



**STAFF REPORT**  
**3/24/2021**

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

**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 46-156 Dillon Road.
- 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 approve the Coachella Canna Club project by taking the following actions:

- 1) Adopt Resolution No. 2021-24 approving Conditional Use Permit No. 330 that proposes to establish a 7170 square foot retail cannabis business and consumption lounge 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 (Chick Next Door) along with outside seating; and,
- 2) Introduce for the 1st Reading, by title only, Ordinance No. 1178 approving Change of Zone 20-04 that proposes to add the Retail Cannabis Overlay Zone (R-C) to the property located at 46156 Dillon Road.

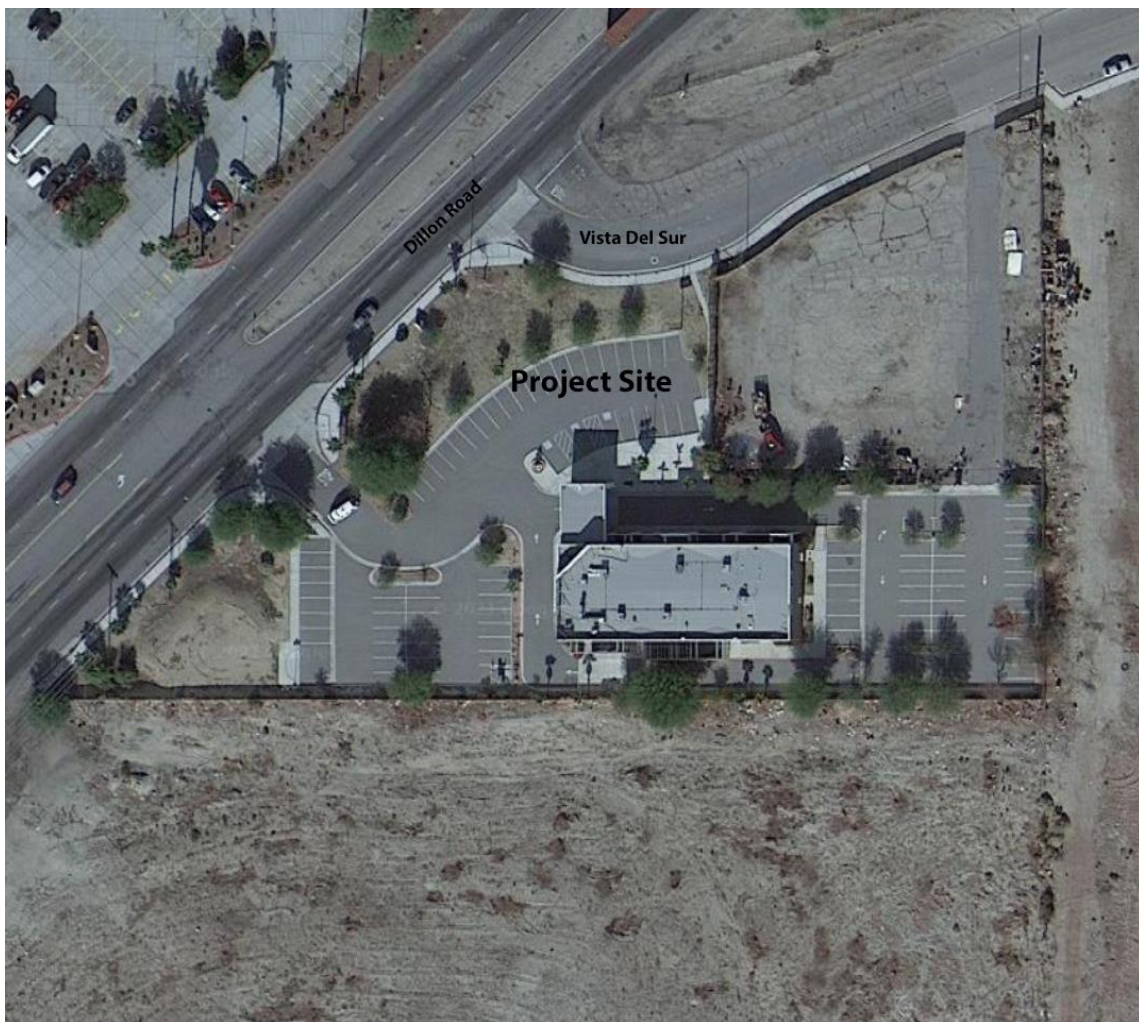
**EXECUTIVE SUMMARY:**

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 46156 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 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 46156 Dillon Road.

**BACKGROUND:**

The above referenced applications are proposed on a 1.9-acre site located east of Dillon Road and south of Vista Del Sur as shown on the aerial photograph below. The address of the project site is 46156 Dillon Road.



The photographs below were taken in 2019. The first photograph was taken from Vista Del Sur and shows the north side of the existing building, the landscaped areas and the parking lot. As shown on the photograph, the site contains an existing building that was originally constructed in 2005 and given final occupancy permits by the City in January 2006.



The photograph below was taken from Dillon Road and illustrates the west side of the building, driveway access to the site off Dillon Road and the existing on-site landscaping.



**History of the Project Site**

According to building permit records, (see attachment 4) the Seventh Heaven Club Gentlemen’s Club began construction of the building in 2005 and was granted final occupancy permits in January 2006. Various other sexually oriented businesses and a restaurant/nightclub (Culichi Town) occupied the project site from January 2006 through September 2019. The most recent tenant was the Chicas Gentlemen’s Club that occupied the building from March 2018 to September 2019. The building has been vacant since September 2019.

The existing building, the 105 space parking lot and landscaped areas are consistent with the plans

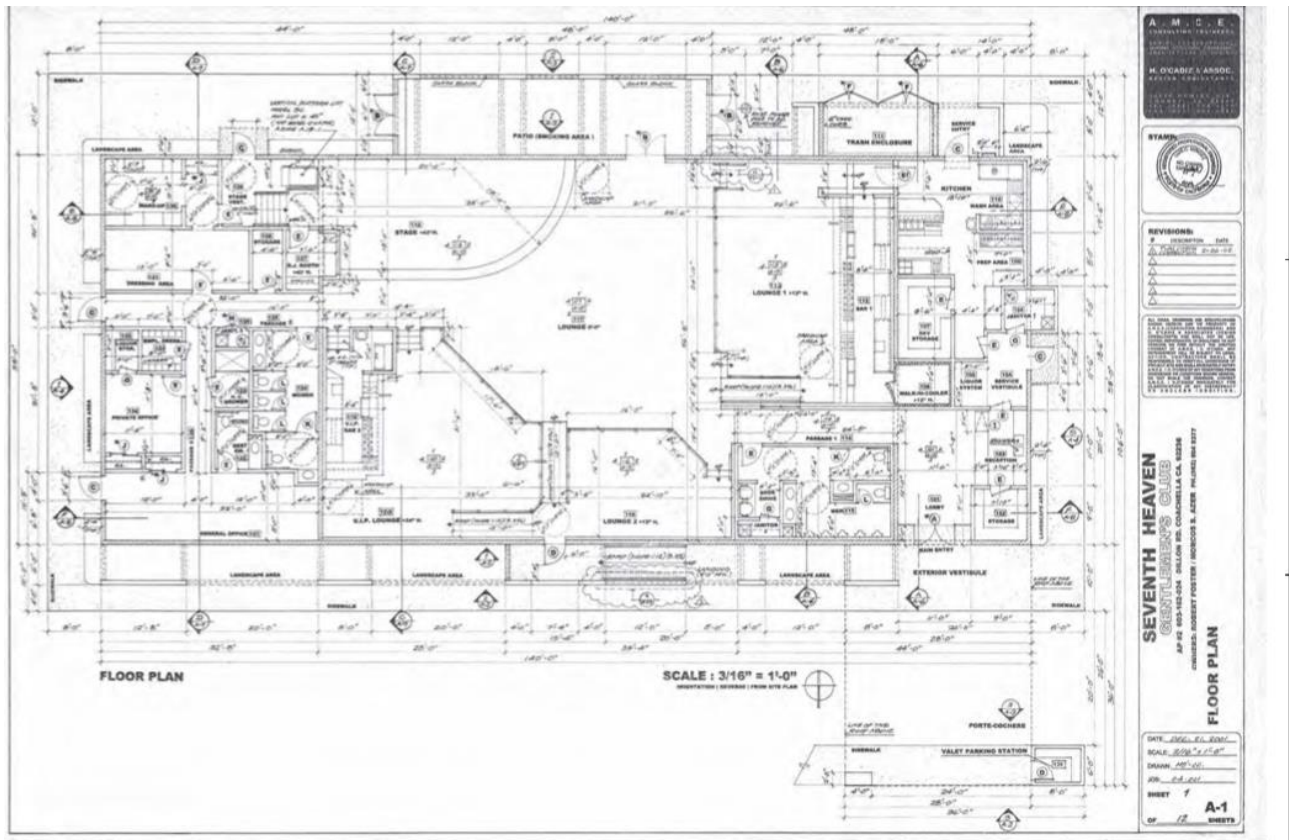


that were approved in 2018 when Chicas Gentlemen’s Club was granted approval to operate the project site as a sexually oriented business.

**Overview of the Coachella Canna Club Project: CUP 330 and CUP 331 and CZ 20-04**

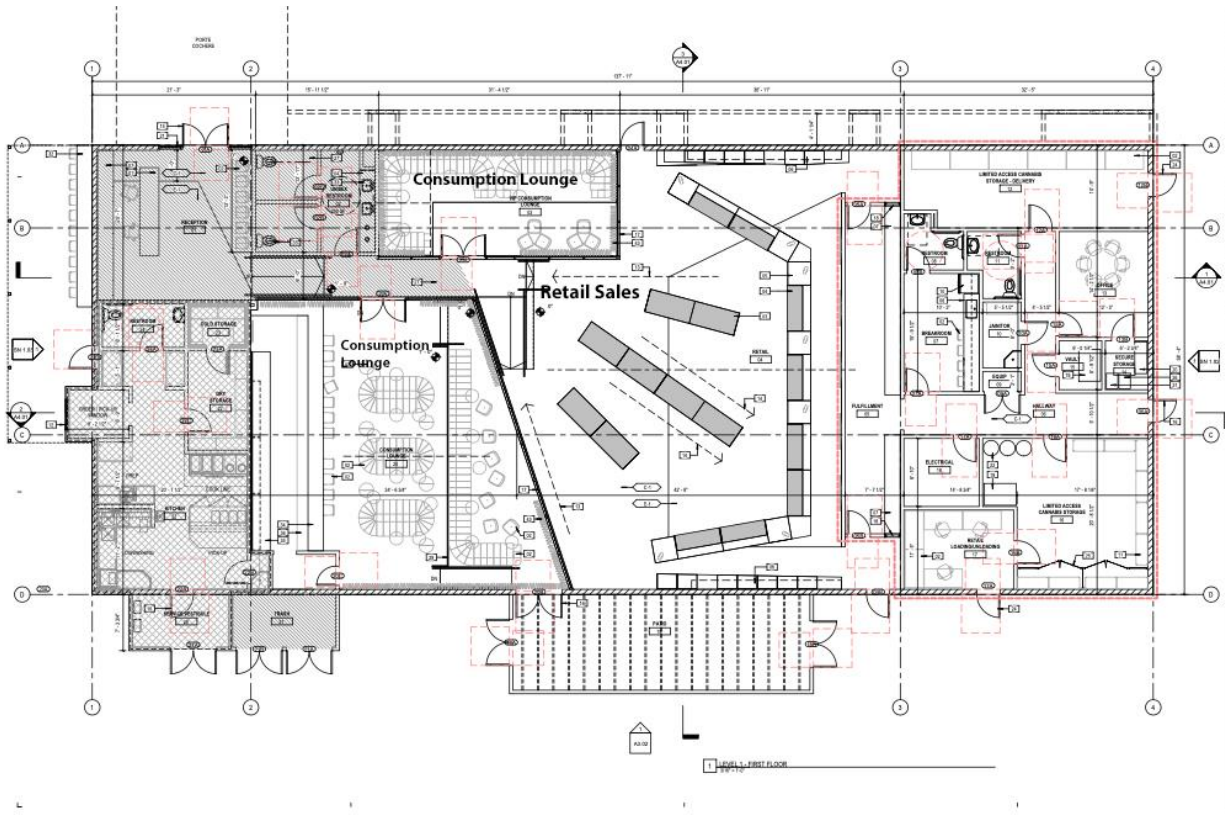
The Coachella Canna Club Project proposes to establish the following on the Project site:

CUP 330 proposes to establish a 7170 square foot retail cannabis business and consumption lounge within the existing building. Plans include modifications to interior partitions, doors and millworks, removal of grid ceilings and the installation of new ceilings and glass partitions. New plumbing fixtures will be installed, and mechanical and electrical systems will be brought up to current codes. A copy of the existing building floor plan is illustrated below.

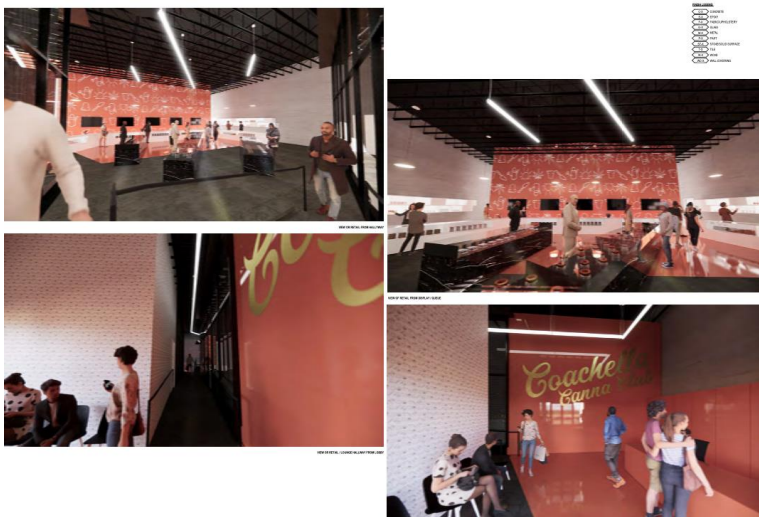


EXISTING CONDITIONS - BY OTHERS / FOR REFERENCE ONLY

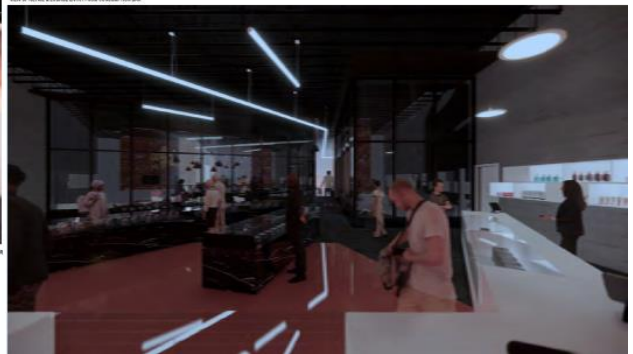
A copy of the proposed interior floor plan of the building is attached below and includes a retail sales area with two separate consumption lounge areas within the business.



Artist renderings of the retail sales area and consumption lounges are illustrated below.



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Exterior work will include the painting of all exterior sides of the building as illustrated on the exhibits below:







CUP 331 proposes to create a commercial take-out kitchen and take-out window including an outside seating area on the west side of the existing building as illustrated on the exhibit below. A new awning over the proposed take-out window and outdoor seating area is also planned as shown below.

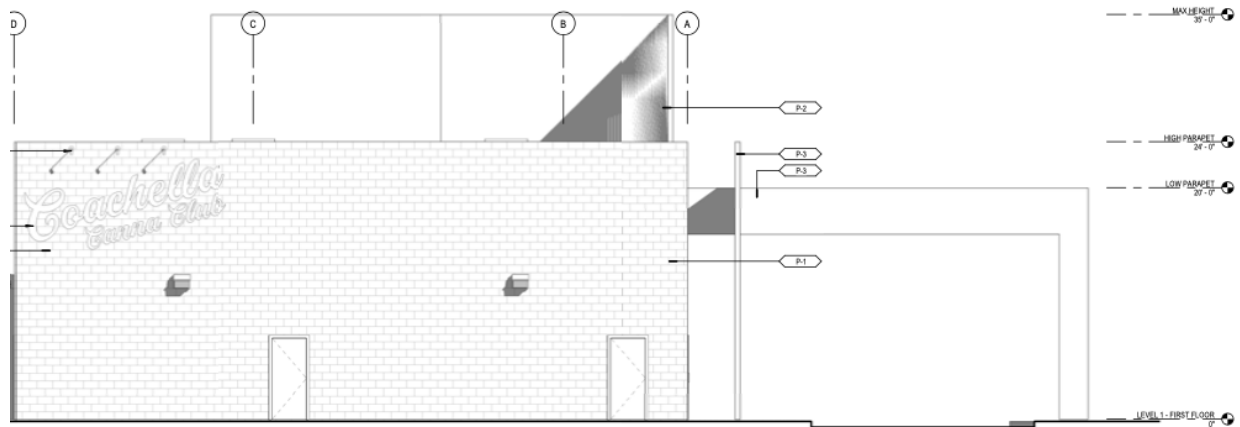


Change of Zone No. 20-04 proposes to add the Retail Cannabis (RC) Overlay Zone to the existing General Commercial (CG) Zone on the project site as illustrated on the exhibit below:



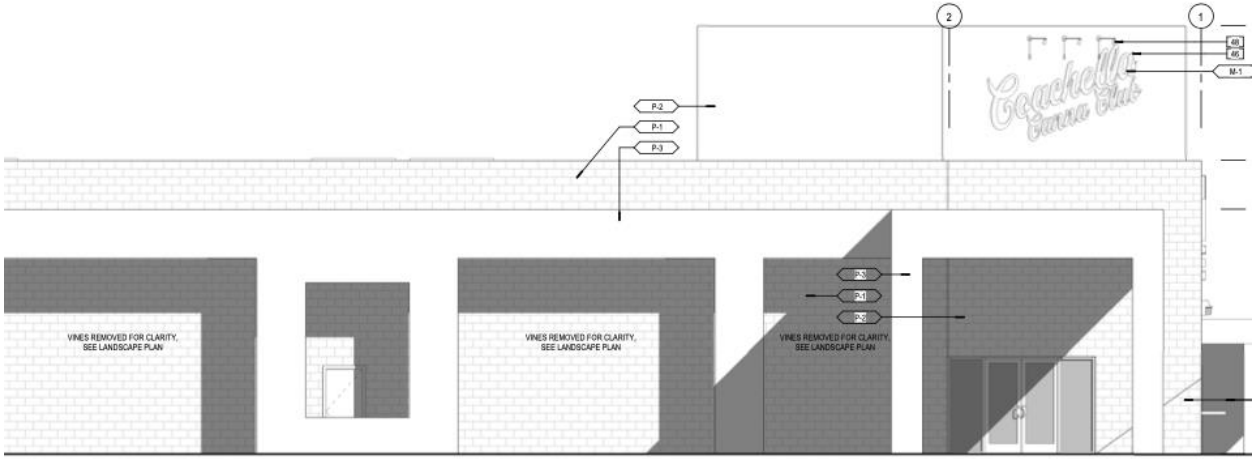
**Signage**

New wall signs will replace the existing wall signs located on the east, north and west sides of the building as shown below:

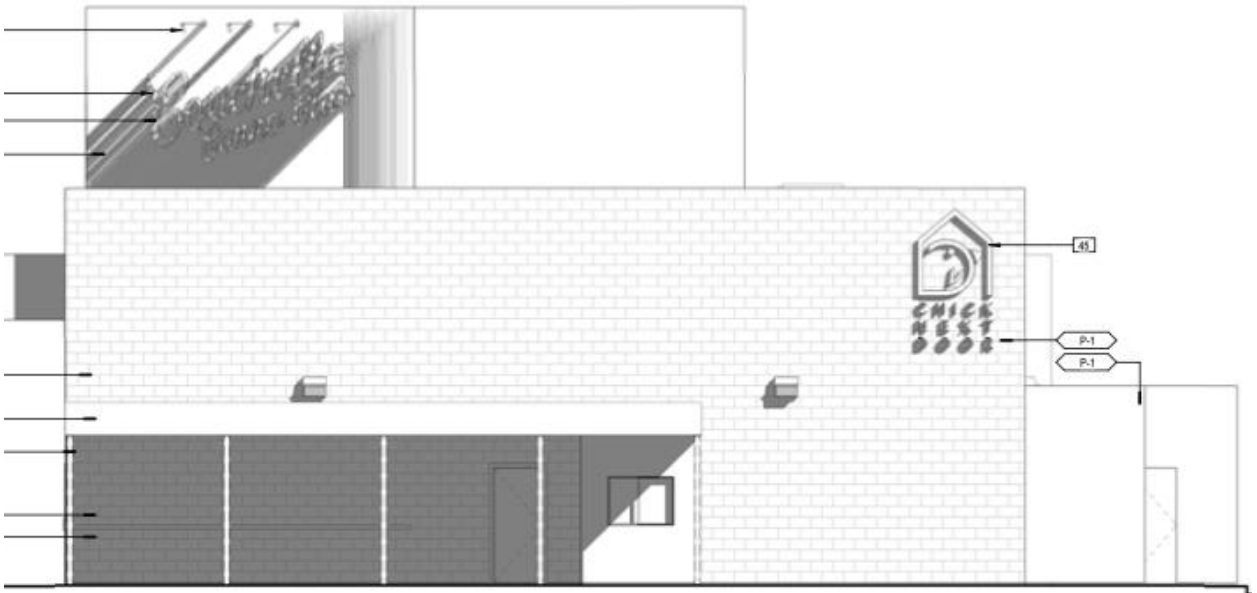


2 EAST ELEVATION  
3/8" = 1'-0"





1 NORTH ELEVATION  
3/16" = 1'-0"

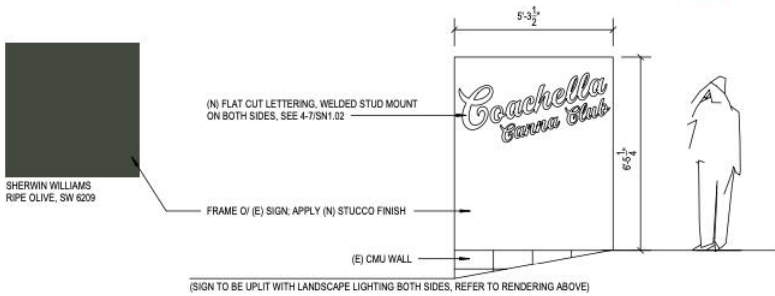


2 WEST ELEVATION  
3/16" = 1'-0"

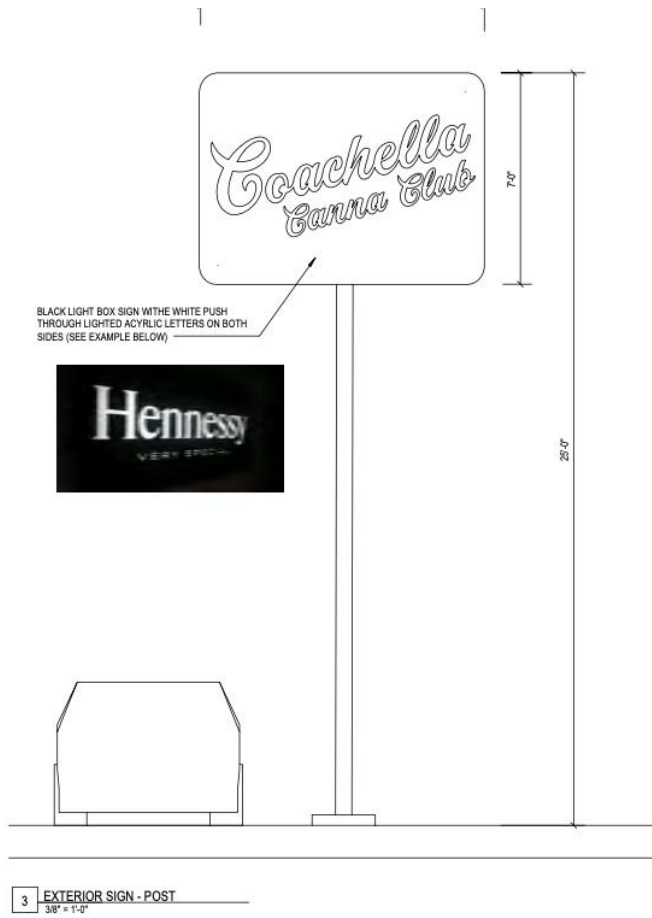
The Canna Club wall signs will be finished with a brass finish while the Chick Next Door wall sign will consist of extruded lit channel letters with an acrylic face and aluminum return as illustrated below:



New copy is proposed for the existing monument sign along Dillon Road as illustrated below.



A new 25-foot-high pole sign with 66.5 square foot of surface area will be constructed as shown below:

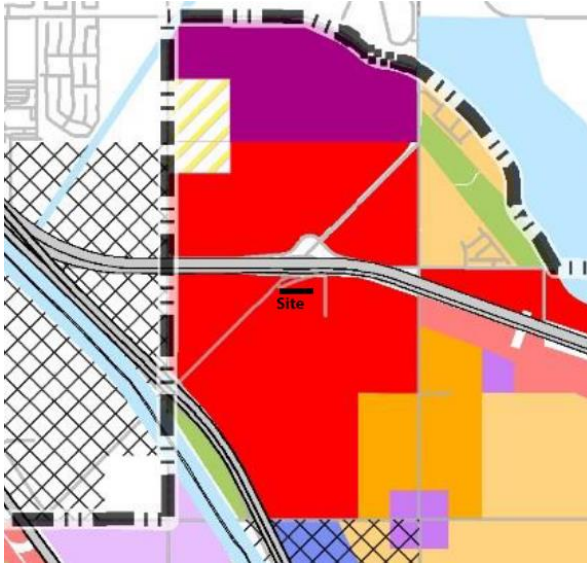


### **Landscaping**

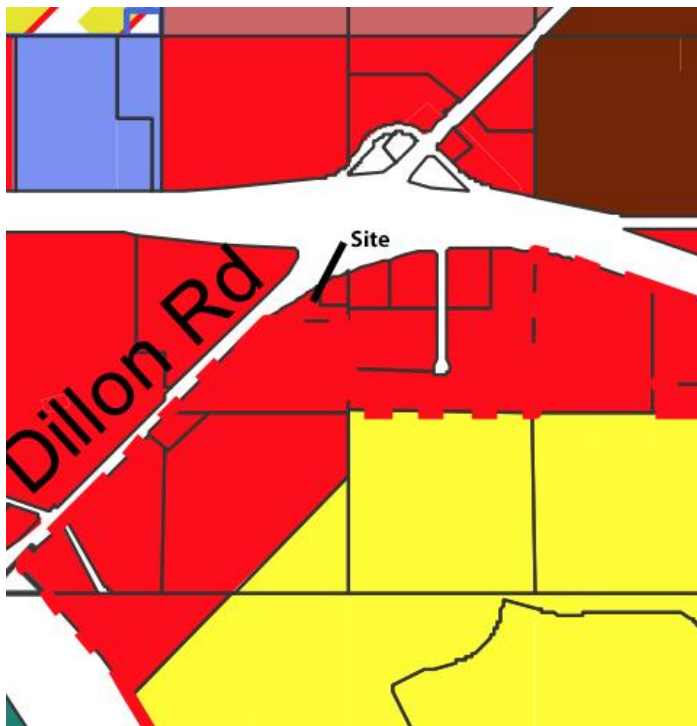
All existing landscaped areas will be upgraded to meet current City landscape requirements as shown on the exhibit below.



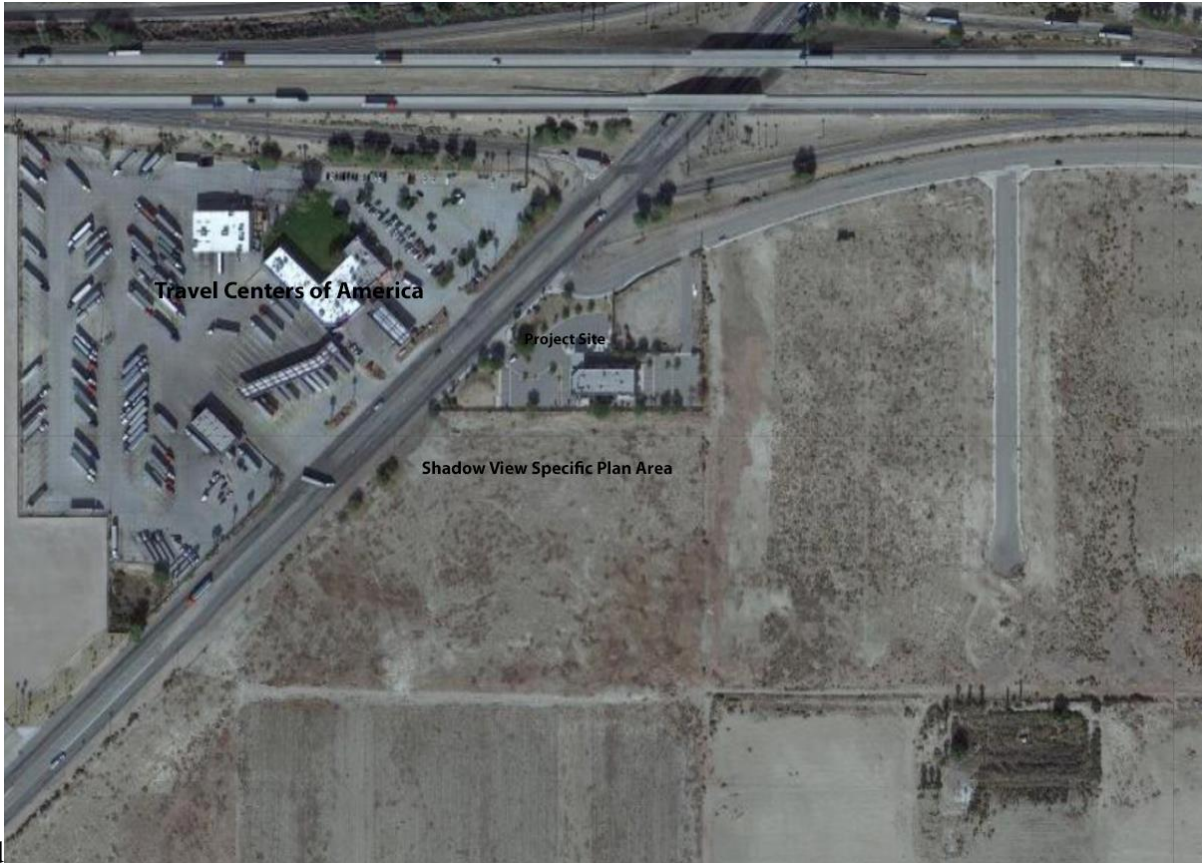




The project site is zoned General Commercial (C-G) as illustrated on the exhibit below. Surrounding properties to the north, south, east and west are zoned C-G as well.



Surrounding land uses are illustrated on the aerial photograph below:



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Property to the west across Dillon Road consists of the Travel Centers of America complex. Properties to the east, north and south are vacant. The approved Shadow View Specific Plan is located immediately south of the project site. The Shadow View Specific Plan designates that area as Planning Area 1 West which is planned for commercial/mixed use/high density overlay as illustrated on the exhibit below:





### **Consistency with the Coachella General Plan**

The proposed project is within the Regional Retail District land use designation of the General Plan 2035 Land Use Element. The project is consistent with the development intensity permitted by the Regional Retail District land use category.

### **Consistency with the (CG-RC) General Commercial Zone with Retail Cannabis Overlay**

The project is consistent with the development standards of the CG-RC, General Commercial-Retail Cannabis Overlay Zone.

### **Consistency with Chapter 17.84 (Retail Cannabis Businesses and Chapter 17.85 (Commercial Cannabis Activity)**

The proposed project is consistent with the requirements of both Chapters 17.84 and Chapter 17.85 of the Coachella Municipal Code.

### **ENVIRONMENTAL REVIEW:**

The City has determined that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301, (Class 1) Existing Facilities, of the CEQA guidelines that provides an exemption for the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use including interior or exterior alterations involving such things as interior partitions, plumbing and electrical conveyances. CUP 330 CUP 331 and Change of Zone 20-04 meet the criteria for a Section 15301, Class 1 CEQA exemption.

**ALTERNATIVES:**

- 1) Approve Conditional Use Permit No. 330, Conditional Use Permit 331 and CZ 20-04 with the findings and conditions as recommended by Staff.
- 2) Deny Conditional Use Permit No. 330, 331 and CZ 20-04.
- 3) Continue these items and provide staff and the applicant with direction.

**FISCAL IMPACT:**

None.

**RECOMMENDED ALTERNATIVE(S):**

It is staff's recommendation that the City Council open the public hearing and allow input from all proponents and opponents of the proposed project. Because the proposed Projects are in conformance with the City's General Plan and the proposed uses 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. 2021-24 approving Conditional Use Permit No. 330 and Conditional Use Permit 331 with the findings and attached conditions of approval
2. Motion to adopt Ordinance No. 1178 approving Change of Zone 20-04 with the attached findings.

Attachments: Attachment No. 1: Resolution No. 2021-24 for CUP 330 and CUP 331  
Attachment No. 2: Ordinance No. 1178 approving Change of Zone 20-04  
Attachment No. 3: Exhibit A: Conditions of Approval for CUP 330 and CUP 331  
Attachment No. 4: Historical Building Permits  
Attachment No. 5: Architectural Exhibits  
Attachment No. 6: Correspondence