

PLANNING AND DEVELOPMENT SERVICES STAFF REPORT

For Planning Commission Meeting of May 16, 2018

**SUBJECT: 3820 Varsity Drive Special Exception Use and Site Plan
File No. SEU18-019**

PROPOSED CITY PLANNING COMMISSION MOTION

The Ann Arbor City Planning Commission, after hearing all interested persons and reviewing all relevant information, including an accompanying site plan, finds the petition substantially meet the standards in Chapter 55 (Zoning Ordinance), Section 5:104 (Special Exceptions) and Section 5:50.1 (Regulations Concerning Medical Use of Marijuana), and therefore approves the 3820 Varsity Drive Special Exception Use for a medical marijuana Provisioning Center. This approval is based on the following findings:

1. The proposed use will be consistent with the M1, Limited Light Industrial District, which provides for commercial activities not to exceed 10% of the floor area, offices, growing and processing of medical marijuana.
2. The proposed use will not adversely impact traffic, pedestrians, bicyclists, circulation, or road intersections based on the location. Varsity Drive provides access to the site, and the proposed use is consistent with other surrounding uses' traffic impact.
3. Through documentation submitted by the petitioner regarding waste disposal, inventory tracking, security, and other methods of operation of the facility, the provisioning center will be operated in a manner that will not have an adverse impact on the neighboring properties or area, and will not have a detrimental impact on natural features.

This Special Exception Use approval is based on the following conditions:

1. The petitioner obtaining and maintaining all required State of Michigan Medical Marijuana Licenses and City of Ann Arbor Medical Marijuana Permits, and providing documentation to Planning Services within three years of the City Planning Commission approval date of this petition.
2. The petitioner operating a medical marijuana business at this address within three years of the City Planning Commission approval date of this petition.
3. The petitioner will install two Class C and four Class B bicycle parking spaces as shown on sheet C3. The parking spaces must be installed prior to request or issuance for any Certificate of Occupancy.

4. The petitioner will not exceed 10% of the floor area of the portion of the existing building used for medical marijuana use for a provisioning center.
5. The petitioner will install public sidewalk fronting this site along Varsity Drive. The sidewalk must be installed prior to issuance or request for any Certificate of Occupancy.

And that the Ann Arbor Planning Commission approves the attached Site Plan which demonstrates compliance with the applicable Special Exception Use standards as no physical development of the property is proposed.

STAFF RECOMMENDATION

Staff recommends that the special exception use be **approved with conditions** subject to Planning Commission consideration because the proposed special exception use is of such location, size and character as to be compatible with the zoning district in which the site is situated; and the location and size of the proposed use, its nature and intensity, the site layout and access, and effect of the proposed use on public services would not be hazardous or inconvenient to the neighborhood nor unduly conflict with the normal traffic of the neighborhood.

LOCATION

The site is located on the west side of Varsity Drive, north of E. Ellsworth Road and is in the Malletts Creek subwatershed, and Ward 4.

DESCRIPTION OF PETITION

The petitioner seeks special exception use approval to operate a medical marijuana provisioning center not to exceed 10 percent of the building floor area in an existing building zoned M1, Limited Light Industrial District. This zoning permits growing and processing of medical marijuana. Per the Zoning Ordinance, Chapter 55, M1 zoning allows medical marijuana provisioning centers, grow and processing centers with special exception use approval.

This 1.45 acre site contains a 16,109 - square foot, one-story building constructed in approximately 1979. The processing and provisioning center shares this building with five other businesses and utilizes a total of 6,440-square feet. The M1 zoning caps the amount of retail sales to 10 percent of the floor area limiting the provisioning center to 644-square feet. There are 69 vehicle parking spaces (61 spaces required) and the petitioner will be adding 2 Class C bicycle hoops at the business entrance and four Class B bicycle parking space located in the interior of the building. No other changes to the site are proposed by the petitioner

PLANNING BACKGROUND

The M1 Limited Industrial District encourages a variety of uses. Medical Marijuana Provisioning Centers are a Special Exception Use in the District. The site is more than 600 feet from any other provisioning center, and more than 1000 feet from any K-12 school.

The *Master Plan Land Use Element* recommends a future land use of research and industrial for this site and for surrounding parcels along Varsity Drive.

SPECIAL EXCEPTION USE STANDARDS

The Planning Commission, in arriving at its decision relative to any application for a special exception, shall apply the standards shown on the attached petition.

In addition, the following information is required to be submitted for provisioning centers per 5:50.1(8) Special exception use regulations for medical marijuana facilities:

- 1) an operations statement that describes the life cycle of marijuana on site, and general business operations;
- 2) a safety and security plan that addresses marijuana, customers, employees, and the neighborhood;
- 3) a description of methods to be used to contain all odors within the building;
- 4) a waste disposal plan for marijuana; and
- 5) hours of operation.

This required information is attached, and additional information may be found in the complete project application package in Trakit at www.a2gov.org/permits.

PLANNING STAFF COMMENTS

The special exception use requirements as they are applied to this petition are broken down into general categories below.

Master Plan: The master plan recommends research and industrial uses for this location, with which the proposed use is consistent. Processing centers are a permitted use in the M1 district and provisioning centers requires Special Exception Use approval.

Compatibility with the general vicinity: There are non-residential uses such as offices, parking and research immediately adjacent to this site. The site has been in industrial and office uses for approximately 40 years and is not unlike the other retail businesses along Varsity Drive.

Consistent with the neighborhood and not detrimental: The intensity and character of the business are compatible with this retail and processing development. Complaint(s) have been received by Planning and Building about this business and are attached to this report.

Parking: The site currently has 69 parking spaces with this number remaining the same. The site plan specifies four class B and four class C bicycle parking spaces. These must be installed as specified on the site plan prior to issuance or request for any Certificate of Occupancy as a condition of the SEU approval.

Pedestrian Safety: Staff requested public sidewalks fronting this site along with a link to the main entrance. Staff recognizes the existing sidewalk gaps along Varsity Drive and this additional linkage fills in the gaps over time.

Vehicular movement and traffic: The vehicle trips generated by a provisioning center are consistent with general retail uses found in M1 district, and surrounding land uses. This site has good access to and from Varsity Drive.

Natural Features: No natural features exist on the site.

Additional required Medical Marijuana SEU information:

Operations Plan: The referenced [operation plan](#) describes patient workflow, employee workflow, storage and deliveries, packaging and product tracking, cash handling, staffing hiring and training, and opening and closing.

Safety & Security: It should be noted that the state licensing process requires an extremely detailed and comprehensive security system. Staff does not ask for the particulars of provisioning centers' security plan since our documents are all public, unlike the state license permit application which is not. The applicant has provided an [abbreviated security plan](#) that describes an alarm and surveillance system, facility security, and policies and training to prevent or mitigate any breaches.

Odor Control: Lack of odor control is the most frequent complaint heard by staff about provisioning centers. The applicant has [stated](#) that the entire building is equipped with Activated Carbon Air Filters, continuously running to control and eliminate all odors from leaving the building.

Waste Disposal: The applicant has [stated](#) that typical waste will be recycled or disposed into standard carts provided by the City. Any marijuana waste will be made into an unusable form, tracked, and disposed of securely.

Hours of Operations: Normal [hours](#) of operation will be 10:00am to 9:00pm, Monday through Saturday and 11:00 am to 6:00pm on Sundays.

DEPARTMENT COMMENTS:

The majority of staff have reviewed the application, without comments.

Traffic – Traffic requested updated trip generation data on March 26, 2018 and the petitioner provided revised data on April 10, 2018. No review has been provided since.

Prepared by Chris Cheng

Attachments: [Zoning/Parcel Maps](#)
[Aerial Photo](#)
[SEU Petition Application](#)
[Facility Plan](#)
[Provisioning Center/School Locator Map](#)
[Site/Landscape Plans as necessary](#)

[Floor Plan](#)

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File No. SEU18-019

Front of 3820 Varsity Drive, August 2017 (google)

