



# Planning Commission Regular Meeting

## STAFF REPORT

ITEM NO. PH 2

**Meeting:** Planning Commission Regular Meeting of Tuesday June 24, 2025

**Title:** **Proposal for a Cannabis Retail Establishment at 125 S Citrus Avenue**

**Title Description:** **Recommendation to the City Council regarding Conditional Use Permit (CUP) 25-004, Site Plan Review (SPR) 25-039, Development Agreement (DA) 25-002, and determination of exemption from CEQA:** a request to approve a Cannabis Retail establishment (“Zen Garden”) within a 3,956 square-foot commercial retail space, and associated tenant improvements, within the Covina Town Center Specific Plan (CTCSP) / Mixed-Use (MU) District zone, located at 125 S Citrus Ave, Covina, CA, 91723 (APN: 8444-001-018).

**Presented by: Eduardo Lomeli, Assistant Planner**

### **PROJECT SITE INFORMATION**

#### **A. Project Information:**

Request: Conditional Use Permit (CUP) 25-004  
Site Plan Review (SPR) 25-039  
Development Agreement (DA) 25-002

Applicant/Authorized Agent: Andrew McIntyre

Property Owner: City of Covina

Location: 125 S Citrus Ave

Assessor Parcel Map No’s: 8444-001-018

#### **B. Site and Surrounding Land Uses:**

The following table provides the General Plan designation, Zoning, and existing uses of the site and surrounding areas:

Table 1: Site and Surrounding Land Uses			
	General Plan	Zoning	Existing Uses
Site	Town Center Specific Plan	Town Center Specific Plan (TCSP) Mixed Use (MU)	Multi-Commercial Uses (Fitness Center, Gastropub - Edna Vees)

North	Town Center Specific Plan	Town Center Specific Pla (TCSP) Mixed Use (MU)	Drive Thru Restaurant (Alpha Omega Burgers)
South	Town Center Specific Plan	Town Center Specific Pla (TCSP) Mixed Use (MU)	Multi-Commercial Uses
East	Town Center Specific Plan	Town Center Specific Pla (TCSP) Mixed Use (MU)	Mortuary (Custer Christiansen Mourtary)
West	Town Center Specific Plan	Town Center Specific Pla (TCSP) Mixed Use (MU)	Residential

### C. Site Characteristics:

The Project site is approximately 0.30 acres in size, with an existing 11,865-square-foot one-story commercial center, accommodating multiple tenants. The building is divided into 3 tenant spaces providing a variety of uses. The commercial center has one entrance that is accessible from South Citrus Ave leading to an alleyway and into the parking lot. Off-street parking is available on Citrus Ave and there is (45) forty-five existing parking spaces and (2) two handicap stalls. There is currently one (1) trash enclosure designated on this location.

### **BACKGROUND / PROJECT ANALYSIS**

In September 2023, the City issued a Request for Proposals (RFP) inviting qualified individuals or companies to operate a cannabis business or a cannabis microbusiness within the city limits. The deadline for submitting proposals was December 20, 2023. The RFP outlined the criteria for qualification, which were reviewed by the Cannabis Committee, which consisted of the City Manager, Deputy City Manager, Chief of Police, and the Deputy City Manager/Community Development Director. The committee evaluated and scored the candidates based on the criteria specified in the RFP.

Candidates who met the requirements were invited to the next phase of review by the City Council. A City Council meeting was held to review the candidate submissions. Ultimately, the council is authorized to issue no more than three (3) Cannabis Business Permits, with one permit granted for every 15,000 residents, rounding down for any fraction, in accordance with Covina Municipal Code (CMC) Section 5.80.080. The entire vetting process took approximately 6 to 9 months. Those individuals or companies selected through this Request for Proposals (RFP) would then advance to the formal phases of obtaining a Cannabis Business Permit and a Conditional Use Permit (CUP).

On March 5, 2025, the applicant submitted applications for a Conditional Use Permit (CUP) and Site Plan Review (SPR) for a tenant improvement to accomodate a cannabis retail store to allow the sale of cannabis products within the City of Covina,

#### **Business Operation:**

The hours of operation are Monday through Sunday, from 9:00 a.m. to 9:00 p.m. Deliveries will follow the same schedule. Online delivery orders will not be accepted after 8:00 p.m. to ensure that all orders are fulfilled by 9:00 p.m.

#### **Security:**

During business hours, one uniformed security officer will be assigned to the premises. Shifts will be offset in order to provide for scheduled rest and meal periods without adversely affecting security

operations while also allowing for a broader range of coverage in the pre-opening and post-closing time frames. During Premises Patrol, the security officer will be tasked with maintaining an active, visible, presence throughout the interior and exterior areas of the premises. The primary responsibilities of the Premises Patrol security officer will include:

- Maintaining an active, visible security presence visible from the adjacent thoroughfares;
- Deterring and mitigating loitering/trespassing, consumption of cannabis within 100 feet of the premises;
- Escorting vendors and retail delivery drivers to/from the loading area and providing oversight of transfers; and
- Pre-screening those approaching the business for signs of criminal intent (e.g. disguises, weapons).

#### Design:

The proposed cannabis retail business will consist of interior improvements featuring metal and woods as a main feature. The crisply painted walls are in a neutral tone to highlight the alluring mix of tones and textures that create this overall aesthetically pleasing look. At the entrance, a welcoming area featuring metal façade scallops to highlight the natural light. For seating, deep olive-green velvet chairs in earthy hues are complimented by wood flooring and metal accents that create a lounge atmosphere. The sales floor will showcase an open floor concept, which will include a lobby check-in area, a sales area with glass display cases and counters, as well as an employee area that consists of an office, break room, security vault, and a product intake/delivery room. Additionally, an ATM will be available on the sales floor. Natural Surveillance was also incorporated into several key functions of the business including:

- The public entrance/exit is situated at the front readily visible to passersby.
- Storefront windows on the east sides of the business allow visibility from the adjacent public thoroughfares into the screening lobby and retail areas;
- The retail area and point-of-sale area are designed such that employees assigned to the sales area enjoy natural surveillance over the entry/exit and all areas of the retail area; and
- In lieu of a full-height wall separating the lobby from the retail area, the glass wall allows natural surveillance between staff in the Sales/Retail area and the lobby – affording the staff ample perception and reaction in the event of criminal activity.

Territorial Reinforcement was also incorporated into the public and private areas of the business:

- A glass wall separates the screening lobby from the retail area, ensuring the orderly and controlled screening of those seeking entry to the retail area;
- The sales area and retail area are separated by point-of-sale counters and swing gates, clearly communicating a boundary between the areas and affording protection to cash and product stored behind the point-of-sale counter; and
- Role-specific access credentialing of employees is afforded by its use of a common staff corridor with high-security rooms requiring credentialed access therefrom. This model allows all employees to access staff amenities without subjecting product, cash and infrastructure to vulnerability and employees without a legitimate business need to enter these areas.

#### Lighting:

The applicant has complied with the city's lighting standards by submitting a comprehensive photometric lighting plan. The project site will be well-lit to enhance public safety and visibility. The applicant will install exterior security lighting that provides and maintains at least 1.5 foot-candles of uniform, white LED lighting around the perimeter of the building and at access points. For standalone cannabis businesses, it is essential that the exterior of the building and parking lot areas have sufficient lighting to ensure the safe movement of vehicles and pedestrians. Both the Planning Division and the Covina Police Department reviewed the photometric lighting plan and are satisfied with their proposal.

### Parking:

Under Covina Municipal Code (CMC) Section 17.84.090, cannabis retailers must provide one parking spot for each 200 square feet of gross floor area plus one parking spot for each employee, unless otherwise determined by the director pursuant to a traffic and parking study. Under **Table 1** below, the Off-Site Parking Matrix summarizes the on-site parking for the site and the proposed expanded use. The amount of total parking spaces provided is 32 with roughly 5-10 employees. The proposed parking layout will offer 47 parking spaces with additional parallel parking off Rowland St.

Additionally, Parking within the Covina Town Center Specific Plan (CTCSP) is transferred onto city-owned public parking facilities. In this case, The Covina City Hall Public Parking Lot is East of the subject site with approximately 100 parking stalls, including existing angled street parking along Citrus Avenue, resulting in adequate parking for the proposed use.

Please note that Assembly Bill 2097 (AB 2097) is a recent California law that prohibits public agencies or cities from imposing a minimum automobile parking requirement on most development projects located within a half-mile radius of a major transit stop. This project is approximately .04 miles from a high transit bus stop. Overall, the staff has determined there is sufficient parking available within the site.

**Table – 1**  
**Off-Site Required Parking Matrix**

<b>Minimum Required Off-Street Commercial Parking Space(s)</b>	<b>Total Gross Floor</b>	<b>Parking Space Provided</b>
<u>Cannabis Retail Store</u> - One for each 200 square feet of gross floor area plus one for each employee at any shift, unless otherwise determined by the director pursuant to a traffic and parking study.	3,956 sf ÷ 200 sf = 19.7 parking stalls (Round to the nearest tenth)  10 employee = 10 parking stalls  <b>= 35 parking stalls</b>	15 Parking stalls  1 ADA parking stalls
Total:	35 parking spaces	16 parking spaces overall

### Conditional Use Permit:

Under Chapter 17.84 (“Cannabis Prohibitions and Regulations”) of the CMC, any proposal for cannabis retail must include a development agreement and a conditional use permit. Additionally, the proposal must comply with the standards outlined within the chapter, as well as the requirements of the underlying zoning district. For this property, the relevant zoning district requirements typically pertain to the “Covina Town Center Specific Plan Mixed Use” zone and CMC Chapter 17.84. As previously described, all proposed modifications to accommodate such use are interior tenant improvements and exterior site improvements that will include parking resurfacing and restriping.

### Cannabis Business Permit:

Upon receiving the planning commission's recommendation for approval to the City Council, the applicant must begin the Cannabis Business Permit approval process with the Code Enforcement Division. This division will handle the permit application and oversee the annual cannabis renewal permit in collaboration with the Covina Police Department, as well as the Planning and Building & Safety Divisions. Once the City Council formally approves the project and all documentation approval requirements are met, a Cannabis Business Permit will be issued.

#### Business License:

All applicants who wish to establish, maintain, operate, or conduct a cannabis business in the city must obtain a business license. To secure a Cannabis Business Permit, a business license is necessary.

#### State License:

All applicants who proposes to establish, maintain, operate, or conduct a cannabis business in the city and every property for which a cannabis business is proposed to be established, maintained, operated, or conducted shall obtain all state licenses for the activity to be conducted. The applicant must cooperate with other public agencies to secure all necessary state license(s) prior to obtaining a Cannabis Business Permit through Code Enforcement.

#### Development Agreement:

Prior to commencement of any commercial cannabis activities, the applicant must enter into a development agreement with the city. This agreement is a prerequisite for obtaining a conditional use permit and will outline the terms and conditions under which the cannabis business will operate, in addition to the requirements specified in this chapter. The conditions of the agreement shall include, but are not limited to:

- a) Public outreach and education.
- b) Payment of community benefit fees and any other charges agreed upon by both parties.
- c) Approval of architectural plans, which should include the site plan, floor plan, and elevation.
- d) Provisions for terminating the agreement or invalidating or revoking the conditional use permit.
- e) Indemnification of the city and all its officials and employees from actions by third parties. This includes, but is not limited to, enforcement issues arising from conflicts between state and federal law or challenges to the issuance of a permit for the cannabis business.
- f) Any other terms and conditions that will protect and promote the public health, safety, and welfare of all residents in the city.

Attached is a copy of the final draft development agreement (Attachment No. F). City staff is currently working on language related to "Gross Revenue" to ensure it aligns with State Law (SB1059). This issue will be resolved in time for City Council action.

#### Operation and Management Plan.

City staff, comprising the Planning Division, Code Enforcement, and the Covina Police, met with our counterparts from the City of Santa Ana to gain a better understanding of cannabis business operations. To further enhance our knowledge, Santa Ana staff conducted detailed site visits to various cannabis retail establishments to observe their day-to-day operations and management practices. Following these visits, City staff reviewed the application for the proposed operation and management plan and found no concerns and are satisfied with the proposal presented.

#### Signage:

In accordance with CMC 17.84.090.C, no cannabis or cannabis products, nor graphics depicting cannabis or cannabis products, will be visible from the exterior of the business or on any vehicles owned or used by the business.

No outdoor storage of cannabis or cannabis products is permitted at any time. According to CMC 17.84.070.H.7, Zen Garden will notify all patrons of the following through conspicuous signage posted throughout the premises, including within the lobby and in view of the point of sale area:

- The secondary sale, barter, or distribution of cannabis is a crime and can lead to arrest.

- Loitering on and around the cannabis business is prohibited by California Penal Code Section 647(e). Patrons must leave the site immediately and are not allowed to consume cannabis in the vicinity of the cannabis retail site, on the property, or in the parking lot.
- Patrons may be subject to prosecution under federal cannabis laws.
- The use of cannabis may impair a person's ability to drive a motor vehicle or operate machinery.

Zen Garden will post a clearly legible sign in a prominent location outside the building, near the entrance to the premises, indicating that the following actions are prohibited on the premises:

- Smoking, ingesting, or consuming cannabis, marijuana, or alcohol
- Possessing deadly weapons, including concealed firearms, even if licensed
- Allowing persons under the age of 21 on the premises
- Wearing hats, sunglasses, hoodies, or other accessories that obscure identity
- Bringing personal bags, backpacks, duffel bags, large purses, or other containers

All signage submitted by the applicant will be reviewed as a separate sign permit application, and related plans will be required to demonstrate compliance with the City's cannabis sign ordinance for the property.

### **FINDING OF FACTS**

CMC Section 17.62.120 provides that the Planning Commission, in approving a Conditional Use Permit shall find as follows:

#### **A. Findings for Conditional Use Permit (CMC Section 17.62.120)**

1. **The site for the proposed use is adequate in size and shape to accommodate the use and all yards, spaces, walls and fences, parking, loading, landscaping, and other features required by this title to adjust the use with land and uses in the neighborhood.**

***Facts:*** The overall 11,865-square-foot building has existed on the subject site since 1948, with no known issues pertaining to appurtenant commercial activities. The 3,956 square feet interior space in which the proposed cannabis retail store would operate appears to have sufficient physical dimensions to support the use of retail, in addition, as noted under project analysis, the proposed parking lot configuration would accommodate the parking needs of the business. The subject site is located within the Town Center Specific Plan – Mixed Use zone. Part of the scope of work is providing exterior lighting for visibility and to safely illuminate during hours of darkness. City staff surveyed and inspected the proposed cannabis business location, as measured in a straight line 600 feet from the property line, to the nearest property line of a school, day care center, youth center and park and determined the proposed location is not within 600 feet of a sensitive use and, therefore complies with this provision. **Therefore, as proposed, this criterion has been met.**

2. **That the site for the proposed use relates to streets and highways adequate in width and pavement type to carry the quantity and kind of traffic generated by the proposed use.**

***Facts:*** The site is located within an established development, uses conform well to the surrounding neighborhood infrastructure, and support services with access to major streets, freeway system, and retail services. The proposed use involves a cannabis retail store generating a negligible increase in traffic. The City/Traffic engineer has reviewed the proposal and determined that Citrus Ave has sufficient widths and capacities to accommodate this use. **Therefore, as proposed, this criterion has been met.**

3. **The proposed use will have no adverse effects on the abutting properties or the permitted use thereof.**

**Facts:** As noted under the first finding, the appurtenant commercial building has existed for many years. Relative to the current building and supporting improvements on the project site, the changes would constitute a refinement of the interior and its appurtenances. No potentially negative impacts relative to the cannabis business. In addition, the approval of conditions would provide the city with adequate requirements for ensuring the project and use compatibility with the surroundings, and the proposed Cannabis business would not become a nuisance for adjacent businesses. The proposed cannabis business meets the cannabis regulations under CMC Section 17.84.070. **Therefore, as proposed, this criterion has been met.**

4. **That the conditions stated in the decision are deemed necessary to protect public health, safety, and general welfare. Such conditions include regulation of use, regulation of signs, requiring maintenance of grounds, regulation of noise, vibrations, odors, etc., regulation of time for certain activities, duration of use, and any such other conditions as will make possible the development of the city in an orderly and efficient manner and conformity with the intent and purposes set forth in this title.**

**Facts:** The operation of a cannabis retail store is conditionally permitted within the Town Center Specific Plan – Mixed Use. All activities associated with the business will be conducted in a manner that will meet the provisions of Chapter 9.40 (Noise - which seeks to prevent unusual noises and vibrations). Approval of these applications will expire 2 year from the date of Project approval if building permits are not issued unless otherwise extended pursuant to applicable laws. Conditions of approval have been formulated to ensure that the proposed improvements for cannabis retail store establishment will operate in a manner consistent with the Covina Municipal Code and will not negatively affect the public health, safety, and general welfare of the community. Conditions of approval will ensure that the site maintains mitigates noise level and operate within the approved business hours. No major public health or safety-related impacts have been identified during the project review. The Development Review Committee, comprised of Building and Safety, Environmental Services, Los Angeles County Fire, Covina Police Department, and Planning and Engineering, were provided with the opportunity to review and comment on the project application. In addition, the proposed use has been conditioned to ensure that no potential issues would arise during operations. The staff's comments confirm that the proposed use would operate in a manner consistent with the Covina Municipal Code and Covina Town Center Specific Plan which it would not negatively affect the public health, safety, and general welfare of the community. **Therefore, as conditioned, this criterion has been met.**

## **B. Findings for Site Plan Review (CMC Section 17.64.070)**

In order to approve the Site Plan Review (SPR) application, the Planning Commission must make the findings as listed below:

1. **All provisions of Title of the CMC are complied with;**

**Facts:** As described in detail within the "Project Analysis," the proposed operation of a cannabis retail store within the Town Center Specific Plan – Mixed Use zone. Conditions of approval will ensure that the site conforms with all the requirements from maintenance to mitigating the odor within the site. The site is located within an established area characterized by existing streets, sidewalks, walls, existing structures, and uses that conform well to surrounding commercial infrastructure, circulation, and support services. The project would have no negative impacts on existing streets and sidewalks in that the proposed project is a minor tenant improvement with minimal impact on existing and surrounding traffic conditions with the proximity to public transit, and other forms of accessible transportation options (i.e., Uber, walking, cycling, etc.) With the overall improvements, and recommended conditions of approval, the proposed use will have no adverse effect on surrounding properties. **Therefore, as conditioned, this criterion has been met.**



2. **The design and layout of the proposed development are consistent with the general plan, zoning code, development standards of the applicable zoning district, specific plans, design guidelines and objective design standards;**

**Facts:** The proposed scope of work is consistent and conforms to the City of Covina's General Plan Goals in that the establishment of a cannabis retail store "Encourage the revitalization or upgrading of deteriorating commercial and industrial structures through City, private development, and/or other efforts." The proposed cannabis retail store conforms to the City's design guidelines for said use, as reviewed and determined by planning staff. As such, the proposed scope of work satisfies all applicable guidelines to the project, as outlined under the Covina Municipal Code, Covina Town Center Specific Plan, the Covina Design Guidelines, and General Plan. **Therefore, as conditioned, this criterion has been met.**

3. **The design of the proposed development or the alterations to existing structures will not interfere with the use and enjoyment of existing neighborhood and future development, and will not create traffic or pedestrian hazards;**

**Fact:** As described in detail within the 'Project Analysis' and illustrated on attached architectural plans (Attachment D), the proposed project complies with all required development standards (i.e. size, shape, setbacks, walls, fences, parking, loading, landscaping) for the establishment of cannabis retail business and other associated improvements. The subject site is located within the Town Center Specific Plan – Mixed Use zone with a blend of fabrication, manufacturing, assembly or processing of materials which will be compatible and not interfere with any of the business surrounding the site. The subject site is within an established area characterized by commercial uses, connecting well to existing neighborhood infrastructure and support services. Proposed improvements to the site are aesthetically pleasing, functional, and visually compatible with neighboring structures and the area within which it is proposed to be located and follow the Covina Municipal Code. Staff assesses all applications in the City for the suitability of the space and its proposed uses. Any cannabis retail business is reviewed for the location of the retail area, loading spaces, queuing line, bathroom facilities, mechanical/electrical/plumbing improvements, security, landscape, and sales floor area ensure that they are operating as stated. The project site is approximately 12,941 square feet (0.30 acres) in land area and developed with a 11,865 square foot existing commercial building occupied by multiple tenants. **Therefore, this criterion has been met.**

4. **The proposed development has been reviewed in compliance with the provisions of the California Environmental Quality Act (CEQA);**

**Fact:** The proposed Project is designed and in conformance with development standards consistent with the character, appearance, and features described within the Town Center Specific Plan – Mixed Use zone there by facilitating the desired sustainability and stability adequate for its environment, the neighborhood, and the community it will serve. The project involves interior improvements and upgrades. No structural additions are proposed. Staff has determined that the project is exempt from the requirements of California Environmental Quality Act (CEQA) Guidelines under the Class 1 exemption under state CEQA Guidelines Section which consists of the operation, repair, maintenance, permitting, leasing, licensing, and minor alteration of an existing private structure involving negligible or no expansion of an existing use, including interior or exterior alterations involving such things as interior partitions. **Therefore, this criterion has been met.**

5. **The proposed development will not be detrimental to the public health, safety or welfare or materially injurious to the properties or improvements in the vicinity;**

**Facts:** Construction activities during the tenant improvements are not likely to cause serious public health problems. All potentially hazardous materials used during project construction will be disposed of in accordance with manufacturers' specifications and instructions, thereby reducing the risk of hazardous materials use. In addition, the Project would comply with all applicable federal, state, and local requirements concerning the use, storage, and management of hazardous materials, including



but not limited to the Resource Conservation and Recovery Act, California Hazardous Waste Control Law, federal and state Occupational Safety and Health Acts, SCAQMD rules, and permits and associated conditions issued by the Building and Safety Division. **Therefore, as conditioned, this criterion has been met.**

6. **The development complies with the provisions for dedications, public improvements and undergrounding utilities pursuant to CMC 17.64.140 and congestion management and transportation demand management requirements pursuant to CMC 17.64.150;**

**Facts:** All new utility service lines that are installed to serve the tenant space shall be placed underground. The Applicant shall comply with any other utility and/or street improvements required by the Department of Public Works (Engineering, Traffic, and Environmental Services). **Therefore, as conditioned, this condition has been met.**

### **C. Findings for Development Agreement (Government Code Section 65867.5)**

A development agreement shall not be approved unless the legislative body finds that the provisions of the agreement are consistent with the general plan and any applicable specific plan.

### **PUBLIC HEARING NOTICE AND NOTIFICATION**

All property owners within a radius of at least 300 feet from the overall project site were mailed notices of the Planning Commission public hearing a minimum of ten (10) days before the hearing as required by law. In addition, the public hearing notice for June 24, 2025 was published in the San Gabriel Valley Examiner newspaper on June 12, 2025.

### **ENVIRONMENTAL DETERMINATION**

Staff has determined that the project is exempt from the requirements of California Environmental Quality Act (CEQA) Guidelines under Section 15301 (1), for the project consists of the operation, repair, maintenance, permitting, leasing, licensing, and minor alteration of an existing private structure involving negligible or no expansion of an existing use, including interior or exterior alterations involving such things as interior partitions. The project involves interior improvements and upgrades to an existing facility. No structural additions are proposed.

### **STAFF RECOMMENDATION**

Staff recommends that the Planning Commission adopt Resolution No. 2025-013 recommending that the City Council approve Conditional Use Permit (CUP) 25-004, Site Plan Review (SPR) 25-039, with the attached Conditions of Approval, and make a determination of exemption from California Environmental Quality Act (CEQA); and Resolution No. 2025-014 recommending that the City Council adopt Development Agreement (DA) 25-002 and make a determination of exemption from CEQA.

Prepared by:

Approved By:



Eduardo Lomeli  
Assistant Planner



Brian K. Lee  
Director of Community Development

## **ATTACHMENTS**

- A.** City Application
- B.** Cannabis Zoning Verification Letter
- C.** 300-feet radius map | address label
- D.** Submitted Plans
- E.** Resolution No. 2025-013 PC - (CUP)25-004 and (SPR)25-039, w/ Conditions of Approval
- F.** Resolution No. 2025-014 PC - Development Agreement (DA) 25-002
  - 1. Exhibit A – Ordinance No. XXX
  - 2. Development Agreement