessary and essential to the community

11. That the proposed Marijuana Dispensary is consistent with applicable goals and policies of the General Commercial Designation of the Desert Hot Springs General Plan;
12. That there will not be significant harmful effects upon environmental quality and natural resources
13. The architecture of the proposed Marijuana Dispensary will not make a negative contribution to the immediate area of the project and the City as a whole.
14. The landscape palette has a variety of materials and will accent the architecture of the site and provide a positive contribution to the immediate area of the project and the City as a whole;
15. That the proposed location, size, design, and operating characteristics of the proposed Marijuana Dispensary would not be detrimental to the public interests, health, safety, convenience, or welfare of the City of Desert Hot Springs.

EXHIBITS

- 1) Plan Set
- 2) Conditions of Approval
- 3) Public Hearing Notice