

County of Monterey

Board of Supervisors Chambers 168 W. Alisal St., 1st Floor Salinas, CA 93901

Board Report

File #: PC 17-070, Version: 1

PLN1160800 - GREEN VALLEY FLORAL/LGS FARMS INC.

Public hearing to consider allowing medical cannabis cultivation and nursery operations within existing greenhouses and warehouses in the Farmland zoning district.

Project Location: 460 Old Stage Road, Salinas, Greater Salinas Area Plan

Proposed CEQA action: Categorically Exempt per Section 15301 of the CEQA Guidelines

RECOMMENDATION:

It is recommended that the Planning Commission adopt a resolution to:

- a. Find that a change of use within existing greenhouses and warehouses is Categorically Exempt per Section 15301 of the CEQA Guidelines; and
- b. Approve a Use Permit to allow 126,200 square feet of canopy area for mixed-light medical cannabis cultivation and nursery operations within existing greenhouses and warehouses at 460 Old Stage Road, Salinas.

The attached draft resolution includes findings and evidence for consideration (**Exhibit C**). Staff recommends approval subject to 10 conditions of approval, including 6 conditions with mandatory requirements per the Monterey County Code.

PROJECT INFORMATION:

Agent: Ian Greene

Property Owner: Green Valley Floral

APN: 211-221-008-000 **Parcel Size:** ~76 acres

Zoning: F/40

Plan Area: Greater Salinas Area Plan

Flagged and Staked: N/A

SUMMARY/DISCUSSION:

Green Valley Floral currently grows specialty Roses, Gerber daisies, and other cut flowers within the existing greenhouses and warehouses at 460 Old Stage Road. Green Valley Floral has submitted an application to allow commercial medical cannabis cultivation and a nursery operation within these same greenhouses/warehouses on the site. It is currently their plan to lease the space to LGS Farms, Inc. who will operate the cannabis business. It has been Green Valley Floral's expressed intent to phase-in commercial medical cannabis operations if and when they receive all of the applicable permits. There are no cannabis operations onsite currently. The property is zoned Farmland (F) with a minimum lot size of 40 acres in the Greater Salinas Area. Commercial medical cannabis cultivation and nurseries are a permissible land uses within the Farmland zone, subject to a Use Permit in each case and subject to the regulations contained in Chapter 21.67 of the Monterey County Code.

This Use Permit would authorize approximately 25,200 square feet of canopy area for nursery operations and approximately 101,000 square feet (~2.3 acres) of canopy for cultivation. Nursery (Type 4 permit type) operations include production of seedlings or clones that are immature plants (not flowering) that are sold

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wholesale to a cultivator. Mixed-light cultivation (Type 1B, 2B, and/or 3B permits) is the raising of the plant to maturity (flower) including harvesting, drying, and trimming using a combination of natural and artificial lighting. Drying, trimming, and packaging of flowers cultivated on site would occur within an existing metal building/warehouse that will be improved to meet current building code standards for this use.

An Operations Plan (**Exhibit C-2**) submitted as part of the application describes how the cannabis uses will comply with state and local regulations for commercial cannabis cultivation. In addition, because Old Stage Road is designated as a scenic road in the Greater Salinas Area (Policy GS-2.4) the applicant proposes to provide landscape vegetative screening the new security fencing along Old Stage Road. Staff has reviewed the application and determined that the proposal meets all the applicable criteria of the County Code and has demonstrated that they can and will comply with State licensing requirements.

Below is a summary of the applicable criteria for medical cannabis cultivation in Chapter 21.67, and how the project meets each one:

- Location of operations within the Farmland or Industrial zoning districts -
 - The site is zoned Farmland (F)
- Location within a greenhouse or industrial building legally established prior to January 1, 2016
 - o The greenhouses and warehouses are shown on site plans in permits for the property since prior to 1980.
- Location more than 600 feet from a school public park, or drug recovery facility
 - o The nearest school is Lagunita Elementary on San Juan Rd. The subject property line is approximately 613 feet from the school property line and the greenhouses are more than 3,000 feet from the school property line. There are no parks or drug recovery facilities in the vicinity.
- Improvements for security to prevent theft and trespass -
 - Eight-foot fencing, security cameras, and full time security are proposed for the site. The security plan has been reviewed by the Monterey County Sheriff's Office and the Resource Management Agency.
- Installation of water conservation measures -
 - The current operations have a water capture and recycling system and a rainwater and condensation collection system.
- On-site renewable energy -
 - On site, renewable energy is provided for the site including a 306 kW photovoltaic system (Permit No. 15CP02493)
- Operating Standards
 - o The project adheres to all required operating standards including unique identifiers, quality assurance, track and trace programs, pesticide and fertilizer storage, odor prevention, record keeping, and waste management policies in compliance with County requirements and State law. (Note: These items are also required to be addressed as part of the required Commercial Medical Cannabis Business Permit pursuant to Chapter 7.90 of the Monterey County Code.)

The subject Use Permit would authorize use of the property for commercial medical cannabis activities. The Use Permit runs with the land and not the business or property owner. Pursuant to Chapter 7.90 of the Monterey County Code, prior to beginning any cannabis operations, the business operator(s) would additionally need to obtain and maintain the appropriate Commercial Medical Cannabis Permits ("Business Permit") through the Resource Management Agency. Due to the square footage limits of each license type. This could be done through various combinations of mixed-light cultivation license types (i.e. 1B, 2B, and/or 3B licenses),

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corresponding to the total area of canopy cultivated requested onsite [For example, 97,000 square feet could be compromised of: 1 - type 3B permit (up to 22,000 sq. ft.); 7 - type 2B permits (up to 10,000 sq. ft. each); and 1-type 1B permit (up to 5,000 sq. ft.) to achieve the total canopy cultivated]. Nursery permit (type 4) have no size limits associated. The "Commercial Business Permits" are ministerial, and will not require a discretionary hearing. Also prior to beginning any operations, a Business License must be obtained from the Treasure/Tax Collector and starting January 1, 2018, State Licenses will also be required. A condition of approval (Condition No. 8) has been incorporated to require all applicable licenses for the cannabis operations are obtained prior to operation.

CEQA

The project entails a change in agricultural plant types within existing structures on the site. The change in plant types would involve no expansion of the existing use. Section 15301 of the California Environmental Quality Act (CEQA) guidelines categorically exempts the operation, permitting, and licensing of existing structures and facilities involving negligible or no expansion of the use beyond the existing operations.

OTHER AGENCY INVOLVEMENT:

The following agencies have reviewed the project, have comments, and/or have recommended conditions:

Environmental Health Bureau

RMA-Public Works

RMA-Environmental Services

Water Resources Agency

Monterey County Sheriff's Office

Monterey Regional Fire Protection District

The proposed project was not referred to a Land Use Advisory Committee because there is no Land Use Advisory Committee for the Greater Salinas Area.

Prepared by: Craig Spencer, Senior Planner, ext. 5233

Reviewed by: Brandon Swanson, RMA Services Manager, ext. 5334

Approved by: Carl Holm, AICP, RMA Director

The following Attachments are on file with the RMA:

Exhibit A - Draft Resolution including:

- Conditions of approval
- Site Plans, Floor Plans, and Operations Plan

Exhibit B - Vicinity Map

cc: Front Counter Copy; Planning Commission; Brandon Swanson, RMA Services Manager; Jennifer Rosenthal, Agent; Ian Greene, Applicant; Green Valley Floral, Owner; The Open Monterey Project (Molly Erickson); LandWatch (Executive Director); John H. Farrow; Project File PLN160800