



County of Monterey

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

Board Report

File #: PC 19-029, **Version:** 1

PLN160807 - SYNCHRONICITY HOLISTIC (VALENTINE HOLDINGS, LLC)

Public hearing to consider allowing a commercial cannabis retailer at the Carmel Rancho Shopping Center within 1,500 feet of an existing cannabis retailer.

Project Location: 26390 Carmel Rancho Boulevard, Suite 18, Carmel Rancho Shopping Center, Carmel Valley Master Plan

Proposed CEQA action: Categorically Exempt per Section 15303 of the CEQA Guidelines

RECOMMENDATION:

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

- a. Find the project is a small structure with a change of use within an existing commercial tenant space and therefore qualifies as a Class 3 Categorical Exemption pursuant to section 15303 of the California Environmental Quality Act Guidelines and that none of the exceptions under Section 15300.2 apply; and
- b. Approve a Use Permit to allow a commercial cannabis dispensary within the 1,500 foot setback of an existing cannabis dispensary; and
- c. Approve an Administrative Permit for a commercial cannabis retailer (dispensary)

The attached draft resolution includes findings and evidence for consideration (**Exhibit C**). Staff recommends approval subject to 11 conditions of approval, including 6 conditions with mandatory requirements per the Code.

PROJECT INFORMATION:

Agent: L+G, LLP Attorneys

Property Owner: Valentine Holdings, LLC/Valentia Valentine

APN: 015-012-058-000

Parcel Size: 3,335 square foot commercial tenant space

Zoning: LC/D-S-RAZ

Plan Area: Carmel Valley Master Plan

Flagged and Staked: N/A

SUMMARY/BRIEF DISCUSSION:

Valentine Holdings, LLC, has requested an Administrative Permit to allow a commercial cannabis dispensary within an existing commercial space located at 26390 Carmel Rancho Boulevard, Suite 18, in the Carmel Rancho center. The Carmel Rancho shopping center is near the intersection of Highway 1 and Carmel Valley Road and is a regional serving retail area containing a variety of commercial uses ranging from apparel to food service. The property, owned by Valentia Valentine, is currently vacant. Historically the site has been used as retail space.

This application is unique because it requires two entitlements. Per the amended Monterey County Code (MCC), an Administrative Permit is required for the commercial cannabis operation. However, because the proposed site is within 1,500 feet of another cannabis dispensary, the application also requires a Use Permit.

Cannabis Use - Administrative Permit

Staff reviewed the proposed application and determined that as proposed, the findings required to grant an Administrative Permit for the cannabis use can be made (zoning, security, operations, etc). An Operations Plan (**Exhibit C-2**) submitted as part of the application describes the hours of operation, security protocols, patient verification, youth restriction procedures, product safety, packaging, supply chain information, record keeping policies including track and trace programs, odor prevention measures, contact information for nuisance complaints, and other site information addressing operational standards including fire, health, and safety.

1,500 ft. Setback - Use Permit

An amendment to County Code was introduced and adopted by the Board of Supervisors to allow dispensaries within 1,500 feet of each other subject to a Use Permit rather than a Variance. Findings required to reduce the required setback between dispensaries include finding that special circumstances are applicable to the project, the project would not result in disproportionate impacts to low income communities or communities with a high percentage of youth population, and the project would not result in adverse impacts because of excessive concentrations of retailers. Based on analysis, staff has found that the required findings can be made for this project to be granted a Use Permit.

Approval of these two entitlements would authorize the use of the property for a cannabis dispensary. However, prior to beginning operation, the business operator would need to obtain and maintain a Commercial Medical Cannabis Permit and a Business License from the County. After that, they would be required to obtain a State License. Condition of Approval No. 8 requires that appropriate licenses are obtained and maintained.

The Monterey County Health Department reviewed the Synchronicity Holistic application and determined that due to public health concerns, it does not support the issuance of a retail permit for the facility. Their main concern lies in the location of the dispensary within a shopping center where youth congregate. The County responds in the fact that under the amended ordinance, dispensaries are allowed within 1,500 feet of each other. Due to a limited number of shopping centers in the unincorporated areas of the County, limiting one dispensary per shopping center hinders fair business opportunity. Therefore, the County finds the County finds this particular dispensary will not adversely affect the health and well-being of the general population.

Health Department:

Pursuant to Planning Commission direction, analysis for a Use Permit to allow retailers within 1,500 feet of one another must include a letter from the County Health Bureau (**Exhibit E**). The letter is intended to review potential impacts to public health from the additional cannabis retailer. The Monterey County Health Department reviewed the Synchronicity Holistic application and determined that adding this retailer falls into the range of a moderate risk for potential increased public health impacts due to potential exposures and/or increased use by at risk groups due to normalization of cannabis. The Health Bureau does not support the issuance of a retail permit for the facility.

Health's concerns speak more to a broader concern about the legalization of cannabis rather than the risks this particular dispensary may pose. As Health points out, this proposed dispensary is not located in close proximity of a school or school district. Their main concern lies in the location of the dispensary within a shopping center where youth congregate. Under the amended ordinance, dispensaries are allowed within 1,500 feet of each other with a Use Permit. This amendment was due in part to the fact that there are a limited number of shopping centers in the unincorporated areas, and the fact that shopping centers which do exist are relatively small, and do not always provide the opportunity for businesses to be more than 1,500 feet apart. Limiting one dispensary per shopping center could hinder fair business opportunities. Cannabis has been legal

for recreational use in the State of California since 2018, where consumption was previously permitted only with a medical card. With legalization, came a host of State regulations to prevent dispensing cannabis products to youth. Mindful of Health's concerns but also following the new regulations of Title 21.67, staff believes this particular dispensary will not adversely affect the health and well-being of the general population given the rules and regulations in place at the state level and the conditions imposed by the County on this specific project.

CEQA:

The project entails a change in commercial use within an existing 3,335 square foot commercial tenant space within a shopping center. Building improvements are limited to minor interior tenant improvements and an exterior signage change. Section 15303 of the California Environmental Quality Act (CEQA) guidelines categorically exempts the conversion of exiting small structures from one use to another where only minor modifications are made in the exterior of the structure.

DISCUSSION:

Detailed discussion is provided in **Exhibit A**.

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
- Carmel Cypress Protection District

LUAC:

The proposed project was reviewed by the Carmel Valley Land Use Advisory Committee (LUAC) on May 15, 2017. The LUAC recommended approval of the project as proposed, by a vote of 7 ayes, 0 noes, and 1 absence (**Exhibit B**).

Prepared by: Yasmeen Hussain, Associate Planner, ext. 6407
Reviewed by: Brandon Swanson, Interim RMA Chief of Planning
Approved by: John M. Dugan, FAICP, RMA Deputy Director of Land Use and Community Development

The following attachments are on file with the RMA:

- Exhibit A - Discussion
- Exhibit B - Carmel Valley LUAC Minutes
- Exhibit C - Draft Resolution including:
 - Conditions of Approval
 - Site Plans, Floor Plans, and Operations Plan
- Exhibit D - Vicinity Map

Exhibit E - Health Department Letter

cc: Front Counter Copy; Planning Commission; Craig Spencer, RMA Services Manager; L+G, LLP Attorneys, Agent; Valeria Valentine, Applicant and Owner; Dale Ellis, Interested Party; The Open Monterey Project (Molly Erickson); LandWatch (Executive Director); John H. Farrow; Janet Brennan; Project File PLN160807