

REPORT TO THE CITY COUNCIL AND PLANNING COMMISSION



DATE: November 7, 2017

TITLE: Specific Plan No. 01-17 and General Plan Amendment No. 02-17. A Request for an Amendment to the General Plan Land Use Designation from I-L (Light Industrial) to I-L/SP (Light Industrial / Specific Plan) and to Adopt the Proposed Specific Plan by Ordinance Replacing the Current Zoning Designation, Uses Permitted, Development Standards, Etc. for the Coachillin Cannabis Business Park Project Located on the East Side of Indian Avenue between 18th Avenue and 19th Avenue

Prepared by: Benjamin Torres, Associate Planner

Reviewed by: Scott Taschner, Senior Planner; and
Daniel Porras, Community Development Director

RECOMMENDATION

- 1) Staff Report;
- 2) Entertain Questions of Staff from Planning Commission;
- 3) Entertain Questions of Staff from the City Council;
- 4) Open the Public Hearing;
- 5) Take Testimony from Applicant;
- 6) Take Public Testimony;
- 7) Opportunity for Applicant Rebuttal;
- 8) Close the Public Hearing;
- 9) **PLANNING COMMISSION** discussion and consideration.

RECOMMENDATION: That the **PLANNING COMMISSION** make a favorable recommendation to the City Council for the following:

- A) Adoption of the Findings of Fact as the Commission's own findings;
- B) Approval of Specific Plan No. 01-17 and introduction of associated Ordinance;
- C) Approval of General Plan Amendment 02-17;
- D) Find that the Parcel Map No. 37158 is in substantial conformance with the previously approved tentative map;
- E) Approve the Subdivision Improvement Agreement and Letter of Credit, allowing substantive changes to be made by the City Manager, Interim City Engineer, and City Attorney as they deem appropriate;
- F) Authorize the City Clerk and Interim City Engineer to sign the final map evidencing the City Council's approval only after all of the following have been done: 1) all supporting documents, including but not limited to the Subdivision Improvement Agreement, and securities are approved by City Staff; 2) the Subdivider has complied with all of the Conditions of Approval associated with the Tentative Tract Map; 3) the Subdivider has provided sufficient security for all improvements to the satisfaction of the Interim City Engineer
- G) Authorize Staff to process and file the final map and all supporting agreements, including the Subdivision Improvement Agreement, with the County Recorder's Office when Subdivider has complied with all of the following: 1) all of the Conditions of Approval associated with the Tentative Tract Map; and 2) has provided sufficient security for all improvements to the satisfaction of the Interim City Engineer.

10) CITY COUNCIL discussion and consideration.

RECOMMENDATION: That the CITY COUNCIL approve the following:

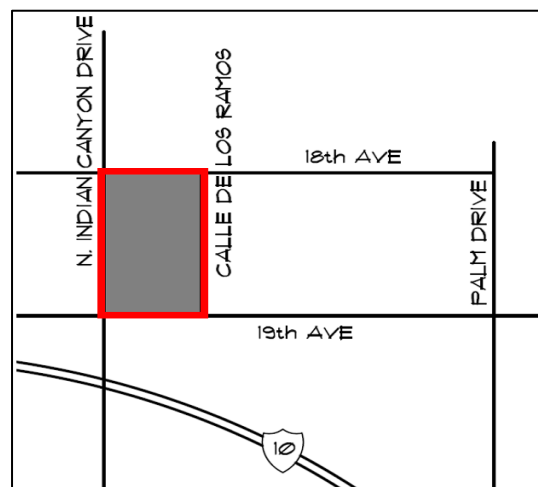
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- G) Authorize Staff to process and file the final map and all supporting agreements, including the Subdivision Improvement Agreement, with the County Recorder's Office when Subdivider has complied with all of the following: 1) all of the Conditions of Approval associated with the Tentative Tract Map; and 2) has provided sufficient security for all improvements to the satisfaction of the Interim City Engineer.**

EXECUTIVE SUMMARY

The applicant, *Coachillin' Holdings, LLC*, is proposing a Specific Plan, including an amendment to the Zoning Ordinance, and General Plan Amendment, for a long-range development plan for a mixed-use commercial/industrial project totaling 2,800,000 sq. ft., which includes cultivation, processing, medicinal marijuana sales, restaurants, and other uses. A Specific Plan is proposed as the master development plan and required an amendment to the General Plan from Light Industrial to Specific Plan.

BACKGROUND

The applicant, Kenny Dickerson, Coachillin Holdings, LLC filed applications for a Specific Plan, General Plan Amendment, Conditional Use Permit, and Tentative Parcel Map.



On October 17, 2017, the City Council approved an Addendum to the Mitigated Negative Declaration for the Coachillin Cultivation and Ancillary-Canna Business Park Project, in addition to Conditional Use Permit No. 17-17, and Tentative Parcel Map (TPM) No. 37158. Conditional Use Permit No. 17-17 was for the development of a permanent lab facility and various long-term temporary medicinal marijuana structures totaling approximately 219,000 SF. TPM No. 37158 proposed the subdivision of 153.71 gross acres into 43 parcels, in addition to creating 13

lettered lots for street purposes and 3 parcels designated as retention basins. The CUP *construction* project site is located within parcels 32 and 33 of the TPM.

Regulatory Framework

The Desert Hot Springs Municipal Code (“DHSMC”) provides for the adoption of Specific Plans and related actions, as follows:

- Chapter 17.128 provides for the approval of Specific Plans; and
- Chapter 17.100 provides for the adoption of General Plan Amendments;

SITE CONDITIONS

The 153.71-acre project site is located on the east side of Indian Canyon Drive between 18th and 19th Avenues in the LI (Light Industrial) zone. The following table is a summary of the project site:

Existing Zoning/General Plan Land Use:	LI (Light Industrial)
Existing Use:	Vacant Land
Total Project Area:	153.71 gross acres
Assessor’s Parcel Number:	666-340-004, -006

Surrounding properties for the Project Site consist of:

<u>Direction</u>	<u>Jurisdiction</u>	<u>Zoning & General Plan Designations</u>	<u>Current Land Use</u>
North	County	Residential	Residential Uses & Vacant Land
West	City of Palm Springs	Manufacturing Zone	Vacant Land
South	City	IL (Light Industrial) District	Industrial Uses & Vacant Land
East	City	IL (Light Industrial) District	Vacant Land

PROJECT SUMMARY

The proposed Coachillin’ Industrial Cultivation & Ancillary Canna-Business Park Specific Plan proposes a long-range plan for the development of a mixed-use commercial/industrial project totaling 2,800,000 sq. ft. on 153.71 acres. The purpose of the Coachillin’ Specific Plan is to provide the framework and guidelines for the creative development of an innovative Industrial and Business Park. Since the General Plan Land Use Map presently designated the entire site as LI (Light Industrial), amendments to the General Plan and Zoning Ordinance are necessary to establish five (5) Planning Areas and their associated development standards:

- **Agriculture Use (AG):** Activities involving crop production. The AG planning area is located on three (3) parcels fronting 19th Avenue and totals 9 percent (13.5 acres) of the project site.
- **Mixed Use (MU):** Activity involving a combination of potential industrial and/or commercial uses, namely commercial uses such as restaurants or the sale of goods / services, touring & education, or bunkhouse for on-site security personnel. Industrial uses would mirror those of Light Industrial designation. The MU planning areas is located seven (7) parcels fronting Indian Canyon Drive and totals 22 percent (21.5 acres) of the project site.

- **Light Industrial (LI):** Those fields of economic activity including construction; distribution; manufacturing; transportation, communication, electric, gas, and sanitary services; and wholesale trade.
- **Industrial Energy (IE):** those fields of developing energy resources such as wind, solar, and/or uses allowed within the light industrial designations outlined above. Uses may include, vermiculture, or other recycling oriented uses as well. Additionally, IE designated planning areas will include the water well and storage reservoir, temporary septic and some other utility-related uses.
- **Public Utility (PU):** This area designated to be potentially occupied by a public utility company other private utility provider. The PU planning area is located on one (1) parcel fronting Calle De Los Romos and totals 5 percent (7 acres).

Development of the Specific Plan, as proposed, will primarily be developed with medical marijuana cultivation uses, a detailed breakdown of the proposed development can be seen below:

LAND USE	GROSS PARCEL ACREAGE	BUILDING SPACE (SQ. FT.)	
		Available Building Envelope ¹²	Currently Planned ¹³
<u>LIGHT INDUSTRIAL</u>			
• Medical Marijuana Cultivation	111.21	3,839,461	2,515,234
• Extraction/Laboratory Facility	3.81	114,894	47,059
• Business Incubator, Research/Development Facility	8.13	301,022	191,400
<u>COMMERCIAL</u>			
• Education, Touring, Dispensary, Restaurant, and Other Permitted Commercial Uses	21.52	702,773	27,513
<u>RESIDENTIAL</u>			
• Security Team Bunkhouse/Armory	0.60	17,943	10,994
<u>INDUSTRIAL – ENERGY RELATED</u>			
• Vermiculture (Red Worm) Facility	4.73	8,596	7,800
<u>PUBLIC UTILITIES</u>			
• SCE Substation	7.17	----	----
<u>AGRICULTURE</u>			
• Date/Citrus Fields	13.54	----	----
<u>OTHER</u>			
• Water Retention Basins & Cultivation/Irrigation Water Storage Reservoir	13.54	----	----
• Well Site	1.87	----	----
• Landscaping / Open Space	35.65	----	----
Total:		2,800,000	

Controlled vehicular access is provided at multiple locations along the project's four (4) street frontages. Two access points are provided on 18th and 19th Avenues, while Indian Canyon Drive and Calle De Los Romos provide one each. Within the Project Site, vehicular circulation and truck access is provided by a network of roadways between and around the individual parcels that will eventually be developed according to the proposed Specific Plans development standards and design guidelines.

The Specific Plan proposes to only include sidewalks on Indian Canyon Drive. However, staff is recommending that the developer install sidewalks around the perimeter of the site (on Indian Canyon Drive, 18th Avenue, 19th Avenue & Calle De Los Romos). Staff has included a condition

to reflect this requirement. Staff has no concern with the deletion of sidewalks on the private/interior streets.

Phasing: The phasing plan identifies four main phases to be implemented over approximately 6 years. Phasing is identified as conceptual and subject to change depending on market conditions.

1. Phase 1

- a. **Phase 1a:** Installation of Preliminary Roads and Open Space Areas;
- b. **Phase 1b:** Installation of Rough Grading Pads and Basins Lower Half;
- c. **Phase 1c:** Installation of Rough Grading Pads & Basins Upper Half;
- d. **Phase 1d:** Precise Grading & Construction CUP Area Parcels #32 & #33 Lab Building 47,059 SF & 164,464 SF Greenhouse Buildings, #29 Temporary Buildings #4 & #29 4,000 SF; 130 Total Acres

2. Phase 2

- a. **Phase 2a:** Precise Grading and Construction Indoor SIPs Cultivation Projects; Parcels #3, 5, 7, 9, 10, 11, 13; 350,000 SF;
- b. **Phase 2b:** Precise Grading and Construction Greenhouse Cultivation Projects; Parcels #9,10, 12,16,17; 136,220 SF; 30 Total Acres

3. Phase 3

- a. **Phase 3a:** Precise Grading and Construction Indoor SIPs Cultivation Projects; Brewhouse, Tour and Education, Security; Parcels #1,3,4,29,30,31; 440,000 SF;
- b. **Phase 3b:** Precise Grading and Construction Greenhouse Cultivation Projects; Parcels #15,20,21,22,23,24; 360,000 SF;

4. Phase 4: Construction of balance of the Coachillin' Specific Plan land uses; Parcels #2,8,28,34-43; 1,549,316 SF

Third Party Consultants (at the City's discretion): The City may utilize third party consulting services to help expedite the City's development process of the Coachillin Specific Plan. The third-party consultant will be selected and hired by the City, any and all additional fees will be paid for by the applicant.

SPECIFIC PLAN ANALYSIS

General Plan Amendment: Government Code Section 65453 (Consistency with General Plan) states that no specific plan may be adopted or amended unless the proposed plan or amendment is consistent with the General Plan. Therefore, General Plan Amendment No. 02-17 proposes to change the current land use designation from Light Industrial to Specific Plan for the project site to meet this requirement. This will allow for the mixture of industrial, commercial, agricultural uses proposed on the Planning Areas Land Use Map (see Specific Plan Exhibit 3.3). The Coachillin Specific Plan is consistent with the General Plan goals, policies, and programs, with the recommended conditions of approval. See Section 8.4 of the Coachillin Specific Plan for a detailed analysis on the Specific Plans consistency with the General Plan.

Section 17.100 of the Municipal Code requires that certain findings be made by the City Council prior to amending the General Plan. An analysis of the Specific Plan in light of these required findings, as well as findings for the other requests, is provided later in this report.

Adoption of Specific Plan, including Zoning Ordinance Amendment: Adoption of the Coachillin Specific Plan, including an amendment to the Zoning Ordinance, will establish development standards and design guidelines as the basis for reviewing future development of the project

site. Table 3-4 (Allowable Land Uses & Permit Requirements vs. Existing DHS Zoning Code) from the Specific Plan compares the Specific Plan's allowable uses and permit requirements with the existing LI (Light Industrial) Zoning in addition to other related/mixed uses allowed & permitted under other City of DHS zoning guidelines. As shown, the Coachillin SP proposed allowable uses very closely resemble the currently allowed uses.

The Coachillin Specific Plan Land Use Program has been designed to be consistent with the City of Desert Hot Springs General Plan, and Zoning Code land uses in order to be in conformance and for ease of use and application. This will apply to both the Specific Plan allowable land uses as well as the required permit review and approval process.

Please note the meaning of each use designation below:

- **“Permitted Uses” (P)** requiring design review;
 - Permitted Uses (P) under this Coachillin' Specific Plan may also be referred to as **“Specific Plan-NRC” (SP-NRC)** Specific Plan Not Requiring a Conditional Use Permit (aka “by-right” permitted use);
- **“Allowed Uses” (D)** requiring a Development Plan Permit;
 - Allowed Uses (D) under this Coachillin Specific plan may also be referred to as **“Specific Plan-NRC” (SP-NRC)** Specific Plan Not Requiring a Conditional Use Permit (aka “by-right” allowed use);
- **“Conditional Uses” (C)** requiring a Conditional Use Permit;
- **“Temporary Use” (T)** requiring a Temporary Use Permit;
- **“Not Allowed” (X)** not allowed in project.

Below is the Specific Plans table of allowable land uses that contains a comparison to the City's current land use requirements:

CATEGORY OF LAND USE	COACHILLIN SP					DHS ZONING CODE LAND USES			
	MU (MIXED USE)	LI (LIGHT INDUSTRIAL)	IE (INDUSTRIAL ENERGY)	AG (AGRICULTURAL)	PU (PUBLIC UTILITY)	C-G (COMMERCIAL GENERAL)	I-L (INDUSTRIAL LIGHT)	I-M (INDUSTRIAL MEDIUM)	I-E (INDUSTRIAL ENERGY)
AGRICULTURE, RESOURCE, OPEN SPACE									
COMMERCIAL GARDENING	P ¹	P ¹	P ¹	P ¹	X	D	D	D	C
CROP PRODUCTION	P ¹	P ¹	P ¹	P ¹	X	D	D	D	C
PLANT NURSERIES, WITH ON-SITE SALES	P	P	X	X	X	P	P	P	X
PLANT NURSERIES, WITHOUT ON-SITE SALES	P	P	X	X	X	X	P	P	D
WIND MACHINES AND WIND FARMS	C	C	C	C	C	C	C	C	D
VERMICULTURE	P	P	P	P	P				
MANUFACTURING AND PROCESSING									
DISTRIBUTION	D	P	P	P	X	X	P	P	X
FOOD PRODUCTS	D	P	C	P	X	C	D	D	X
FURNITURE AND FIXTURES	P	P	C	X	X	X	D	D	X
LAUNDRIES AND DRY-CLEANING PLANTS	C	D	X	X	X	C	D	D	X
LIGHT MANUFACTURING FACILITIES	D	P	P	X	X	X	P	P	X

CATEGORY OF LAND USE	COACHILLIN SP					DHS ZONING CODE LAND USES			
	MU (MIXED USE)	LI (LIGHT INDUSTRIAL)	IE (INDUSTRIAL ENERGY)	AG (AGRICULTURAL)	PU (PUBLIC UTILITY)	C-G (COMMERCIAL GENERAL)	I-L (INDUSTRIAL LIGHT)	I-M (INDUSTRIAL MEDIUM)	I-E (INDUSTRIAL ENERGY)
MEDIUM MANUFACTURING FACILITIES	D	P	P	X	X	X	C	D	X
MIXED USE OFFICE/INDUSTRIAL	P	P	P	X	X	X	C	X	X
PRINTING/PUBLISHING	D	D	X	X	X	C	P	P	X
RECYCLING FACILITIES	D	D	D	X	X	X	D	D	X
RECYCLING—REVERSE VENDING MACHINES	P	P	P	X	X	D	P	P	X
STORAGE YARD	X	D	C	X	C	X	D	D	C
WAREHOUSING	D	P	D	X	C	X	D	D	X
WHOLESALING	D	P	P	X	X	C	P	P	X
RECREATION, EDUCATION, PUBLIC ASSEMBLY									
ART GALLERIES	P	X	X	X	X	P	X	X	X
ATHLETIC FACILITIES	P	D	X	X	X	P	D	X	C
COMMUNITY CENTERS	D	C	X	X	X	D	C	X	X
CONVENTION CENTERS	D	D	X	X	X	D	D	X	X
CONVENTION FACILITIES	D	D	X	X	X	D	D	X	X
HEALTH/FITNESS FACILITIES	P	P	X	X	X	P	P	X	X
INDOOR RECREATION CENTERS	D	D	X	X	X	D	D	X	X
MEMBERSHIP ORGANIZATION FACILITIES	D	D	X	X	X	D	D	D	X
MUSEUMS	P	P	X	X	X	P	P	X	X
ORGANIZATION OFFICES	P	P	P	X	X	P	C	X	X
SCHOOLS	X	D	X	X	X	X	C	X	X
STUDIOS FOR DANCE, ART, MUSIC, PHOTOGRAPHY, ETC.	P	P	X	X	X	P	P	C	X
THEATRES AND MEETING HALLS	D	D	X	X	X	D	D	X	X
RESIDENTIAL									
CARETAKER/WATCHPERSONS' DWELLING/BUNKHOUSE	P	P	P	X	P	X	D	D	D
RETAIL TRADE									
ACCESSORY RETAIL USES	P	P	D	X	X	P	C	X	X
BARS AND DRINKING ESTABLISHMENTS	D	X	X	X	X	C	X	X	X
BUILDING MATERIAL STORES	P	P	X	X	X	P	D	X	X
DRIVE-IN AND DRIVE-THROUGH SALES	D	C	X	X	X	D	X	X	X
FARM AND RANCH SUPPLY STORES	P	P	P	X	X	P	D	X	X
GIFT SHOPS	P	X	X	X	X	P	X	X	X
GROCERY STORES	P	X	X	X	X	P	X	X	X
OUTDOOR RETAIL SALES, TEMPORARY	T	T	X	X	X	T	T	X	X
RESTAURANTS, NO BEER, WINE OR LIQUOR	D	D	X	X	X	D	D	X	X
RESTAURANTS, WITH BEER, WINE OR LIQUOR	D	C	X	X	X	C	C	X	X

CATEGORY OF LAND USE	COACHILLIN SP					DHS ZONING CODE LAND USES			
	MU (MIXED USE)	LI (LIGHT INDUSTRIAL)	IE (INDUSTRIAL ENERGY)	AG (AGRICULTURAL)	PU (PUBLIC UTILITY)	C-G (COMMERCIAL GENERAL)	I-L (INDUSTRIAL LIGHT)	I-M (INDUSTRIAL MEDIUM)	I-E (INDUSTRIAL ENERGY)
RETAIL STORES, TOURIST/TRAVELER ORIENTED	P	C	X	X	X	P	C	X	X
SERVICES									
AUTOMATIC TELLER MACHINE (ATM), NOT AT A BANK	P	X	X	X	X	P	X	X	X
BUSINESS SUPPORT/SECRETARIAL SERVICES	P	C	X	X	X	P	C	X	X
MEDICAL SERVICES, CLINICS AND LABS	D	D	X	X	X	C	C	X	X
OFFICES, PERMANENT	P	P	D	X	X	P	D	X	X
OFFICES, TEMPORARY	T	T	T	X	X	T	T	T	T
PERSONAL SERVICES	D	X	X	X	X	D	X	X	X
PUBLIC AND QUASI-PUBLIC USES	D	D	X	X	X	D	D	D	D
PUBLIC UTILITY AND SAFETY FACILITIES	D	D	D	X	D	D	D	D	D
RESEARCH AND DEVELOPMENT FACILITIES	D	P	P	X	X	C	D	D	X
POWER SUPPLY & GENERATION, MAJOR (SUBSTATION, LARGE SOLAR OR WIND FARMS)	X	C	C	X	C	X	D	D	D
POWER SUPPLY & GENERATION, MINOR (SOLAR CARPORTS, SMALL ROOFTOP WIND TURBINES, ETC)	D	D	D	C (must not inhibit drainage)	D	X	D	D	D
TRANSPORTATION AND COMMUNICATIONS									
TELECOMMUNICATIONS FACILITIES, MAJOR (CELL TOWERS, ETC)	D	D	D	D	D	C	C	C	C
TELECOMMUNICATIONS FACILITIES, MINOR (ANTENNAE FOR BUILDING ROOFTOPS, OR SMALL INTRA-PROJECT COMMUNICATION USES)	P	P	P	P	P	C	C	C	C
CANNABIS OR MARIJUANA USES ACCORDING TO DHS ORDINANCE									
MARIJUANA DISPENSARIES COACHILLIN SP ALLOWS CANNABIS DISPENSARY ON PARCEL #29 (COMMERCIAL USES ARE ALLOWED BY SP ON PARCELS ABUTTING THE MAIN ARTERIAL INDIAN CANYON DRIVE) BY "RIGHT" (NOT REQUIRING CUP)	D #29	X	X	X	X	C	X	X	X
MARIJUANA CULTIVATION FACILITIES	D	D	D	X	X	X	C	X	X
MARIJUANA MANUFACTURING FACILITIES	D	D	X	X	X	X	C	X	X
MARIJUANA TESTING FACILITIES	D	D	X	X	X	X	C	X	X
MARIJUANA DISTRIBUTION FACILITIES	D	D	D	X	X	X	C	X	X

¹ No outdoor cultivation of marijuana

The Specific Plans Table of Permitted Uses closely resembles the City's Zoning Code, with the exception that some of the land use categories like medicinal marijuana are processed using a Development Permit, instead of a Conditional Use Permit. This is intended to streamline the development process for the Coachillin Specific Plan. Cases of uncertainty regarding whether a particular land use is permitted and by what process, shall be determined by the Community Development Director.

Development Standards

The chart below shows that there is a small variation in the development standards proposed by the Coachillin Specific Plan with those of the City's Light Industrial zone. It is worthwhile to note that the setbacks are the same, except for the front setback standard which is more restrictive. Maximum building heights are increased (55-feet / two stories on parcels adjacent to public roadways, and 65-feet / three stories on interior parcels not fronting a public street). Perimeter wall height is increased to 10-feet (from top of adjacent curb) to allow for heightened security of the project's interior. In addition, the maximum lot coverage is increased by five percent.

ITEM	COACHILLIN SP	DHS LI ZONING DISTRICT
MIN. GROSS LOT AREA	65,340 sq. ft.	20,000 sq. ft.
MIN. FRONT SETBACK	25	20
MIN. REAR SETBACK	10	10
MIN SIDE SETBACKS	10	10
SIDE SETBACK (STREET SIDE)	10	10
LOT COVERAGE (MAXIMUM)	80% <i>Design Guidelines</i>	75%
STRUCTURE HEIGHT (MAXIMUM)	2 Stories/55' (Parcels adjacent public roadways; Indian Canyon Drive, 18 th , 19 th & Calle De Los Romos) 3 Stories/65' (Interior Parcels within the Project) <i>Design Guidelines</i>	2 Stories/50'
PERIMETER WALL / FENCING HEIGHT (MAXIMUM)	10' (From Top of Adjacent Curb)	8' (Abutting residential or for outdoor storage) 6' (For other uses)
PARKING SPACES REQUIRED	<i>Design Guidelines</i>	Chapter 17.48.040
LOADING SPACES REQUIRED	<i>Design Guidelines</i>	Chapter 17.52.030
PARKING LANDSCAPE STANDARDS	<i>Design Guidelines</i>	Chapter 17.40.250
SIGNING	<i>Design Guidelines</i>	Chapter 17.44

Parking spaces will be provided within each parcel, but the specific number will be determined as development plans are submitted in accordance with the proposed parking standards from the Specific Plans Design Guidelines. Below is a comparison of the proposed parking standards in relation to the current City Standards:

Use	Coachillin Specific Plan	DHS Municipal Code
Retail	1 space / 250 SF	1 space / 250 SF

Manufacturing, Research and Development, and Indoor Garden	1 space / 500 SF	N/A
Outdoor Display	1 space / 2,500 SF	1 space / 2,500 SF
Restaurant	1 space / 75 SF	1 space / 75 SF
Fast Food	1 space / 100 SF	1 space / 100 SF
Cultivation	1 space / 2,500 SF	1 space / 2,500 SF
Laboratory	1 space / 750 SF	1 space / 750 SF

The proposed parking standards resemble the City's current standards for the uses referenced above, except for the "Manufacturing, Research and Development, and Indoor Garden" classification. The City currently utilizes a standard of 1 space per 750 SF for manufacturing, while a retail nursery uses a standard of 1 space per 500 SF for indoor display area. There are no standards for research and development in the Municipal Code but given that the proposed parking standard is more restrictive than the current standard of 1 space per 750 for industrial areas, no negative impacts are anticipated.

Projected Employment

The projects Addendum/Mitigated Negative Declaration has estimated that the project site will employ 1,510 employees at buildout.

AGENCY & PUBLIC REVIEW

Public Agency Review

The proposed project was routed to all relevant public agencies and departments for review.

AB 52 Review

The proposed project is subject to review by local Native American Tribal organizations, under Assembly Bill 52 (AB 52) requirements. Per AB 52 requirements, the Community Development Department sent notice to the potentially affected Native American Tribes, requesting their response within 30-days for formal consultation. The request for consultation period began on May 11, 2017 and ended on June 10, 2017, with a formal request for consultation requested by the Soboba Band of Luiseno Indians, staff have contacted the Soboba Tribe and had a meeting.

Public Hearing Notice

The project was noticed to neighboring owners within a 300-foot radius of the project site (on October 26, 2017) and was advertised in the Desert Star on Friday, October 27, 2017 per state noticing requirements. No public negative comments have been received as of this writing.

ENVIRONMENTAL ANALYSIS

On October 17, 2017, the City Council approved a Conditional Use Permit (No. 17-17) and a Tentative Parcel Map (No. 37158) for the Coachillin Cultivation and Ancillary-Canna Business Park Project and in doing so certified the Addendum to the Mitigated Negative Declaration for the Project. Pursuant to section 15162(a) of the California Environmental Quality Act regulations, once an MND has been certified for a project, no subsequent environmental review needs to be completed unless there are substantial changes in the project that warrant additional review. The Planning Commission and City Council only needs to make a finding that the request for a Specific Plan and General Plan Amendment is consistent with the Addendum/Mitigated Negative Declaration, and no further analysis is required. No significant changes are proposed as part of the proposed Specific Plan and General Plan Amendment.

FISCAL IMPACT

The proposed development of the approximately 2,800,000 SF Coachillin Specific Plan will provide an estimated **\$25,621,440** in tax revenues obtained from multiple sources, below is a summary of the conservative tax study prepared by the applicant:

- \$1,825,000 – Product Sales Tax (Dispensary)
- \$18,171,798 – Cultivation Tax
- \$120,000 – Ancillary Products Sales Tax
- \$4,059 – Business License Tax
- \$460,583 – Property Tax
- \$5,040,000 – Utility User Tax

FINDINGS

The Desert Hot Springs Municipal Code (“DHSMC”) provides for the adoption of Specific Plans and related actions, as follows:

- Chapter 17.128 provides for the approval of Specific Plans;
- Chapter 17.100 provides for the adoption of General Plan Amendments; and
- Chapter 17.88 provides for the adoption of Zoning Ordinance Amendments.

Each of the three actions requires the City Council to make certain findings, which are listed and analyzed in Exhibit No. 2 attached to this report. Staff recommends that the Planning Commission and City Council adopt these findings as their own findings of fact.

EXHIBITS:

- 1) Coachillin Specific Plan (draft)
- 2) Specific Plan Appendix - Project Security Plan
- 3) Specific Plan Appendix - Design Guidelines
- 4) Specific Plan Appendix - CC&R's and Bylaws
- 5) Specific Plan Appendix - Mitigated Negative Declaration Addendum
- 6) Specific Plan Appendix - Coachillin Water Site Assessment and Water Site Verification
- 7) Recommended Findings of Fact
- 8) General Plan Amendment / Specific Plan Approval Resolution (draft)
- 9) General Plan Existing Land Use Map
- 10) General Plan Proposed Land Use Map
- 11) Zoning Amendment Ordinance (draft)
- 12) Draft Subdivision Improvement Agreement
- 13) Tentative Parcel Map No. 37158
- 14) Conditions of Approval