



STAFF REPORT
11/6/2019

TO: Planning Commission
FROM: Luis Lopez, Development Services Director
SUBJECT: Kismet Coachella - Retail Cannabis Microbusiness

- 1) Conditional Use Permit (CUP 305) to allow convert existing vacant commercial tenant space into the following uses: a 3050 square foot cannabis dispensary including 750 square feet for check-in and waiting area, 1800 square feet of retail display area and 500 square feet of rear storage, inventory control and packaging to be located in Building 1 located at 1639 and 1645 6th Street; and a 4,500 square foot coffee shop, art display and office/event space to be located in Building 2 located at 1657 and 1669 6th Street.
- 2) Change of Zone 18-07 that proposes to add the RC (Retail Cannabis) overlay zone to the existing C-G (General Commercial) zone on Building 1 located at 1639 and 1645 6th Street.

STAFF RECOMMENDATION:

Staff recommends that the Planning Commission adopt the following resolutions for the Kismet Coachella – Retail Cannabis Microbusiness project:

- 1) Resolution No. PC 2019-35 recommending to the City Council approval of Conditional Use Permit No. 305 that proposes to convert existing vacant commercial tenant space into a 3,050 square foot retail cannabis microbusiness including 750 square feet for check-in and waiting area, 1,800 square feet of retail display area and 500 square feet of rear storage, inventory control and packaging to be located in Building 1 located at 1639 and 1645 6th Street; and a 4500 square foot coffee shop, art display and office/event space to be located in Building 2 located at 1657 and 1669 6th Street.
- 2) Resolution No. PC 2019-36 recommending to the City Council approval of Change of Zone No. 18-02 that proposes to add the RC (Retail Cannabis) overlay zone to the existing CG (General Commercial) zone on Building 1 located at 1639 and 1645 6th Street.

EXECUTIVE SUMMARY:

The Kismet Coachella Project is proposing to convert four existing vacant tenant spaces on the north side of 6th Street into the following uses: a 3050 square foot cannabis dispensary that includes the following uses: a 750 square feet area for check-in and waiting area; 1800 square feet of retail display area and 500 square feet of rear storage, inventory control and packaging that would be located in Building No. 1. A 4500 square foot coffee shop, art display and office/event space is proposed to be located in Building No. 2.

BACKGROUND:

The above referenced applications are proposed within four existing vacant commercial buildings located at 1639, 1645, 1657 and 1669 Sixth Street as illustrated on the following aerial photograph:



The photograph below is looking north at the existing buildings from 6th Street. The retail cannabis business is proposed for this building on the west side of the driveway.



The photograph below is looking at Building #2, located on the east side of the driveway, and which is proposed for a coffee shop, art display and office/event space.



History of the Existing Buildings:

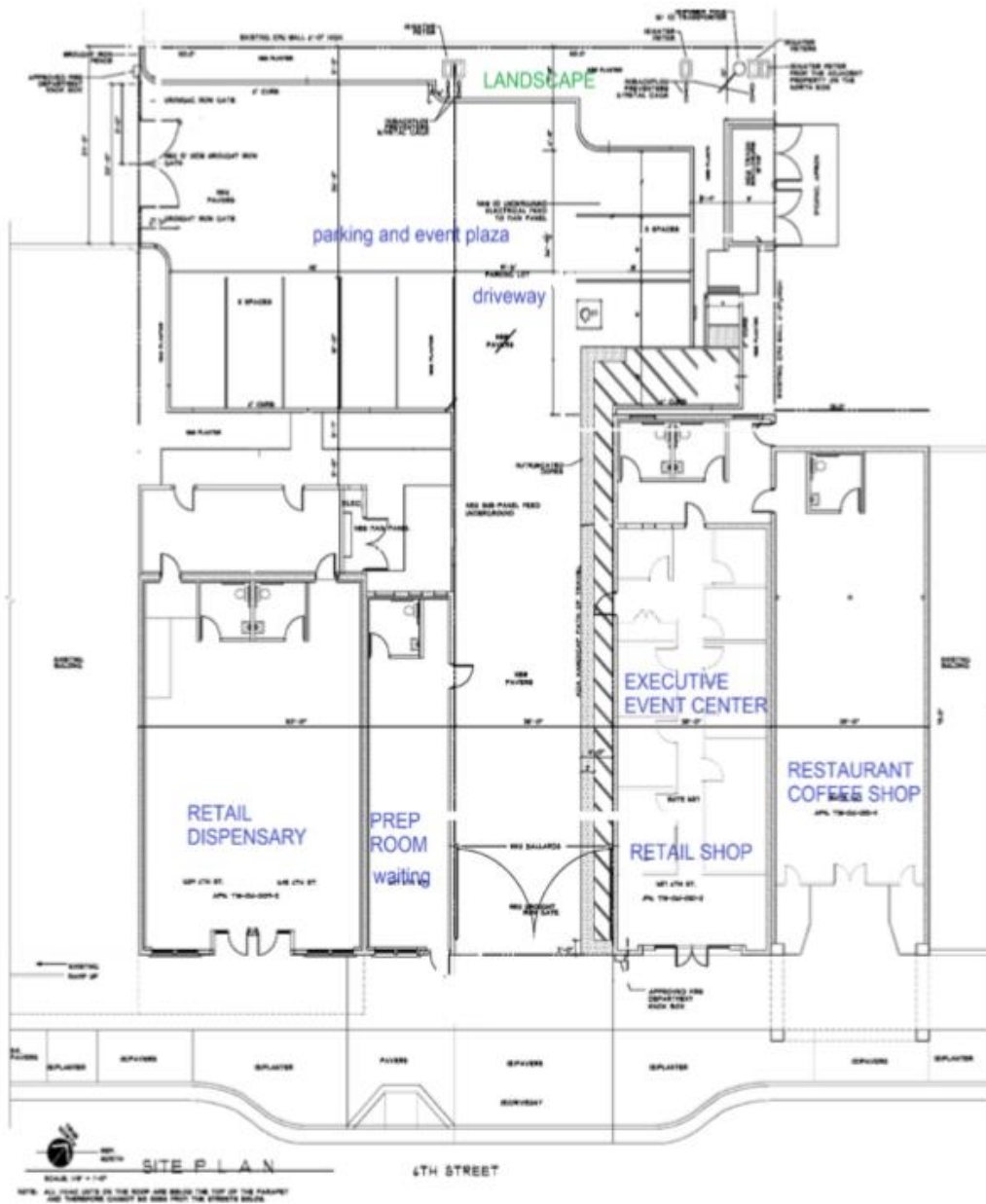
According to information obtained from Riverside County, the four lots on which the buildings exist were recorded on June 1, 1902 and the buildings known as 1657-1669 6th Street were constructed in the late 1940's and the buildings known as 1639-1645 were constructed in the late 1930's. The buildings known as 1639-1645 were previously used as the United Farm Workers (UFW) Union Office and then as a laundromat, along with a 750 square foot barber shop next to the driveway. The buildings known as 1657-1669 6th Street have been used for retail sales, office, and dental clinic.

Staff has reviewed the building permits that have been issued for the property (see attachment 4). The first record of a building permit was issued on November 30, 1972 for the refurbishing of a women's clothing store. On June 18, 1975 a permit was issued for a sign for the UFW and on April 4, 1978 a permit was issued to repair the roof. The next building permits were issued in 2013 to retrofit wall anchorage and re-roof the buildings which created the new parapet walls and minor façade enhancements. Additional permits were issued in 2015 for interior demolition and asbestos remediation. The last building permit was issued on April 23, 2019 for alterations and additions to demolish and discard all interior, "non-bearing" walls, framing, electrical outlets and HVAC, remove or grind down to slab anchor bolts flush. The Applicant has stated that these buildings have been vacant for at least twenty years.

In 2012 the Planning Commission approved Architectural Review No. 12-08 which proposed exterior architectural enhancements to the buildings and a new parking lot paving and landscaping scheme. The applicants for this project have incorporated some of the prior approvals and added new exterior architectural theming, in keeping with some of the newer trends such as "smooth plaster" exterior finishes and a more contemporary architectural theme on window treatments with metal awnings at the entries and new channel-letter signage as shown on the exhibits submitted with this application.

Overview of the Kismet Coachella Project (CUP 305)

The project proposes the following uses as shown on the site plan below: a 3050 square foot cannabis dispensary including 750 square feet for check-in and waiting area, 1800 square feet of retail display area and 500 square feet of rear storage, inventory control and packaging to be located in Building 1 located at 1639 and 1645 6th Street; and a 4500 square foot coffee shop, art display and office/event space to be located in Building 2 located at 1657 and 1669 6th Street; and a new 8 space parking lot including 1 disabled space in the rear of the building with new landscaping and a new trash enclosure. The exhibit below shows the site plan with labels showing the various business activities on the property.



As seen from the exhibit below, the Applicant is proposing the following modifications to the outside of the buildings: new smooth Spanish stucco texture; a new curved awning over the dispensary building; new gates across the driveway with a curbed arbor over the driveway area and new signs over each of the proposed uses.

The overall project and streetscape including both buildings is illustrated below:

**Front Elevations
Building 1 and Building 2
along 6th Street**



1639
2,300 SF

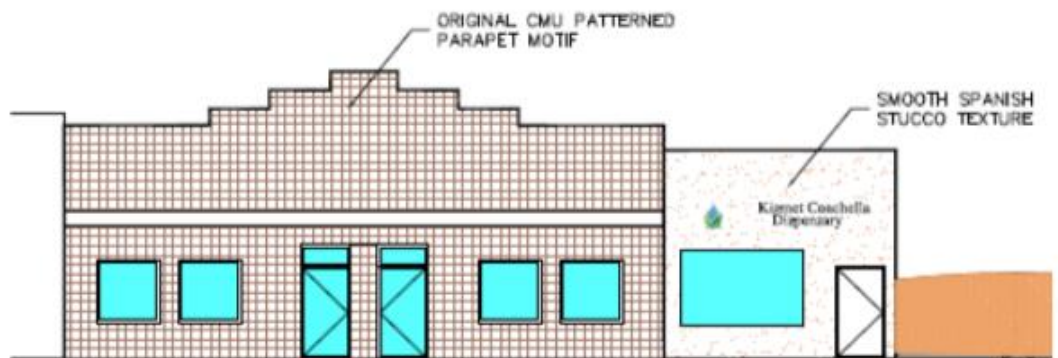
#1645
750 SF

#1657
2,200 SF

#1669
2,300 SF

The dispensary is proposed for Building 1 as illustrated and described below:

Building 1 (Dispensary)



Building 1 -- Dispensary

1639 6th Street – 2,300 SF

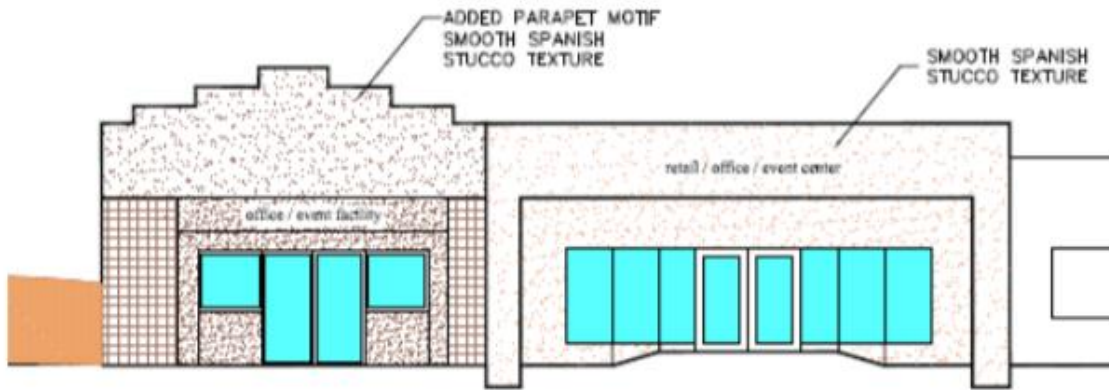
1645 6th Street – 750 SF

These two addresses are adjoining and considered one building.

Kismet has control of these two buildings in agreement with the property owner.

The proposed coffee shop, art displays and office/event space is illustrated and described below.

Building 2 (Coffee & Art)



Building 2 – Coffee Shop, Art Displays, & Office/Event Space

1657 6th Street – 2,200 SF

1669 6th Street – 2,300 SF

Artist renderings of the completed buildings are illustrated on the two exhibits below:





The exhibit below shows the view towards the rear of the building looking at the proposed parking lot.



The two exhibits below illustrate the interior of the cannabis dispensary.



The above exhibit illustrates the proposed coffee bar, check in reception and waiting area of the proposed cannabis dispensary.

DISCUSSION/ANALYSIS:

Environmental Setting:

The site is designated as being within the Downtown Center on the 2035 Coachella General Plan as illustrated on the exhibit below:



The project site is zoned General Commercial (C-G) as illustrated on the exhibit below. Surrounding properties to the north, south and west are zoned C-G (General Commercial).

Surrounding land uses to the north include automotive repair and towing, and a mortuary and flower shop to the east, an existing tavern/bar to the east, and a parking lot and church to the south.

Consistency with the Coachella General Plan

The proposed project is within the Downtown Center land use designation of the General Plan 2035 Land Use Element. The project is consistent



with the development intensity permitted by the Downtown Center land use category.

Consistency with the (C-G) General Commercial Zone

The parcels in question were created in 1902 within the jurisdiction of Riverside County, 44 years before the City incorporated in December 1946.

As stated previously, the buildings were constructed around 1930, before the current development standards of the General Commercial (C-G) zone were enacted by the City of Coachella.

Because the buildings were constructed prior to the General Commercial (C-G) zoning standards were established within the City of Coachella, they do not meet the current standards for minimum lot width, minimum side yard setback, nor does the project meet the requirement for a 15 foot front yard setback, as the buildings were constructed on the front and side yard property lines.

Consistency with Section 17.54.010 Parking and Landscaping Requirements

The total square footage of the proposed project is 7550 square feet. Based on the Municipal Code, a total of 19 parking spaces would be required. As mentioned earlier in the staff report, the buildings were constructed around 1930. The site plan includes a total of 8 parking spaces, 11 less than what the Municipal Code requires.

On October 23, 2019 the City Council approved the Pueblo Viejo Implementation Strategy that includes a block by block assessment of downtown parking needs based on current land uses and build out anticipated by the General Plan as well as the Pueblo Viejo Revitalization Plan documents. This study will lead to overall parking recommendations for the downtown area. As stated previously, based on the size of the lots and the size of the existing buildings, it would be impossible for any proposed retail use to provide the required number of off-street parking spaces. However, the Implementation Strategy policies look to the future when the city will partner with landowners and the Union Pacific Railroad to provide public parking that can be used as parking credits for existing buildings. The Plan recognizes that many of the older buildings on 6th Street pre-date the City's incorporation date, and pre-date modern parking regulations.

Section J of Section 17.54.010 specifies the landscaping requirements for projects within the City. Because the lots were created and the buildings constructed before these standards were in existence it is impossible for the proposed project to meet the requirements of this section. Section 17.54.010, J4 requires that internal landscaping equal a minimum 5% of the parking area. The Applicant is proposing landscaping within the parking area at the rear of the buildings, in excess of the 5% required by the Municipal Code.

The Planning Department considers the existing buildings a non-conforming use and as such, the Director has the discretion of allowing the proposed uses to proceed without adherence to the

above reference specific zoning standards, so long as existing nonconformities are reduced. By providing conforming paving, lighting, and new landscaping improvements to the existing parking lot, these improvements lessen the properties' nonconforming condition.

Furthermore, the existing building will be brought up to all current building codes prior to the issuance of a certificate of occupancy.

Consistency with Section 17.47: RC Retail Cannabis Overlay Zone

The proposed project is within Retail Cannabis Sub-Zone #1 as identified within Chapter 17.47 of the Municipal Code. The project meets the property development standards as identified in Section 17.47.060, A-E as outlined below, except for Standard F1 and F2 regarding adherence to on and off-site parking:

17.47.060 - Property development standards.

- A. Project Area/Lot/Building Height Requirements. Except as specified in the applicable development agreement, CUP or regulatory permit, the project area, lot size, lot coverage and building height requirements of the underlying zone shall apply.
- B. No Drive-Thru Retail Cannabis Facilities. No retail cannabis business within the RC Overlay Zone shall operate "drive-thru", "drive up", "window service" or similar facilities whereby a customer can order, purchase and receive retail cannabis without leaving his or her vehicle.
- C. No Non-Storefront Retailers. No retail cannabis business within the RC overlay zone shall be operated as "non-storefront" or "delivery only". Delivery may only be approved as ancillary to the operation of a permitted cannabis retail business which is physically located within the RC overlay zone and which primarily provides cannabis to customers on the premises.
- D. Distance Restrictions. No retail cannabis business within the RC overlay zone shall be located within two hundred fifty (250) feet of any public or private school (K-12), day care center or youth center. The distance shall be measured from the nearest point between any part of the building containing the retail cannabis business to any lot line of the other use. For purposes of this paragraph, the following definitions shall apply:
 - 1. "Day care center" means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities and school age child care centers.
 - 2. "Youth center" means any public or private facility that is primarily used to house recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.
- E. Location of Customer Entrance. No retail cannabis business shall have a customer entrance that is adjacent to or directly across the street from a residentially zoned lot.
- F. On-Street/Off-Street Parking and Loading.

1. **Off-Street Parking and Loading.** Off-street parking and loading facilities for a retail cannabis business shall be provided in accordance with the provisions of Section 17.54.010-C (1) of this title.
2. **On-Street Parking and Loading.** On-street parking or loading shall be prohibited for a retail cannabis business.

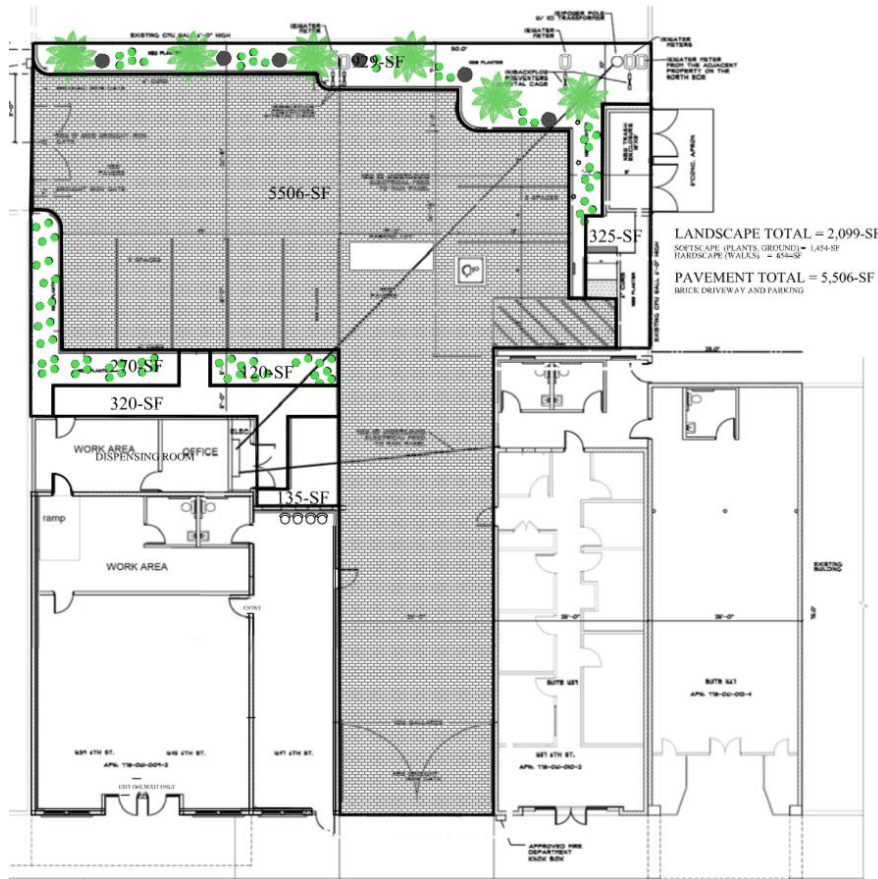
The proposed conditional use permit meets all the above development standards except for Standard F1, off-street parking and F2-On-Street parking. A discussion on overall downtown parking is discussed previously in the staff report.

Architectural Review/Building Materials

The artist renderings on pages 6, 7 and 8 of this staff report provide an overview of the modifications and enhancements proposed for the two buildings.

Landscaping

The project proposes two new landscape planters in the rear parking lot: One is adjacent to the rear of the building and the other is adjacent to the block wall at the rear property line. The parking area includes 5506 square feet of pavement area. Of that area the project proposes 2099 square feet of landscaped area, or 38%, in excess of the 5% required by the Municipal Code. Because the buildings were constructed around 1930 and are considered non-conforming structures, conformance to current City landscaping standards is not possible. Specifically, since the buildings were constructed to the front property line, construction of a 15 foot landscaped planter is not possible.



ENVIRONMENTAL REVIEW:

The City has determined that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15303 (C) that exempts the conversion of existing small structures from one use to another where only minor modifications are made to the exterior of the structure.

CORRESPONDENCE

The City has not received any correspondence for the proposed project

ALTERNATIVES:

- 1) Approve Conditional Use Permit No. 305 and Change of Zone No. 18-07 with the findings and conditions as recommended by the Planning Commission and Staff.
- 2) Deny Conditional Use Permit No. 305 and Change of Zone 18-07.
- 3) Continue these items and provide staff and the applicant with direction.

RECOMMENDED ALTERNATIVE(S):

It is staff's recommendation that the Planning Commission open the public hearing and allow input from all proponents and opponents of the proposed project. Because the proposed Project is in conformance with the City's General Plan and the proposed use would be consistent with the Municipal Code and compatible with the surrounding uses in the area, it is staff's recommendation that the proposed project be approved by taking the following actions:

1. Motion to adopt Resolution No. PC 2019-35 recommending to the City Council approval of Conditional Use Permit No. 305 with the findings and attached conditions of approval
2. Motion to adopt Resolution PC 2019-36 recommending to the City Council approval of Change of Zone 18-07 with the attached findings:

Attachments: Resolution No. PC 2019-35 for CUP 305
 Resolution No. PC 2019-36 for CZ 18-07
 Exhibit A: Conditions of Approval for CUP 305
 Historical Building Permits