



City of Colusa California

STAFF REPORT

DATE: January 17, 2023
TO: Mayor Ponciano and members of the City Council
FROM: Jesse Cain, City Manager, and Ryan Jones, City Attorney, Russell Hildebrand, Deputy City Attorney

AGENDA ITEM:

Subject: Public Hearing on a Conditional Use Permit/General Development Plan (GPD) Consistency Review

Recommendation: Take public comment and adopt Resolution 23-__ approving a Conditional Use permit to allow the construction of a cannabis business, manufacturing and cultivation facilities and related street and infrastructure improvements over an approximately 32-acre site zoned (PD) Planned development district, located at the northeast corner of D street and east clay street.

BACKGROUND ANALYSIS:

On January 20, 2015, the City Council adopted Ordinance 503 and Resolution Nos. 15-02 and 15-03, thereby approving the Colusa Riverbend Estates planned development subdivision with 257 lots (ranging from 5000-7000 sq. ft.) and 110 apartment units. A mitigated negative declaration (MND), prepared in compliance with the California Environmental Quality Act (CEQA), was also adopted providing environmental clearance for that project. Legal challenge to the scope and adequacy of the environmental documentation, including drainage/hydrology, failed.

On July 16, 2019, the City Council adopted Resolutions 19-19 and 19-20 for a mitigated negative declaration (MND), which provided environmental clearance, and a general plan amendment to establish Industrial land uses, respectively, in support of converting the Riverbend Estates project into the Colusa Triple Crown Cannabis Business Park ("Triple Crown") project. On August 6, 2019, the City Council adopted Ordinance 537, approving planned development (P-D) zoning for the site as well as the Triple Crown General Development Plan discussed below.

Triple Crown General Development Plan (GDP) The GDP is a guiding policy and planning document applying to the greater 84.7-acre site (as approved by the City Council) for cannabis land uses and operations. The site is located on the northeast side of the city, bounded by D Street, East Clay Street, and the Sacramento River levee.

The previously approved GDP describes and illustrates all aspects of the proposed project, and sets forth design standards, densities, and land uses that the owner is allowed to develop following conditional use permit review by the Planning Commission (to merely determine consistency of current, specific design plans with the original GDP). The GDP, and subsequent cannabis use permits and building permits, allows the construction and eventual operation of a cannabis research and development business park.

Specifically, the GDP allows approximately 1,490,000 square feet of buildings on 84.7 acres with energy-efficient greenhouses for cannabis cultivation, plant processing spaces, facilities for creating infused products, a testing laboratory for internal product testing, research/development and training centers, distribution center, and corporate offices. Space may be sold or leased to other cannabis businesses properly licensed by the State of California.

Location and Setting

The project site is situated in the northeast corner of the City of Colusa, along the south side of the Sacramento River levee. The 84.7-acre project site is bounded by D Street to the west and East Clay Street to the south. The Sacramento River forms its northern boundary. The site is located on seven existing parcels. Approval of the Proposed Project may include a lot line adjustment to combine these into four parcels.

Residential, agricultural, and commercial uses surround the project location on three sides, with the Sacramento River on the north. Residential uses are located at the southwest corner of the project site, and rural residential/agricultural uses are located along the south border of the site.

Greater Project Site approved General Development Plan Map (shown on next page)



The GDP as originally approved by City Council is attached within Ordinance 537

ANALYSIS:

Cannabis Business Park Design Review Package

The Cannabis Business Park Design Review Package represents the current proposed development project ("Project"), which is only approximately 32 acres (including the detention basin) of the greater GDP. Other subsequent projects (proposed for development on the remaining acreage) will be reviewed in accordance with the GDP by the Planning Commission and City Council at such a time they are submitted in the future.

As illustrated within the Cannabis Business Park Design Package (attached, Planning Commission Resolution Attachment A), the Project represents a detailed and current-day plan for development within this first phase and is consistent with the GDP. Additionally, the Project represents an upgrade of proposed building types and materials, from greenhouses (as originally approved) to sealed indoor cultivation rooms / buildings (as currently proposed). This building upgrade also represents significant gains in energy efficiency.

City staff have reviewed the Project and determined it to be consistent with the General plan, zoning code, and previously approved GDP, and within the scope of the adopted mitigated negative declaration.

Drainage:

Multiple studies have been prepared by various hydrologists/engineers to address levee under seepage that occurs within the portions of Project site, and that is planned for detention within the southwest area of the site. The proposed location of this on-site basin was reviewed by the City Engineer in conjunction with the applicant's preliminary hydrologic and geotechnical reports, which document the presence of a higher groundwater table within the Project site.

Given the higher ground water table at the Project site and the possibility of levee under seepage the Project will be subject to conditions of approval that require presentation of a thorough and comprehensive storm drainage management plan for the ultimate Project build-out. This drainage plan is required as a component of the conditional use permit process prior to issuance of any building permits. Any drainage plan serving the entire Project area (or any portion of the Project area associated with phasing of the development improvements) shall be prepared by a registered civil engineer and submitted to the City Engineer for review and approval.

Conveyance of storm drain water downstream from the on-site basin could potentially follow multiple routes. The storm drainage conveyance route and system that is ultimately selected would be designed and engineered during implementation of the Project improvement plans. The route would be subject to review and approval by the City Engineer in compliance with the City's previously adopted *Storm Drainage Master Plan* (June 2009).

Numerous public comments centered around drainage, under-levee seepage, and groundwater were submitted and are attached for consideration. City staff may address question about these comments during the public hearing.

ENVIRONMENTAL REVIEW:

The Colusa River Bend Estates Cannabis Business Park was also analyzed pursuant to CEQA Guidelines section 15177 and/or 15178, and section 15179(b)(2)(B), as a subsequent project within the scope and identified in the Master Environmental Impact Report for the City of Colusa General Plan. An IS/MND was prepared in compliance with CEQA Guidelines Sections 15179(b)(2)(B), 15152 & 15168 and identified mitigation measures that would avoid or mitigate the potential environmental effects of the Project to a point where no significant effects would occur. On July 16, 2019, the City Council approved Resolution 19-19, adopting these mitigation measures, a Mitigated Negative Declaration, and a Mitigation Monitoring and Reporting Program (applicable to the Project site and scope).

Planning Commission Action

The proposed Project was formally public noticed and went in front of the planning commission a couple times over this last year. At the planning commission meetings and public hearings the planning commission listened to public comment and debated the merits of the Project. The Planning Commission deadlocked on a 2-2 vote (one member conflicted and could not vote) and did not finalize a recommendation to the City Council. The applicant filed an appeal to the City Council and the conditional use permit is now before the City Council. The Planning Commission recommended approval of the development agreement for cannabis operations to the City Council by a vote of 5-0.

BUDGET IMPACT:

None

STAFF RECOMMENDATION:

Adopt Resolution 23- __.

ATTACHMENT:

Resolution 23- CUP

Resolution 19-19 Mitigated Negative Declaration

Ordinance 537, A general plan development plan and planned development district zoning for Colusa triple Crown Cannabis Research and development business park project.

Business Plan,

Design review exhibits,