



**STAFF REPORT**  
**11/10/2021**

**TO:** Honorable Mayor and City Council Members

**FROM:** Gabriel Perez, Development Services Director

**SUBJECT:** Ordinance No. 1188 (Zoning Ordinance Amendment 21-04) amending the Coachella Municipal Code regarding Interim Outdoor Cannabis Cultivation. City-Initiated (1<sup>st</sup> Reading).

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**STAFF RECOMMENDATION:**

Staff recommends that the City Council:

- Introduce Ordinance No. 1188, by title only, to amend the Interim Outdoor Cannabis Cultivation regulations of the Coachella Municipal Code
- Provide clarification on the interim nature of permitted outdoor cannabis cultivation and minimum on-site or off-site improvements expected for outdoor cannabis cultivation permittees.

**BACKGROUND:**

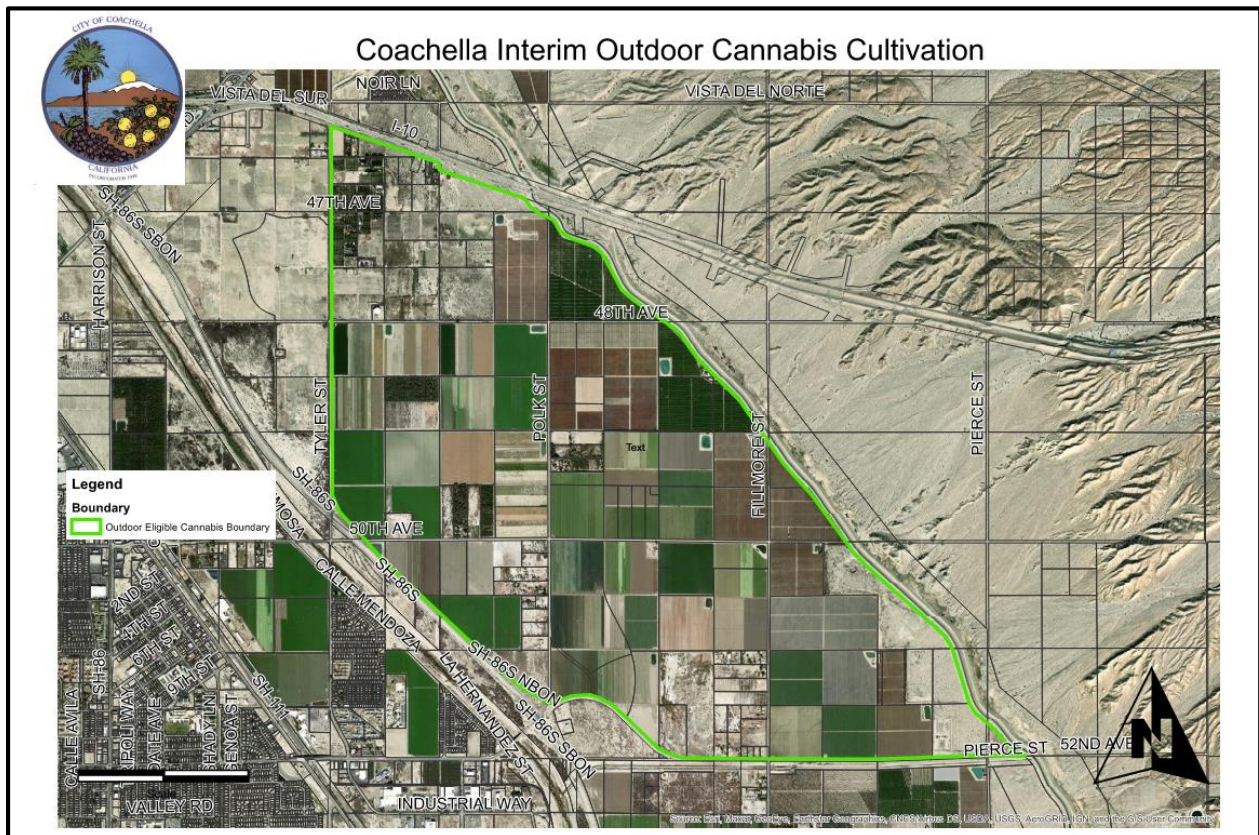
On July 14, 2021 the City Council introduced for first reading, Ordinance No. 1171, amending the City's Municipal Code in order to regulate "interim outdoor cannabis cultivation" uses in the City's agricultural areas located in the geographic area bounded by Vista del Sur on the north, Tyler Street and 86-S Expressway on the west, Avenue 52 on the south, and the All-American Canal on the east. At the meeting, the Council removed the proposed distance restrictions of five hundred (500) feet from another interim outdoor commercial cannabis cultivation use and six hundred (600) feet from any residentially-zoned lot. A Conditional Use Permit (CUP) with a maximum term of 4 years is required in order to establish one of these new cannabis businesses. Ordinance No. 1171 was adopted by the City Council on second reading on August 25, 2021 and was effective September 24, 2021 and allows for interim outdoor cannabis cultivation subject to the following regulations:

- **Permitting:** A CUP or development agreement is required
- **Interim Use:** Allows the City to include a condition of approval that limits outdoor cultivation activities to a specified duration not to exceed the sooner of forty eight (48) months, or the first phase of construction establishing a new residential or commercial use.
- **Location and Zoning:** Requires an interim outdoor cultivation use to located within the

agricultural reserve (A-R) zone, agricultural transition (A-T) zone, residential single-family (R-S) zone, multiple-family residential (R-M) zone, and general commercial (C-G) zone and is within the geographic area bounded by Avenue 48 on the north, the All-American Canal on the east, Avenue 52 on the south, and the 86 Expressway and Tyler Street on the west (See Figure 1).

- **Development Standards:** Requires the an interim outdoor cannabis cultivation site comply with:
  - A site size of a minimum 1 acre.
  - A maximum canopy size of 2 acres or the maximum size authorized by the State license for that business.
  - 20 foot setback on all sides with an opaque fencing material to screen the outdoor grow area from view to public streets
- **Distance Restrictions:** Requires a minimum of 1,000 foot distance from a public or private school (K-12), day care center or youth center.
- **Water Service:** Interim outdoor cannabis cultivation may utilize a private well as a water source as an alternative to municipal water.

**Figure 1: Permitted Area for Interim Outdoor Cannabis Cultivation**



## **DISCUSSION/ANALYSIS:**

Since the adoption of Ordinance No. 1171, staff received numerous public inquiries with the interest to pursue interim outdoor cannabis cultivation of more than 2 acres in canopy size on a site. The existing interim outdoor cannabis cultivation regulations restricts eligible sites to a maximum of 2 acres in canopy size per CUP. Applicants interested in outdoor cannabis cultivation more than 2 acres of canopy size on a site would be required to obtain multiple CUPs. Staff recommends that the current regulations be amended to allow for interim outdoor cannabis cultivation sites that exceed 2 acres of canopy size to be considered under a single CUP. Below is a comparison of the existing regulations in Section 17.85.050 (Property Development Standards for Outdoor Commercial Cultivation) to modified regulations recommended by staff:

### **Approved Property Development Standards (Section 17.85.050 Coachella Municipal Code)**

2. Property development standards. All interim outdoor commercial cannabis cultivation sites:
  - (a) shall be located on a site having a minimum of one (1) acre in size.
  - b) shall have a maximum canopy size equal to the lesser of two (2) acres or the maximum size authorized by the State license for that business.
  - (c) shall provide a minimum twenty-foot (20 ft.) setback on all sides with an opaque fencing material, subject to review and approval by the Planning Director, to screen the outdoor grow areas from view to public streets.

### **Proposed Modifications to the Development Standards (Section 17.85.050 Coachella Municipal Code).** Added text is in bold and deleted text is in strikethrough.

2. Property development standards. All interim outdoor commercial cannabis cultivation sites:
  - (a) shall be located on a site having a minimum of one (1) acre in size.
  - b) ~~shall have a~~ **The** maximum canopy size ~~equal to the lesser of two (2) acres or~~ **shall be** the maximum size authorized by the State license for that business.
  - (c) shall provide a minimum twenty-foot (20 ft.) setback on all sides with an opaque fencing material, subject to review and approval by the Planning Director, to screen the outdoor grow areas from view to public streets.

The proposed code amendment would not create any new impacts that would need to be evaluated as the existing regulations allow applicants to apply for multiple CUPs to exceed the minimum canopy size of 2 acres per site. The proposed amendments would streamline the process and costs for applicants to pursue interim outdoor cannabis cultivation of more than 2 acres of canopy on an eligible site and would reduce the staff time and resources to process multiple CUPs.

Planning Commission Recommended Changes

At the Planning Commission meeting of October 20, 2021, the Planning Commission recommended approval of Ordinance 1188 with modifications to include an allowance for low intensity outdoor lighting for cultivation purposes during winter months, two hours before sunrise and two hours after sunset. At the public hearing, the Planning Commission heard public testimony recommending the City allow limited outdoor lighting for cultivation purposes in winter months (November – February) due to the limited daylight hours available, thereby resulting in reduced yields for cannabis plants by outdoor cannabis cultivators. The low intensity lighting anticipated for the proposed amendment would be similar to the illumination of outdoor residential patio lighting that would be installed within agricultural hoop houses. Staff included ordinance revisions as recommended by the Planning Commission to allow of the recommended outdoor lighting for cultivation purposes as modifications to Title 5, Chapter 5.68, Commercial Cannabis Activity Regulatory Permit.

The Planning Commission recommended an additional modification to the Ordinance 1188 requiring City staff to make efforts to notify outdoor cannabis cultivation permittees a year prior to the 48-month CUP expiration of the need to renew the CUP. Due to the intended interim nature of the CUP for outdoor cannabis cultivation of 48 months, staff seeks Council direction on the interim nature of permitted interim outdoor cannabis cultivation and whether a CUP could be renewed after 48 months. The recommended Planning Commission modification, if adopted, would allow permittees the opportunity to conduct long-term outdoor cannabis cultivation, which may not conform to the original intent of Council in the adoption of the ordinance. Staff also seeks Council feedback on other minimum on-site or off-site improvements expected related to approval of outdoor cannabis cultivation CUPs that could include street improvements, right-of-way dedication, street lighting, and landscaping.

**ALTERNATIVES:**

- 1) Introduce Ordinance No. 1188 for first reading, by title only, recommending that the City Council adopt the Ordinance amending the Coachella Municipal Code regarding Interim Outdoor Cannabis Cultivation, including clarification on the interim nature of permitted outdoor cannabis cultivation, and minimum on-site or off-site improvements expected for outdoor cannabis cultivation permittees.
- 2) Introduce Ordinance No. 1188 for first reading, by title only, with amendments.
- 3) Recommend denial of Ordinance No. 1188.
- 4) Continue this item and provide staff with direction.

**RECOMMENDED ALTERNATIVE(S):**

Staff recommends Alternative #1 or Alternative #2 above.

Attachments:

1. Ordinance No. 1188 1<sup>st</sup> Reading – amending Title 17 regarding Interim Outdoor Cannabis Cultivation
2. Ordinance 1171 – Existing Interim Outdoor Cannabis Cultivation regulations