



CITY OF BANNING STAFF REPORT

TO: PLANNING COMMISSION

FROM: David Newell, Community Development Director

PREPARED BY: Mark Staples, Planning Manager

MEETING DATE: August 6, 2025

SUBJECT: CONTINUED PUBLIC HEARING - Consideration of a Cannabis Conditional Use Permit (CUP) Application Case No. PLN 24-0107, by Flower Dept, LLC to allow for the commercial cultivation of cannabis (Project) within an existing 8,041 square foot industrial building at 200 John Street, in the Industrial (I) Zoning District (APN 541-220-006)

PROJECT APPLICANT:

Property Owner: Flower Dept., LLC (Antonio Simeone)
19360 Rinaldi Street
Porter Ranch, CA 91326

Business Owner: Antonio Simeone
Flower Dept., LLC
19360 Rinaldi Street
Porter Ranch, CA 91326

Business Owner: Kenneth R. Brymer
Flower Dept., LLC
1523 Jeff Avenue
Lake View Terrace, CA 91342

Project Applicant: Ricardo Alcantara
E. Conservation Construction
1665 E. 4th Street, Suite 101
Santa Ana, CA 92701

Project Applicant: Laura Leindecker
LLLeindecker & Associates
LLLeindecker@yahoo.com // Tel. 951.318.2750

BACKGROUND:

PLANNING COMMISSION PUBLIC HEARING JULY 9, 2025:

On July 9, 2025, the Planning Commission considered a request to review a commercial cultivation of cannabis application within an existing 8,041 square-foot vacant industrial building located at 200 John Street.

The Planning Commission conducted a public hearing to make a recommendation to the City Council to

either approve, conditionally approve or not approve a Cannabis – Conditional Use Permit (PLN 24-0107) application (Project) submitted by the Project Applicants, Flower Dept LLC.

Commissioners noted that some conditions of approval (Planning #10, 14, 26, 31, 32, and 33) needed revisions regarding site inspections, screening of loading areas, filtration systems to prevent odors, the business required to have a community relations representative with their contact information publicly available, recording a public access agreement prior to Certificate of Occupancy, and the business to provide quarterly operations reports on community complaints on operations and odor prevention. Further, the Commission requested if the proposed project qualifies for a CEQA Categorical Exemption.

The Planning Commission passed a motion to continue the public hearing to a Special Meeting on August 6, 2025 (**NOTE: the July 9, 2025, Staff Report Background and Discussion is retained below with minor modifications, edits, and necessary revisions per Commission direction**).

DISCUSSION ON RESPONSES AND REVISIONS:

Planning Staff have worked with the applicant to agree to the revisions to Planning Conditions of Approval #10, 14, 26, 27, 30, 31, 32, 33, and 34 as outlined in the attached resolution. Staff's review of CEQAnet (the online source of state CEQA determination filings by all cities, counties, and other agencies) found that a majority of cannabis projects have utilized the Section 15301 Categorical Exemption. All projects involving the use of an existing commercial or industrial structure for cannabis cultivation or manufacturing uses have utilized the Section 15301 exemption. Exempt projects still included odor prevention reporting as is required for this project.

Those that have required further analysis through a Mitigated Negative Declaration (MND) or Environmental Impact Report (EIR) have involved new much larger ground up construction or large outdoor growing and cultivation facilities (i.e. 30,000 s.f. or larger properties or greenhouses). In the MND analysis, most discuss little about odor control for the larger outdoor growing facilities as they figure the odor nuisance will dissipate in larger outdoor settings. Others that involved indoor cultivation do discuss odors, but have not considered those emanating from cannabis growth and harvesting as part of the greenhouse gas (GHG) emissions analysis. For new construction, the Air Quality analysis involved more discussion on the emissions from grading and other construction equipment and less about odors from the cannabis activity. Some conditioned projects for regular reporting similar to what is conditioned for this project.

BACKGROUND:

This is a request to review the commercial cultivation of cannabis application (Project) within an existing 8,041 square-foot vacant industrial building located at 200 John Street. The applicant is also proposing tenant improvements to the interior building consisting of grow rooms, dry/trim/harvesting rooms, office/security room, storage room, break room, and employee restrooms.

The Project will include access by a paved driveway off Galleher Way. The property owner, Flower Dept., LLC, has negotiated an easement at the end of a cul-de-sac on Galleher Way to allow vehicle ingress/egress to the Project. Project access off John Street will be closed to all vehicles. Project-related business traffic will be conducted exclusively through the new, dedicated ingress/egress easement on Galleher Way.

The purpose of this Planning Commission public hearing is to determine that Cannabis Conditional Use Permit (PLN 24-0107) complies with the City of Banning Municipal Code regulations and California Environmental Quality Act (CEQA) guidelines. The Planning Commission is to make a recommendation to the City Council to either approve, conditionally approve or not approve the application based on required findings described in this report.

Related Actions

The Property Owner has entered into an agreement with the adjacent property owner at 313 Galleher Way to secure a 40' access easement on the eastern end of their property. A Condition of Approval is included that requires the recordation of the access easement prior to the business receiving a Certificate of Occupancy.

DESCRIPTION:

Existing Conditions:

The project site consists of an existing, single-story, 8,041-square-foot industrial building. The structure is currently vacant. The 0.61-acre net lot is paved and contains no outdoor storage. The site is flat, developed, and not subject to environmental constraints.

In the tables that follow are the adjacent street conditions and surrounding properties uses, general plan designations, and zoning designations.

<i>Existing Street Improvement Conditions</i>			
<i>Street Name</i>	<i>Travel Lanes</i>	<i>Curb & Gutter</i>	<i>Sidewalk</i>
Galleher Way	Y	Y	Y
<i>Surrounding Property</i>	<i>Existing Land Use Per Chapter 17</i>	<i>Existing General Plan Designation</i>	<i>Existing Zoning Designation</i>
<i>Subject Property</i>	<i>Industrial</i>	<i>Industrial</i>	<i>Industrial</i>
North	Railroad/Public Facility	Public Facilities – Railroad/Interstate (PF-RI)	PF-RI
South	Industrial Building	Industrial	Industrial
East	Power Plant	Industrial	Industrial
West	Industrial Building	Industrial	Industrial

Project Compliance with Standards:

Pursuant to BMC Section 17.12.030, the following development standards apply:

<i>Industrial Zone Standard</i>	<i>Required/ Allowed</i>	<i>Provided</i>	<i>Compliance</i>
Min. Lot Size	10,000 SF	25,265 SF	Y
Min. Lot Width (Feet)	70	386' - 10 3/8" North 252' - 2" South	Y
Min. Lot Depth (Feet)	100	110' 1"	Y
Min. Setbacks (Feet)			
· Front (South)	10'	10'	Y
· Street Side (East)	10'	10'	Y
· Side (West)	0'	0'	Y
	0'	0'	Y

Max. Bldg. Coverage	60%	32%	Y
Max. Building Height	2 Stories	1 Story	Y
	50 Feet	24'-11"	
Perimeter Wall Height			
· North	8 Feet	6' fence	Y
· South	8 Feet	New 6' block wall to screen w/sliding gate	Y
· East	8 Feet	6' fence	Y
· West	8 Feet	6' fence	N/A
Trash Enclosure	Screened	Y	Y
	6' High (bin)	6'	Y
	3'-6" High (cans)		
Mechanical Equipment	Screened	Screened	Y

Pursuant to BZO Section 17.28.040, the following parking standards apply:

Use	SF or # of Units	Parking Ratio	Required	Provided	Compliance
Indoor Cannabis Cultivation	8,041 SF	2+ 1/1,000 SF	10	N/A	
Office (two)	116	1/200	1	N/A	
TOTAL SPACES:			11	11	Y
Regular and Handicap Spaces:			2 ADA	9 Regular	

Site Plan:

The proposed project is located on a 0.61-acre parcel developed with an existing 8,041-square-foot industrial building. The building is centrally located on the site, with vehicle access exclusively via a new access easement at the northern terminus of Gallaher Way. Access from John Street will be permanently restricted. Parking and driveway areas, totaling approximately 6,436 square feet, are located on the south and east sides of the building, with two spaces on the north side of the building, and are separated from the public street, consistent with BMC 17.12.110(H) and (O).

The site layout avoids expansive parking fields and instead clusters parking to support the primary use, in line with BMC 17.12.100(J). The layout allows for efficient vehicular circulation while minimizing pedestrian conflict, as encouraged by BMC 17.12.100(C) and BMC 17.12.110(K). While this is a single-use building, it is oriented to the internal access point rather than the public right-of-way, given the nature of its industrial use and access requirements. Loading areas are confined to the south side/rear of the site, and will be screened with a 6-foot high decorative block wall, in compliance with BMC 17.12.100(H).

Mass and Scale:

The project involves the reuse of an existing single-story industrial building totaling 8,041 square feet. No additions or exterior structural changes are proposed, and the height, bulk, and overall massing will remain consistent with the original construction. The building is typical in size and scale for the Industrial (I) zoning district and is compatible with surrounding development.

While the building predates some of the architectural design guidelines in BMC 17.12.090 and 17.12.150, it avoids undesirable features such as blank, unarticulated facades or reflective surfaces. The site upgrades, including new landscaping, secured access from Galleher Way, and screened parking, support improved site functionality and better compliance with current design principles. The project maintains a low profile, consistent with the surrounding built environment, and requires no transition in height or massing due to the compatible design with adjacent industrial uses.

Buffers and Open Space:

Although the project consists of an existing industrial building, site upgrades include new landscaping and perimeter treatments to enhance visual compatibility with surrounding development and comply with BMC 17.12.120. A total of 1,337 square feet of landscaping is proposed, primarily along the site's street frontage and east side property lines, which will soften the transition between the building and adjacent parcels. Landscaping elements are appropriately scaled to the building and are intended to improve aesthetics, screen parking areas, and delineate access points, in alignment with 17.12.120(A)–(C) and 17.32.040.

The project proposes decorative CMU perimeter wall on the southern property line to provide visual and security screening. The screening complies with 17.12.130 by incorporating architectural features and being compatible in height and materials with surrounding structures. No outdoor storage areas are proposed; however, any mechanical equipment installed on-site will be screened in accordance with 17.12.140(B). Chain link fencing is existing on-site, and fencing and walls will meet current design standards, including maximum height limitations and clear sight requirements at driveways and intersections.

Grading and Topography:

The project site is flat and fully developed with an existing industrial building and paved surfaces.

Minimal grading will be required as part of the proposed tenant improvements, limited primarily to parking resurfacing necessary to meet ADA accessibility standards and ensure proper stormwater drainage. No alterations to site topography are proposed. The project will comply with all applicable City standards for grading, drainage, and stormwater management, and no off-site impacts to adjacent parcels are anticipated.

Existing Cannabis Businesses in the Area:

The following cannabis businesses are located in proximity to the project site at 200 John Street. Their license type and operational status are noted:

Address	Business Type	Status
<i>195 E Lincoln Street</i>	<i>Extraction</i>	<i>Active</i>
<i>820 S Hathaway Street</i>	<i>Cultivation</i>	<i>Active</i>
<i>313 S Gallagher Way</i>	<i>Cultivation</i>	<i>Inactive</i>
<i>700 S Hathaway Street</i>	<i>Cultivation</i>	<i>Inactive</i>

At present, one licensed cultivation and one licensed extraction cannabis business are active within the City of Banning, while two additional sites previously permitted for cultivation are currently inactive. The project site at 200 John Street would represent a new addition to the City's cannabis cultivation footprint if approved.

Address Update:

The project site was originally identified as 200 John Street (APN: 541-220-006). However, due to the establishment of a new vehicular access easement connecting the site to Galleher Way, the City will initiate a formal address change. The site will be recognized as 319 Galleher Way to reflect the new point of access and ensure accurate addressing for public safety, emergency response, and utility coordination.

All future references to the property for permitting, licensing, and compliance purposes will utilize the updated address: 319 Galleher Way, Banning, CA 92220

Operating Characteristics:

The proposed cannabis cultivation facility will operate daily from 6:00 AM to 10:00 PM. Flower Dept., LLC has submitted comprehensive operations plan covering safety, security, odor control, and waste management. Security features include 24/7 video surveillance, proximity card access, alarm systems, secure storage, and on-site security personnel. Inventory control will utilize METRC, with regular audits and robust waste tracking protocols. Odor mitigation/prevention will rely on carbon filtration, and the business will employ water- and energy-efficient practices. The applicant has committed to hiring locally, supporting community engagement, and generating local tax revenue.

Economic Benefit:

The Project Applicant anticipates 6-10 full-time employment positions created by the Project. The Project Applicant has committed to hiring locally, supporting community engagement, and generating local tax revenue.

The City Finance Department estimated that for FY 2025, \$814,388.00 in cannabis tax revenue was generated.

FINDINGS:**Cannabis - Conditional Use Permit:**

BMC Section 17.52.050 requires that the seven findings be met to justify approval of a Cannabis - Conditional Use Permit application. Staff have analyzed the application against these findings for – Cannabis - Conditional Use Permit, Case No. 24-0107:

Finding A: The proposed use is consistent with the General Plan.

Finding of Fact: The proposed Project cannabis cultivation is consistent with the General Plan's designation for industrial development in the area, which supports cannabis cultivation, warehousing and office uses. Further, Conditional Use Permit 24-0107 is consistent with General Plan Economic Development Policy, which states: "The City shall take a proactive role in the retention of existing businesses and the recruitment of new businesses, particularly those that generate and broaden employment opportunities, increase discretionary incomes, and contribute to City General Fund revenues." Approval of proposed Cannabis - Conditional Use Permit Case No. 24-0107 would allow the applicant to promote business diversity, while providing an economic benefit to the City.

Finding B: The proposed use is conditionally permitted with the Industrial zoning district and complies with all of the provisions of BMC Chapter 17 of the BMC..

Finding of Fact: The proposed project complies with the applicable requirements of the Industrial (I) zoning district as outlined in BMC Chapters 17.12 and 17.53. The project meets or exceeds all applicable development standards, including lot size, setbacks, building height, and parking requirements, ensuring conformance with the zoning ordinance for industrial uses. Table 17.12.020 ("Permitted, Conditional and Prohibited Commercial and Industrial Uses") of Section 17.12.020 of Chapter 17.12 of Title 17 of the Banning Municipal Code provides that "Cannabis Commercial Indoor Cultivation", is a conditionally permitted use in the Industrial zoning district. The proposed Cannabis Cultivator complies with all other applicable provisions of Title 17 of the Banning Municipal Code, including the standards set forth in

Section 17.12.050.V. applicable to Cannabis Cultivator (Use Specific Development Standards). Lastly, the proposed project complies with the provisions of Chapter 17.53, including standards regarding the premises, personnel, security, cannabis tracking and tracing, signage, waste management, sanitary requirements, and odor control.

Finding C: The proposed use would not impair the integrity and character of the land use district in which it is to be located.

Finding of Fact: The proposed use is located on the former right-of-way of John Street, located in the northern end of Galleher Way. Adjacent properties consist of other industrial uses, including cannabis cultivation, towing yards, plumbing supply, and energy management. Access ingress/egress to the Project is via an access easement at the north end of the Galleher Way. It is anticipated that the area would contain indoor commercial cannabis cultivation which is conditionally permitted within the City under Banning Municipal Code Chapter 17.53 Cannabis Conditional Use Permits.

Finding D: The subject site is physically suitable for the type and intensity of land use being proposed.

Finding of Fact: The subject site currently consists of an existing industrial warehouse building and the applicant is proposing interior changes to the building to create the growing room setting needed for cannabis cultivation. Furthermore, the project site will utilize existing paved areas for adequate parking, access, and lighting. The building is of adequate size and design to accommodate cannabis cultivation.

Finding E: There are adequate provisions for water, sanitation, and public utilities and services to ensure that the proposed use would not be detrimental to public health and safety.

Finding of Fact: The existing project site and structure are currently tied to the local water, sewer, and Banning Electric Utility public utility system.

Finding F: There will not be significant harmful effects upon environmental quality; natural resources; or neighborhood characteristics.

Finding of Fact: The proposed Cannabis – Conditional Use Permit is exempt from the requirements per Section 15301 of the CEQA Guidelines as the proposed project is utilizing an existing structure with no proposed expansion of the structure or use.

Finding G: The proposed location, size, design, and operating characteristics of the proposed use will not be detrimental to the public interests, health, safety, convenience, or welfare of the City of Banning.

Finding of Fact: The proposed location, design, and operating characteristics of the proposed cannabis cultivation facility will not be detrimental to the public interests, health, safety, convenience, or welfare of the City of Banning and will complement existing cannabis and industrial businesses located on Galleher Way. Cannabis related activities are regulated by the State of California, Bureau of Cannabis Control (BCC). The applicant must maintain a valid BCC license to be compliant with the Banning Municipal Code and BCC. If determined for good cause that the continuance of such license would be contrary to the public safety and welfare, the City of Banning and the BCC are authorized to suspend or revoke any license.

ENVIRONMENTAL DETERMINATION:

Planning staff has determined that the project qualifies for a Class 1 categorical exemption under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15301 – Existing Facilities. This exemption applies when a project involves interior or exterior tenant improvements, maintenance, permitting, or licensing of an existing structure where there is negligible or no expansion of use or capacity.

This project involves converting an existing 8,041-square foot vacant industrial building into a cannabis cultivation facility through tenant improvements only, such as partitioning, HVAC, electrical upgrades, and plumbing, with no change to the exterior footprint, height, or building coverage. The site is fully developed and served by existing utilities, and it is not located on environmentally sensitive lands or hazardous sites. There is no evidence of cumulative impacts or unusual circumstances that would affect

scenic or historic resources, as similarly concluded for prior cultivation projects in the City. The proposed project and cultivation business is subject to the submission of quarterly reports that outline their operations and cataloging nuisance odors and other community complaints.

Based on these considerations, the project meets the criteria for a Class 1 exemption. A Notice of Exemption will be filed with the Riverside County Clerk following the City Council's approval.

PUBLIC COMMUNICATION:

On July 1, 2025, a notice of public hearing was mailed to owners within 300 feet radius of the Project site, notifying the public that the subject application(s) would be considered by the Planning Commission at a public hearing on July 9, 2025.

This notice was also published in the Record Gazette, a newspaper of general circulation within the City of Banning, on June 27, 2025.

No further noticing was required due to the Commission's action to continue the public hearing from the July 9, 2025, to the August 6, 2025, date. As of this drafting of this staff report, no additional public comments were received either for or opposed to the Project.

ATTACHMENTS:

1. [05b PLN 24-0107 PC Resolution 8-6-25.pdf](#)
2. [05c PLN 24-0107 COA 8-6-25.pdf](#)
3. [05d PLN 24-0107 Map Exhibits.pdf](#)
4. [05e PLN 24-0107 200 John St Plans.pdf](#)
5. [05f PLN 24-0107 NOE.pdf](#)
6. [05g CEQAnet Recent Listings.pdf](#)
7. [05h PLN 24-0107 Flower Dept LLC Operations Plan.pdf](#)