BRENT SCHULTZ, DIRECTOR TELEPHONE: 707-234-6650 FAX: 707-463-5709 FB PHONE: 707-964-5379 FB FAX: 707-961-2427

pbs@mendocinocounty.org www.mendocinocounty.org/pbs

120 West Fir Street • FT. Bragg • California • 95437

November 28, 2018

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT the Mendocino County Zoning Administrator at its regular meeting on Thursday, December 13, 2018, at 10:00 a.m., to be held in the Planning and Building Services, Public Conference Room, 860 North Bush Street, Ukiah, California, will conduct a public hearing on the following project at the time listed or as soon thereafter as the item(s) may be heard.

CASE#: U_2018-0017 **DATE FILED:** 7/20/2018

OWNER: ELIAS & LINDA TANNOUS APPLICANT: WHITE LABEL INC

REQUEST: Use Permit to allow non-volatile (Level 1) cannabis manufacturing.

STAFF PLANNER: Sam Vandewater

ENVIRONMENTAL DETERMINATION: Categorically Exempt

LOCATION: 2± miles north of Ukiah city center, on the west side of N. State St. (CR 104), 0.3± miles north of its intersection with Orr Springs Rd. (CR 223), located at 2350 N. State St., Ukiah;

APN: 169-211-25.

Your comments regarding the above project(s) are invited. Written comments should be submitted to the Department of Planning and Building Services Commission Staff, at 860 North Bush Street, Ukiah, California, 95482, no later than December 12, 2018. Oral comments may be presented to the Zoning Administrator during the public hearing.

The Zoning Administrator's action regarding this item shall be final unless appealed to the Board of Supervisors. The last day to file an appeal of the Zoning Administrator's decision is the 10th day after the hearing. To file an appeal, a written statement must be filed with the Clerk of the Board with a filing fee prior to the expiration of the above noted appeal period. If you challenge the project in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Department of Planning and Building Services at, or prior to, the public hearing. All persons are invited to appear and present testimony in this matter.

Additional information regarding the above noted item(s) may be obtained by calling the Department of Planning and Building Services at 234-6650, Monday through Friday, 8:00 a.m. through 5:00 p.m. Should you desire notification of the Zoning Administrator's decision you may do so by requesting notification in writing and providing a self-addressed stamped envelope to the Department of Planning and Building Services.

BRENT SCHULTZ, Director of Planning and Building Services

DECEMBER 13, 2018 U 2018-0017

SUMMARY

OWNER: ELIAS Y. & LINDA E. TANNOUS

6098 BENNETT VALLEY RD SANTA ROSA, CA 95404

APPLICANT: WHITE LABEL, INC.

PO BOX 529

BOONVILLE, CA 95415

REQUEST: Use Permit to allow non-volatile (Level 1) cannabis

manufacturing.

LOCATION: 2± miles north of Ukiah city center, on the west side of

N. State St. (CR 104), 0.3± miles north of its intersection with Orr Springs Rd. (CR 223), located at 2350 N. State

St., Ukiah; APN: 169-211-25.

TOTAL ACREAGE: 1.37± Acres

GENERAL PLAN: Commercial (C)

ZONING: Commercial – General (C2:12K)

SUPERVISORIAL DISTRICT: 1

ENVIRONMENTAL DETERMINATION: Categorically Exempt; Class 1, Section 15301

RECOMMENDATION: Approve with Conditions

STAFF PLANNER: Sam "Vandy" Vandewater

BACKGROUND

PROJECT DESCRIPTION: The applicant is seeking a Minor Use Permit to allow for a non-volatile (Level 1) cannabis manufacturing facility. The project, located within the General Commercial (C2) zoning district, is an allowed activity with an approved use permit per Mendocino County Code (MCC) Section 20.243.060. The manufacturing will include CO² extraction from cannabis biomass and production of cannabis oil.

<u>SITE CHARACTERISTICS</u>: The subject parcel of the proposed project is completely developed with vegetation occurring only on the southern boundary line. There are multiple permitted structures on the parcel, with the large warehouse structure being utilized for the cannabis manufacturing. The parcel gains access from North State Street and is located within the Millview Water District. Additionally, the project is within the Ukiah Valley Fire Protection District and Sanitation District.

<u>RELATED APPLICATIONS:</u> Boundary line adjustment **B 81-92** was approved and established the existing legal parcel configuration. Prior to the existing boundary, the parcel hosted a used car sales business, as well as vehicle storage, allowed per Use Permit **U 36-81**.

SURROUNDING LAND USE AND ZONING:

	GENERAL PLAN	ZONING	LOT SIZES	USES
NORTH	Commercial (C)	Commercial - General (C2)	0.7±, 2.7±	Commercial
EAST	Commercial (C)	Commercial - General (C2)	2.5±, 0.7±	Vacant
SOUTH	Commercial (C)	Commercial - General (C2)	0.4±, 0.7±	Commercial
WEST	Commercial (C)	Commercial - General (C2)	1.3±	Vacant

PUBLIC SERVICES:

Access: North State Street (CR 104)
Fire District: Ukiah Valley Fire Protection District

Water District: Millview Water District

Sewer District: Ukiah Valley Sanitation District

School District: Ukiah Unified

AGENCY COMMENTS: On August 20, 2018, project referrals were sent to the following responsible or trustee agencies with jurisdiction over the Project. Their submitted recommended conditions of approval are contained in Exhibit A of the attached resolution. Any comment that would trigger a project modification or denial are discussed in full as key issues in the following section.

REFERRAL AGENCIES	COMMENT
Department of Transportation	Comment
Environmental Health – Land Use	Comment
Environmental Health – Hazmat	No Response
Building Inspection	No Comment
Assessor	No Response
Tax Collector	No Response
Air Quality Management District	No Response
California Highway Patrol	No Response
Mendocino County Sheriff's Office	No Response
Mendocino County Cannabis Program	No Response
Russian River Flood Control	No Response
Millview Water District	No Response
Ukiah Valley Fire Protection District	No Response

KEY ISSUES

1. General Plan and Zoning Consistency: The subject parcel has a General Plan Land Use Designation of Commercial (C) as defined by Chapter 3: Development Element of the Mendocino County General Plan. The Commercial classification is intended "to be applied to lands appropriate for a variety of commercial uses. Lands classified Commercial should be within or contiguous to developed areas, such as near the boundaries of cities and in Community Planning Areas, and should be served by the publicly-maintained circulation network and should be situated in locations where future growth is anticipated..."

The Project is consistent with the General Plan designation as it is located within the developed corridor of North State Street. The subject parcel is also served by North State Street, a publically maintained road, further showing the parcel's consistency with the Commercial General Plan designation. The Project allows for the development of a semi-commercial, semi-industrial business that helps support the commercialization of the cannabis industry, thus supporting new and future commercial activities.

The proposed project is also consistent with the General Commercial (C2) zoning district, as defined by

the MCC. Chapter 20.092.005 of the MCC defines General Commercial as a district,

"intended to create and enhance commercial areas where complete retail sales and services are available and desirable for public service are available and desirable for public and convenience. Typically this district would be applied in the central core of community areas where central area commercial facilities were desired, or at major roadway intersections. Uses in this district are also intended to facilitate live/work convenience through multiple story construction and shared parking arrangements for a range of residential and commercial uses."

While the proposed project does not entail any residential aspects, it does allow for a variety of cannabisrelated commercial activities to occur on the parcel. This reflects consistency with the zoning district as the intended cannabis operations (manufacturing and distribution) are similar to other uses allowed in the General Commercial zoning district such as custom manufacturing and fleet storage.

- **2. Ukiah Valley Area Plan (UVAP) Consistency:** The proposed project is located within the Ukiah Valley Area Plan and is thus informed by such goals and policies. The proposed project was determined to be consistent with the UVAP and promotes policy LU5.3 regarding small business development.
- **3. Use Permit Findings:** The proposed use permit is required to meet the use permit findings set forth in the Mendocino County Code (MCC Section 20.196.020). Below is the discussion of each finding and how the use permit appropriately meets those requirements.
 - A. That the establishment, maintenance or operation of a use or building applied for is in conformity with the General Plan;

As shown in the previous section, the proposed project is in conformity of the General Plan as it provides a more dynamic commercial activity than the previously existing use. Additionally, the intended use of the proposed project is compatible with the General Uses of the Commercial General Plan designation.

B. That adequate utilities, access roads, drainage and other necessary facilities have been or are being provided;

The proposed project is already connected to the Millview Water District and Ukiah Valley Sanitation District. Additionally, the project gains access from North State Street and is located within Ukiah Stormwater Area, ensuring appropriate drainage.

C. That such use will not, under the circumstances of that particular case, constitute a nuisance or be detrimental to the health, safety, peace, morals, comfort or general welfare of persons residing or working in or passing through the neighborhood of such proposed use, or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the county; provided, that if any proposed building or use is necessary for the public health, safety or general welfare, the finding shall be to that effect;

The proposed project was determined to be Categorically Exempt under CEQA, thus the project will not be a detriment to the wellbeing of surrounding neighbors or the environment. Conditions of Approval are recommended to ensure the project will not create a nuisance.

D. That such use preserves the integrity of the zoning district.

Similarly to the General Plan conformity finding above, compliance with the Mendocino County Code zoning district is discussed in the previous section.

4. Environmental Protection: The project is Categorically Exempt from the provisions of CEQA, pursuant to Section 15301, Class 1 of Article 19 of the California Environmental Quality Act Guidelines.

STAFF REPORT FOR ZONING ADMINISTRATOR FOR MINOR USE PERMIT

The Class 1 exemption applies to "the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination." The proposed project meets the criteria of Section 15301 and has been determined to not have a significant effect on the environment and, therefore, is exempt from the provisions of CEQA.

RECOMMENDATION

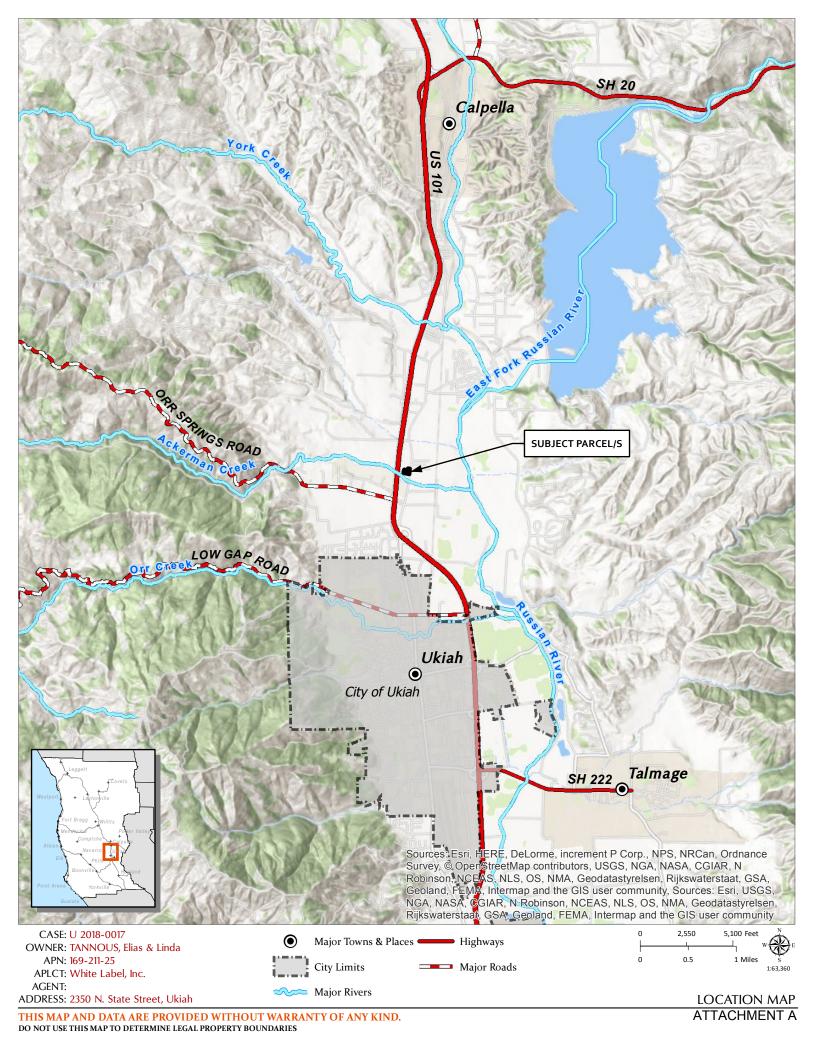
By resolution, the Zoning Administrator grant Use Permit U_2018-0017 for the Project, as proposed by the applicant, based on the facts and findings and subject to the Conditions of Approval.

Appeal Period: 10 Days Appeal Fee: \$1,616.00

ATTACHMENTS:

- A. Location Map
- B. Aerial Map
- C. Site Map
- D. Zoning Map
- E. General Plan Map
- F. Adjacent Owner Map
- G. Fire Hazards Map
- H. Stormwater Map

RESOLUTION AND CONDITIONS OF APPROVAL (Exhibit A):





OWNER: TANNOUS, Elias & Linda

APN: 169-211-25 APLCT: White Label, Inc.

AGENT:

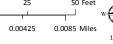
ADDRESS: 2350 N. State Street, Ukiah

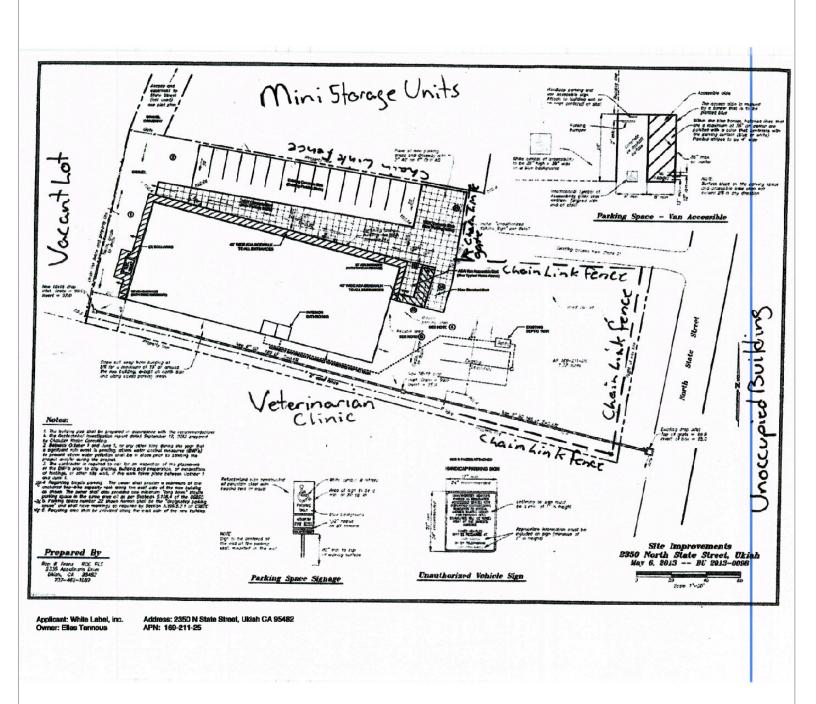


Public Roads

Driveways/Unnamed Roads

0.00425 0.0085 Miles





CASE: U 2018-0017

OWNER: TANNOUS, Elias & Linda

APN: 169-211-25 APLCT: White Label, Inc. AGENT:

ADDRESS: 2350 N. State Street, Ukiah

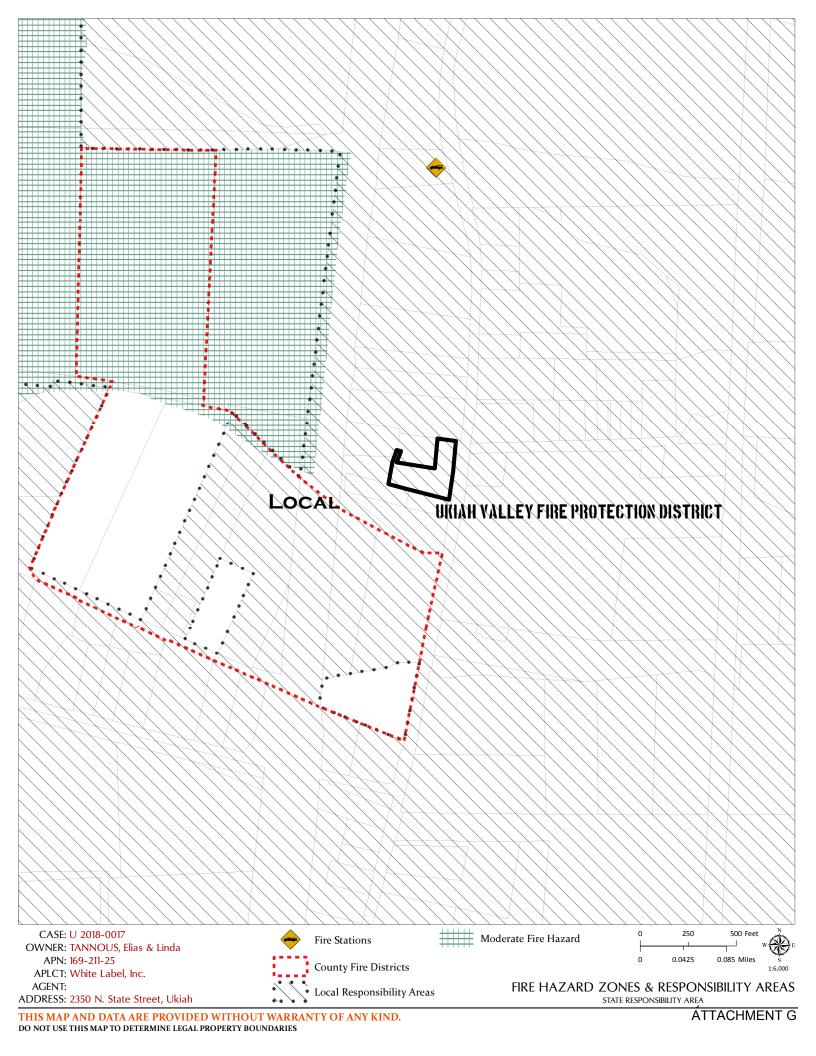
NO SCALE

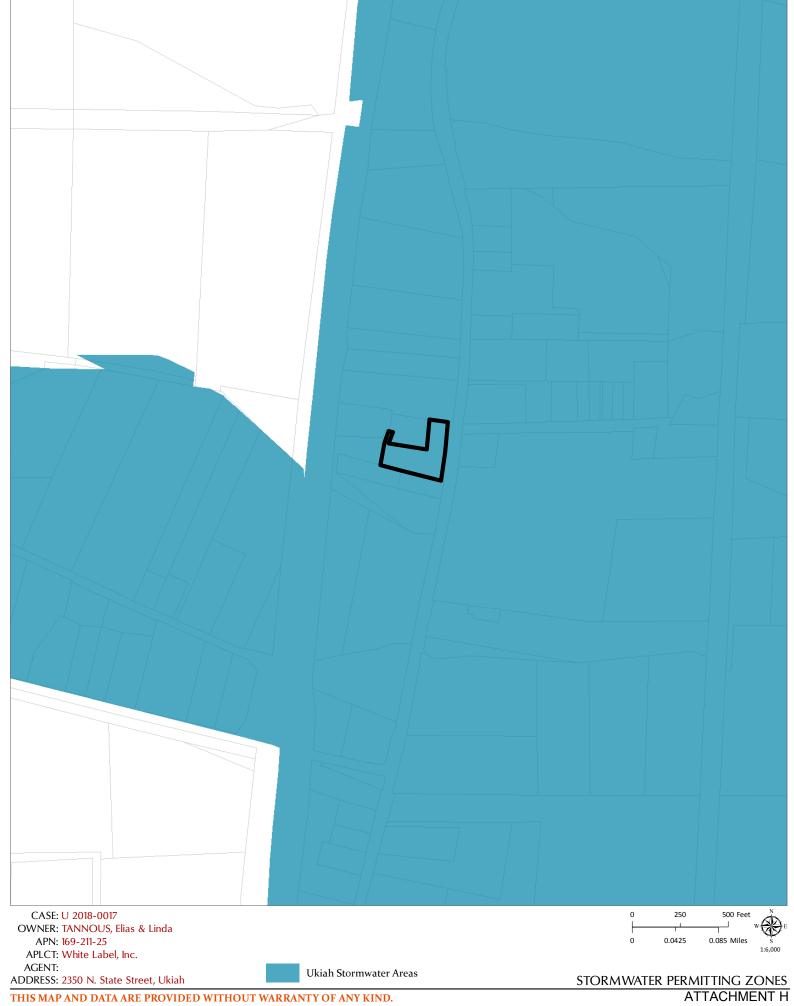
SITE PLAN ATTACHMENT C











County of Mendocino Ukiah, California December 13, 2018

U_2018-0017 - ELIAS Y. & LINDA E. TANNOUS

RESOLUTION OF THE ZONING ADMINISTRATOR, COUNTY OF MENDOCINO, STATE OF CALIFORNIA, GRANTING A MINOR USE PERMIT FOR A CANNABIS MANUFACTURING FACILITY

WHEREAS, the applicant, WHITE LABEL, INC., filed an application for a Minor Use Permit with the Mendocino County Department of Planning and Building Services to allow non-volatile (Level 1) cannabis manufacturing, 2± miles north of Ukiah center, on the west side of N. State St. (CR 104), 0.3± miles north of its intersection with Orr Springs Rd. (CR 223). Located at 2350 N. State St., Ukiah (APN: 169-211-25); General Plan C; Zoning C2:12K; Supervisorial District 1; (the "Project"); and

WHEREAS, the Secretary for Resources has found that certain classes of projects have been determined not to have a significant effect on the environment and are therefore exempt from the requirement for the preparation of environmental documents, and the Project was determined to meet the criteria for a CATEGORICAL EXEMPTION from the California Environmental Quality Act (CEQA) under Class 1; and

WHEREAS, in accordance with applicable provisions of law, the Zoning Administrator held a public hearing on, December 13, 2018, at which time the Zoning Administrator heard and received all relevant testimony and evidence presented orally or in writing regarding the Project. All interested persons were given an opportunity to hear and be heard regarding the Project; and

WHEREAS, the Zoning Administrator has had an opportunity to review this Resolution and finds that it accurately sets forth the intentions of the Zoning Administrator regarding the Project.

NOW, THEREFORE, BE IT RESOLVED, that the Zoning Administrator makes the following findings;

- 1. **General Plan & Zoning Consistency Findings:** The subject parcel has a General Plan Land Use Designation of Commercial (C) and the Project is consistent with the General Plan definition. Additionally, the subject parcel lies within the Zoning District of Commercial General (C2:12K) and the Project is consistent with the Zoning Code per MCC Sections 20.092 and 20.243; and
- 2. **Ukiah Valley Area Plan:** The Project is consistent with the Ukiah Valley Area Plan and promotes Policy LU5.3.
- 3. **Use Permit Findings:** The Project satisfies the Use Permit required findings per the Mendocino County Code §20.196.020; and
- 4. **Environmental Protection Findings:** The proposed project has been determined to be Categorically Exempt from a CEQA Initial Study under a Class 1 exemption.

BE IT FURTHER RESOLVED that the Zoning Administrator hereby grants the requested Use Permit, subject to the Conditions of Approval in Exhibit "A", attached hereto.

BE IT FURTHER RESOLVED that the Zoning Administrator designates the Secretary as the custodian of the document and other material which constitutes the record of proceedings upon which the Zoning Administrator decision herein is based. These documents may be found at the office of the County of Mendocino Planning and Building Services, 860 North Bush Street, Ukiah, CA 95482.

BE IT FURTHER RESOLVED that the Zoning Administrator action shall be final on the 11th day after the date of the Resolution unless an appeal is taken.

I hereby certify that according to the Provisions of Government Code Section 25103 delivery of this document has been made.

ATTEST:	ADRIENNE THOMPSON Administrative Services Manager
BY:	IGNACIO GONZALEZ Zoning Administrator

EXHIBIT A

CONDITIONS OF APPROVAL U_2018-0017 – WHITE LABEL INC DECEMBER 13, 2018

<u>APPROVED PROJECT DESCRIPTION</u>: Use Permit to allow non-volatile (Level 1) cannabis manufacturing.

CONDITIONS OF APPROVAL:

Standard Conditions:

- 1. The permit shall become effective on the 11th day after Zoning Administrator approval and shall expire and become null and void at the expiration of two years after the effective date except where use of the property in reliance on such permit has been initiated prior to its expiration.
- 2. The use and occupancy of the premises shall be established and maintained in conformance with the provisions of Division I of Title 20 of the Mendocino County Code.
- 3. The application, along with supplemental exhibits and related material, shall be considered elements of this permit, and that compliance therewith is mandatory, unless an amendment has been approved by the Zoning Administrator.
- 4. This permit shall be subject to the securing of all necessary permits for the proposed development from County, State and Federal agencies having jurisdiction.
- 5. The applicant shall secure all required permits from the Building Inspection Division of the Department of Planning and Building Services for all construction, structural modifications, establishment of signs and compliance with handicapped accessibility for the facility if required.
- 6. This permit shall be subject to revocation or modification upon a finding of any one or more of the following:
 - a. The permit was obtained or extended by fraud.
 - b. One or more of the conditions upon which the permit was granted have been violated.
 - c. The use for which the permit was granted is conducted so as to be detrimental to the public health, welfare or safety, or to be a nuisance.
 - d. A final judgment of a court of competent jurisdiction has declared one or more conditions to be void or ineffective, or has enjoined or otherwise prohibited, or the operation of one or more such conditions.
- 7. This permit is issued without a legal determination having been made upon the number, size or shape of parcels encompassed within the permit described boundaries. Should, at any time, a legal determination be made that the number, size or shape of parcels within the permit described boundaries are different than that which is legally required by this permit, this permit shall become null and void.

Aesthetics:

8. The cannabis facility shall avoid or minimize odor and light impact on residential uses.

Transportation:

- 9. The southern commercial driveway approach entrance onto North State Street (CR 104) shall be reconstructed in accordance with Mendocino County Road and Development Standards No. A50, or as modified by applicant and approved by Department of Transportation staff during field review.
- Sidewalk shall be constructed along North State Street (CR 104) along the projects frontage to North State Street, in accordance with Mendocino County Road and Development Standrds No. A40A and A40B.
- 11. Applicant shall obtain an encroachment permit from the Mendocino County Department of Transportation for any work within County rights-of-way.

Cannabis Facilities:

- 12. It shall be the responsibility of the applicant to adhere to all applicable regulations of Section 6.36 of the Mendocino County Code.
- 13. It shall be the responsibility of the applicant to adhere to all applicable regulations of Section 10A.17 of the Mendocino County Code.
- 14. It shall be the responsibility of the applicant to adhere to all applicable regulations of Section 20.242 of the Mendocino County Code.
- 15. It shall be the responsibility of the applicant to adhere to all applicable regulations of Section 20.243 of the Mendocino County Code.
- 16. Prior to the issuance of a Cannabis Facilities Business License, the applicant shall submit a clearance and/or approval letter from the Ukiah Valley Fire Protection District.