



Central California Greens  
Conditional Use Permit No. CUP-22-58  
Development Agreement No. DA-22-81

City Council Meeting July 11, 2022  
*Item 5.3*

# Summary



- ▶ Applicant is requesting a Conditional Use Permit and Development Agreement to occupy approximately 2,000 sq. ft. tenant space for a retail cannabis dispensary and delivery facility within an existing multi-tenant building on a 0.83-acre site.
- ▶ The cannabis dispensary will be located on the 1<sup>st</sup> floor of the High 5 Plaza Building located on South Harlan Road.

# Vicinity Map



# Background



- ▶ On November 8, 2021, City Council introduced an Ordinance to amend the LMC to establish regulations and approve merit-based criteria for scoring commercial cannabis applications.
- ▶ On December 13, 2021, Ordinance No. 21-428 was passed and adopted, thereby amending the LMC to allow regulation of commercial cannabis business operations in the City.
- ▶ On February 14, 2022, City Council approved the issuance of a retail cannabis dispensary request for proposal.



# Background



- ▶ On March 14, 2022, City Council was presented with one (1) timely response to the RFP from Central California Greens, and subsequently selected Central California Greens to proceed to the application process.
- ▶ On April 18, 2022, Staff received an application and plans from Central California Greens for a Conditional Use Permit and Development Agreement.
- ▶ On May 2, 2022, City Council provided direction on the terms of the Draft Development Agreement between the City and Central California Greens.

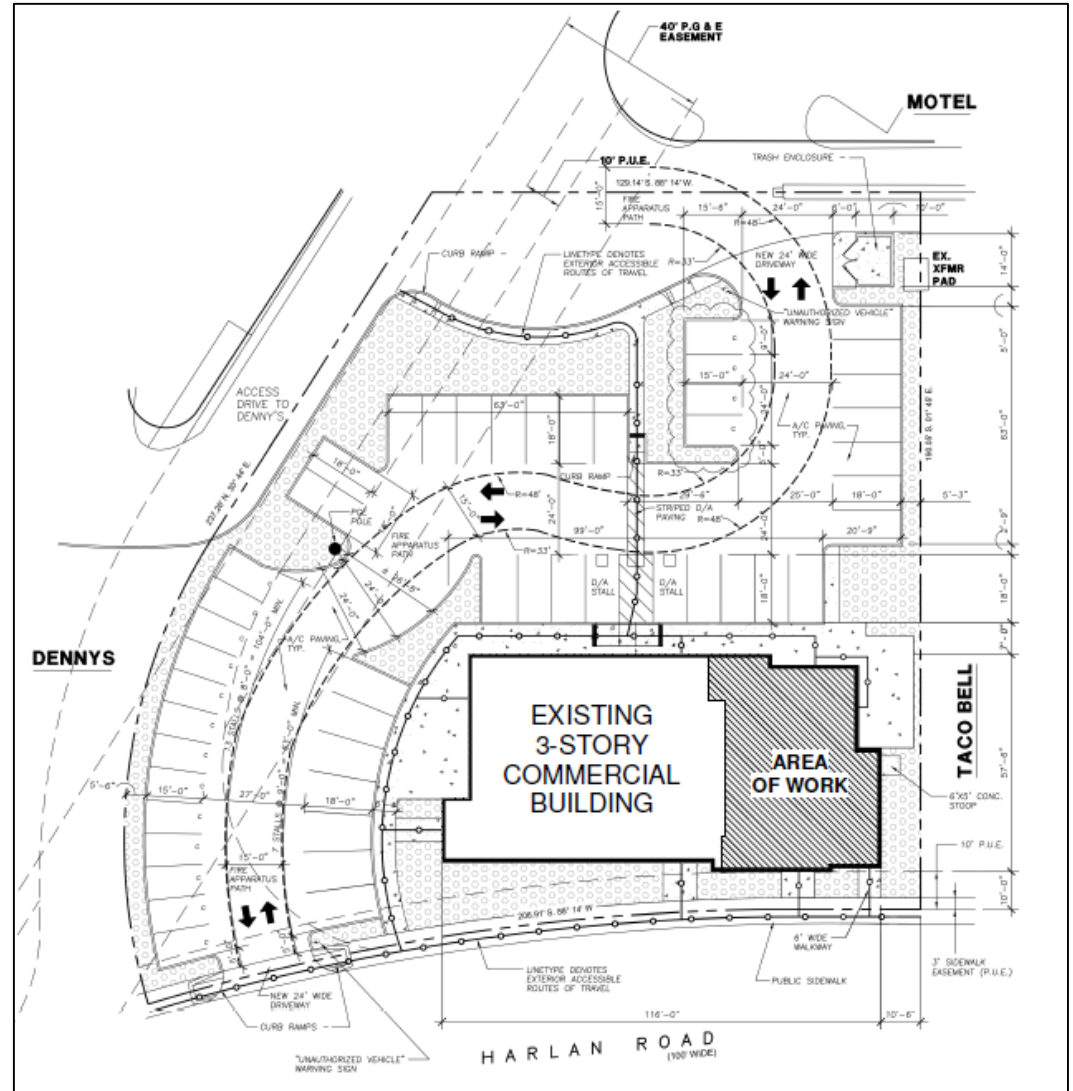
# Site Plan



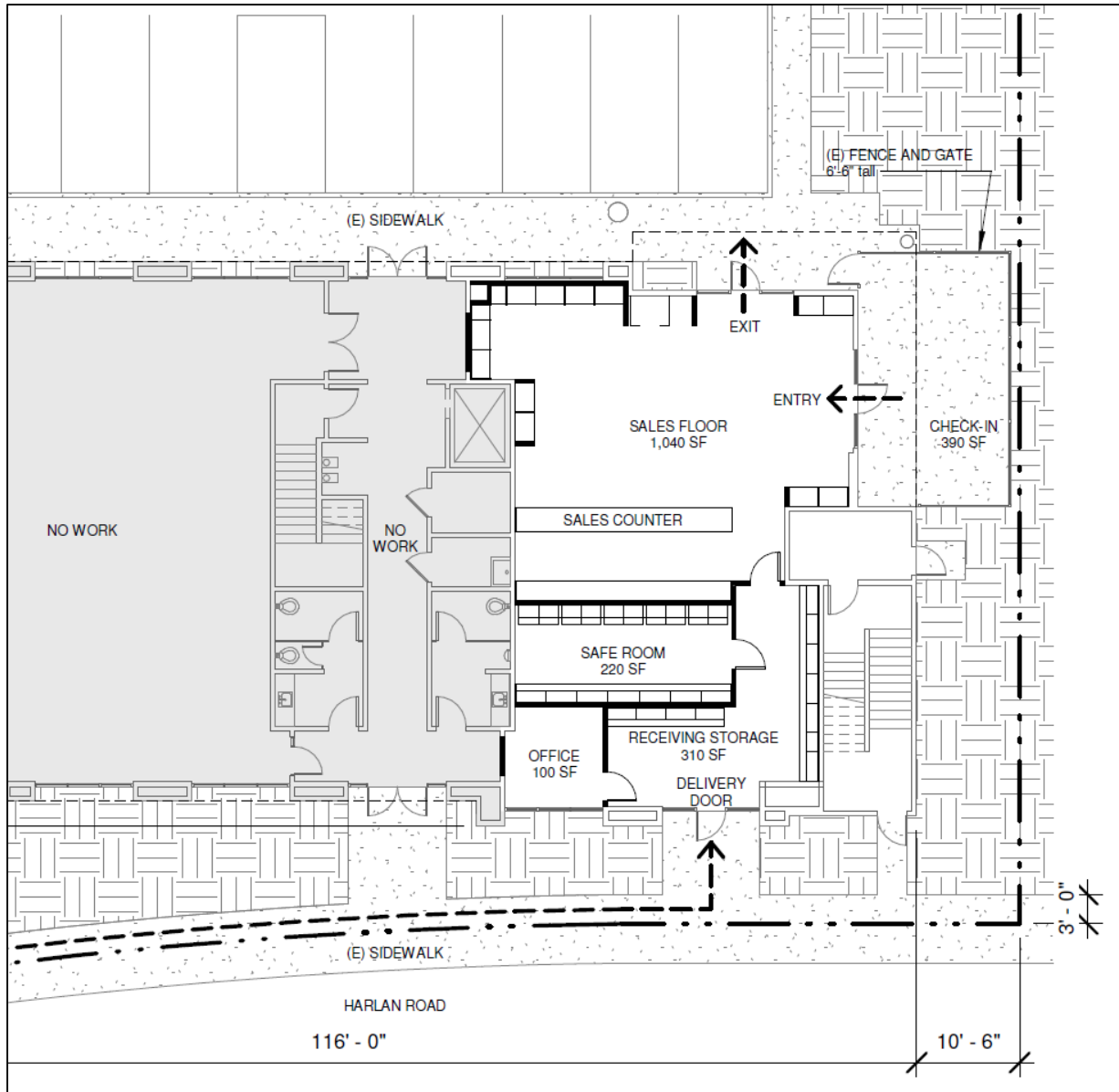
NORTH ELEVATION



WEST ELEVATION



# Floor Plan - Suite 103



# Security



- ▶ The project will be staffed by one (1) armed security guard at all times. An additional security guard will be present during the delivery of cannabis products to the store.
- ▶ At least one (1) employee will always be present on the sales floor area when customers are in the building. The number of customers will not exceed twice the number of employees at any given time.
- ▶ The project will include indoor and outdoor security cameras that are monitored by a 3<sup>rd</sup> party off-site. The camera footage will be made available to the City as conditioned.



# Delivery to Store



- ▶ All cannabis goods are delivered in finished form (pre-packaged) and stored in a completely enclosed and alarmed secured product storage area with limited access by employees.
- ▶ The project anticipates that cannabis products will be delivered to the business by licensed distributors one (1) to four (4) times a week. The delivery of goods is anticipated to be a locked crate and will be monitored by a security guard, with an additional security guard on site during delivery times.

# Delivery to Customers



- ▶ Off-site delivery of cannabis products will be conducted during the hours of operation of the store (8:00 am to 9:00 pm).
- ▶ All cannabis products are stored in the trunk of the vehicle or within a locked fully-enclosed cage that will be bolted to the vehicle for security purposes.
- ▶ It is anticipated that two (2) delivery drivers will be hired for the proposed project. Central California Greens is required to provide the City details of the vehicles (make, model, VIN number, etc.).

# Development Agreement



- ▶ The Development Agreement will establish the following:
  - An Advanced Payment of \$79,165.50 to be paid within sixty (60) days of the Effective Date of the Development Agreement; and
  - A 2% fee of gross receipts from online sales and delivery sales and a 5% fee on on-site retail sales
- ▶ The fee may be appropriated for any lawful purpose in the discretion of the City Council and may be devoted to 1) drug awareness programs; 2) recreational programs; 3) public safety programs; and 4) programs to address food insecurity and hunger in the City.

# Planning Commission



- ▶ Planning Commission voted 3-2 at their regular meeting of June 15, 2022 recommending approval of the proposed Conditional Use Permit and Development Agreement.
- ▶ Concern was raised related to the queuing system and the outdoor check-in area.

# CEQA



- ▶ Categorically Exempt according to the California Environmental Quality Act Article 19 Section 15301 Class 1 “Existing Facilities”.
- ▶ The proposed project is located within an existing building on a 0.83–acre site. Site improvements such as paving, lighting, landscaping, off–street parking, and curb, gutter and sidewalk are fully developed.



# Recommendation



- ▶ Planning Commission and Staff recommend the City Council:
  - Hold a public hearing, and
  - Adopt a Resolution Approving a Conditional Use Permit for the Central California Greens project.
  - First Reading and Introduce an Ordinance to Approve a Development Agreement Between the City of Lathrop and Central California Greens, Inc.