



## STAFF REPORT

4/14/2021

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

**FROM:** Luis Lopez, Development Services Director

**SUBJECT:** Coachella Canna Club Project

**SPECIFICS:**

- a) Resolution No. 2021-24 approving Conditional Use Permit No. 330 that proposes to establish a 7170 square foot retail cannabis business and consumption lounge within the existing building located at 46156 Dillon Road; and Conditional Use Permit No. 331 that proposes to modify the interior of the existing building to create a commercial kitchen and take-out window with outside seating (Chick Next Door) located at 46156 Dillon Road; and
- b) Ordinance No. 1178 approving Change of Zone No. 20-04 that proposes to add the Retail Cannabis Overlay zone (R-C) to the existing C-G (General Commercial) Zone on the project site.

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### **STAFF RECOMMENDATION:**

Staff recommends that the City Council continue the Coachella Canna Club project to the April 28, 2021 City Council meeting.

### **EXECUTIVE SUMMARY:**

The Coachella Canna Club Project consists of two conditional use permits and a change of zone. The Project is proposing to convert the existing building located at 46-156 Dillon Road that, for the past 15 years, has been used for sexually-oriented businesses and a restaurant/nightclub into a retail cannabis business that includes two consumption lounges and a fast food commercial kitchen including a take-out window and outdoor seating area. The project is described in more detail as follows: Conditional Use Permit No. 330 proposes to establish a 7170 square foot retail cannabis business and consumption lounge; Conditional Use Permit No. 331 proposes to modify the interior of the existing building to create a take-out restaurant (Chick Next Door) along with outside seating; and Change of Zone 20-04 proposes to add the Retail Cannabis Overlay Zone (RC) to the property located at 46-156 Dillon Road.

The City Council considered the Coachella Canna Club Project at the March 24, 2021 City Council meeting and continued the item to the April 14, 2021 meeting. At the meeting, the Council directed

the Applicant to incorporate indoor seating for the Chick Next Door restaurant within the existing building.

Additionally, the City Council directed Staff to review City ordinance provisions regarding sexually-oriented businesses to determine where future businesses of this nature could locate if the existing building was converted into a retail cannabis business and consumption lounge.

As of this writing, the Applicant is still working on revising the plans to incorporate indoor dining into the building as directed by the City Council. Additionally, staff is working with the City Attorney's office to bring back recommendations on the City's sexually-oriented businesses ordinance. Therefore, Staff is therefore recommending that the public hearing on Conditional Use Permit 330, Conditional Use Permit 331 and Change of Zone 20-04 be continued to the April 28, 2021 City Council meeting.