### **AGENDA ITEM No. 1**



# CITY OF LONG BEACH

DEPARTMENT OF DEVELOPMENT SERVICES

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Long Beach, CA 90802

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February 21, 2019

CHAIR AND PLANNING COMMISSIONERS City of Long Beach California

#### RECOMMENDATION:

Accept Categorical Exemption CE-18-203 and approve a Conditional Use Permit (CUP18-021) to operate an agriculture-related use (crop cultivator) in conjunction with manufacturing/distribution for an Adult-Cannabis business within an existing 7,150 square-foot building located at 809 W. 15<sup>th</sup> Street in the General Industrial (IG) District. (District 1)

APPLICANT:

Trevor Barrett PRFCT Labs LLC

8605 Santa Monica Blvd. #59769

Hollywood, CA 90069 (Application No. 1808-28)

## **DISCUSSION**

The project site is located on the north side of 15<sup>th</sup> Street, between San Francisco Avenue and Oregon Avenue (Exhibit A – Location Map). The site is approximately 14,250 squarefeet in area and developed with a 7,150 square-foot light-industrial building. The site is within the General Industrial (IG) District and has a General Plan Designation of LUD #9R for General Industry. It is bordered by industrial properties to the north, south, east and west. The applicant proposes to establish an Adult Cannabis facility in which the cultivation, manufacture and distribution of marijuana products will operate.

On January 1, 2016, the Medical Cannabis Regulation and Safety Act (MCRSA) took effect, creating a statewide regulatory and licensing system for medical cannabis businesses in California. On November 8, 2016, California voters approved Proposition 64, the Adult Use of Marijuana Act (AUMA). AUMA serves as the equivalent of MCRSA, from the standpoint of adult-use cannabis businesses. The following year, on June 27, 2017, Governor Jerry Brown signed into law the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), which merged state regulations for medicinal and adult-use commercial cannabis activity into a single framework. MAUCRSA has given local governments the ability to regulate and/or prohibit adult cannabis activity within their jurisdictions.

Subsequently, in 2018, the City of Long Beach adopted changes to portions of Long Beach Municipal Code (LBMC) Title 21 – Zoning and Title 5 – Regulation of Businesses, Trades and Professions, all pertaining to the regulation of adult-use cannabis. Changes to LBMC

Title 21 included amendments of use tables in Chapters 21.31 (Residential Districts), 21.32 (Commercial Districts), 21.33 (Industrial Districts), 21.34 (Institutional Districts) and 21.35 (Park Districts). These amendments established the regulations that govern each adult-use cannabis type by its land use category, as summarized in the following table.

Table 1
Adult-Use Cannabis Business – Regulations by Land Use Category

Adult-Use Cannabis Businesses				Zoning District							
Business Type	Land Use Category	SIC Code	Residential	Institutional	Park	Commercial	Industrial (Light)	Industrial (Medium)	Industrial (General)	Industrial (Port)	
Dispensary	Retail	59	N	N	N	Υ	Υ	С	С	N	
Cultivation	Industrial	072	N	N	N	N	Υ	Υ	С	N	
Manufacturing	Industrial	283	N	N	N	N	Υ	Υ	Y	N	
Distribution	Industrial	42	N	N	N	N	С	С	C*	N	
Testing	Professional Service	873	N	N	N	Υ	Υ	AP	AP	N	

N = Not Permitted

The applicant is proposing to occupy an existing 7,150 square-foot industrial building for the operation of a single business consisting of cannabis cultivation as a primary use, with accessory components of manufacturing and distribution (Exhibit C – Plans & Photos). Pursuant to Section 21.33 of the Municipal Code, the operation of a cannabis cultivation business within the IG zoning district requires a CUP. In this instance, the distribution use is in conjunction with the manufacture of on-site products. It does not provide distribution consistent with Standard Industrial Classification (SIC) Code 42, which is characterized as providing local or long-distance transfer of third-party goods.

The LBMC Title 21 does not include specific special development standards for adult-use cannabis facilities. Cannabis uses are regulated through LBMC Title 5, specifically newly adopted Chapter 5.92 – Adult-Use Cannabis Businesses and Activities. Chapter 5.92 consists of general operating conditions such as building design, location requirements and security. Title 5 building design standards are implemented to minimize impacts associated with remodeled or new adult-use cannabis facilities. These characteristic impacts include minimal glazing, lack of transparency, lack of architecture interest, uninviting entrances, and blank buildings. Title 5 conditions addressing security of adult-use cannabis facilities

Y = Permitted

C = Conditional Use Permit

AP = Administrative Use Permit

<sup>\*</sup>Regulations Pertaining to Trucking Uses May Apply

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cover a wide range of requirements from digital surveillance and alarm systems to security records, barriers and secure transportation areas.

The Planning Commission must make positive findings in order approve the requested CUP for the proposed cannabis cultivation facility (Exhibit D – Findings & Conditions). These findings include the requirement that the use not be detrimental to the surrounding community and that it carries out the intent of the General Plan.

Regarding effects on the surrounding community, staff does not anticipate any detrimental impacts resulting from the approval of the adult-use cannabis facility. The project site is located within a heavily industrialized area in which intense industrial uses are allowed. The proposed distribution component of the cannabis business will encompass a very small percentage of the entire facility, minimizing the intensity of any shipping/receiving functions. The manufacturing and cultivation components of the business constitutes a mildly intense activity at best.

Regarding General Plan conformance, the site is located within LUD #9R, for General Industry. The intent of LUD #9R is to provide areas for any business to conduct legitimate industrial activities, indoors or outdoors, provided such business conducts its operations in a manner consistent with all applicable safety, environmental and zoning regulations. LBMC Title 5 sets forth a comprehensive list of operational and safety standards with which the applicant will be required to comply. Furthermore, several Conditions of Approval will be incorporated to support the requirements of LBMC Title 5 including security measures, lighting, hours of operation, prohibition of loitering, and proper interior and exterior maintenance.

Other Conditions of Approval are included to require site improvement measures such as repaving for parking areas, incorporating landscaping where feasible, repainting portions of the existing building, removal of dilapidated exterior structures and stairs, and the replacement of existing fencing. The requirement for repainting portions of the building will work to mimic the high-quality architecture seen along the 15<sup>th</sup> Street building frontage. The proposed adult-use cannabis facility offers the opportunity for the applicant to enhance the overall quality of the site, while also meeting the General Plan's intent of businesses conducting legitimate industrial activities inside the existing structure. All zoning regulations, including parking and loading, meet the standards of the Municipal Code. Staff recommends that the Planning Commission approve the Conditional Use Permit, subject to Conditions of Approval.

# **PUBLIC HEARING NOTICE**

In accordance with provisions of the Zoning Ordinance, 127 Public Hearing notices were mailed on February 4, 2019. At the time of preparation of this report, staff has not received any correspondence regarding the project.

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## **ENVIRONMENTAL REVIEW**

In accordance with the Guidelines for Implementation of the California Environmental Quality Act, the project is exempt per Section 15301 – Existing Facilities, as the project consists of the operation of an Adult Cannabis facility consisting of product cultivation, manufacturing and distribution within an existing building. (Exhibit E – CE 18-203).

Respectfully submitted,

CUENTIN JACKSON PROJECT PLANNER

CHRISTOPHER KOONTZ, AICP PLANNING BUREAU MANAGER

LINDA TATUM, FAICP DIRECTOR OF DEVELOPMENT SERVICES

LFT:CK:AO:CJ

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Attachments:

Exhibit A – Location Map

Exhibit B – Ordinance Amendments for 21.15

Exhibit C - Plans & Photos

Exhibit D – Findings & Conditions

Exhibit E – Categorical Exemption 18-203