



STAFF REPORT
11/13/2019

TO: Honorable Mayor and City Council Members

FROM: Luis Lopez, Development Services Director

SUBJECT: Coachella Smoke Retail Cannabis Microbusiness

SPECIFICS:

- a) Ordinance No. 1144 approving Change of Zone (CZ 18-02) to add the RC (Retail Cannabis) overlay zone to the existing CG (General Commercial) zone at the northwest corner of Grapefruit Boulevard and 7th Street.
- b) Resolution No. 2019-60 approving Conditional Use Permit No 298 to convert an existing commercial tenant space into a retail cannabis microbusiness with 400 square feet of retail cannabis showroom, 265 square feet for cannabis distribution and manufacturing uses, and 455 square feet for an indoor cannabis lounge with on-site consumption of cannabis products at 85-995 Grapefruit Boulevard, Suite #1, Coachella, California.

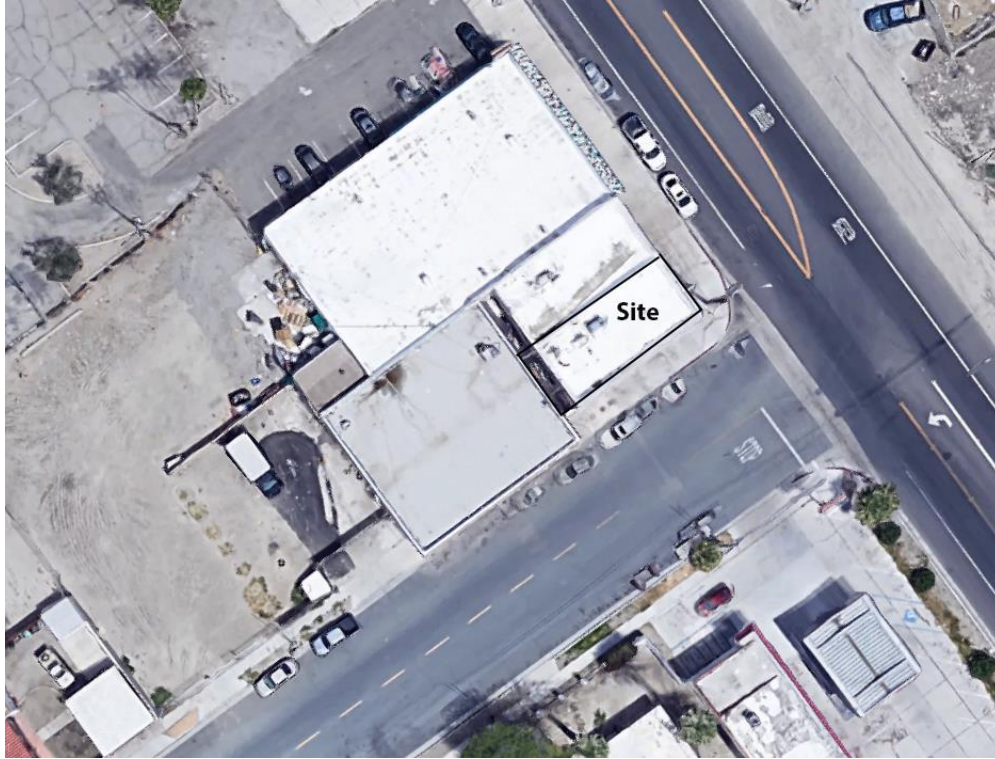
STAFF RECOMMENDATION:

Staff recommends that the City Council approve the Coachella Smoke project by taking the following actions:

- a) Introduce for the 1st Reading, by title only, Ordinance No. 1143 approving Change of Zone (CZ 18-02) to add the RC (Retail Cannabis) Overlay Zone to the existing CG (General Commercial) zone on property located on the northwest corner of Grapefruit Boulevard and 7th Street.
- b) Adopt Resolution 2019-60 approving CUP 298 for the Coachella Smoke Retail Cannabis Microbusiness.

BACKGROUND:

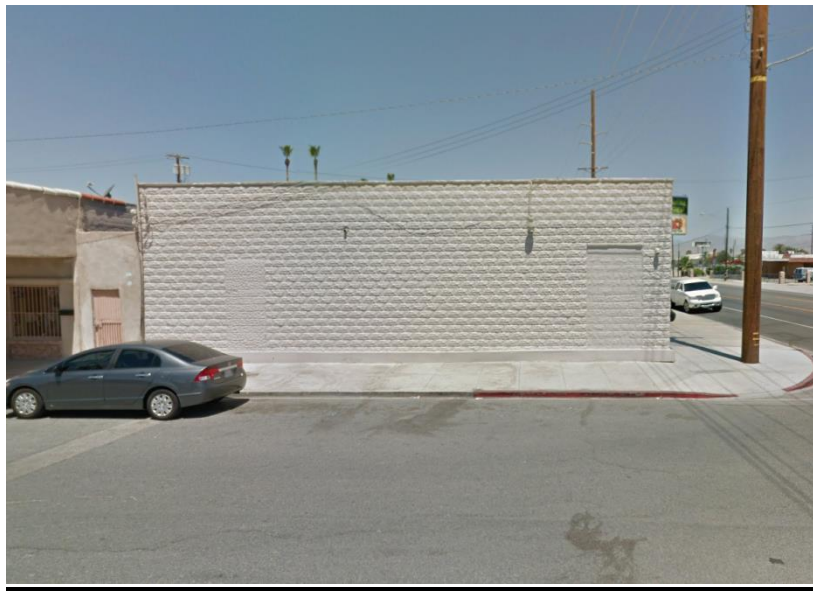
The above referenced applications are proposed in an existing commercial building at the NW corner of Grapefruit Blvd and 7th Street as illustrated on the following aerial photograph:



The photograph below (prior to re-plastering) is looking at the existing building from Grapefruit Blvd. The cannabis microbusiness will be on the left side of the building and the existing Coachella Bar is located on the right side. There is no interior or exterior access between the two uses.



The photograph below is looking at the side of the building from 7th Street. Note that the door on the left side of the building is used for deliveries for the proposed retail microbusiness.



The Applicant recently obtained building permits to re-plaster the exterior of the building with a “smooth plaster” finish and to install new windows, doors (removing security bars), and new lighting, as shown on the photograph below.



History of the Existing Building

According to information obtained from Riverside County, the lot was recorded on June 1, 1902 and the building was constructed in 1912. It is one of the oldest buildings in Coachella and was once a drug store, while the site of Coachella Bar at one time was a bank as illustrated on the two photographs below.



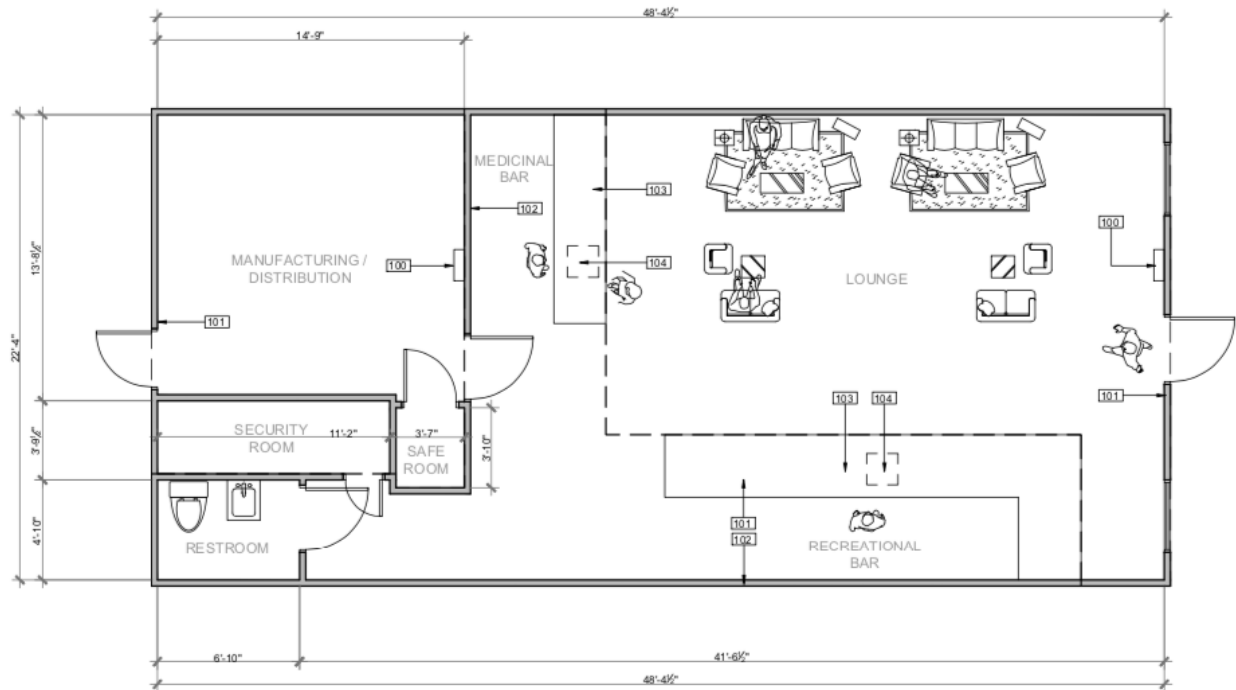
At the Planning Commission meeting, it was noted that the original historic façade was significantly altered when prior owners enclosed several of the windows and storefront glazing. These alterations show that the historic resources of the original building were removed or altered to a point where the building lost its historic character and would not qualify as a “historic building” under the State or local historic preservation guidelines.

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 September 10, 1970 to the El Charrito Café for a plastic sign. On June 9, 1976 a permit was issued for a reroof for the Las Flores Restaurant. Based on the permit history, it appears that Las Flores Restaurant operated in the building until January 2015 when it was shut down by the Riverside County Health Department for health code violations because it did not meet the minimum “C” rating. Additional building permits were issued in December 2017 for the wall sign that exists on the front of the building. No building permits have been issued since December 2017.

Overview of the Coachella Smoke Microbusiness (CUP 298)

The project proposes a retail cannabis microbusiness to be open between the hours of 7:00 am and 10:00 pm daily, consisting of the following uses as shown on the floor plan below:

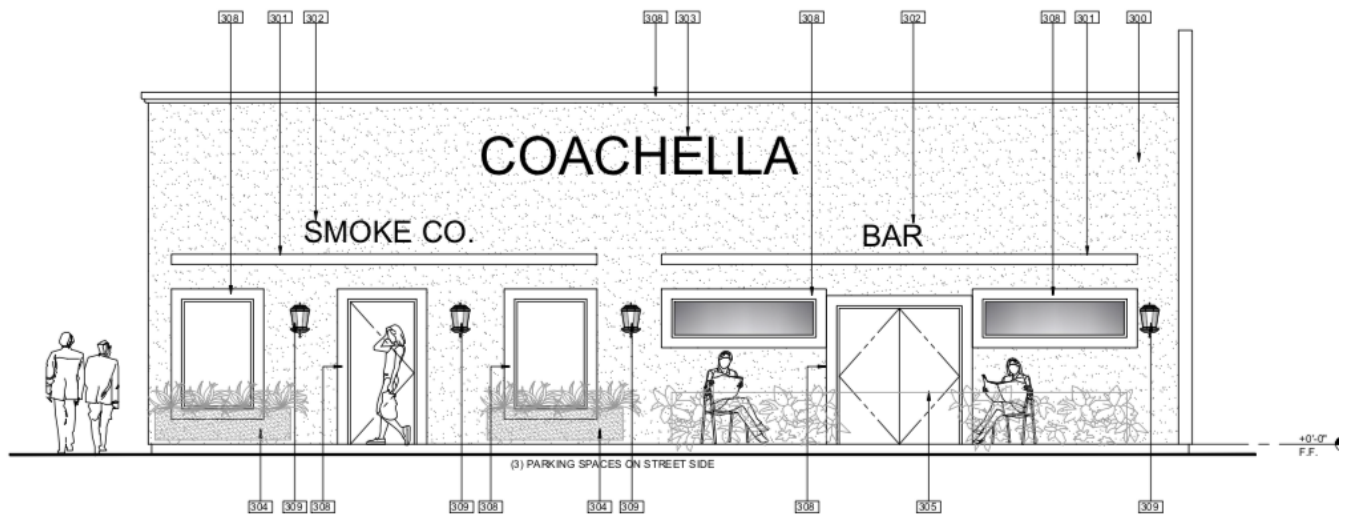
- Approximately 400 square feet of retail cannabis showroom display
- Approximately 265 square feet for distribution and manufacturing that includes packaging and labeling. No extraction is proposed and no chemicals will be used.
- Approximately 455 square feet as an indoor cannabis lounge that includes on-site consumption of cannabis products.



SQUARE FOOTAGE	
RETAIL	401 S.F.
LOUNGE	455 S.F.
SUPPORT	264 S.F.
TOTAL	1,120 S.F.

As seen from the exhibit below, the Applicant is proposing the following modifications to the outside of the building:

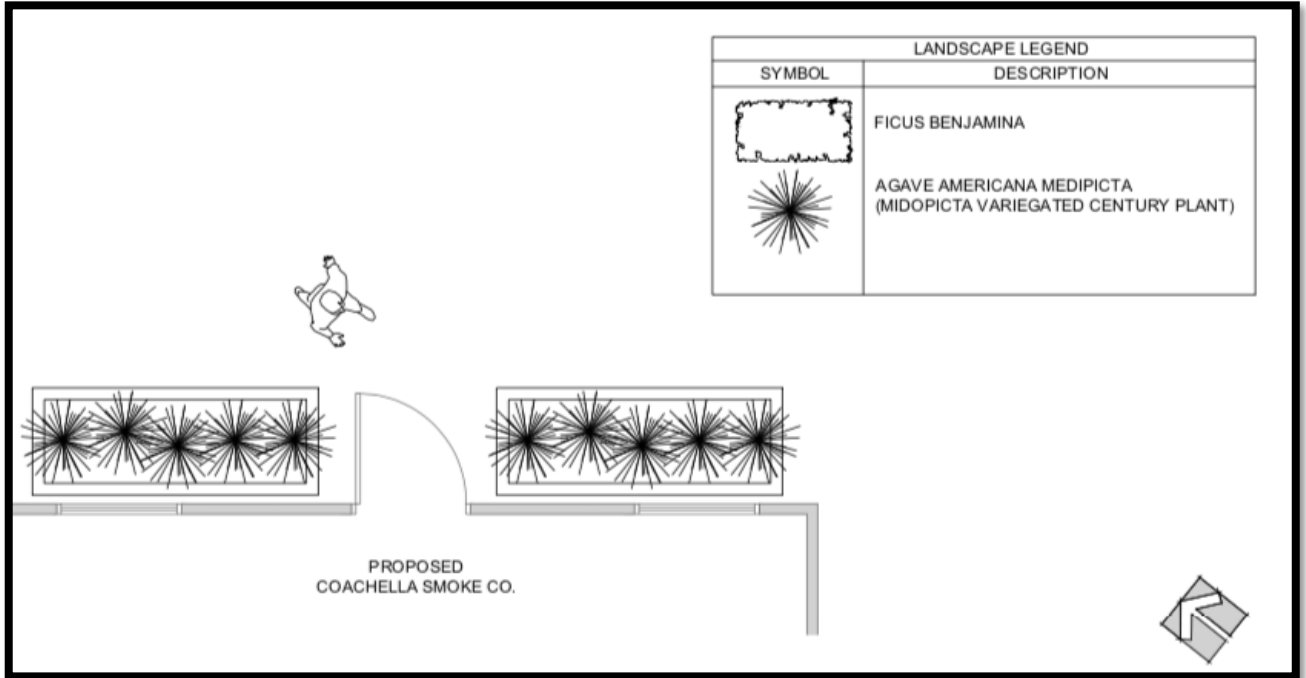
- New light beige smooth plaster on the front and south side of the building
- New windows and front door
- New awnings, new brown trim, signage and lighting
- Removal of the existing bars on the windows and doors
- New public art as illuminated “City sign” on the south side of the building as illustrated on the exhibit on p. 6 of the staff report.
- Removal of existing attached wall sign that is perpendicular to the building
- Lowering of existing railing in front of Coachella Bar business
- New raised planters under the two windows



KEYNOTES

- 300 7/8" 3 COAT STUCCO - SMOOTH FINISH
- 301 NEW METAL AWNING
- 302 NEW SIGN
- 303 EXISTING SIGN
- 304 NEW PLANTER
- 305 EXISTING RAILING
- 306 MURAL APPROVAL IN PROCESS
- 307 PARKING ON STREETSIDE
- 308 NEW FOAM TRIM
- 309 NEW DECORATIVE EXTERIOR LIGHT FIXTURE

The new raised landscaped planters proposed at the front of the building are illustrated on the following exhibit.



Proposed 5 ft. x 36 ft. “public art” lettering on 7th Street wall





Proposed Awnings

The Applicant is proposing awnings over the two front windows as illustrated below:



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 to the left. Surrounding properties to the north, south and west are zoned C-G (General Commercial), while land to the east across Grapefruit Blvd is zoned M-S, Manufacturing Service.

Surrounding land uses to the north, south, east and west of the site consist of commercial land uses.

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 which encourages very high-density residential uses mixed with commercial uses on the ground floor, in an urban environment. The project is consistent with the development intensity permitted by the Downtown Center land use category as the property is largely covered with commercial buildings and is oriented towards the pedestrian/sidewalk environment.



Consistency with the (C-G) General Commercial Zone

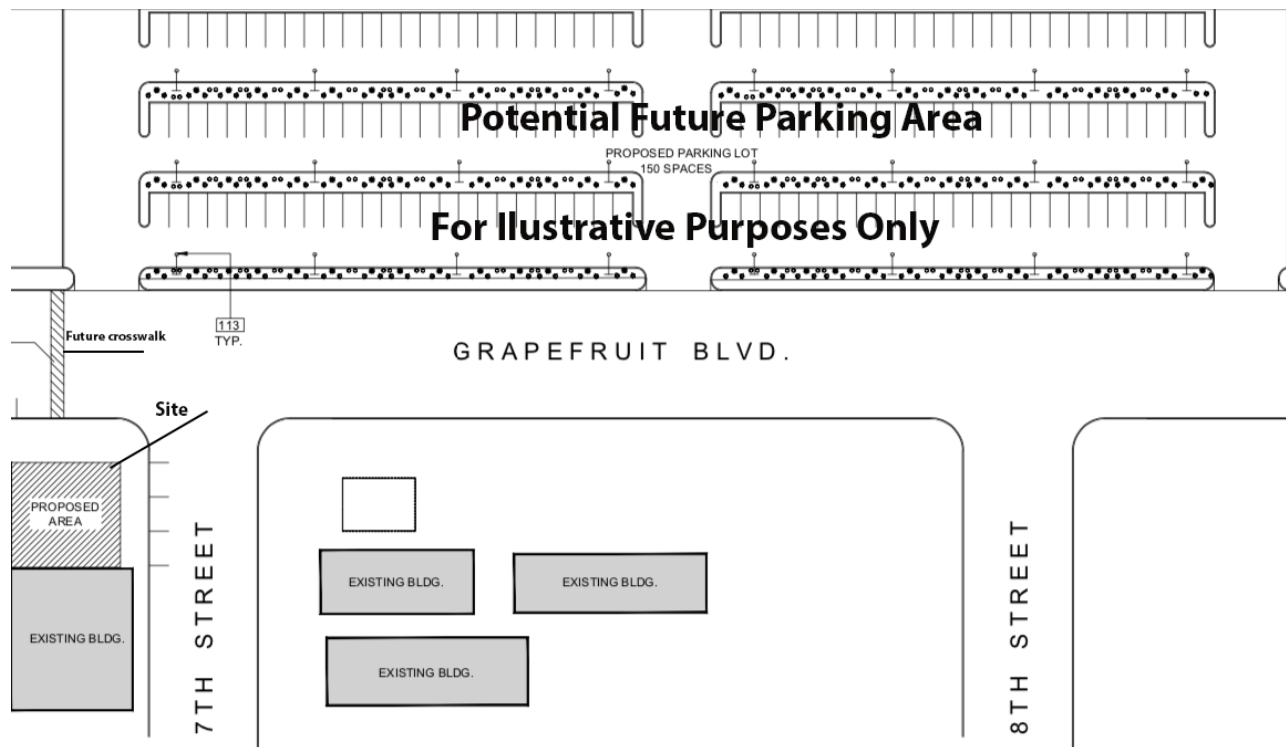
The parcel in question was created in 1902 within the jurisdiction of Riverside County, 44 years before the City incorporated in December 1946. The existing building proposed for the cannabis microbusiness measures 22 feet wide and is 41 feet long with a total square footage of 931 square feet.

As stated previously, the building was constructed in 1912, before the current development standards of the General Commercial (C-G) zone were enacted by the City of Coachella.

Because the building was constructed before the General Commercial (C-G) zoning standards were established within the City of Coachella, it does 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 building was 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 microbusiness is 1120 square feet. Based on the Municipal Code, a total of 4.5 spaces would be required. As mentioned earlier in the staff report, the building was constructed in 1912 and does not include any off-street parking. The Applicant has a signed lease with UP Railroad for property located across Grapefruit Blvd, which at one time was proposed for parking for the Coachella Smoke Project. However, the City has concerns with parking at this location because future patrons would be required to cross Grapefruit Blvd. at an un-signalized intersection. An illustration of the proposed parking area is provided below for illustrative purposes only:



The City Council recently approved the Pueblo Viejo Implementation Strategy which includes a Parking Study with a block by block assessment of downtown parking needs based on current land uses and build out anticipated by the General Plan and the Pueblo Viejo Revitalization Plan. This Plan includes overall parking recommendations for reduced parking, added street parking, and public parking for the downtown area. As stated previously, based on the size of the subject lot and the size of the existing buildings, it would be impossible for any proposed retail use to provide the required number of parking spaces.

Section J of Section 17.54.010 specifies the landscaping requirements for projects within the City. Because the lot was created and the building constructed before these standards were in existence it is impossible for the proposed project to meet the requirements of this section. Section J4 of Section 17.54.010 requires that internal landscaping equal a minimum 5% of the parking areas. Since no off-street parking is proposed, the project cannot meet this requirement. The Applicant is proposing raised planters at the front of the building.

Additionally, the project is within the Urban Greening Corridor that will be constructed along Grapefruit Blvd as illustrated on the exhibit below that will add greenery to Grapefruit Blvd.



The Planning Division staff considers the existing building 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 those nonconformities are not aggravated by the project.

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 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 and F2-On-Street parking. A discussion on overall downtown parking is discussed previously in the staff report.

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.

ALTERNATIVES:

1. Approve Conditional Use Permit No. 298 and Change of Zone No. 18-02 with the findings and conditions as recommended by the Planning Commission and Staff.
2. Deny Conditional Use Permit No. 298 and Change of Zone 18-02.
3. Continue these items and provide staff and the applicant with direction.

FISCAL IMPACT:

There are no fiscal impacts associated with the approval of the zone change and conditional use permit.

RECOMMENDED ALTERNATIVE(S):

Staff recommends Alternative #1 above.

Attachments: Resolution No. 2019-60
 Ordinance No. 1143 (1st Reading)
 Exhibit A: Conditions of Approval for CUP 298
 Historical Building Permits