# PLANNING AND DEVELOPMENT SERVICES STAFF REPORT

For Planning Commission Meeting of November 7, 2018

SUBJECT: 2251 West Liberty Street Special Exception Use with Site Plan for Planning Commission Approval

File No. SEU18-038

#### 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 to 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 2251 West Liberty Street Special Exception Use for a Marijuana Infused Product Processing Center. This approval is based on the following findings:

- 1. The proposed use will be consistent with the C2B (Business Service) District, which allows for commercial, office and residential uses.
- 2. The proposed use will not adversely impact traffic, pedestrians, bicyclists, circulation, or road intersections based on the location. West Liberty Street provides access to the site, and the proposed use is consistent with other surrounding uses.
- 3. Through documentation submitted by the petitioner regarding waste disposal, inventory tracking, security, and other methods of operation of the facility, the processing 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:

- The petitioner obtaining and maintaining both a State of Michigan Medical Marijuana License and a City of Ann Arbor Medical Marijuana Permit, 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 special exception use may only occupy the current 2,493 square feet of 2251 West Liberty Street.
- 4. Approval of the Special Exception Use is subject to the petitioner maintaining site improvements as shown on the site plan including new bicycle parking, bumper blocks, an access easement, delineated pedestrian pathways, new barrier free parking spaces, new striping of existing parking spaces, and a relocated dumpster.
- 5. Approval of the Special Exception Use is also subject to the petitioner constructing a new fire hydrant as shown on the site plan to the satisfaction of the Public Services Area Administrator.
- 6. Hours of operation will be limited to Monday-Friday: 7am to 11pm; closed Saturday and Sunday.

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

This site is located on the south side of Liberty Street, west of Stadium Boulevard. West Planning Area. Ward 5.

## **DESCRIPTION OF PETITION**

The petitioner seeks special exception use approval to operate a marijuana infused proeduct processing center in an existing building zoned C2B (Business Service) that is part of a small commercial center. The C2B district allows commercial, office, and residential uses. The petitioner currently uses the site to produce medical marijuana food products. The business is called, "Detroit Fudge Company" and no retail sales take place at this location. The site was recently improved by the petitioners who also own, "People's Choice", a medical marijuana provisioning center located at 2247 W.

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Liberty (in the same commercial complex) and approved by the Planning Commission on June 19, 2018.

The proposed tenant space is currently being used as a marijuana infused product processing center. The petitioner has agreed to construct a new fire hydrant on the site to provide adequate coverage for all buildings on the property.

## **SURROUNDING LAND USES AND ZONING**

	LAND USE	ZONING
NORTH	Bank	C3
EAST	Commercial	C2B
SOUTH	Commercial	C2B
WEST	Commercial	C2B

### HISTORY AND PLANNING BACKGROUND

Historic aerial imagery of the site suggests that the building was constructed sometime in the 1960's. Site plans were not required for development on platted lots until the mid-1970s. Prior to then, zoning and parking standards were reviewed and enforced as part of the building permit process. The tenant space is currently used by Detroit Fudge Company which produces medical marijuana food products.

### 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 to this document as well as linked.

## PLANNING STAFF COMMENTS

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

<u>Master Plan:</u> (The <u>City Master Plan</u> includes 8 elements, adopted individually between 2009 and 2017, and together by resolution in 2015.) Together, the City Master Plan elements seek to guide the City toward sustainability, conservation, increasing livability, affordability, transportation choices, and dense, mixed uses on vibrant, active, friendly streets. There is no site specific recommendation in the <u>Land Use Element</u> for this site.

<u>Compatibility with the general vicinity</u>: As a food processing facility, a medical marijuana processing center is generally compatible with the retail, food, office, and residential uses in the surrounding blocks.

<u>Consistent with the neighborhood and not detrimental</u>: The intensity and character of the processing center is compatible with the existing business on the site. The processing center is being proposed in an established commercial center. Although complaints have been received about the increasing number of proposed provisioning centers in general, to date, nor formal complaints have been made on this particular site.

<u>Parking:</u> 2251 West Liberty Street is part of a multi-tenant commercial center with two parcels under one ownership. Site plan information for the entire site has been provided. The total site provides 28 off-street parking spaces, a maximum of 28 spaces are allowed. Three bicycle parking spaces are required for this retail center; 4 are provided. Two Class B and two Class C spaces have been provided.

<u>Pedestrian Safety:</u> Public sidewalks, in good condition, are present along West Liberty Street, as well as all surrounding blocks. One curb cut currently accesses the site from West Liberty. The petitioner striped an area on the far east edge of the site to provide safer pedestrian access to the nearby provisioning center and the processing center.

<u>Vehicular movement and traffic:</u> The vehicle trips generated by a processing center are consistent with general food processing facilities found in commercial districts. This provisioning center will have a neutral affect on vehicular movements and traffic patterns in the area.

Natural Features: There are no regulated natural features on this site.

Additional required Medical Marijuana SEU information:

<u>Operations Plan:</u> The referenced operation plan describes the how to the processing center operates.

<u>Safety & Security:</u> 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 processing centers' security plan since our documents are all public,

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unlike the state license permit application which is not. The applicant has provided a security plan that describes the physical security, employee and contractor vetting, alarm and surveillance systems, and inventory storage.

Odor Control: Lack of odor control is the most frequent complaint heard by staff about processing centers. The applicant has provided a statement about how odor mitigation will be achieved by creating negative air pressure throughout the facility and using charcoal air filters.

<u>Waste Disposal</u>: The applicant has provided a statement that all marijuana waste will be separated from general waste, rendered into an unusable and unrecognizable form, tracked, and disposed properly.

<u>Hours of Operations:</u> Normal hours of operation will be 7:00am to 11:00pm Monday-Friday; closed Saturday and Sunday.

## **DEPARTMENT COMMENTS**

All relevant staff have reviewed the application, none offered any comments.

Prepared by Jeff Kahan, City Planner Reviewed by Brett Lenart, Planning Manager

Attachments: Zoning/Parcel Maps

Aerial Photo

Operating Proceedures, Security Plan, Odor, Waste, Hours Statement

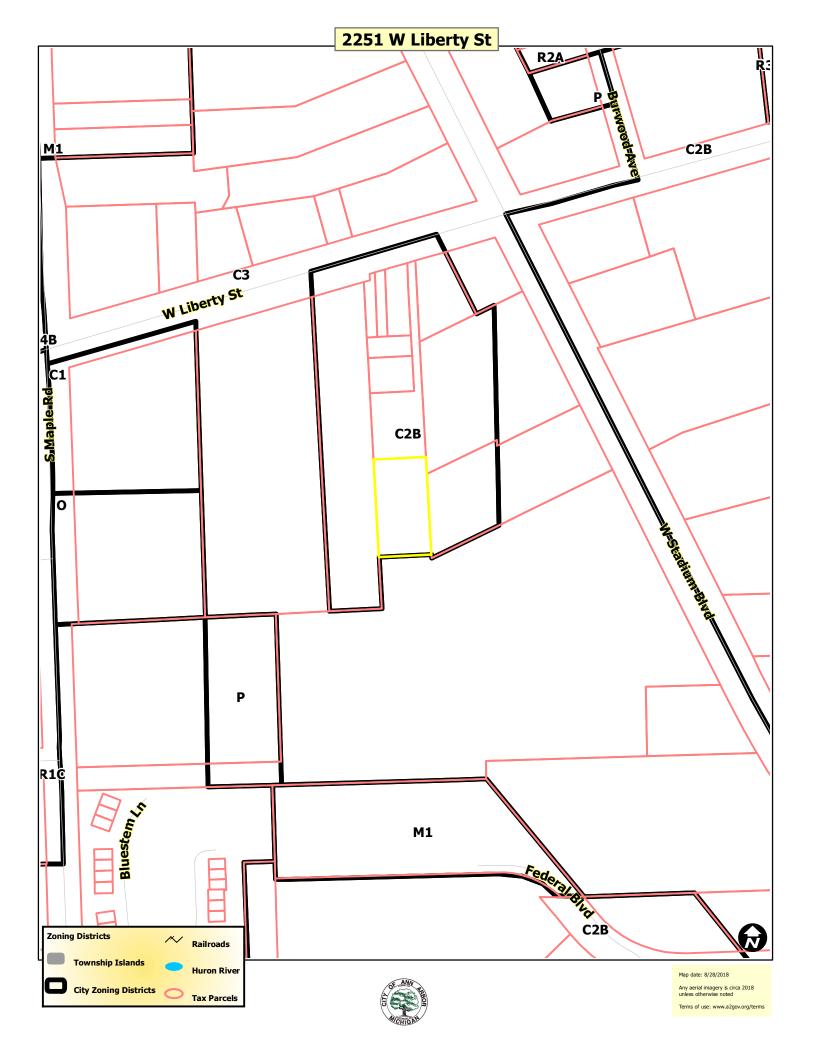
Site Plan Floor Plan

Provisioning Center/School Locator Map

**SEU Petition** 

c: Petitioner – Pinnacle Assett Management LLC DBA Detroit Fudge Company (Rachel Pell)
Property Owner – B & L Liberty Properties, LLC
Petitioner's Agent – AE Design Solutions, LLC

City Attorney's Office Systems Planning File No. SEU18-038





Tax Parcels

Map date: 8/28/2018

Any aerial imagery is circa 2018 unless otherwise noted

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