



STAFF REPORT
6/17/2020

TO: Planning Commission Chair and Commissioners

FROM: Luis Lopez, Development Services Director

SUBJECT: Request for Retroactive 24-month Time Extension for Conditional Use Permit (CUP 289) and Variance (VAR 17-05) to allow the phased development of a 91,948 sq. ft. Cannabis Cultivation Facility, including an interim use facility, on a partially-developed 6.48 acre site in the M-W (Wrecking Yard) zone located at 84-805 Avenue 48 (APN: 603-232-026 and 603-232-028).

STAFF RECOMMENDATION:

Staff recommends that the Planning Commission grant a retroactive 24-month time extension for CUP 289 and Variance No. 17-05 to allow the phased development of a new 91,948 sq. ft. cannabis cultivation facility in the M-W (Wrecking Yard) zone located at 84-805 Avenue 48. Gartik Corp. / D9 Manufacturing, Inc., Applicant.

BACKGROUND:

On November 1, 2017 the Planning Commission approved the Coachella Brands Project, including the adoption of a Mitigated Negative Declaration, approval of Conditional Use Permit (CUP 289), and Variance (V 17-05) to allow a 91,948 sq. ft. Cannabis Cultivation Facility, including an Interim Use Facility on a partially-developed 6.48 acre site in the M-W (Wrecking Yard) zone located at 84-805 Avenue 48.

DISCUSSION/ANALYSIS:

The Coachella Brands Cannabis Cultivation Facility was a auto wrecking facility that was entitled by an applicant that held that held a master ground lease on the property to convert the auto wrecking facility into a phased cannabis cultivation industrial park. This master ground lease has been sold twice since the project was first approved and established through CUP No. 289 in early 2018. There are currently two cannabis manufacturing and distribution licensees operating out of the interim use facility. These businesses were permitted by the City to be established within the existing 7,500 sq. ft. metal building near the front of the site, and in freestanding cargo container laboratories and offices that have been operating in the open paved areas of the northwesterly front portion of the site.

The subject site is a narrow and very deep parcel as shown on the aerial photos below.



As approved through AR 17-11 (previously approved on August 30, 2017), the build out of the project consists of demolition of the existing 7,500 square foot metal building and fencing along the front portion of the site, and the phased development of a new 91,948 square foot commercial

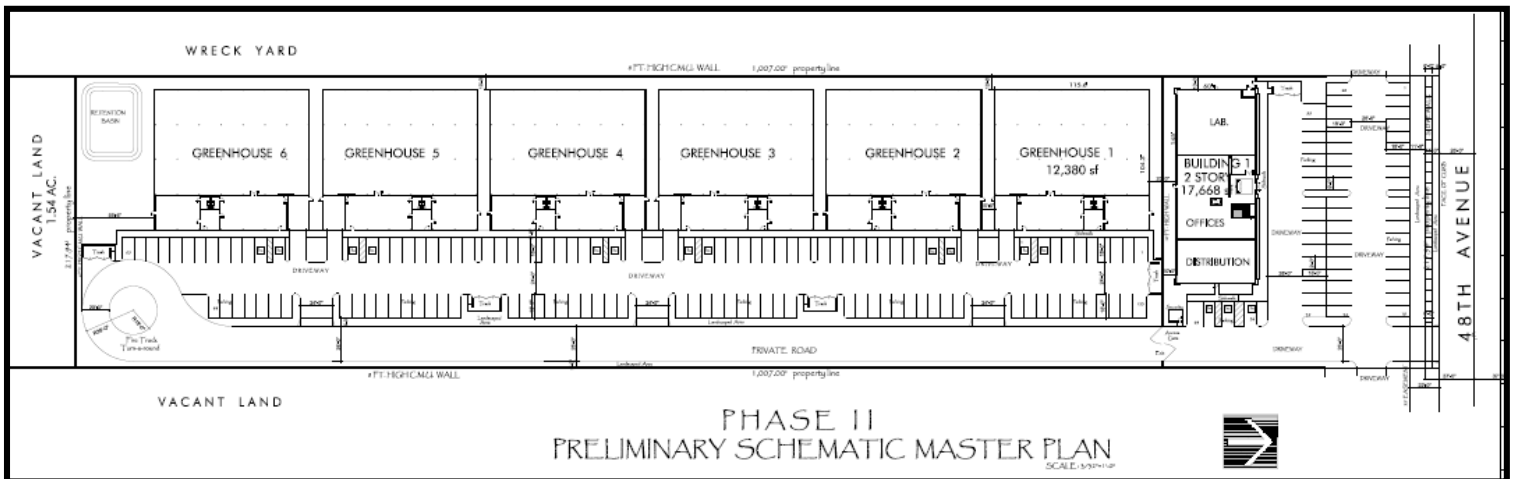
cannabis cultivation facility on the northerly 5-acre portion of the site. The Interim Use Facility was to be established as part of the first phases of grading and pre-construction on the site in order to establish temporary cannabis related businesses.

The site consists of two lots (north half, and south half of the site) having a combined lot area of 6.48 acres with a width of 218 feet and a depth of 1,294 feet. At buildout, the industrial facility was approved as follows:

One (1) two-story office/distribution/laboratory building totaling 17,668 square feet including an observation deck with shade structures above the second floor, facing Avenue 48 and including 59 parking spaces in front of the gated entry to the rear portion of the site.

Six (6) industrial greenhouse structures with metal paneling and parapet roof structures totaling 12,380 square feet each, behind the gated entry to the rear, and including 123 parking spaces behind the gated entry.

The original applicant, Richard O'Connor, applied for Conditional Use Permit No. 289 to allow the cannabis cultivation facility. Additionally, a Variance to allow a cannabis cultivation facility on a site having less than 250 feet of street frontage was granted. The site plan below shows the build-out scenario (Phase 2) of the project:

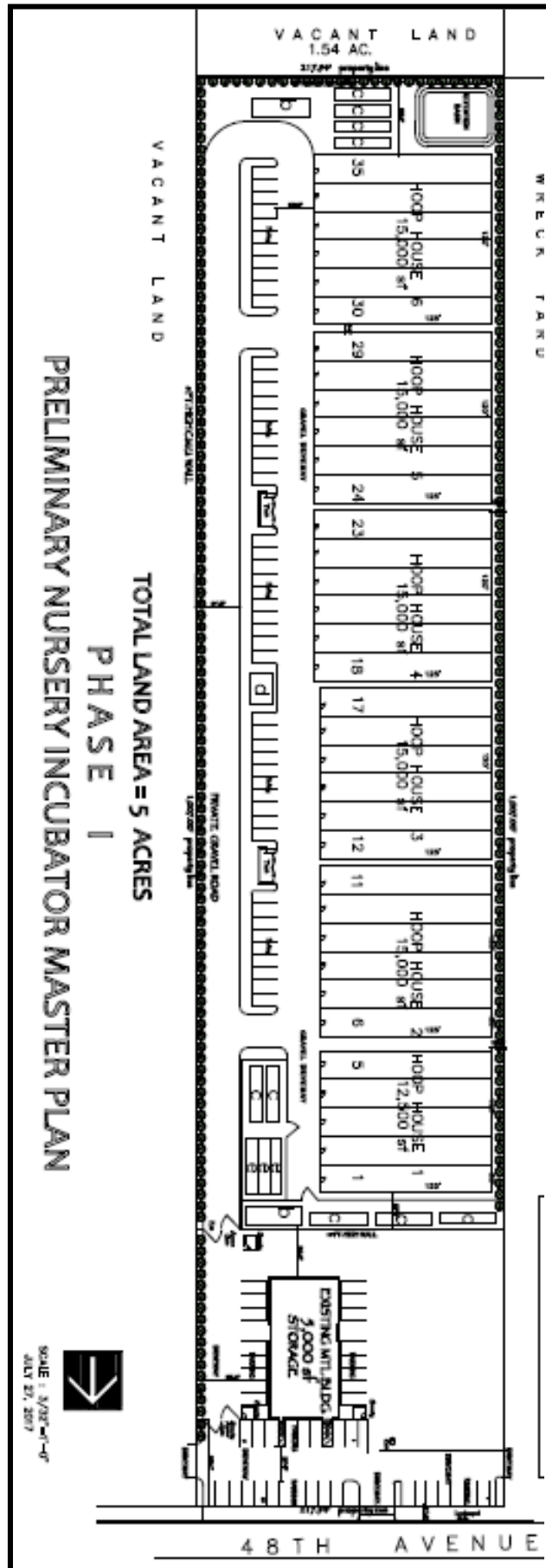


Interim Use Facility:

As previously stated, the project was approved with a temporary “interim use facility” as part of the first phase of the project that would be in operation during the construction phases of the permanent facility, as shown on the exhibit to the right.

The interim use facility was to include temporary “nursery incubator” spaces for new cannabis cultivators and manufacturers. Due to Imperial Irrigation District’s inability to deliver power in a timely manner, the use of temporary greenhouses was to reduce the need for electrical power. However, this interim use facility was not executed for any cannabis cultivators, and there are only two cannabis manufacturing (laboratories) on the site.

Over the past three years, the prior owners and their lessees have obtained building permits to convert the existing 7,500 sq. ft. metal building into a cannabis manufacturing facility (extraction laboratory) and a distribution office use. Additionally, the current owners, Gartik Corp/D9 Manufacturing Inc., have established a freestanding cannabis manufacturing facility and office uses in metal containers that are located within a fenced /paved area at the northwest portion of the site. The owners recently were able to obtain temporary power from an adjoining neighbor and eliminate the use of generators.



The photographs below show the site conditions as they existed in 2017:



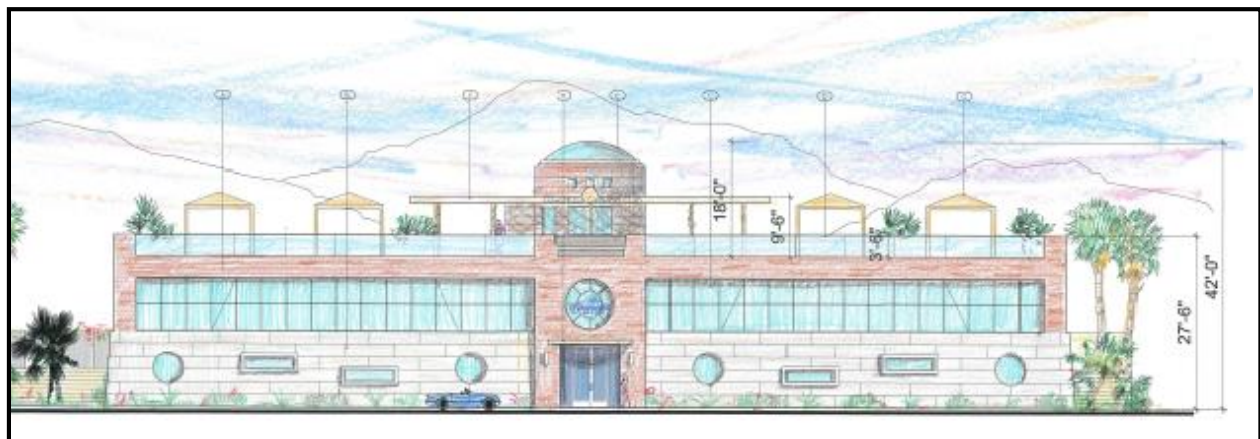


The photograph below shows the street view as it currently exists with the interim use facility.



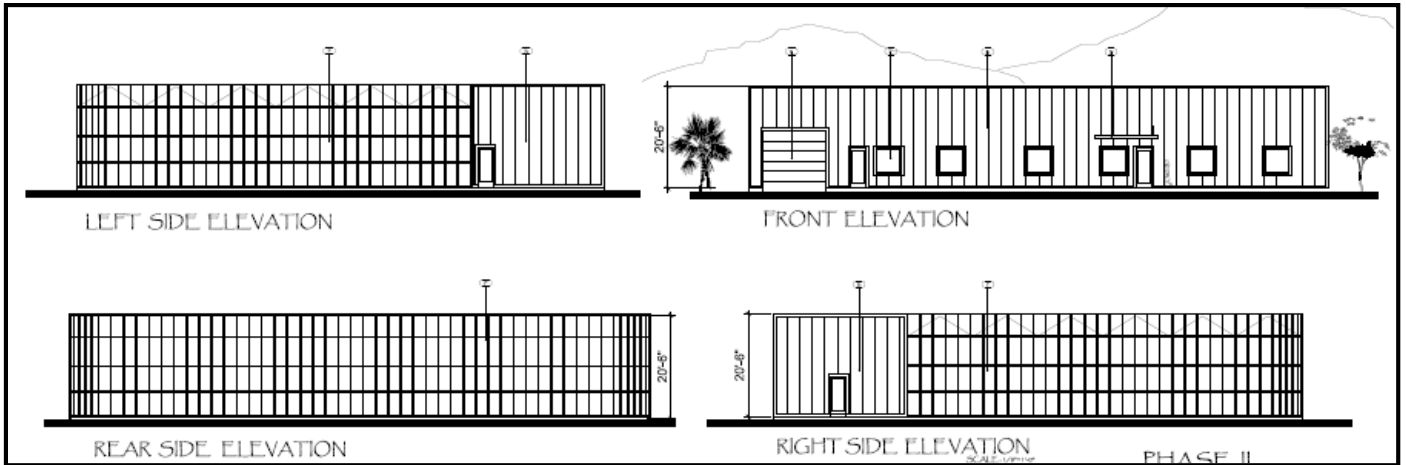
Architectural Theming:

The proposed architectural theming for the permanent facility were approved by the Commission on August 30, 2017 (AR 17-11) and are included herein for informational purposes. The front building is a contemporary steel-frame, two-story office/lab building with a roof deck on the 3rd level. This building has a modernistic style of architecture using a combination of concrete/aluminum wrapped panels on the ground floor, and wood siding accent paneling on the second floor. The ground floor will have a tapered finish giving it an angled wall plane. The windows are a combination of “circle windows” and “rectangular windows” on the ground floor, and floor-to-ceiling glazing on the second floor. The architectural detailing is consistent generally on all four sides of the building. The front façade will have a central tower element that protrudes into the 3rd level deck with a staircase, and several shade structures on the roof deck. The proposed architectural building elevations and artist renderings of the front building are shown below:





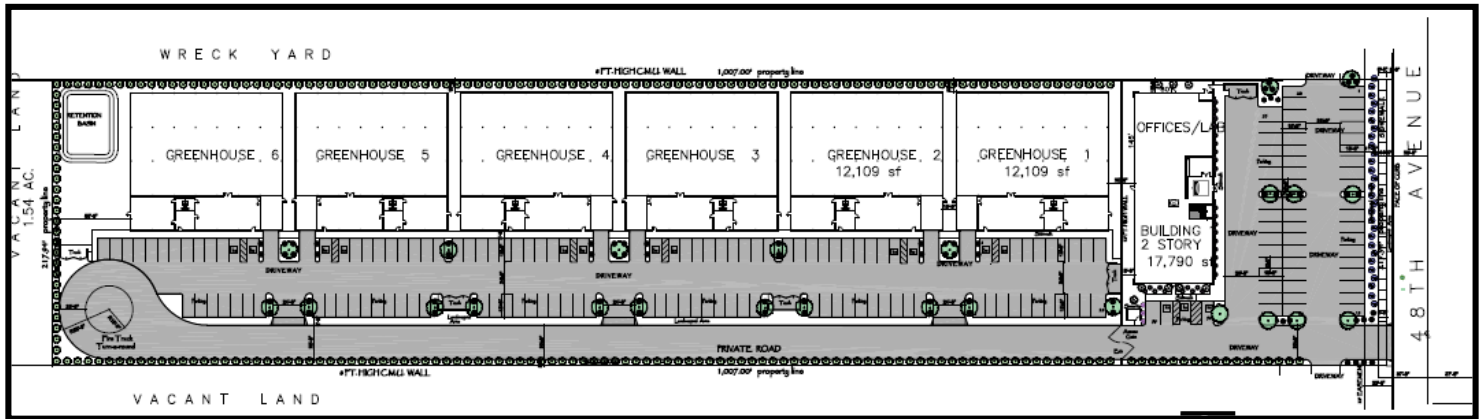
The architecture of the five cultivation/greenhouse/industrial buildings is a prefabricated paneling structure with a continuous “parapet roof” wall using a combination of aluminum composite paneling on the fronts, and a “dark storefront glazing” parapet around the sides and rear portion of the buildings. While the roof system is a greenhouse type with a series of “A-Frames”, the continuous parapet walls around the cultivation buildings will completely screen the greenhouse roof structure from view off the premises. The elevation drawings and artist renderings for the cultivation greenhouses are shown below.





Landscaping:

Conceptual landscaping for Coachella Brands Cannabis Cultivation project was approved by the Planning Commission on August 30, 2017 and are included herein for informational purposes. The project will provide an 11-foot planter with street trees along the street property line and a security fence behind the 2-story office/lab building to create an open parking area in the front. The perimeter plantings and parking lot plantings show minimum compliance with the City's parking lot landscaping regulations. Conceptual plans show Willow Acacia trees, Mexican Fan Palm, and a Ficus benjamina hedge along the entire western and southern boundaries of the cultivation buildings. Shrubs include use of Texas Ranger, Desert Spoon, Cleveland Sage, and Trailing Lantana in the planter beds. All planter beds will be finished with decomposed granite fines. Final landscaping plans will be submitted and approved prior to the issuance of a building permit for the project. The conceptual landscape plans and planting legend are depicted below.



SYMBOL	GTY.	PLANT NAME	SIZE	COMMENTS
	244	Ficus benjamina Weeping Chinese Banyan	24" BOX	
	25	Acacia salicina Willow Acacia	24" BOX	
PALMS		PLANT NAME	SIZE	COMMENTS
	8	Washingtonia robusta Mexican Fan Palm	See Plan	
SHRUBS		PLANT NAME	SIZE	COMMENTS
	28	Leucophyllum Langmaniae 'Flo Bravo' Texas Ranger	5 GAL	
	72	Dasylirion wheeleri Desert Spoon	5 GAL	
	31	Salvia clevelandii Cleveland Sage	1 GAL	
	8	Lantana montevidensis White Trailing Lantana	1 GAL	
GROUNDCOVER		PLANT NAME	SIZE	COMMENTS
D.G. (7,300 Sq. Ft.)		Mojave Gold Gravel	3/8" minus w/ 11% fines wetbed/compacted to a final 2" Depth	

ENVIRONMENTAL REVIEW:

The Planning Commission adopted a Mitigated Negative Declaration for the the Coachella Brands project pursuant to the California Environmental Quality Act Guidelines Based on this Environmental Assessment/Initial Study and proposed mitigation measures therein, it was determined that the project would not have a significant impact on the environment. The CEQA mitigation measures, are included in the project's conditions of approval. As such, no additional environmental review is required for the time extension.

TIME EXTENSION REQUEST:

The applicant and current master ground lease holder, Gartik Corp. / D-9 Manufacturing, Inc. has indicated that they recently finalized construction drawings for the first phase of development of the permanent cannabis cultivation facility and will be submitting plans to the City and Fire Marshal for review.

The main reason for construction delays has been the lack of available electrical power, and IID's inability to serve the power needs of the future businesses in this sector. As such, the interim use facility has operated for longer than anticipated on the subject site. The owners have further stated that they will be pursuing an Amendment to CUP 289 and AR 17-11 in order to change the architectural design of the main building. Gartik Corp. and D-9 Manufacturing, Inc. currently operate a state-of-the art laboratory and research / development facility at the subject site. They have secured substantial business investments to grow their business, as evidenced with the growth of their laboratory over the past 12 months. Recently, they purchased temporary power from the "Desert Rock 4" cannabis cultivation industrial park who had the very first IID will serve letter in this location.

The City's Municipal Code allows up to three 12-month time extensions on CUP's and Variance, and these can be granted retro-actively. Staff is confident that the new owner/applicants can successfully begin development of this project.

CONCLUSIONS AND RECOMMENDATIONS:

Based on the discussion above, staff finds that the project is in keeping with the goals and objectives of the City's General Plan, including policies the creation of new industrial park developments (Land Use & Community Character) and for continued economic development and jobs creation. Due to the unusual delays in getting electrical power to the Wrecking Yard zone, staff recommends that the Planning Commission grant a retroactive 24-month time extension for CUP No. 289 and Variance No. 17-05, making the new expiration date November 1, 2020.

Attachments: Owner's Time Extension Request