

REPORT TO THE PLANNING COMMISSION



DATE: August 8, 2017

TITLE: Conditional Use Permit No. 12-17, Development Agreement 10-17 and Tentative Tract Map 37331. A recommendation to the City Council for the approval of Conditional Use Permit, Development Agreement and Tentative Tract Map for the development of an indoor marijuana cultivation facility of eight buildings with a total floor area of 298,576 square feet. The Tentative Tract map will subdivide the existing lot into eight lots and a common area. The 15.10 acre project site (APN 665-110-006) is located on the north side of Dillon Road, approximately 750 feet east of Little Morongo Road in the Light Industrial (I-L) zone. Applicant: Gregory Restum / Green Acres Enterprises LLC

Prepared by: Craig A. Ewing, Consulting Planner

Reviewed by: Daniel Porras, Community Development Director

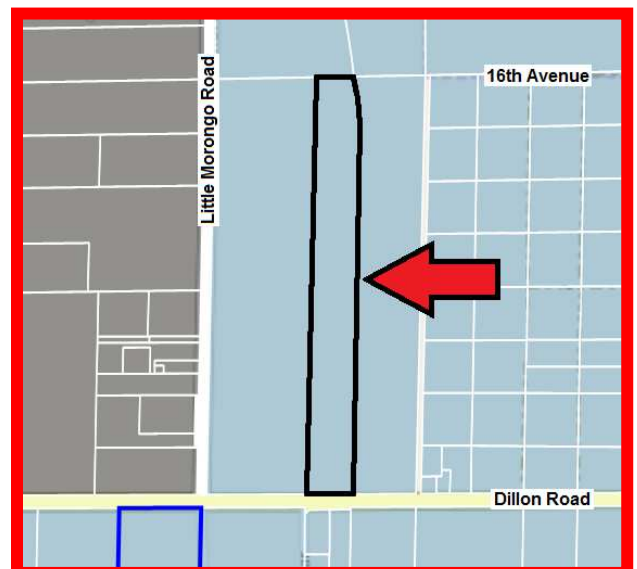
RECOMMENDATION

- 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 Conditional Use Permit No. 12-17, Development Agreement 10-17, and Tentative Tract Map for development of an indoor marijuana cultivation facility of eight buildings with a total floor area of 298,576 square feet on a vacant 15.10 acre site located on the north side of Dillon Road, approximately 750 feet east of Little Morongo Road in the Light Industrial (I-L) zone.

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, Gregory Restum, Green Acres Enterprises LLC, has filed application to establish a facility for the indoor cultivation of medical marijuana.

The site is located on the north side of Dillon Road, approximately 750 feet east of Little Morongo Road. It is long, narrow, and generally flat, with a gross area of approximately 15.10 acres. Its total width and street frontage along Dillon Road (improved) is



approximately 260 feet, and it has a depth of approximately 2,600 feet. Following dedication of right-of-ways, the site will have a net area of approximately 15.01 acres. The site is currently vacant.

SITE CONDITIONS

<i>Existing Zoning/General Plan Land Use:</i>	I-L (Light Industrial) & L-I
<i>Existing Use:</i>	Vacant Land
<i>Total Project Area:</i>	15.10 gross acres
<i>Assessor's Parcel Number:</i>	APN: 665-110-006

The proposed project includes eight free-standing buildings totaling 298,576 square feet of floor area. The buildings are of steel frame and concrete block (CMU) and metal panel construction. Each building will have a gross floor area of 37,322 square feet comprised of a nearly square main building with an office annex on the south elevation. Two story interiors are proposed – a ground floor and 5,000 square foot mezzanine. Overall building heights are about 34 feet. Other improvements include parking for 190 vehicles and approximately 2.37 acres of landscaping (Exhibit 2a). A Tentative Tract Map No. 37331 is proposed to subdivide the property (Exhibit 3).

The proposed project is zoned Light Industrial (I-L) District. Public street improvements on Dillon Road will be required, but no dedication of right-of-way is needed. Immediately surrounding properties are developed as follows:

	<u>Zoning & General Plan Designations</u>	<u>Current Land Use</u>
North and West	IL (Light Industrial)	Vacant Lands
East	OS-W (Open Space – Water)	Mission Creek
South	CR (Commercial Retail)	Retail Development

PROJECT SUMMARY

The applicant, Gregory Restum / Green Acres Enterprises LLC, has filed a Conditional Use Permit (CUP) application to develop the site for indoor cultivation of medical marijuana on a 15.10 gross acre property (APN 665-110-006). New construction of eight concrete (CMU) block and metal frame buildings (total gross floor area of 298,576 square feet) and ancillary facilities is proposed on the vacant site.

Building Area (Square Feet)	Buildings 1 through 8	Total
Office / Administration	2,486	19,888
Manufacturing / Processing	990	7,920
Cultivation:		
Ground Floor	28,846	230,768
Mezzanine	5,000	40,000
Total Sq. Ft.	37,322	298,576

On the floor plans, the applicant has indicated a 5,000 square foot mezzanine dedicated to cultivation only (Exhibit 4). Staff notes that the site plan provides parking sufficient to accommodate only cultivation and a small amount of manufacturing and administrative space (about 9% of the total building area). While actual uses within the building will be determined by future tenants – who will submit their own interior improvement plans – staff includes a standard condition requiring uses within the building be limited so that there is always sufficient parking according to the approved site plan and the parking standards of the zoning ordinance.

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 one lot having a gross area of 15.10 acres. (No dedication for street right-of-way is required.) Under the Industrial Zoning District standards, the maximum allowable coverage is 75%. The total square footage of the proposed buildings on site is 282,072 which represent 43.1% site coverage of the 15.01 acre (net) site. The project conforms to this standard.

Building Height: The highest point on all proposed buildings will be about 34 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. Building One is approximately 116 feet from the front property line at its nearest point, Building Eight is about 77 feet from the rear property line, and the nearest actual side setback is 26 feet (northwest corner of Building Eight). Therefore, the project meets minimum setback standards.

Circulation and Parking: Access to the site will be provided from two driveways on Dillon Road frontage (south property line). As noted above, parking for 190 vehicles is provided; sixteen of those spaces are for handicap access. Within the site, drive aisles are provided along both side property lines and between all buildings. Based on the proposed floor plan and a parking standard of 1 space for every 2500 square feet of cultivation / storage areas and 1 space for 250 feet of office and administrative uses, staff provides the following parking calculation:

Parking Calculation			
Proposed Uses (Sq. Ft.)	Zoning Requirements	Number of Spaces Required	Number of Spaces Provided
Total Administration 19,888	1 space / 250 sf	79.55	216 (including 16 for disabled access)
Total Manufacturing: 7,920	1 space / 750 sf	10.56	
Total Cultivation: 270,768	1 space / 2500 sf	<u>108.31</u>	
		198.42 or 199 spaces	

As noted above, actual uses may vary as tenants submit interior improvement plans. Since other industrial uses have higher parking demand than cultivation, staff supports the project's provision of additional parking so that future uses are not as likely to be constrained by available parking. Based on the above analysis, the project provides sufficient parking for the proposed use.

Truck Access and Parking: The project will provide on-site circulation and turning radii to accommodate for access and circulation of semi-trucks and has provided an area for temporary parking of semi-trucks. Loading doors at the office annex are provided in all buildings (Exhibit 2b). Truck loading and parking are provided at the southwest corner of each building.

Architecture/Elevations/Colors: The proposed buildings' exterior colors are a palette of greys and greens (Exhibit 5). The lower wall of the main building is charcoal grey concrete masonry (CMU) block and additional CMU block in dark charcoal is proposed around three sides of the office annex. The main building exterior is clad in metals panels with horizontal seams in neutral greys. Vertical-seam panels in dark green and a stucco framing elements in light grey are used on the office annex. Loading and entry doors are light green. Landscaping and fencing are provided around the perimeter of the site, as described below (Exhibit 6). The project is proposed in eight phase as each building will be built as timing warrants. The building design provides architectural interest through varying panel orientation and color, with additional attention to the office area provided by light grey framing – including loading dock canopies – and light green entries. 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 (south side) and sides of each building, and at the rear northwest corner. Low-water use trees listed on the plan: Acacia Mulga, Palo Verde, Desert Ironwood, Texas Ebony and both Mediterranean and California Palms. Shrubs include Pyracantha along the perimeter fencing and Coyote Brush, Brittle Brush, Red Yucca, Creosote Bush, Century Plan and Blue Agave throughout the site. The overall planting plan is appropriate in scale and plant selection.

A block wall is proposed around the entire property, and controlled access gates are found at each driveway and at the front parking lot. The driveway gates are set back from the street (96 feet on the west drive aisle and 108 feet on the east aisle) to allow up to nine vehicles to queue on site.

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 (Exhibit 7). 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 up to eight (8) 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 perimeter block wall, including gated entries. Also, 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.

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.

TENTATIVE PARCEL MAP ANALYSIS

The current lot configuration one large parcel. The applicant proposes to subdivide the lot and create eight lots and a common area. The eight lots generally match the development pattern of the eight buildings and their respective parking areas while the common area covers the landscaping, and common driveways. The “building pad” lots each have an area of 1.19 acres and the common lot area is 5.35 acres. All lots comply with the 0.46 acre (20,000 square feet) minimum area of required in the I-L (Light Industrial) zone.

DEVELOPMENT AGREEMENT ANALYSIS

The City is requiring all Medical Marijuana Cultivation to process a Development Agreement that incorporates indemnification provisions in favor of the City. The Development Agreement format was prepared by the City Attorney and will be reviewed and approved in final form prior to its presentation to the City Council for approval (Exhibit 8).

The Desert Hot Springs Municipal Code (17.84 Development Agreements) and State law provide that the City and a developer may enter into a development agreement for the purpose of providing the developer with assurances that their development entitlements will not be subject to revocation, termination or modification because of future changes in the City’s zoning, planning and land use regulations. In exchange, the City receives certain benefits in the form of revenue, improvements, etc. that the City could not otherwise legally impose on the particular project for a variety of reasons. Such reasons include, but are not limited to, (a) the lack of a nexus between a certain condition of approval and the scope of the project’s impacts on the environment or surrounding neighborhood or (b) the legal exclusion of a certain use from the imposition of certain fees or taxes. Development agreement authority is essentially one of the only exceptions to the general principle that prohibits cities from contracting away their future police powers. Moreover, development agreement authority has served as an effective means for cities to encourage economic development, which has become increasingly important to some cities in the absence of redevelopment authority.

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 eight 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 eight 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 proposed commercial / industrial buildings are designed 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 16th Avenue) are vacant but under development for industrial use. Lands to the south are developed with commercial / industrial land uses. Lands east and west 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 eight new commercial / industrial buildings. The proposed two-story buildings will be of conventional concrete masonry (CMU) block 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 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 15.10 gross acre site is presently vacant, but would be occupied by eight buildings that do not exceed about 34 feet in height and contain a total lot coverage of about 258,576 square feet; lot coverage is approximately 43.1%. 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 eight commercial / industrial buildings and will be provided with necessary public services and utilities prior to occupancy. 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 – 216 spaces provided, 199 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 34 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 within the I-L (Light Industrial) zone of the City and all public improvements will be provided prior to occupancy. 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 and limited retail. 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 will be served with necessary utilities and is located adjacent to a Major Arterial (Dillon 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 eight 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 eight new concrete masonry block buildings at a height not to exceed approximately 34 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 4 April 2017, deemed complete 4 May 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 protection 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 eight new commercial / industrial buildings, located near established commercial / industrial areas, 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 eight 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.

TENTATIVE PARCEL MAP FINDINGS:

According to Municipal Code Section 16.24.150 (Commission determination) a tentative map may be denied by the Commission on any of the grounds contained in the Map Act, General Plan or the municipal code. The Commission shall deny the tentative map if it makes any of the following mandatory findings contained in Map Act Section 66474. Staff has developed a response to each finding, as follows:

1. *That the proposed map is not consistent with applicable general and specific plans as specified in Section 65451.*

As noted in the findings (above) for the associated Conditional Use Permit, the proposed development of a medical marijuana cultivation facility conforms to the General Plan. The proposed tentative map subdivides four existing lots into eight lots and a common area to allow for this development. The conclusions related to the CUP findings regarding General Plan consistency may also apply to the proposed tentative map. There are no specific plans adopted for this site.

2. *That the design or improvement of the proposed subdivision is not consistent with applicable general and specific plans;*

The proposed tentative map subdivides one existing lots into eight lots and a common area. The lots proposed by the tentative map will all comply with the minimum zone standard for lot area. Consequently, the proposed tentative map will fulfill the goals and policies of the General Plan, as indicated in the CUP findings (above).

3. *That the site is not physically suitable for the type of development.*

The lots proposed by the tentative map will each be of a size (lot area), width, depth and surface (generally flat) to allow development, including accessory activities and features, such as vehicular access, drainage and flood control. As proposed, the site appears physically suitable for the type of development

4. *That the site is not physically suitable for the proposed density of development.*

The proposed map will create eight lots each having sufficient area and shape (rectangular) to allow for development of a light industrial facility of approximately 37,000 square feet, while together with the common area will yield a project that conforms to applicable development standards such as setbacks, height and parking. As proposed, the site appears physically suitable for the proposed density of development.

5. *That the design of the subdivision or the proposed improvements are likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.*

The proposed map and related development proposal have been evaluated for potential impacts to the environment. While potential impacts were identified, adequate mitigation measures to reduce such impact to non-significant levels have

been developed and incorporated into the project's design, development and implementation. With these mitigation measures, the design of the subdivision and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.

6. *That the design of the subdivision or type of improvements is likely to cause serious public health problems.*

The proposed map and related development proposal have been evaluated for potential impacts to public health, including geologic hazards, hazardous materials and emergency services. Standard conditions were determined to be sufficient so that no serious public health problems are anticipated to result from the project.

7. *That the design of the subdivision or the type of improvements will conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision.*

The proposed tentative map will include a dedication of right-of-way for a portion of Dillon Road to provide vehicular access to the site and development. No other access easements have been identified as necessary for the site or surrounding area that would pass through or make use of the subject property.

ENVIRONMENTAL ANALYSIS

The Applicant proposes to develop on vacant land eight 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 (Exhibit 9). 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 **(\$75,000 + \$2,677,680 = \$2,752,680)**.

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. 12-17, Development Agreement DA 10-17, and Tentative Tract Map 37331, subject to the Conditions of Approval (Exhibit 1).

EXHIBIT(S)

- No. 1 – Recommended Conditions of Approval
- No. 2a – Site Plan
- No. 2b – Site Plan Detail (showing temp. parking)
- No. 3 – Floor Plan, Typical
- No. 4 – Building Elevation, Typical (showing roll-up doors)
- No. 5 – Landscape Plan
- No. 6 – Lighting Plan
- No. 7 – Draft Development Agreement
- No. 8 – Draft Initial Study / Negative Declaration with Mitigation Measures