

## REPORT TO THE CITY COUNCIL

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**DATE:** May 1, 2018

**TITLE:** Amendment to Development Agreement No. 14-16 to Add Additional Uses and Revise Language, the Project Site is Located on a 2.31 Acre Site Approximately 350 Feet East of Little Morongo Road and 1,000 Feet North of Two Bunch Palms Trail in the Light Industrial (I-L) Zone (APN: 663-280-002)

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**Reviewed by:** Community Development Director

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### RECOMMENDATION

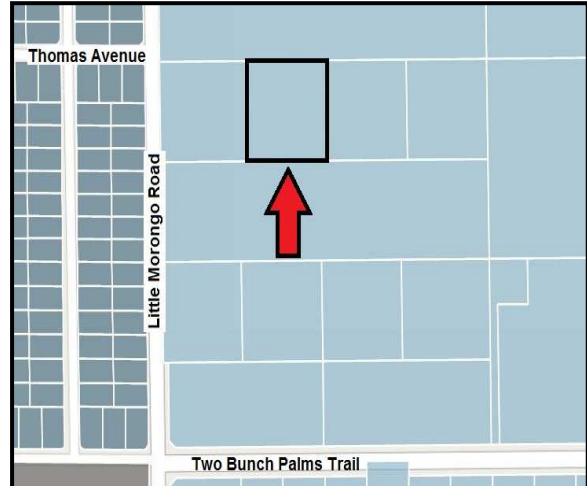
- 1) Staff Report;
- 2) Entertain Questions of Staff from City Council;
- 3) Open the Public Hearing;
- 4) Take Testimony from Applicant;
- 5) Take Public Testimony;
- 6) Opportunity for Applicant Rebuttal;
- 7) Close the Public Hearing;
- 8) City Council discussion and questions to Staff; and
- 9) Consider approval of an amendment to Development Agreement No. 14-16.

### PRIOR ACTIONS

On October 18, 2016, the original Applicant AB Wellness (now Green Bond), received approval for Conditional Use Permit No. 10-16 and Development Agreement No. 14-16 to construct a Cannabis Cultivation Facility. Recently on March 13, 2018 an amendment to Conditional Use Permit No. 10-16 was approved by the Planning Commission to revise the project (e.g. site plan, building elevations, floor plan, etc.).

#### Planning Commission

On April 10, 2018 the Planning Commission voted 4-0 to recommend approval of an Amendment to Development Agreement No. 14-16, with the addition of minor changes at the request of the City Attorney.



### DEVELOPMENT AGREEMENT ANALYSIS

On February 13, 2018, the Applicant's representative contacted the City Attorney to initiate the process of amending the previously approved Development Agreement No. 14-16.

When Conditional Use Permit No. 10-16 for a Cannabis Cultivation Facility was originally approved in late 2016, it was approved with Development Agreement No. 14-16, which only contemplated cultivation uses. The proposed Development Agreement Amendment proposes additional uses like manufacturing and distribution, which are currently not allowed per the Development Agreement. In addition, various changes are proposed to revise references to State Laws, Municipal Codes, updating the new owner's information, and other minor changes.

## **AGENCY & PUBLIC REVIEW**

### ***Public Agency Review***

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

### ***Public Hearing Notice***

The project was noticed to neighboring owners within a 300-foot radius of the project site (on Thursday, April 19, 2018) and was advertised in the Desert Star Weekly on Friday, April 20, 2018 per state noticing requirements.

## **ENVIRONMENTAL ANALYSIS**

On October 18, 2016, the City Council approved the Green Bond (formerly AB Wellness) Cannabis Cultivation Facility Project and in doing so certified the Mitigated Negative Declaration (MND) for the Project. Pursuant to Section 15162(a) of the CEQA 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 City Council only needs to make a finding that the request for a Development Agreement Amendment is consistent with the original MND, and no further analysis is required. No significant changes are proposed as a part of the proposed Development Agreement Amendment.

## **PROJECTED EMPLOYMENT**

The Cannabis Cultivation Facility associated with the Development Agreement Amendment will employ 32 employees.

## **FISCAL IMPACT**

The proposed Cannabis Cultivation Facility associated with the Development Agreement Amendment will contribute \$25 per square foot for the first 3,000 square feet, and then \$10 per square foot for the remaining space (55,509 SF) once it opens ( $75,000 + 555,090 = \$630,090$ ).

## **RECOMMENDATION**

Staff finds that the proposed Amendment to Development Agreement No. 14-16 is substantially consistent with the General Plan and meets the development standards of the I-L (Light Industrial) zoning district. Staff recommends that the City Council approve an amendment to Development Agreement No. 14-16 subject to the Conditions of Approval and the mitigation measures outlined in the project adopted Mitigated Negative Declaration.

## **EXHIBITS:**

- 1) Draft Conditions of Approval
- 2) Draft Ordinance for Development Agreement
- 3) Development Agreement Amendment