



City of Manteca Planning Commission **AGENDA REPORT**

MEETING DATE: May 2, 2024

PROJECT NAME: Manteca Responsible and Compliant Retail, LLC (“Embarc”)¹
Conditional Use Permit

PROJECT NUMBER: UPJ 24-22

PROJECT LOCATION: 1140 S Main St, Manteca, CA 95337

RECOMMENDATION

Staff recommends that the Planning Commission adopt Resolution No. 1656, recommending City Council approve a Conditional Use Permit for Manteca Responsible and Compliant Retail, LLC (“Embarc”) and find the Project to be exempt from the requirements of California Environmental Quality Act (CEQA) per 14 Cal. Code Regs. § 15301, Class 1, “Existing Facilities.”

PROJECT INFORMATION	
Applicant:	Embarc
Property Owner:	Frank Panetta
General Plan Designation:	General Commercial (GC)
Zoning:	General Commercial (CG)
Existing Use:	Retail and office space
Proposed Use:	Cannabis Retail
Parcel Size	1.38 Acres
Adjacent Uses:	North: Gas station & convenience store South: Personal storage East: Vacant industrial West: Restaurant and general retail
CEQA Determination	Determination of Exemption: CEQA §15301, Existing Facilities

PROJECT LOCATION & SITE DESCRIPTION

¹ Because Embarc’s anticipated Community Benefit Agreement (CBA) is made with the entity “Manteca Responsible and Compliant Retail, LLC”, the instant Project is referencing the same entity. Any references herein to “Embarc Cannabis Retail” or “Embarc Manteca” include and mean “Manteca Responsible and Compliant Retail, LLC” as does the term “Embarc.”

The Project Site is located at 1140 S. Main Street on a General Commercial-zoned parcel that gains access from S. Main Street (APN 221-050-26). The Site is developed with an existing retail structure, a parking lot, and landscaping. The building is currently occupied by various commercial and office uses. The proposed cannabis retail use will be located in the northern portion of the building, occupying approximately 3,000 square feet.

Surrounding land uses include a convenience store and gas station to the north, a quick-service restaurant and pool supply store to the west, personal storage to the south, and vacant industrial to the east.

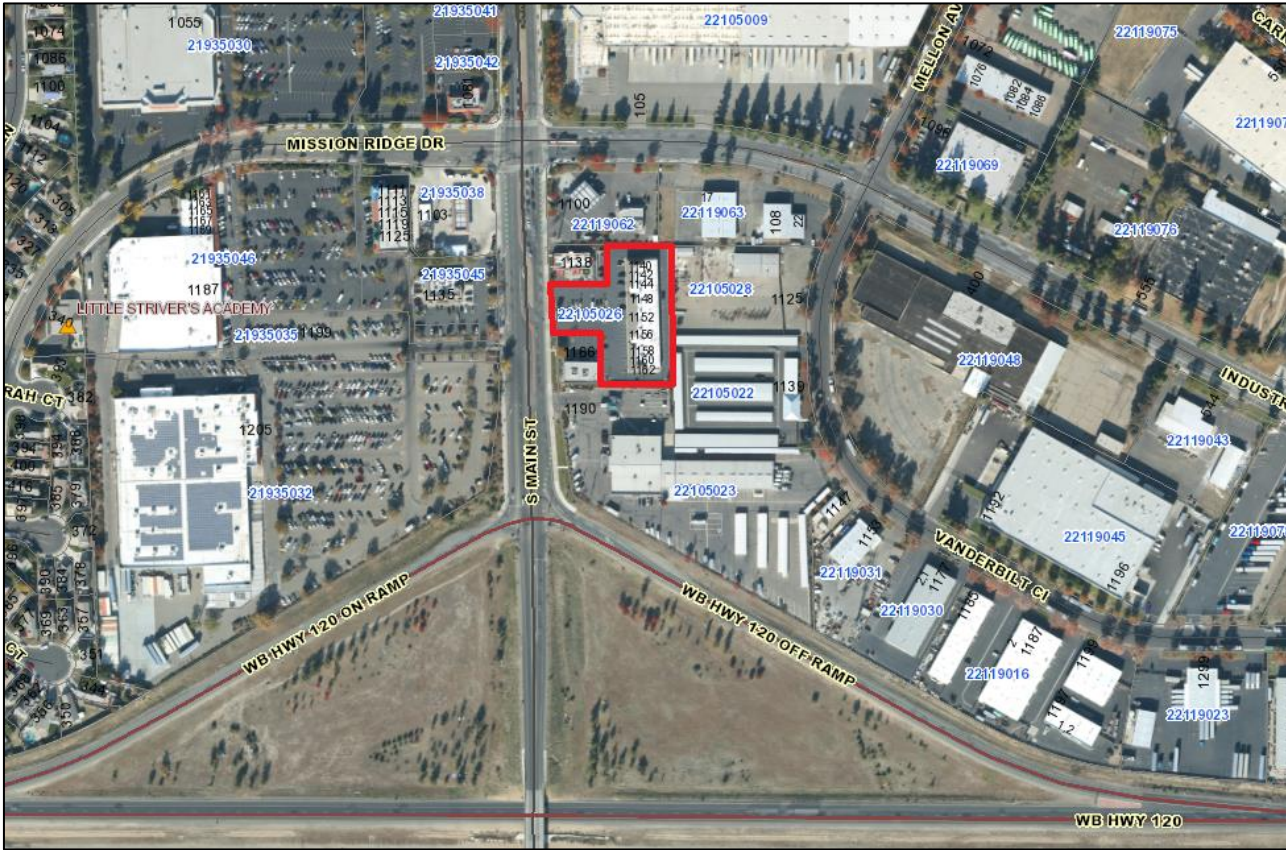


Figure 1: Vicinity Map

PROJECT DESCRIPTION

On or about December 18, 2023, the Manteca City Council held a Special Meeting to hold a public hearing to consider adopting a resolution and awarding up to three retail cannabis business permits pursuant to Phase IV of the Commercial Cannabis Program, subject to meeting all requirements and regulations set forth in Ordinance No. O2021-16 (Title 5 Business Taxes, Licenses and Regulations, and Chapter 5.64 Cannabis Businesses). At that meeting, the Manteca City Council voted 3-1 to award three retail cannabis permits to Embarc, and two other applicants. Because Embarc was awarded a permit at the December 18, 2023, Special City Council Meeting, Embarc is allowed to

apply for the instant Conditional Use Permit (CUP). A CUP is required to operate a commercial cannabis business in the City of Manteca pursuant to Manteca Municipal Code Sections 5.64.070, and 5.64.140, *et. seq.*

The proposed CUP will allow for tenant improvements to establish a cannabis retailer in a 3,000 square foot suite of an existing 15,925 square foot commercial building. The tenant improvements will include security features as well as basic improvements associated with conducting business in the space, such as counters, storage rooms, offices, etc. (see figure 2). There are no planned exterior changes to the building aside from changing sign copy and minor changes to windows and doors (see figure 3).

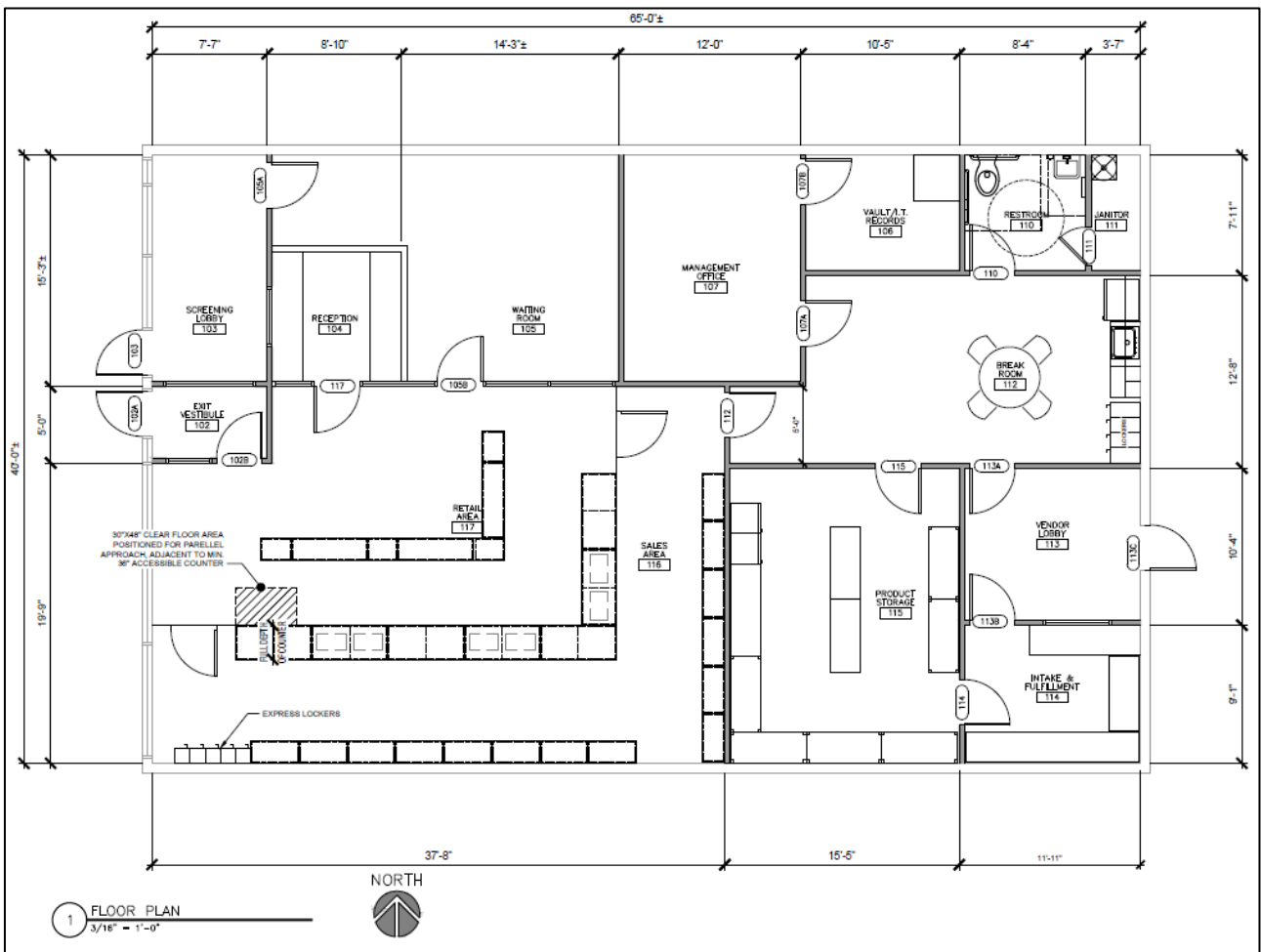


Figure 2: Proposed Floor Plan

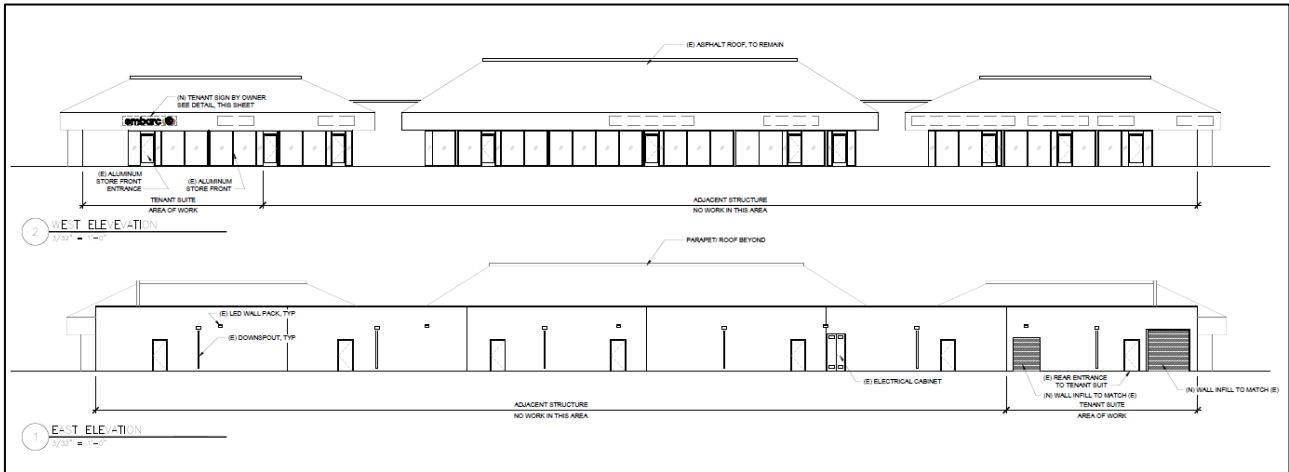


Figure 3: Building Elevations

ANALYSIS

The proposed Conditional Use Permit was analyzed with respect to compliance with the:

1. Manteca General Plan
2. Manteca Zoning Ordinance
3. Manteca Climate Action Plan
4. California Environmental Quality Act (CEQA)

GENERAL PLAN COMPLIANCE

The Project Site has a General Commercial (GC) General Plan Land Use Designation which provides for wholesale, warehousing, and heavy commercial uses, highway oriented commercial retail, public and quasi-public uses, and similar and compatible uses. With the adoption of MMC Chapter 5.64, the City has determined cannabis retail to be in conformance with the GC Land Use Designation.

In addition to conforming to the GC General Plan land use designation, the proposed Project is also consistent with the following General Plan goals and policies:

1. **Policy LU-P-49: The City shall give priority to infill development and new development contiguous to existing developed areas, wherever practical.**

Analysis: The Project proposes a new use that would occupy an existing retail structure and will not require an expansion of the existing building and parking lot footprints. This is an environmentally preferred outcome over developing a new site for this land use.

- 2. Policy LU-P-20: The City shall promote the establishment, maintenance and expansion of business in Manteca that generate high retail sales taxes as important contributors to the local economy.**

Analysis: The proposed use will contribute more to the local tax base than other commercial retailers, as cannabis sales are taxed differently than general retail.

- 3. Policy ED-P-7: Attract and retain a broad base of businesses and industries to provide a variety of jobs allowing career growth potential.**

Analysis: The proposed cannabis retail is a new commercial use in the City, expanding the range of business located in the City. The proposed business is expected to employ approximately 29 individuals, expanding the City's employment opportunities.

ZONING ORDINANCE COMPLIANCE

The parcel in question is zoned General Commercial (CG). The CG zone is intended to provide for wholesale, warehousing, and heavy commercial uses, highway-oriented commercial retail, public and quasi-public uses, and similar and compatible uses. With the adoption of MMC Chapter 5.64, the City has determined cannabis retail to be in conformance with the CG zone with the issuance of a Conditional Use Permit.

The proposed use will not alter the existing commercial building, which currently meets the performance standards set forth in MMC Chapter 17.26, including setbacks, building height, and floor area ratio. The proposed use is also not altering the existing parking, lighting, landscaping, and other development standards found in MMC Title 17. The lighting and landscaping requirements are zone-specific rather than use-specific and are applicable to any use permitted in the CG zone. Parking is use-specific, however cannabis retail does not have a separate parking requirement and is classified under general retail. General retail requires four parking spaces per 1,000 square feet. The parcel provides 68 parking spaces for the 15,925 square foot commercial building, 4 more than the requirement.

Conditional Use Permit Findings:

As noted above, cannabis retail use requires a Conditional Use Permit. Cannabis retail has additional CUP requirements, as is outlined in the findings below. Also, MMC Chapter 5.64 establishes the City Council as the deciding body on all cannabis retail CUPs, with the Planning Commission being a recommending body. Per MMC §17.10.130, a CUP shall be granted only when the deciding body determines that the proposed use complies with all of the following findings:

- 1. The proposed use is consistent with the General Plan, any applicable Specific Plan, and all applicable provisions of this Title.**

Analysis: As discussed above, the proposed cannabis retail use is supported by multiple goals and policies of the General Plan, as well as being consistent with the General Plan land use designation of General Commercial. The Project will also comply with all requirements of the Zoning Code. This site is not part of a Specific Plan.

- 2. The establishment, maintenance, or operation of the use applied for will not, under the circumstances of the particular case (location, size, design, and operating characteristics), be detrimental to the health, safety, peace, morals, comfort, or general welfare of persons residing or working in the neighborhood of such use or to the general welfare of the city.**

Analysis: The proposed use will operate as a retail establishment in an existing commercial building. As part of the proposed use, extra security will be provided, enhancing the safety of the general area. Through adhering to the requirements specific to cannabis retailers, such as buffers to sensitive uses (discussed below), the proposed use will not negatively affect the health, safety, peace, morals, comfort, or general welfare of persons residing or working in the neighborhood or to the general welfare of the City.

- 3. The proposed use is consistent with the purpose of the applicable district or districts.**

Analysis: Cannabis retail use is a conditionally allowed use in the General Commercial Zoning District.

- 4. The proposed use meets the minimum requirements of this Title applicable to the use and complies with all other applicable laws, ordinances, and regulations of the city and state.**

Analysis: As previously mentioned in this staff report, the Project is in substantial compliance with the City's General Plan as well as the City's Zoning Code. It also satisfies the conditions for a categorical exemption under Section 15301 (Existing Facilities) of CEQA, and supports the City's Climate Action Plan.

Cannabis Retailer Requirements

In addition to the findings listed above, cannabis retail use has additional requirements listed in MMC §17.10.130.I. These requirements are listed below:

A Cannabis Retailer shall comply with the following:

- 1. Be constructed in a manner that minimizes odors to surrounding uses, and promotes quality design and construction, and consistency with the surrounding properties.**

Analysis: The proposed development is a tenant improvement, with minimal alterations to the exterior of the building, maintaining the site's consistency with surrounding properties.

The use of the products being sold is prohibited on site; as such, all products will remain in their original packaging, keeping order to a minimum.

- 2. Be adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and all items required for the development.**

Analysis: The proposed use is a tenant improvement in an existing storefront, already developed with the necessary exterior walls, fences, parking, loading, etc. The proposed use is not expected to be more intensive than other allowed commercial uses for the proposed site.

- 3. Be served by streets and/or alleys adequate in width and improved as necessary to carry the kind and quantity of traffic such use will generate.**

Analysis: The proposed Site has an existing access to S. Main Street and existing parking. The parking and access were evaluated by City departments and found to be adequate for commercial retail use.

- 4. Be provided with adequate electricity, sewerage, disposal, water, fire protection and storm drainage facilities for the intended purpose.**

Analysis: The proposed Site has existing electricity, sewerage, disposal, water, fire protection and storm drainage facilities. The proposed Project was evaluated by applicable City departments and outside agencies and no concerns were raised in regards to providing the before mentioned services.

A Cannabis Retailer must meet the following rules relating to proximity to sensitive uses:

- 1. For any separation requirements from sensitive uses, the distance shall be determined by the horizontal distance measured in a straight line from the closest property line of the sensitive use to the closest property line of the lot on which the cannabis business is to be located, without regard to intervening structures.**

Analysis: The City generated a buffer map which created a 600 foot buffer in straight lines from property boundaries of all known sensitive uses in City limits. The proposed location of the cannabis retailer in question was evaluated utilizing this buffer map (see figure 4).

- 2. Shall be no closer than 600 feet from any parcel containing any a school providing instruction in kindergarten or any grades 1 through 12, (whether public, private, or charter, including preschool, transitional kindergarten, and K-12).**

Analysis: No schools are located within 600 feet of the subject parcel, as outlined in the City's buffer map from sensitive uses.

3. For a commercial daycare center licensed by the State, County or city or that is in existence at the time the cannabis business permit is issued, or a Youth Center that is in existence at the time the cannabis business permit is issued or at the time the license permit is issued, the distance shall be set at 600 feet.

Analysis: No commercial daycares or youth centers are located within 600 feet of the subject parcel, as outlined in the City's buffer map from sensitive uses.

4. Shall be no closer than 600 feet from any substance abuse rehabilitation center or emergency shelter, religious assembly use, park, or library.

Analysis: No substance abuse rehabilitation center, emergency shelter, religious assembly use, park or library is located within 600 feet of the subject parcel, as outlined in the City's buffer map from sensitive uses.

A Cannabis Retailer shall be conditioned to require that it maintain a Cannabis Retailer Permit pursuant to Chapter 5.64, and that it at all times conform with the requirements Sections 5.64.360 through 5.46.460, as applicable, and that exercise its Conditional Use Permit within 12 months, consistent with the requirements set forth in Section 5.64.150(B).

Analysis: This requirement is included in the attached Conditions of Approval.

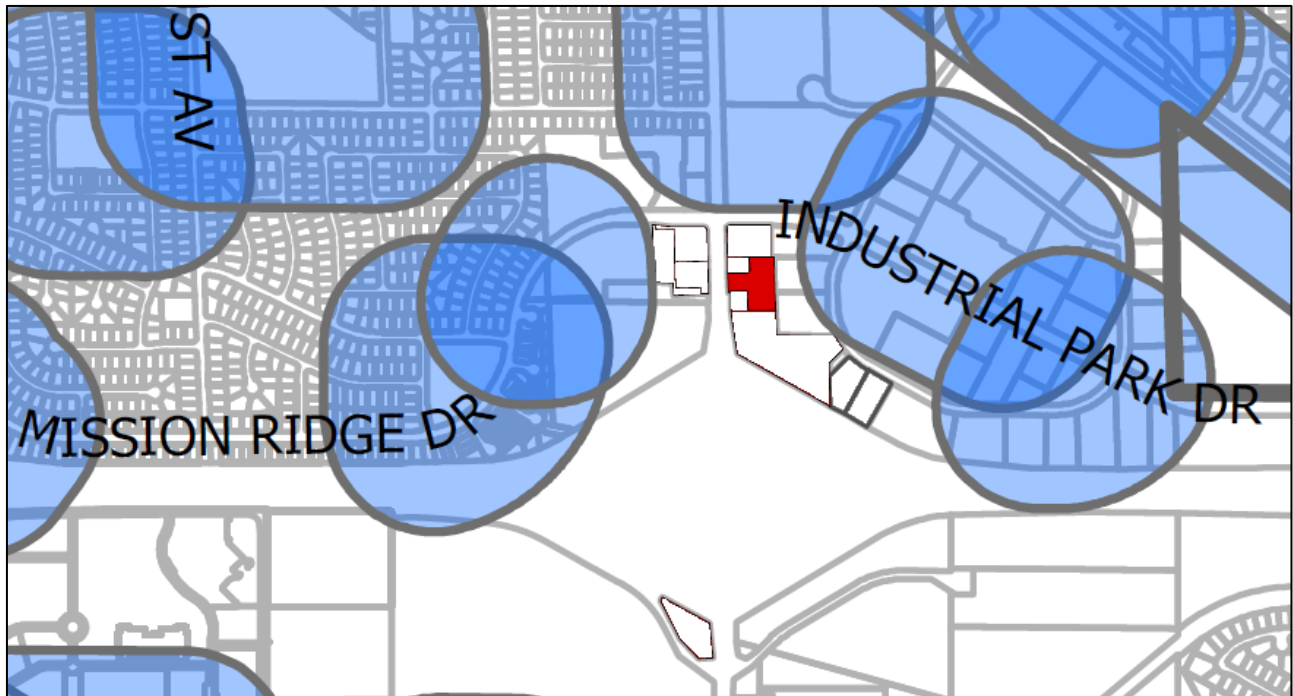


Figure 4: 600' buffers from sensitive uses as defined in MMC §5.64.060

CLIMATE ACTION PLAN COMPLIANCE

On October 15, 2013, the Manteca City Council approved and adopted the Air Quality Element Update and Climate Action Plan in response to the passing of Assembly Bill AB32. The intent of this plan is to reduce overall greenhouse gas emissions in both private and public sector development.

The project complies with the following Climate Action Plan strategies:

- 1. CAP Strategy Parking P1: The City shall encourage shared parking, structured parking, and the placement of parking lots at locations where they enhance the pedestrian environment.**

Analysis: The proposed cannabis retailer would continue utilizing an existing shared, off-street parking lot, without the need to construct new parking.

ENVIRONMENTAL REVIEW

This project is determined to be exempt from the requirements of the California Environmental Quality Act (CEQA) per 14 Cal. Code Regs. § 15301, "Existing Facilities." This exemption applies to projects involving the minor alteration of public or private structures, involving negligible or no expansion of existing or former use. This project consists of tenant improvements to an existing retail structure resulting in no increase in building square footage. The project is in an area where all public services and facilities are available, and the site is not environmentally sensitive. Therefore, no further Environmental Review is required.

Report prepared by: Scott Speer, Associate Planner

Attachments:

- Attachment 2- Resolution No. 1656
- Attachment 2a - Exhibit A Project Plan Set
- Attachment 2b - Exhibit B Conditions of Approval

Approved by:



Mallorie Fenrich, Senior Planner

4/17/24
Date