

REPORT TO THE PLANNING COMMISSION



DATE: May 9, 2017

TITLE: Conditional Use Permit No. 02-17 and Development Agreement 08-17. A recommendation to the City Council for the approval of Conditional Use Permit and Development Agreement for the development of an indoor marijuana cultivation facility with a total floor area of 621,920 square feet. The 28.18 acre project site (APN 666-370-012 through 015) is located on the south side of 19th Avenue, approximately 1,000 feet east of North Indian Canyon Drive in the Light Industrial (I-L) zone. Applicant: BlackStar Financial, Inc / Ray Dorame.

Prepared by: Craid Ewing, Contract Planner

Reviewed by: Scott Taschner, Associate Planner and
Daniel Porras, Acting Community Development Director

RECOMMENDATION

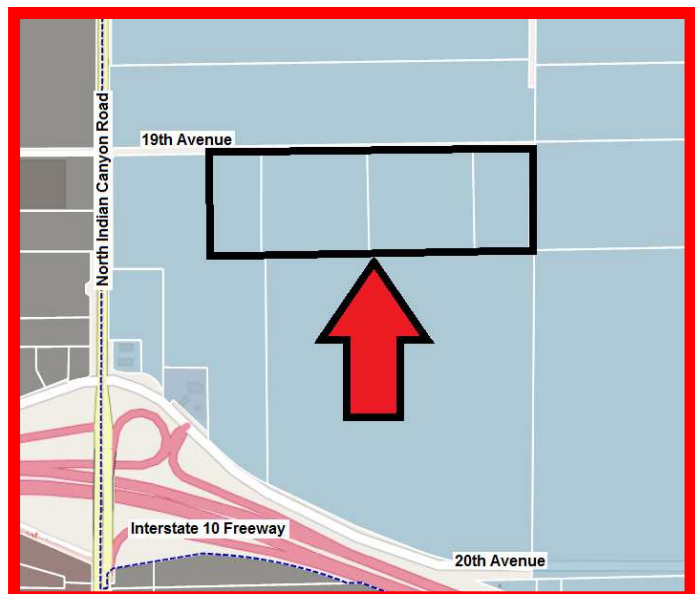
- 1) Staff Report;
- 2) Entertain Questions of Staff from Planning Commission;
- 3) Open the Public Hearing;
- 4) Take Testimony from Applicant;
- 5) Take Public Testimony;
- 6) Opportunity for Applicant Rebuttal
- 7) Close the Public Hearing;
- 8) Planning Commission discussion and questions to Staff; and
- 9) Consider a motion that the Planning Commission recommends approval of 1) the Mitigated Negative Declaration for the Blackstar Cultivation project and, 2) Conditional Use Permit No. 02-17 and, 3) Development Agreement 08-17; for the development of an indoor marijuana cultivation facility for a total area of 621,920 square feet on 28.18 acres located on the south side of 19th Avenue, approximately 1000 feet east of North Indian Canyon Road in the Light Industrial (I-L) Zone.

DISCUSSION

BACKGROUND

Sections 5.50 and 17.180 of the Desert Hot Springs Municipal Code (DHSMC), allow medical marijuana cultivation facilities in Industrial Districts subject to a Conditional Use Permit (CUP) approved by the Planning Commission and a Regulatory Permit approved by the City Manager. The applicant, Ray Dorame / BlackStar Financial, has filed application to establish a facility for the indoor cultivation of medical marijuana.

The site is located on the south side of 19th Avenue, approximately 1000 feet east of North Indian Canyon Road. It is rectangular and generally flat, made up of four parcels having a combined gross area of



approximately 30.53 acres. Its total width and street frontage along 19th Avenue (unimproved) is approximately 1991 feet, and it has a depth of approximately 668 feet. Following dedication of right-of-ways, the site will have a net area of approximately 28.18 acres. The site is currently vacant.



The proposed project includes five free-standing buildings totaling 621,920 square feet of floor area and a 200 square foot guard shack.

The main buildings are of steel frame and panel construction; one building will have a gross floor area of 60,320 and the other four buildings are of identical size and shape, each having a floor area of 140,400 square feet. They all have single story interiors (no mezzanines are indicated) and overall building heights are 30 feet. Accessory improvements include a small guard shack parking for 634 vehicles and approximately 3.32 acres of landscaping.

The proposed project is zoned Light Industrial (I-L) District. Public street dedications and improvements on 19th Avenue and Calle de Los Romos (along east property line) will be required.



Immediately surrounding properties are developed as follows:

	<u>Zoning & General Plan Designations</u>	<u>Current Land Use</u>
North, East and South	IL (Light Industrial) District	Vacant Lands
West and Southwest	IL (Light Industrial) District	Industrial Development

PROJECT SUMMARY

The applicant, Ray Dorame / BlackStar Financial, has filed a Conditional Use Permit (CUP) application to develop the site for indoor cultivation of medical marijuana on a 28.81 net acre property (APN 666-370-012 through -015). New construction of five metal frame buildings (total gross floor area of 621,920 square feet) and ancillary facilities is proposed on the vacant site.

Building Area	Bldg. 1	Bldg. 2	Bldg. 3	Bldg. 4	Bldg. 5	Total
Office	5000	5000	5000	5000	5000	25,000
Warehouse / Manufact.	55,320	135,400	135,400	135,400	135,400	596,920
Total Sq Ft.	60,320	140,400	140,000	140,000	140,000	621,920

The applicant has provided examples of future interior improvements (floor plans); however, actual uses within the building will be determined by future tenants who will submit their own interior improvement plans, subject to the limits and conditions of the Permit.

Vehicular circulation is provided by one new driveway at the northwest corner of the site accessing 19th Avenue (future). A second emergency driveway at the site's southeast will access Calle de Los Romos (future). The interior vehicle circulation plan includes a loop drive and driveways between all buildings. Loading doors are provided in all buildings. Parking spaces are provided for 634 vehicles, including thirty disability-accessible stalls.

The proposed buildings' exterior colors are white and medium blue-grey, with trim elements in grey and black. Exterior wall panels alternate in the main colors (and in height on certain elevations); canopies and black mesh screens are added to provide architectural interest. Landscaping and fencing are provided around the perimeter of the site, as described below. Four project phases are proposed.

CUP ANALYSIS

General Plan and Zoning Consistency: The project proposes to establish a Medical Marijuana Cultivation Facility in accordance with Section 17.180 of the DHSMC, which allows this use with approval of a CUP and Regulatory Permit.

Site Coverage: The project site consists of four lots 30.53 gross acres size. After dedication of public rights-of-way, the net lot size will be approximately 28.18 acres. Under the Industrial Zoning District standards, the maximum allowable coverage is 75%. The total square footage of the proposed buildings on site is 621,920 square feet (plus 200 square foot guard shack) which represent 50.7% site coverage. The project conforms to this standard.

Building Height: The highest point on all proposed buildings will be about 30 feet from adjacent grade. This is below the maximum height of 50 feet allowed in the I-L District.

Building Setbacks: The minimum setbacks in the City's Light Industrial (I-L) Zone are 20 feet in front, 10 feet in the rear, and 10 feet on the side. The existing building is approximately 66 feet from the front property line, forty feet from the rear property line and at least 110 feet to all side property lines. Therefore, the project meets minimum setback standards.

Circulation and Parking: Ingress and egress to the site will be provided from a single driveway at the northeast corner of the site. As noted above, parking for 634 vehicles is provided. Staff is concerned that one driveway is not sufficient for the level of traffic that could occur at full build-out, especially since the applicant envisions multiple tenants that may have many employees arriving during morning peak and leaving at evening peak hours. (A proposed second emergency driveway at the southeast corner does not resolve this concern.) Staff recommends that prior to submitting plans for Phase 3 (Building 4) the applicant submit a traffic study for City review with the provision that second full-access driveway to 19th Avenue may be required.

Parking Calculation			
Proposed Uses	Zoning Requirements	Number of Spaces Required	Number of Spaces Provided
Total Administration = 25,000 sf	1 space/ 250 sf	100	
Total Warehouse (Including Manufacturing) = 596,920 sf	1 space/ 750 sf*	397.95	
	1 space/ 2500 sf	<u>119.38</u>	
		617.33 or	
Total: 621,920 sf		618 spaces	634 (including 30 for disabled access)

Based on the proposed floor plan and a parking standard of 1 space for every 2500 square feet of cultivation / storage areas, 1 space for every 750 square feet for industrial use and 1 space for 250 feet of office and administrative uses, staff provides the following parking calculation:

*Staff is assigning ½ of the non-office floor space to each of these standards

No second floor area is proposed in any building and any future proposal of second story area would be subject to an amendment of this Permit, including re-evaluation of the required parking. Based on the above analysis, the project provides sufficient parking for the proposed use.

Truck Parking and Accessibility

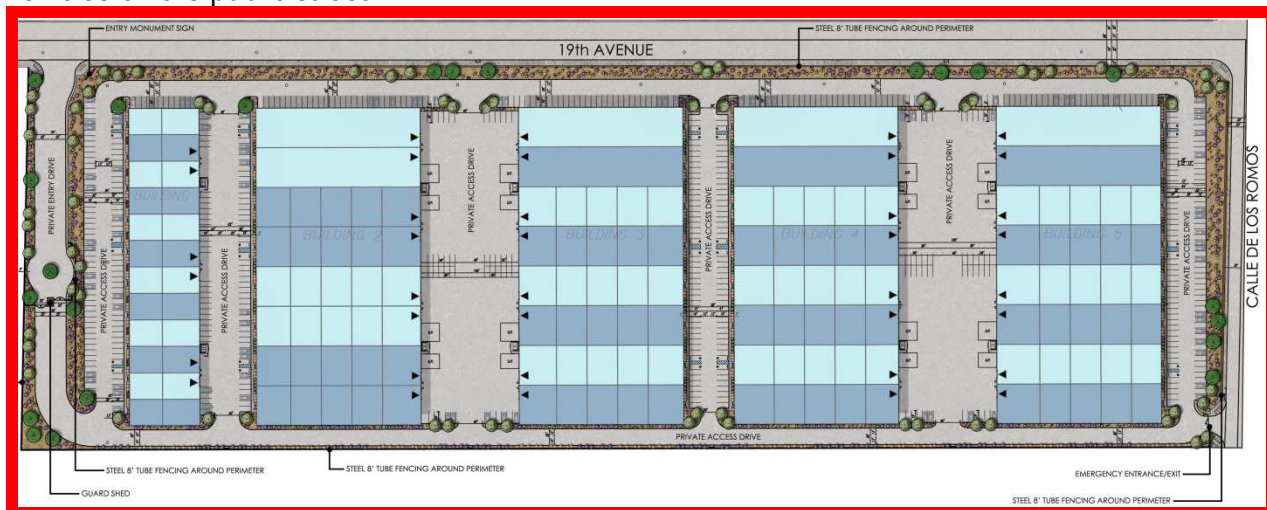
The project will provide for temporary truck parking, loading and unloading of semi-trucks/tractor trailers between buildings 2 and 3, 4 and 5 and will provide roll-up doors large enough for box-sized trucks to enter the building.

Elevations, Colors and Materials: The proposed structures are similar to other metal frame and panel industrial buildings in the area. The applicant is proposing to add architectural treatments on the “front” (east or west-facing elevations) via alternating wall panels. Six panels at 30 feet in height and painted medium blue-grey will alternate with twelve panels at 28 feet in white. Entry doors on these elevations will have canopies or metal mesh screens installed above to shade the pedestrian entries. The “rear” elevations will have alternating blue and white panels of uniform height. Loading docks are provided with canopies above. The overall color scheme is white and blue-grey on the building walls, grey on various trim elements and black for the mesh screens. Windows will be tinted with blue reflective glazing. The overall architecture is simple and modern, and the color scheme is appropriate to the design.

Landscaping: The landscape plan shows planted areas around the perimeter of the site, as well as along the ‘front’ elevation of each building, along the south side of all buildings and at the corners of the drive aisle intersections. Low-water use trees and plants are listed on the plan, including Palo Verde, Sweet Acacia, Bird of Paradise, Natal Plum, and Bougainvillea. Desert Carpet, Lantana and Wedelia are proposed as ground covers. The overall planting plan is appropriate in scale and plant selection.

An eight-foot tube-steel fence is proposed around the entire property, and controlled access gates are found within the entry driveway, about 350 south of the driveway apron. The gates’

location will accommodate about ten to fifteen vehicles on-site and help avoid a queue of vehicles on the public street.



Lighting: Existing exterior lighting is provided, including a photometric study that indicates one foot-candle minimum lighting is provided throughout the vehicle circulation and parking area, with an average two foot-candles provided at entrances and loading doors. The plan appears to meet the requirements of Section 17.16.260.e for lighting in the industrial zone:

One foot-candle evenly distributed across a parking lot is the required minimum. At entrances, loading docks and other limited areas, up to 2 foot-candles may be appropriate.

In the event that any changes to the lighting plan is proposed, a revised plans shall be submitted to the city for review of design, placement, and configuration of any changed lighting fixtures.

Phasing: The applicant proposes to construct the project in four (4) phases; however, no specific timing for each phase is proposed. Staff has included conditions to assure the construction of necessary public improvements in the appropriate phase. Otherwise, staff has no concern with the proposed phasing. As future phases come on line, any changes to the site plan, elevations or other approved plans will be reviewed by staff; substantial changes may require an amendment to this permit in accordance with the requirements of the municipal code.

Security: No specific security plan has been submitted; however, the site is will be enclosed with new tube-steel perimeter fencing, including gated entry/exit drives as indicated. A more detailed, comprehensive security plan will be reviewed by the City Manager during the Regulatory Permit phase. This will include specific locations and areas of coverage by security cameras; location of audible interior and exterior alarms; location of exterior lighting; fencing; background checks; name and contact information of Security Company monitoring the site and any additional information required by the City. The city has added two standard conditions (COA's No 4 & 5) to help mitigation and

Odor Control: No specific odor control is indicated. At such time as tenant improvements are submitted, odor control will be required, subject to review and approval by the Fire Department.

Hours of Operation: Hours will be consistent with chapter 5.50.100 of the DHSMC. Medical Marijuana Cultivation Facilities may operate between the hours of 8:00 am and 10:00 pm up to seven days per week. This facility is developed for the cultivation of marijuana and may require staff and security services to be present on premises 24 hours per day.

Employment: The applicant's consultant has estimated 30 people for each 35,000 SF grow space for a total of 480 people for buildings 2-5. Building 1 will be used for extraction and

distribution and we have estimated 8 people per 5000 square feet or 96 total. Therefore, the applicant/consultant estimate that the operations on the project site will create a total of 576 jobs.

CONDITIONAL USE PERMIT FINDINGS

Conditional Use Permits are regulated under Section 17.76 of the Desert Hot Springs Municipal Code and require that certain findings be made by the Planning Commission before granting a CUP request. Staff has developed recommendations for each finding, as follows:

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.*

The application is for a medical marijuana cultivation facility which is identified in Section 17.180.060 of the City of Desert Hot Springs Zoning Ordinance as permitted within any industrial zone which includes the I-L (Light Industrial) zone, subject to approval of a Conditional Use Permit. The project is proposed to be located within five new commercial / industrial buildings that comply with applicable provisions of the Zoning Ordinance. Conditions of approval have been prepared and are recommended to assure the proposed use will comply with applicable Zoning Ordinance provisions. Staff recommends this finding.

2. *That the proposed use would not impair the integrity and character of the land use district in which it is to be located.*

Section 17.12.010.B.2 of the Desert Hot Springs Zoning Ordinance identifies the underlying I-L (Light Industrial) zone as intended for, "...business parks and the development of any and all industrial uses operating entirely in enclosed buildings, and those requiring limited and screenable outdoor storage. Examples include clean manufacturing operations, warehousing and distribution facilities, mini-warehouse storage, and a variety of light manufacturing businesses." The proposed medical marijuana cultivation facility qualifies as "industrial uses operating entirely in enclosed buildings" and as "clean manufacturing operations, warehousing and distribution facilities", and will occupy an existing commercial / industrial building similar to other industrial buildings in the area. The proposed use will produce goods and products in a manner similar to other industrial uses and will not introduce any activities that would impair the integrity or character of the land use district in which it is to be located. Staff recommends this finding.

3. *That the subject site is physically suitable for the type and intensity of land use being proposed.*

The site will be developed with five commercial / industrial buildings and will include parking, landscaping and other features and amenities appropriate to the development. The proposed medical marijuana cultivation facility is physically organized in a manner similar to other industrial establishments. The site provides sufficient parking and no expansion of the buildings is proposed. Further, the proposed site plan is similar to industrial development in the vicinity. On this basis, the site is physically suitable for the type and intensity of the proposed dispensary. Staff recommends this finding.

4. *That the proposed use is compatible with the land uses presently on the subject property.*

The site is presently vacant. The proposed medical marijuana cultivation facility is an industrial use and can be considered similar to other industrial establishments allowed in the I-L (Light Industrial) zone, such as plant nurseries, food products, distribution, light manufacturing and wholesaling. The existing commercial / industrial buildings were developed to accommodate a wide variety of commercial / industrial uses. The proposed cultivation facility does not appear to be outside the range of activities typical for a commercial / industrial building, and is proposed to entirely occupy the proposed buildings. Staff recommends this finding.

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.*

All surrounding lands within 1/4 mile (1320 feet) feet of the subject property are zoned for light industrial use, so future land uses in the vicinity can be expected to be commercial / industrial uses similar to the proposed cultivation facility. Lands to the north of the site (north of 19th Avenue) are vacant but under development for industrial use. Lands to the west and southwest are developed with commercial / industrial land uses. Lands south and east are vacant. Other developed uses in the vicinity include a variety of light industrial and heavy commercial uses. The applicant proposes to entirely occupy the site, and the proposed use is not directly accessed from surrounding land uses. All activities will be contained within the proposed buildings, and the operation will appear as a commercial / industrial use consistent with the permitted uses of the I-L (Light Industrial) zone. Consequently, the proposed cultivation facility is expected to be compatible with existing and future land uses in the surrounding general area. Staff recommends this finding.

6. *That the proposed use is compatible in scale, mass, coverage, density, and intensity with all adjacent land uses.*

The proposed medical marijuana cultivation facility will be located within five new commercial / industrial buildings. The proposed one-story buildings will be of conventional metal frame and panel construction with appropriate and necessary accessory features (parking, landscaping, etc.) Land uses immediately abutting the site are either existing commercial / industrial uses or vacant land, and most occupy metal frame and panel buildings of similar height and layout. Future commercial / industrial development is currently prohibited by the Municipal Code from exceeding 50 feet in height and 75% lot coverage. The subject 30.53 gross acre site is presently vacant, but would be occupied by five buildings that do not exceed about 30 feet in height and contain a total area of about 622,120 square feet; lot coverage is approximately 50.7%. The scale, mass, coverage, density and intensity of the proposed use will be consistent with general commercial / industrial activities, and the site's location and development plan are compatible with adjacent commercial / industrial uses in the vicinity. Staff recommends this finding.

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.*

The subject site is proposed to be developed with five commercial / industrial buildings and includes all public services and utilities installed and available. The proposed medical marijuana cultivation facility will not create an extraordinary demand for water, sanitation or other public utilities and services that would result in any detriment to public health and safety. Staff recommends this finding.

8. *That there will be adequate provisions for public access to serve the site.*

The subject site has sufficient on-site parking – 634 spaces provided, 618 required. The Public Works Department is recommending conditions to assure that street driveway access meets current design standards. Staff recommends this finding.

9. *That there will not be an adverse effect upon desirable neighborhood characteristics.*

Desirable neighborhood characteristics include long-range views from existing businesses of surrounding mountains. At build-out the proposed medical marijuana cultivation facility will fully occupy the site within buildings at approximately 30 feet in overall height. The proposal is expected to result in no adverse affect on long-range views from surrounding areas. Staff recommends this finding.

10. *That the proposed use is necessary and essential to the community.*

The proposed medical marijuana cultivation facility can be considered necessary and essential to the community to the extent that it is supported by customers that cause it to succeed as a local commercial / industrial business. Further, the proposed use must also operate under City regulations and conditions of approval so that only the necessary and essential elements of the business – as determined by the City – are expressed over the life of the business. Staff recommends this finding.

11. *That the proposed use is consistent with applicable goals and policies of the General Plan.*

Staff has identified the following General Plan goals and policies applicable to the application and provides responses to each.

Administration

Goal: Comprehensive and integrated administration and implementation of all elements of the Desert Hot Springs General Plan through consistent and effective policies and programs.

The City has adopted a zoning ordinance to implement the General Plan and provide for review and approval of individual development projects. The proposed medical marijuana cultivation facility will be subject to all requirements of this Conditional Use Permit, as prescribed by the Zoning ordinance and the adopted conditions of approval.

Policy 7: The City shall encourage in-fill development within already urbanized areas of the corporate boundaries of the City, and expansion of new development shall be logically phased and, as appropriate, guided by the development of existing and new Specific Plans.

The proposed medical marijuana cultivation facility will be located within proposed commercial / industrial buildings adjacent to an existing industrial development in the I-L (Light Industrial) zone of the City and all public improvements are in place. No specific plan has been adopted for the subject property.

Policy 8: City shall provide opportunities for review and comment on development proposals through public hearing notices sent to owners of property located at least within 300 feet of development proposal sites.

Prior to Planning Commission review of the project application, notice of the proposed medical marijuana cultivation facility conditional use permit hearing was

provided to property owners within 300 feet of the proposed site. In addition, a public hearing before the Planning Commission has in fact been held where persons were provided a meaningful opportunity to be heard.

Industrial Land Use

Goal: Lands that provide for the development of non-polluting, energy-related and other clean industrial development that broadens the economic and employment base of the City, and assures compatible integration with other, non-industrial land uses.

The proposed medical marijuana cultivation facility will be a clean industrial development and will expand the economic and employment base of the community by the products it will offer dispensaries within the State of California and the new employees that will be hired. The only non-industrial uses in the vicinity are heavy commercial businesses which are similar in character to light industrial activities. The proposed cultivation facility will operate with security and environmental measures that will assure its compatibility with all surrounding uses.

Policy 2: Industrial lands shall be located in areas that maximize all available and planned infrastructures, including but not limited to water and sewer service, electric and natural gas service, and major transportation corridors, and should minimize the impact on public health and safety.

The proposed site is presently served with necessary utilities and is located adjacent to a Major Collector (North Indian Canyon Road). A review of the project indicates that no significant impact on public health and safety will occur.

Policy 4: The City of Desert Hot Springs shall seek to attract appropriate industrial users for which the area is particularly suited and encourage those industries to take advantage of the local labor force and markets with which the City has a comparative advantage.

The City has adopted policies and standards to encourage the development of a medical marijuana cultivation industry. The applicant has proposed a cultivation facility in conformance with these policies and standards, and is expected to take advantage of the local labor force and markets.

Policy 6: The City shall require adherence to applicable development standards and guidelines to assure aesthetically acceptable industrial developments for all new industrial sites.

The project has been reviewed against applicable local development standards and guidelines. The proposal has been determined to meet these standards and guidelines or conditions have been imposed to assure that the project conforms.

Community Design

Goal 2: Variety of community design, architecture and landscaping compatible with the City's desert setting and surrounding development.

The project proposes to construct five commercial / industrial buildings with attractive and appropriate colors, materials, architectural features and landscaping. Any changes to the exterior elevations, color / material board, landscape plan or lighting

plan will be reviewed by staff to assure compatibility with the City's desert setting and surrounding development.

Policy 1: Private and public sector development projects shall equally apply City community design standards, thereby protecting the community's scenic viewsheds, providing community cohesion and enhancing the image of Desert Hot Springs as a resort residential community.

The site is presently vacant, and the applicant proposes to construct five new metal frame and panel buildings at a height not to exceed approximately 30 feet. Therefore, the proposed medical marijuana cultivation facility will not affect the community's scenic viewsheds.

Policy 9: Signs shall be limited to the minimum size, scale and number needed to provide functional identification and exposure necessary to convey messages, while minimizing impacts on traffic safety, streetscape and scenic viewsheds.

No signs are approved as part of this Conditional Use Permit. All exterior signs shall reviewed under a separate application and be subject to approval under the Desert Hot Springs Zoning Code, including limitations on size, scale and number. The code does not permit signs to exceed the height of existing construction which will result in no impacts on scenic viewsheds. No exposed neon shall be used for signs or window graphics.

Policy 10: Lighting shall be limited to the minimum height, number and intensity of fixtures needed to provide security and identification in residential, commercial and industrial development, taking every reasonable measure to preserve the community's night skies.

The proposed lighting plan appears to comply with the City's lighting standards for industrial development, and appears designed to assure that only the minimum level of lighting necessary to provide the needed security is installed. All proposed exterior lighting shall be reviewed by staff for conformance to the applicable standards. Therefore, the proposed medical marijuana dispensary is taking reasonable steps to preserve the night skies.

Economic Development:

Goal 1: A broadly based, healthy and balanced economy that provides a full range of economic and employment opportunities.

The proposed medical marijuana cultivation facility will expand the type of commercial / industrial services available in the community and provide opportunities for new employment and business support services.

Goal 2: Continued growth, which assures the maintenance of a revenue base adequate to support present and future public services and facilities needs.

The establishment of a medical marijuana cultivation facility will provide additional revenues to the City to support present and future public needs.

Policy 11: Make every effort to expedite the processing of development proposals, which address the economic development goals of the community and take the initiative to incubate new programs and projects.

The application for a Conditional Use Permit is required by the Desert Hot Springs zoning code to assure compatibility with surrounding land uses and to develop project-specific conditions to assure successful operation in concert with the City's development goals. The application was received on 22 December 2016, deemed complete 19 January 2017 and since then the application has been processed expeditiously.

Hazardous and Toxic Materials

Goal: The assured safety of City of Desert Hot Springs residents and visitors through the regulation of the manufacture, transport, use and disposal of toxic and hazardous materials.

Any hazardous or toxic materials associated with the proposed operation shall be regulated by the provisions of all applicable law, including the Desert Hot Springs Municipal Code, including Section 5.50 (Medical Marijuana Facilities Regulatory Permit), Section 17.40 (Property Development Standards) and Section 17.180 (Medical Marijuana Facilities Location).

Fire and Police Protection

Goal: A high level of police and fire protection and service.

The proposed medical marijuana cultivation facility will include security measures, including door locking systems, exterior lighting, camera monitoring and other systems to minimize the impact on police protections services. Fire suppression systems will also be incorporated into the operation to minimize the impact on fire protection service. Consequently, the proposed medical marijuana dispensary is not expected to demand a high level of police and fire protection services.

Policy 1: All new and improved developments shall be reviewed for their impact on safety and the provision of police and fire protection services.

The proposed application and associated regulatory permits will include requirements for review of the proposed operation by City police and fire services. Any identified impacts on safety will be addressed by conditions of approval or regulatory requirements.

Policy 2

Enforce fire standards and regulations in the course of reviewing building plans and conducting building inspections.

All plans and improvements for interior or exterior building improvements will be subject to review and enforcement under fire codes and regulations.

The project appears to be consistent with the applicable goals and policies of the General Plan. Staff recommends this finding.

12. That there will not be significant harmful effects upon environmental quality and natural resources.

The proposed medical marijuana cultivation facility will occupy five new commercial / industrial buildings, located adjacent to an established commercial / industrial area, and operated in accordance with the City's regulations and conditions of approval.

Consequently, no significant adverse or harmful effects on the environment or on any natural resources are anticipated. Staff recommends this finding.

13. *That the negative impacts of the proposed use are mitigated and/or a mitigated negative declaration may be filed.*

The proposed medical marijuana cultivation facility will be operated as a commercial / industrial use within five new commercial / industrial buildings. It will be operated in accordance with all applicable regulations and conditions of approval. A review of the proposed project has identified the potential for certain environmental impacts; however, mitigation measures have been developed which will reduce all identified potential impacts to less-than-significant levels. A draft Negative Declaration with Mitigation Measures has been prepared for the project.

14. *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.*

The proposed medical marijuana cultivation facility has been reviewed by City departments and other public agencies for any potential detrimental effects on public interests, health, safety, convenience or welfare of the City. Any potential concerns have been addressed by recommended conditions of approval, and no unresolved concerns remain. Staff recommends this finding.

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

ENVIRONMENTAL ANALYSIS

The Applicant proposes to develop on vacant land five commercial / industrial buildings and ancillary development. 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, a draft Initial Study was prepared which identified potential impacts and sufficient mitigation measures. All potential environment impacts have been reduced to less-than-significant levels and a draft Negative Declaration with Mitigation Measures has been prepared for this project.

FISCAL IMPACT

Development of this project will generate revenues to the City in the form of building permit fees to defray plan check and inspection costs, for each project phase. In addition, the City will receive on-going revenue from marijuana taxes. The proposed facility has paid all required fees for processing and will contribute \$25 per square feet for the first 3,000 square feet, and then \$10 per square feet for the remaining space once it opens. (**\$75,000 + \$5,939,200 + \$6,014,200**)

Building Area	Square Feet
Office	25,000.00
Cultivation	596,920.00

Square Feet	Dollars/SF	Total
3,000.00	\$ 25.00	\$ 75,000.00
593,920.00	\$ 10.00	\$ 5,939,200.00
		\$ 6,014,200.00

RECOMMENDATION

Staff finds that the proposed project is substantially consistent with the General Plan and meets the development standards of the I-L (Light Industrial) zoning district. Staff recommends that the Planning Commission recommend to the City Council approval of Conditional Use Permit No. 02-17, subject to the Conditions of Approval:

EXHIBIT(S)

- No. 1 - Recommended Conditions of Approval
- No. 2 - Site Plan (showing temp. parking)
- No. 3 - Floor Plans
- No. 4 - Building I Elevations (showing roll-up doors)
- No. 5 - Building II Elevations (showing roll-up doors)
- No. 5b – Material Board
- No. 6a - Landscape Plan
- No. 6b – Plant Palette
- No. 7a- Lighting Plan
- No. 7b- Lighting Plan
- No. 7c- Lighting Plan
- No. 7d- Lighting Plan
- No. 7e- Lighting Plan
- No. 7f - Lighting Plan
- No. 8 - Site Photographs
- No. 8a – Site Photographs
- No. 9 – Draft Development Agreement