

Board Report

File #: PC 20-019, Version: 1

PLN190008 - ABUNDANT INVESTMENTS

Public hearing to consider allowing a commercial cannabis retailer and delivery within an existing commercial building in a Light Commercial (LC) Zoning District.

Project Location: 1031 N. El Camino Real, Salinas Unincorporated, North County Area Plan (APN:133-023-042-000)

Proposed CEQA action: Categorically Exempt per Section 15303 of the CEQA Guidelines <u>RECOMMENDATION:</u>

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

- a. Find that the project is the conversion of an existing small structure from one use to another, which qualifies for a Class 3 Categorical Exemption per Section 15303 of the CEQA Guidelines and none of the exceptions under Section 15300.2 apply; and
- b. Approve an Amendment to the General Development Plan and Administrative Permit to allow a commercial cannabis retailer including delivery within an existing commercial building in addition to allowing the auto repair facility/tire shop to remain.

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 Monterey County Code.

PROJECT INFORMATION:

Agent: Robert Dee Property Owner: Abundant Investments Applicant/Lessee: Monterey Retail Solutions APN: 133-023-042-000 Parcel Size: 1.79 acres Zoning: Light Commercial or "LC" Plan Area: North County Area Plan Flagged and Staked: No

SUMMARY:

The applicant has requested an amendment to the General Development Plan (GDP) and Administrative Permit to allow a commercial cannabis retailer within an existing 1,413-square foot commercial tenant space, formally occupied by Tuff Shed Storage, located at 1031 N. El Camino Real (approximately 150 feet west of Hwy 101). Tuff Shed Storage no longer occupies the retail space and the space is currently vacant (1,413 sq. ft). Robert Dee, owner of the property, is proposing to lease the property to Monterey Retail Solutions who is proposing a cannabis retail facility and delivery under the business name of Weden. The existing GDP (Resolution No. 04026) allows for a used car sales lot. Since this lot in excess of 1 acre and the project includes more than one use, an amendment to the GDP is required. As revised, the GDP will delete the used car sales lot as a use allowed on the property and add an automotive shop (existing on the lower level of the building on the property), and a cannabis retailer use on the property.

The proposed site is located entirely within an area that is planned to be part of a Caltrans Highway 156

File #: PC 20-019, Version: 1

widening project, meaning that at some time in the future, the site may be acquired for road widening purposes and the structures will be removed. County staff has since reached out to Caltrans and was informed that Caltrans has a phased plan for improvements to the Highway 101 and 156 corridor and there is no current timeframe for the phase of improvements affecting this location. Caltrans had no comment regarding the proposal for the dispensary at the site. The owner was made aware of this expansion at the initial Development Review Committee meeting on January 29, 2019. Although the owner/applicant is aware of the potential risk, they wish to pursue the entitlement process and move forward with this application. The applicant/owner has been encouraged to contact Caltrans directly for updates on the interchange improvements.

Staff has reviewed the plans and information submitted with the application (**Exhibit C**) and has determined that the project complies with the adopted regulations contained in Chapter 21.67 of the Zoning ordinance regulating commercial cannabis uses, but also identified concerns with respect to neighborhood compatibility. The property is zoned Light Commercial which is a zone that permits commercial cannabis dispensaries and no other commercial cannabis uses exist with 1,500 feet of the site. However, the proposed dispensary is located in an area surrounded with light commercial structures and residential neighborhoods. The North Monterey County Unified School District has identified concerns with, safety, loitering and school bus stops near the proposed dispensary location. The LUAC and surrounding neighbors have concerns about traffic, the overall number of dispensaries in North County, and requested that tax dollars from North County dispensaries be earmarked for funding projects in North County. Additional discussion about concerns of the neighbors is provided in **Exhibit B**.

Staff has reviewed the concerns and found that the project is consistent with land use and zoning regulations because the proposed dispensary is located in a light commercial zoning district which permits dispensary uses and because plans and information have been submitted that satisfy regulatory requirements for cannabis permitting. This permit is subject to discretionary review and consideration of compatibility with the surrounding neighborhood. The lot is on the Highway 101 South and Prunedale South Road intersection. Other light commercial lands and uses exist south of the site along the 101 corridor with low density residential uses adjacent to and west of the site. Access to the site would be via a right turn from Highway 101 south and via the Highway 156 and Highway 101 interchange to Prunedale South Road for north bound traffic on 101.

The project was reviewed by the County of Monterey Public Health for considerations to potential public health concerns and risks for the retail operations. Based on the Risk Management Matrix, (**Exhibit E**), the retail permit for a cannabis retail facility at this site would result in a public health risk assessment score of six (6), which falls into the range of a moderate risk for increased public health impacts due to potential exposures and/or increased use by at risk groups due to normalization of cannabis. Based on this score, and thus the potential for health risk, Monterey County Health Department does not support the issuance of a retail permit for this facility at this time.

DISCUSSION:

A more detailed discussion is provided in **Exhibit B**.

CEQA:

Section 15303 of the California Environmental Quality Act exempts the conversion of small structures, from one use to another, where only minor modifications are made to the exterior. The bulk of the proposed modifications will take place within the interior of the structure for the retailer. Minor modifications to the exterior will occur to allow for implementation of the proposed security measures and signage. Approval of the permit would not result in an increase to the existing square footage of the building. Therefore, the project

File #: PC 20-019, Version: 1

meets the exemption for requiring environmental review, and there are no exceptions which would apply under Section 15300.2.

OTHER AGENCY INVOLVEMENT:

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

County of Monterey Health Department Monterey County Environmental Health Bureau Monterey County Waste Management North County Fire Protection District North County Land Use Advisory Committee

North County Land Use Advisory Committee:

The proposed project was reviewed by the North County Land Use Advisory Committee (LUAC) on September 18, 2019. The LUAC recommended approval with a vote of 5-3 (**Exhibit D**). The votes against the project were based on traffic and safety concerns. Further recommendation noted in the minutes are to limit the number of dispensaries, traffic, nearby school bus stops, and to allocate tax dollars from North County dispensaries to remain in North County.

FINANCING:

Funding for staff time associated with this project is included in the FY20-21 Adopted Budgets for RMA-Planning.

Prepared by: Son Pham-Gallardo, Associate Planner, x5226

Reviewed by: Craig Spencer, RMA Planning Services Manager

Approved by: John M. Dugan, FAICP, RMA Deputy Director of Land Use and Development Services

The following attachments are on file with the RMA:

Exhibit A - Vicinity Map

Exhibit B - Discussion

Exhibit C - Draft Resolution, including:

- Conditions of approval
- Project Plans

Exhibit D - North County LUAC Minutes

Exhibit E - Letter from Health Department

Exhibit F - Caltrans Highway 156 Expansion Map

Exhibit G - Letter from North Monterey Co. Unified School District (NMCSD)

Exhibit H - Response Letter from Owner to Health Dept. & NMCSD

Exhibit I - General Development Plan

Exhibit J - General Development Plan (PLN030439)

Exhibit K - Operational Plan

Exhibit L -Signage

cc: Front Counter Copy; Planning Commission, Craig Spencer, RMA Services Manager; Son Pham-Gallardo, Project Planner; North County Land Use Advisory Committee, Abundant Investments PLN190008 Owner, Monterey Retail Solutions, Applicant County of Monterey Health Department, Monterey County Environmental Health Bureau, Monterey County Waste Management, North County Fire Protection District,

File #: PC 20-019, Version: 1

Project File PLN190008.