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AGENDA ITEM NO.: 5 (Action Item – Public Hearing)

PLANNING COMMISSION MEETING DATE: March 24, 2021

SUBJECT: Conditional Use Permit (CUP) 2020-10/Desert Greens Distribution

EXECUTIVE SUMMARY

The applicant has applied for a CUP to operate a cannabis distribution facility located at 127 Old Spanish Trail Highway, in the community of Charleston View. The project will include a 4,800 ft² building that includes a storage room, shipping and receiving area, multiple office rooms, a restroom, and a security room (site plan attached). The applicant has been approved by the Board of Supervisors for a Cannabis Distribution License.

PROJECT INFORMATION.

Supervisory District: 5

Project Applicant: Desert Greens LLC – 485 Morro Bay Blvd, Suite 102, Morro Bay CA 93442

Property Owner: Spencer McNeal & Jonathan Faltz – 3230 Winmoor Dr., Ljamsville MD 21754

Site Address: 127 Old Spanish Trail Highway, Charleston View, CA 92389

Community: Charleston View

A.P.N.: 048-391-07

General Plan: Resort Recreational (REC)

Zoning: Highway Services & Tourist Commercial (C2-2.5)

Size of Parcel: 2.27 acres

Surrounding Land Use:

Location	Use	General Plan Designation	Zone
Site	vacant	Resort Recreational (REC)	(C2) Highway Services & Tourist Commercial
North	vacant	Open Space & Recreation (OSR)	(OS-40) Open Space
East	vacant	Resort Recreational (REC)	(C2) Highway Services & Tourist Commercial
South	vacant	Rural Residential Medium Density (RRM)	(RR) Rural Residential
West	vacant	Resort Recreational	(C2) Highway Services & Tourist Commercial

Staff Recommended Action:

1.) Approve the Conditional Use Permit (CUP) 2020-10/Desert Greens Distribution and find the project is a Negative Declaration under CEQA.

Alternatives:

- 1.) Deny the CUP.
- 2.) Approve the CUP with additional Conditions of Approval.
- 3.) Continue the public hearing to a future date, and provide specific direction to staff regarding what additional information and analysis is needed.

Project Planner:

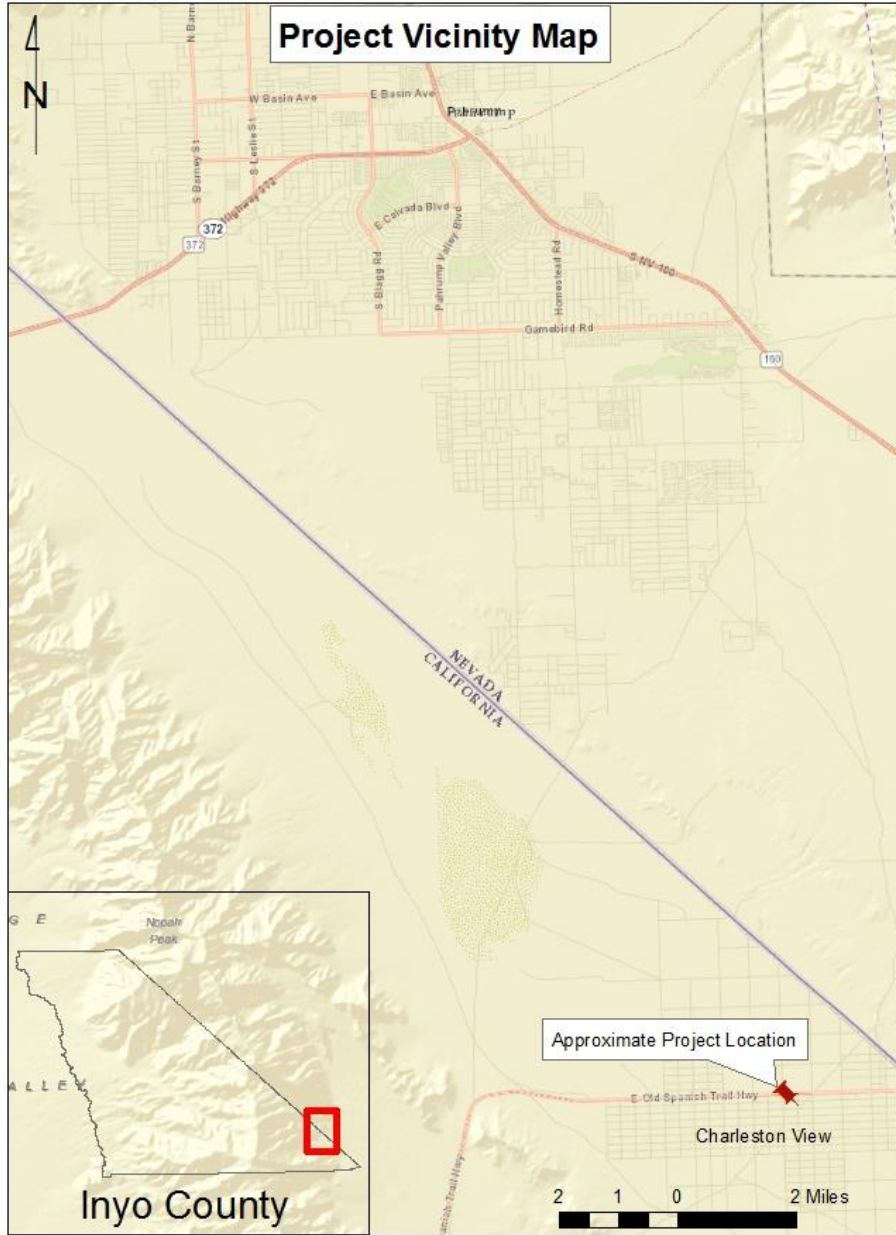
Steve Karamitros

STAFF ANALYSIS

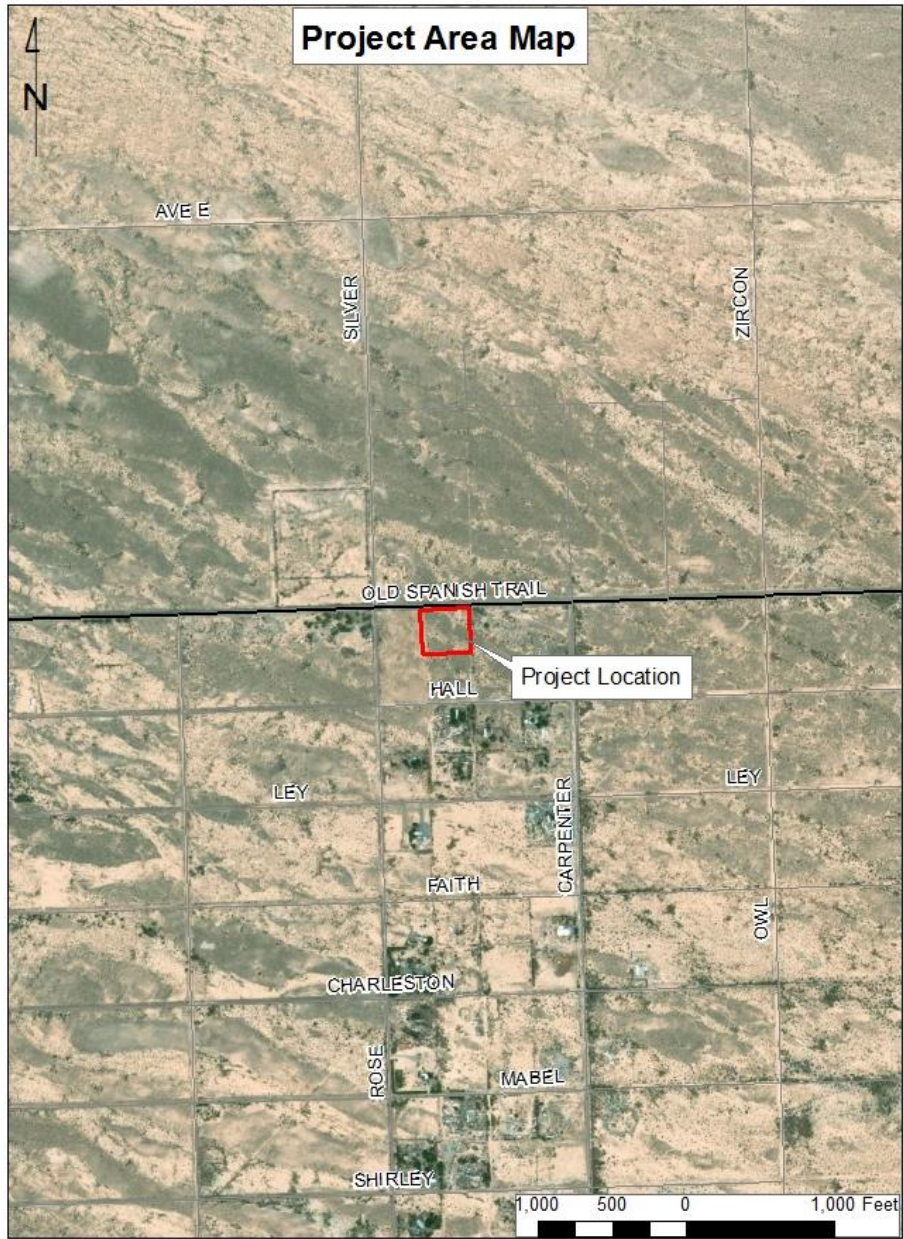
Background and Overview

The applicant has applied for a CUP to operate a cannabis distribution facility located at 127 Old Spanish Trail Highway in the community of Charleston View. This facility will facilitate the storage and transportation of cannabis and includes a 4,800 ft² building. The property is zoned Highway Services & Tourist Commercial C2, which allows for cannabis distribution activities with a CUP. This is a remote area of the County that primarily has open, vacant, land with some scattered residential development. The proposed location is not within 600-feet of a school, daycare, park or library; and therefore, is not prohibited by state or county regulation.

Vicinity Map



Project location



The building site, currently



General Plan Consistency

The goal of this project is to allow a cannabis distribution facility for the storage and transportation of cannabis products for commercial sale. The project is consistent with the General Plan designation of REC as it allows for commercial uses, including general stores, *service stations*, and similar compatible uses. The distribution facility facilitates the transportation of cannabis goods between licensees, arranging for the testing of retail products, and ensuring compliance with packaging and labeling requirements. Economic Policy Goal: ED-3.1 states that the County should “Encourage the development of retail-establishments that will reduce resident spending out of the County for retail purchases, services and entertainment.” This facility compliments another project, proposed by the applicant, for cannabis cultivation on the adjacent parcel to the south. As these uses (cultivation & distribution) would serve retail cannabis businesses, encouraging local and visitor spending within Inyo County, the project is consistent with Goal ED 3.1.

Zoning Ordinance Consistency

The C2 zoning designation allows for a variety of highway and tourist related enterprises, including “warehouses and storage facilities” [ICC 18.48.030(G)] with a Conditional Use Permit. The C2 zone also allows, with a conditional use permit, cannabis distribution activities [ICC 18.48.030(R)]. This zone requires 1-parking space for every 300-square-foot of usable floor area. The total square footage of the distribution building is 4,800 ft², requiring 16 parking spaces. There are no yard setbacks for this zoning designation. All of these factors make the project consistent with the C2 zone.

ENVIRONMENTAL REVIEW

Conditional Use Permit 2020-10/Desert Greens Distribution is a Negative Declaration under CEQA. The applicant has incorporated design measures (listed below) as conditions of approval for the issuance of the conditional use permit, to ensure any future impacts are avoided.

TRIBAL CONSULTATION

In compliance with AB 52, SB 18, and Public Resource Code Section 21080.3.1(b), tribes identified as being local to Inyo County, were notified via a certified letter on January 15, 2020 about the project and the opportunity for consultation. The tribes that were notified are: Big Pine Tribe of Owens Valley, Bishop Paiute Tribe, Fort Independence Indian Community of Paiutes, Lone Pine Paiute-Shoshone Tribe, Timbisha Shoshone tribe, Twenty-Nine Palms Band of Mission Indians, Cabazon Band of Mission Indians and the Torrez Martinez Desert Cahuilla Indians.

Staff received no comments from the public. Since the Tribe did not provide comments or schedule a formal consultation meeting within this 30-day period, the County, per Public Resources Code 21082.3 (d)(2) has considered the consultation process complete and is asking the Planning Commission to certify the Negative Declaration of Environmental Impact. No other Tribes have requested consultation on the project.

NOTICING & REVIEW

The application for CUP 2020-10/Desert Greens Distribution has been reviewed by the appropriate county departments and no issues were reported.

Since no comments were provided and no formal consultation meeting date requested, staff submitted the Negative Declaration of impacts under CEQA. A Notice of Availability of the Negative Declaration was advertised in the *Inyo Register* on February 16, 2021, initiating a 21-day public review. The document was posted on the County's Planning Department webpage. No public comments were received.

The public hearing for CUP 2020-10/Desert Greens was noticed on March 9, 2021 in the *Inyo Register* and mailed to property owners within 1,500-feet of the project location as required by 18.78.360(F).

RECOMMENDATION

Planning Department staff recommends the approval of Conditional Use Permit No. 2020-10/Desert Greens Distribution, with the following Findings and Conditions of Approval:

FINDINGS

1. The proposed Conditional Use Permit is a Negative Declaration under CEQA and the provisions of the California Environmental Quality Act have been satisfied.
[Evidence: An Initial Study and Draft Negative Declaration of Environmental Impact were prepared and circulated for public review and comment pursuant to the provisions of the California Environmental Quality Act. The 21-day public comment period ended on March 8, 2021. No additional

potentially significant environmental impacts from the construction and operation of the cannabis distribution project were identified in the course of that circulation, nor were any comments received.]

2. The proposed Conditional Use Permit is consistent with the Inyo County General Plan Land Use designation of Resort Recreational (REC).
[Evidence: The goal of this project is to allow for a cannabis distributor in a remote part of the County with minimal development. The project is consistent with the General Plan designation of REC as it allows for commercial uses, including general stores and service stations. The REC General Plan designation is compatible with the existing C2 zoning designation, which allows for cannabis distribution with a CUP. It is also compatible with the General Plan's Economic Development Policy ED-3.1 to "encourage the development of retail establishments that will reduce spending outside of the County" as this license will assist all cannabis cultivators in the County to get their products to County retail markets. The applicant is proposing to distribute cannabis products. The target cliental is retailers throughout the County. As this use would serve retail and cultivation cannabis businesses, encouraging local and visitor spending within Inyo County, the project is consistent with Goal ED 3.1]
3. The proposed Conditional Use Permit is consistent with the Inyo County Zoning Ordinance, which permits "commercial cannabis activities" as a conditional use in the C2 zone.
[Evidence: Highway Services & Tourist Commerical 18.48 (C2) allows for highway and tourist related enterprises. The C2 zone under 18.48.030(R) allows, with a conditional use permit, commercial cannabis distribution activities. The applicant has applied for the conditional use permit to operate Desert Greens in compliance with the County's zoning ordinance and upon approval will be consistent with the County's Zoning Ordinance.]
4. The proposed Conditional Use Permit is necessary or desirable.
[Evidence: The General Plan's Economic Development Element's Goal ED- 3.1 states: "Encourage the development of retail establishments that will reduce resident spending outside the County for retail purchases, services, and entertainment. Cannabis distribution is a crucial element within the cannabis industry supply chain, facilitating the movement of cannabis products among cultivators, manufacturers, and retailors within the County. The applicant expects Desert Greens to serve both cliental within the County and beyond. This is desirable as evidenced by the County's General Plan.]
5. The proposed Conditional Use Permit is properly related to other uses and transportation and service facilities in the vicinity.
[Evidence: The proposed conditional use permit is for a cannabis distribution facility. It will not cause impacts on transportation or service facilities in the vicinity as the project's entrance and exit are on a dirt service road, and no County maintained roads will altered or affected. The project does not create a

significant amount of additional people or vehicles in the area. There will be roughly 2-5 employee vehicles entering and exiting each day, and a company distribution vehicle will make roughly 3 trips per week from the facility. Per ICC 18.48.080, the applicant has designed the appropriate number of parking spaces (1 space per 300 ft² of usable floor area) with a total of 24 spaces. The parking areas will be located on the project parcel and a utility service road is already established to provide vehicular access to the project site.]

6. The proposed Conditional Use Permit would not, under all the circumstances of this case, affect adversely the health or safety of persons living or working in the vicinity or be materially detrimental to the public welfare.
[Evidence: The proposed conditional use permit is to allow for a cannabis distribution facility. This building will not change or increase the current level or general type of allowed uses in the Charleston View area. The proposed security plan for Desert Greens – cannabis distribution was reviewed by the Sheriff's Department as a business license requirement and the project was evaluated by the Southern Inyo Fire District. Neither had any comments of concern; therefore, it has been determined that the project will not create impacts on the health or safety of persons living or working in the vicinity or be materially detrimental to the public welfare.]
7. Operating requirements necessitate the Conditional Use Permit for the site.
[Evidence: A commercial cannabis distribution activity requires a conditional use permit per Inyo County Code Section 18.48.030(R) and is therefore necessary for the operation of Desert Greens.]

CONDITIONS OF APPROVAL

1. Hold Harmless

The applicant/developer shall defend, indemnify and hold harmless Inyo County agents, officers, and employees from any claim, action or proceeding against the County or its agents, officers, or employees to attack, set aside, void or annul an approval of the county, its advisory agencies, its appeals board, or legislative body concerning Conditional Use Permit No. CUP 2020-10/Desert Greens Distribution. The County reserves the right to prepare its own defense.

2. Compliance with County Code

The applicant/developer shall conform to all applicable provisions of Inyo County Code and State regulations. If the use provided by this conditional use permit is not established within one year of the approval date it will become void.

3. The applicant shall consult with the County Environmental Health Department and follow any regulations provided for by them regarding well and septic development.

4. Biology - The applicant shall conduct pre-construction botanical and wildlife surveys to ensure the absence of sensitive plant or animal species on the project site.
5. Building & Safety - Prior to ground disturbing activities, the applicant shall work with the County Building and Safety Department to ensure building best management practices, and proper water drainage designs are in place, that meet all applicable state and federal regulations.
6. The applicant shall work with the Lahontan Regional Water Quality Board (R6) to ensure compliance with the State's Cannabis General Order (General waste discharge requirements and waiver of waste discharge requirements for discharges of waste associated with cannabis cultivation activities).