



## Legislation Text

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File #: 23-418, Version: 1

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### **Planning Commission Staff Report**

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**SUBJECT:** Commercial Cannabis Business Permits #22-12, #22-13, and #22-14, initiated by John Bodo on behalf of Ooibodomerced, LLC., property owner. These applications are to permit indoor cultivation operations and distribution of cannabis and cannabis-based products within an existing building located on an approximately 11.29-acre lot at 1 West Avenue (also known as 16 Eagle Street). The property is zoned Light Industrial (I-L), with a General Plan designation of Manufacturing Industrial (IND). \*\*PUBLIC HEARING\*\*

**ACTION:** Approve/Disapprove/Modify

- 1) Environmental Review #22-49 (*Categorical Exemption*)
- 2) Commercial Cannabis Business Permit #22-12
- 3) Commercial Cannabis Business Permit #22-13
- 4) Commercial Cannabis Business Permit #22-14

### **SUMMARY**

This application is for three permits to utilize the property at 1 West Avenue (also known as 16 Eagle Street), for cannabis-related business activities. Because all three permits are to be held by the same owner, within the same property, they are all summarized in this report. The permits seek to allow John Bodo to operate indoor-cultivation and distribution facilities for cannabis and cannabis-related products. The project proposes to use and modify an existing building, which has access to utilities. Staff is recommending approval.

### **RECOMMENDATION**

Planning staff recommends that the Planning Commission approve Environmental Review #22-49 (*Categorical Exemption*), and Commercial Cannabis Business Permits (CCBPs) #22-12, #22-13, and #22-14, subject to the conditions in Exhibit A and the findings/considerations in Exhibit B of the Draft Resolution at Attachment A.

### **DISCUSSION**

John Bodo seeks to operate three cannabis-related businesses at 1 West Avenue (main address is 16 Eagle Street). CCBP #22-12 would allow distribution and CCBPs #22-13 and #22-14 would allow cultivation.

### Project Description

The applicant intends to establish and operate two indoor cultivation businesses and a distribution facility for cannabis and cannabis-based products. The cultivation operations will span across two designated areas within the existing building (totaling 79,200 square-feet of space within the existing 126,099 square-foot building) and will be comprised of a total of twenty-one (21) cultivation rooms [7 under one permit (CCBP #22-13) and 14 under the second permit (CCBP #22-14)], a nursery, harvest storage and drying room will be included under each proposed cultivation permit. Under CCBP #22-13 (cultivation), the cannabis plants will be located on three tiered 100-foot x 4-foot rolling benches, on a drip system; and under CCBP #22-14 (cultivation), the cannabis plants will be located on three tiered 60-foot x 4-foot rolling benches, on a drip system. For the distribution operations, the applicant is anticipating 6-8 employees; for the cultivation operations, the applicant is anticipating a total of 14-20 employees.

Each stage of cannabis cultivation shall occur simultaneously within the facility which includes propagation, vegetation, and flowering.

The distribution license (CCBP #22-12) also allows for storage of cannabis products and allows the applicant to operate its own vehicles for cannabis shipping activities to other licensed cannabis businesses without need for an outside vendor to provide such services, and to warehouse cannabis.

As this facility will be adjacent to residential, the applicant has assured staff that odor control will be their priority and will comply with MMC 20.44.170E(3)(m) (Condition #24) (Finding F).

### Surrounding Uses

<i>Surrounding Land</i>	<i>Existing Use of Land</i>	<i>City Zoning Designation</i>	<i>City General Plan Land Use Designation</i>
North	Industrial Uses	Light Industrial (I-L)	Manufacturing/Industrial (IND)
South	Industrial Uses	Light Industrial (I-L)	Manufacturing/Industrial (IND)
East	Residential (Across West Avenue)	Low-Medium Density Residential (R-2)	Low-Medium Density (LMD)
West	Industrial Uses	Light Industrial (I-L)	Manufacturing/Industrial (IND)

### Background

The Commercial Cannabis Business Permit (CCBP) applications #22-12, #22-13, and 22-14 have passed Phase I screening, paid for Phase II and a background check on the sole owner of 5% or more has been performed to the satisfaction of the Chief of Police, as required by MMC Section 20.44.170(L). Since the City adopted its cannabis Ordinance in 2018 (current Ordinance #2532 revised in 2021), fourteen (14) CCBPs for non-retail uses (Cultivation, Distribution, Manufacturing, and Testing) have been approved by the Planning Commission.

### Findings/Considerations

Please refer to Exhibit B of the Draft Planning Commission Resolution at Attachment A.

## **ATTACHMENTS**

- A. Draft Planning Commission Resolution
- B. Location Map
- C. Site Plans/Floor Plans
- D. Sensitive Use Map
- E. Merced Municipal Code Section 20.44.170
- F. City of Merced Commercial Building Permit Application Submittal Requirements
- G. Environmental Review #22-49 (Categorical Exemption)
- H. Presentation