

SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 21.1  
(ID # 20177)

**MEETING DATE:**

Tuesday, October 04, 2022

**FROM :** TLMA-PLANNING:

**SUBJECT:** TRANSPORTATION AND LAND MANAGEMENT AGENCY/PLANNING: PUBLIC HEARING ON ADOPTION OF ORDINANCE NO. 664.93 APPROVING AMENDMENT NO. 1 TO DEVELOPMENT AGREEMENT NO. 1900044 – Applicant: River Releaf – First Supervisorial District – Glen Ivy Area – Temescal Canyon Area Plan: Community Development: Light Industrial (CD:LI) – Location: west of Temescal Canyon Road at the intersection with Dawson Canyon Road – 0.43 Acres – Zoning: Manufacturing – Service Commercial (M-SC) - APN: 283-160-038; Nothing Further Required under CEQA. District 1. [Applicant Fees 100%]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. **APPROVE AMENDED DEVELOPMENT AGREEMENT NO. 1900044** based upon the findings and conclusions incorporated in this agenda item; and
2. **INTRODUCE, READ TITLE and WAIVE FURTHER READING OF, and ADOPT** on successive weeks **ORDINANCE NO. 664.93**, an Ordinance of the County of Riverside Approving **AMENDMENT NO. 1 TO DEVELOPMENT AGREEMENT NO. 1900044**, based upon the findings and conclusions incorporated in this agenda item.

**ACTION:Policy**

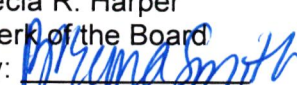
  
John Hildebrand, Planning Director 9/27/2022

---

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Jeffries, seconded by Supervisor Hewitt and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended and that the above Ordinance is approved as introduced with a waiver of the reading.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: October 4, 2022  
xc: TLMA-Planning, COB

Kecia R. Harper  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> Applicant Fees 100%			<b>Budget Adjustment:</b> N/A	
			<b>For Fiscal Year:</b> N/A	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

Conditional Use Permit No. 190053 and Development Agreement No. 1900044 were presented to the Board of Supervisors at a public hearing on March 2, 2021 where the Board approved the Conditional Use Permit and subsequently on March 9, 2021 adopted Ordinance No. 664.70 approving the Development Agreement.

The Conditional Use Permit is for a cannabis micro business that includes indoor cultivation, manufacturing, retail, and distribution. Specific square feet for each of these components was included with the Conditional Use Permit approved exhibits that were also used for calculation of public benefit payments that were included in the approved Development Agreement.

Since the approval, the applicant has proposed to modify their floor plan and the square feet associated with each of the components as shown below:

<b>Component</b>	<b>Currently Approved (sq. ft.)</b>	<b>Proposed (sq. ft.)</b>
<b>Retail</b>	1,500	1,727
<b>Cultivation</b>	4,500	4,087
<b>Manufacturing</b>	985	892
<b>Distribution</b>	1,580	1,924

Due to this change in the square feet allocation for each component, an Amendment to the Development Agreement is necessary to reflect the modified square feet and related public benefit payments. A modification to the Conditional Use Permit would be done administratively through a Substantial Conformance that would be approved subsequent to the Board's action on the Amendment to the Development Agreement.

This item was continued from the September 13, 2022 Board meeting to provide time to update the Development Agreement to include a provision regarding timing of development to a building permit. This provision has been included in the Development Agreement and has been agreed to by the applicant.

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

**Development Agreement**

The applicant has proposed entering into the attached development agreement (DA) with the County for the Project. The DA is consistent with the General Plan and with Board Policy B-9. Additionally, the Advisory Notification Document, Conditions of Approval, and entitlement approvals are incorporated in the exhibits of the DA and will ensure that the Project is developed in a way that would not conflict with the public's health, safety or general welfare. The DA has a term of 10 years (with the option for a 5-year extension subject to mutual approval) and will grant the applicant vesting rights to develop the Project in accordance with the terms of the DA. In exchange, the DA provides certain public benefits that go beyond the basic requirements of the County including annual public benefit payments, which will be used for additional public safety services, infrastructure improvements or community enhancement programs.

Amendment No. 1 to Development Agreement No. 1900044 requires the applicant to make the following payments:

- 1) An initial deposit-based fee of \$5,000 for annual inspections and the administration of the development agreement program.
- 2) A baseline Public Benefits payment of \$55,363.50 (previously \$52,930), which will be increased 2% per year. The baseline payment amount shall be allocated 45% to the Code Enforcement Department, and the remaining 55% will be transferred to the Executive Office for deposit into the General Fund, to be allocated as part of the annual budget process and generally spent on cannabis regulatory activity performed by the District Attorney's Cannabis Regulation Task Force, the Sheriff's Office, Public Health, County Counsel, and the Agricultural Commissioner's office. The percentages above are based on the expected regulatory costs that were used to establish the baseline Public Benefits fee, as approved by the Board on January 29, 2019. The Code Enforcement Department will serve as the main regulatory arm of the County in monitoring that the businesses will comply with their conditions of approval and respond to public concerns.
- 3) An annual Additional Public Benefit payment of \$ \$66,162.50, which will increase 5% per year remains the same. This payment shall be held by TLMA in an account specifically for the Temescal Canyon area, to be allocated by the Board of Supervisors to projects and services that benefit the community.

Per state law, a development agreement is a legislative act that must be approved by ordinance. Proposed Ordinance No. 664.93 incorporates by reference and adopts Amendment No. 1 to Development Agreement No. 1900044 consistent with Government Code sections

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

65867.5 and 65868. Amendment No. 1 to Development Agreement No. 1900044 and Ordinance No. 664.93 do not change the prior development approvals or overall project footprint of CUP190053, nor the effective date of Development Agreement No. 1900044.

Amendment No. 1 to Development Agreement No. 1900044 is consistent with the General Plan, and with public health, safety, and general welfare. The express terms of the development agreement grant the applicants a vested right to develop the project in accordance with existing land use regulations including in accordance with the General Plan. The conditions of approval and mitigation measures for the Project, the approvals of which are incorporated in the exhibits to the Amendment to the Development Agreement, ensure that the project is developed in a way that is consistent with public health safety and general welfare. Moreover, the Amendment to the Development Agreement will provide significant benefits. Specifically, the development agreement contains terms consistent with Board of Supervisors Policy No. B-9 including terms regarding annual public benefits payments and increases and the submittal of an additional community benefit fee. All of these development agreement provisions ensure that the Amendment to the Development Agreement will provide significant benefits.

**CEQA**

The County of Riverside previously found that the project was exempt from CEQA pursuant to State CEQA Guidelines section 15061 (b)(3) (Common Sense), section 15301 (Existing Facilities), and section 15303(c) (New Construction or Conversion of Small Structures). There are no new, different, or greater impacts that will result from amending the Development Agreement to reflect revised internal component allocation. All this amendment does is clarify the actual square footage that the development fees are based upon. Therefore, nothing further is required pursuant to CEQA.

**Impact on Citizens and Businesses:**

The proposed project was previously determined to be categorically exempt under CEQA, which means that it belongs to a class of projects that have been determined to not have a significant effect on the environment. As detailed in the Planning Commission Staff Report, which is attached hereto and incorporated by reference, no exceptions pursuant to State CEQA Guidelines section 15300.2 apply. Accordingly, there will be no impacts on residents or businesses.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

As stated above, the applicants and County staff have reached an agreement on the provisions of the Amendment to the Development Agreement. The applicant will submit public benefit payments as detailed in the Amendment to the Development Agreement.

Staff labor and expenses to process this project have been paid directly through deposit-based fees.

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA

**ATTACHMENTS:**

- A. Ordinance No. 664.93 Approving Amendment No. 1 to Development Agreement No. 1900044
- B. Amendment No. 1 to Development Agreement No. 1900044



Jason Farin, Principal Management Analyst 9/28/2022



Aaron Gettis, Deputy County Counsel 9/27/2022