

Conditional Use Permit	1105 Van Horn Trace
CUP-20-11	Surterra



Summary

Request:	New Conditional Use Permit for the use of Bio-Medical Facilities, Distribution Center, Food Processing (no outside public consumption), and Plant Nursery (retail sales / outdoor storage)		
Applicant:	Marcus Ruark Surterra Texas, LLC 600 Congress Ave Austin, TX 78701	Property Owner:	Timothy D. England, SVP Highpointe Trace, LLC 530 Technology, Ste 100 Irvine, CA 92618
CUP Expiration:	N/A	Type of CUP:	Land Use
Interior Floor Area:	+/- 125,200 sq ft	Outdoor Floor Area:	Site is +/- 9.75 acres
Parking Required: <u>Office</u> : 1 per 300 SF GFA <u>Retail</u> : 1 per 250 SF GFA <u>Research Lab</u> : 1 for each 1.5 employees in the maximum work shift. <u>Distribution Center</u> : 1 space for each 2,000 SF GFA		Parking Provided: <u>Office</u> : 47 spaces (14,000 sf GFA proposed) <u>Retail</u> : 40 spaces (10,000 sf GFA proposed) <u>Research Lab</u> : 84 spaces (125 employees proposed) <u>Distribution Center</u> : 2 spaces (3,200 sf GFA proposed) Total Proposed: 173	
Days & Hours of Operation:	The applicant provided the following overview of facility hours of operation: “The hours of operation will vary by operational function. In general, the entire facility needs to be accessible 24 hours per day. Cultivation, processing, operations, and inventory management, for instance, may need 24 hour access, though primary activities would occur during typical workday hours. Retail operations would be limited only by the requirements of the Trace development and, to the extent retail operations are limited, we may still provide delivery outside those hours.”		

Notification

Application:	N/A	Neighborhood Meeting:	N/A
Published:	N/A	# of Participants:	N/A
Posted:	N/A	Personal:	May 14, 2020
Response:	None as of the date of this report		

Property Description

Legal Description:	+/- 9.75 acres out of the William H. Van Horn Survey		
Location:	1105 Van Horn Trace		
Acreage:	+/- 9.75	PDD/DA/Other:	Ord. 2015-42
Existing Zoning:	Planned Development District with a base zoning of General Commercial (PDD/GC)	Proposed Zoning:	N/A

Conditional Use Permit	1105 Van Horn Trace
CUP-20-11	Surterra



Existing Use:	Vacant	Proposed Use:	Bio-Medical Facilities; Distribution Center; Food Processing (no outside public consumption); Plant Nursery (retail sales / outdoor storage); Office; Pharmacy; Research Lab (non-hazardous); Retail Store (under 10,000 s.f. or more bldg.) no outside sales
Preferred Scenario:	Employment Area	Proposed Designation:	Employment Area
CONA Neighborhood:	N/A	Sector:	5
Utility Capacity:	Adequate	Floodplain:	No
Historic Designation:	N/A	My Historic SMTX Resources Survey	No

Surrounding Area

	Zoning	Existing Land Use	Preferred Scenario
North of Property:	Agricultural Ranch (AR)	Vacant / rural	Employment Area
South of Property:	Planned Development District with "Public" Base Zoning (PDD/P)	Vacant / rural	Employment Area
East of Property:	Planned Development District with "GC" Base Zoning (PDD/GC)	Vacant / rural	Employment Area
West of Property:	Planned Development District with "GC" Base Zoning (PDD/GC)	Vacant / rural	Employment Area

Staff Recommendation

Approval as Submitted	<input checked="" type="checkbox"/> Approval with Conditions	<input type="checkbox"/> Denial
<p>Staff recommends approval of CUP-20-11 with the following conditions:</p> <ol style="list-style-type: none"> 1. No more than 5,000 square feet of the interior of the facility shall be used for the use of distribution and the facility shall have no more than 6 distribution truck bays. 2. All distribution truck traffic associated with Surterra shall be prohibited from using Esplanade Parkway. 		
Staff: Andrea Villalobos, AICP, CNU-A	Title : Senior Planner	Date: May 18, 2020

Conditional Use Permit	1105 Van Horn Trace
CUP-20-11	Surterra



History

The subject property is located within the Trace Planned Development District (PDD). The Trace PDD was approved in 2015 by the City Council. Development at Trace has been on-going and currently includes several phases of residential homes, neighborhood parks, Rodriguez Elementary, and various phases of major roadways throughout the development.

Additional Analysis

Surterra is one of three companies licensed in the Texas Compassionate Use Program to cultivate and manufacture low-THC medical cannabis for specific patient groups across Texas. The Texas Compassionate Use Program is regulated and enforced by the Texas Department of Public Safety (DPS). The proposed use of Surterra falls into several categories in the Land Use Matrix within the Trace PDD, therefore, this Conditional Use Permit includes requests for several uses. Below is a list of all uses that the proposed development falls under and whether they are permitted by right, or conditional within the PDD/GC zoning district:

Permitted Uses

- Office
- Pharmacy
- Research Lab (non-hazardous)
- Retail Store (under 10,000 s.f. or more bldg.) no outside sales

Conditional Uses

- Bio Medical Facilities
- Distribution Center
- Food Processing (no outside public consumption)
- Plant Nursery (retail sales/outdoor storage)

The site is proposed to be developed as one building with associated parking, drive-aisles, and an exterior screened area for certain storage items (see preliminary site plan). Per DPS regulations, Surterra is not permitted to store regulated materials (cannabis and cannabis-based medicines) outside of the secure facility. The applicant may use exterior portions of the building for the secure and safe storage of processing materials (such as CO2) and/or for DPS-regulated activities such as a compost pile. Surterra proposes to have four truck bays. The primary use of those bays will be for the loading of delivery trucks or the unloading of supply trucks. While large trucks may access the bays on occasion, the applicant does not envision using large trucks to transport materials to/from this facility. According to the applicant, the products are typically small in size and don't require such bulk transport. The building will include the following square footage divisions for a total of approximately 125,200 square feet:

Office: 14,000 sf
 Retail: 10,000 sf
 Cultivation/ Processing/ Analytics/ Packaging: 98,000 sf
 Distribution: 3,200 sf

Conditional Use Permit	1105 Van Horn Trace
CUP-20-11	Surterra



Comments from Other Departments

Police	Commented that the facility will be regulated by the Department of Public Safety
Fire	No Comment
Public Services	No Comment
Engineering	Requested that truck traffic not utilize Esplanade Parkway.

Evaluation			Criteria for Approval (Sec. 2.8.3.4)
Consistent	Inconsistent	Neutral	
<u>X</u>			<p>The proposed use at the specified location is consistent with the policies embodied in the adopted comprehensive plan.</p> <p><i>The subject property is located within an Employment Area on the Comprehensive Plan. The Comprehensive Plan states that “the preferred scenario shows the locations of potential employment areas which are appropriate for industrial, large office park and intensive commercial uses. Typically, these uses are located on large sites with excellent road and rail access and access to water and sewer infrastructure.” The subject property’s location within an Employment Area is consistent with the policies embodied in the Comprehensive Plan and the site will have access to major roadways.</i></p>
		<u>N/A</u>	<p>The proposed use is consistent with any adopted neighborhood character study for the area.</p> <p><i>Studies were not complete at the time of the request.</i></p>
<u>X</u>			<p>The proposed use is consistent with the general purpose and intent of the applicable zoning district regulations.</p> <p><i>The General Commercial zoning district is described in the Trace PDD as follows:</i></p> <p><i>The General Commercial district is “intended to provide shovel ready opportunities for prospective companies and employers. These could include limited (light) commercial and service-related establishments; clean manufacturing; corporate headquarters; and office park/office building uses. The commercial uses within this district will have operation characteristics that are generally compatible with the Community Commercial District and the Multi-Family residential areas immediately adjacent to this area. Careful consideration of building heights and screening will apply. Enhanced architectural guidelines for this area are discussed in Section 6.3 Commercial. Except as otherwise provided herein, this district will comply with the General Commercial (GC) criteria of the City of San Marcos Zoning Regulations.”</i></p>

Conditional Use Permit	1105 Van Horn Trace
CUP-20-11	Surterra



		<p><i>While the proposed Surterra business is comprised of several land uses, all such uses proposed are consistent with the general description of the zoning district. In addition, the subject property is not located directly adjacent to the multifamily residential district within Trace or any single-family uses. The proposed building will be required to meet all architectural guidelines and screening requirements outlined in the Trace PDD.</i></p>
<u>X</u>		<p>The proposed use is compatible with and preserves the character and integrity of adjacent developments and neighborhoods, and includes improvements either on-site or within the public rights-of-way to mitigate development related adverse impacts, such as traffic, noise, odors, visual nuisances, drainage or other similar adverse effects to adjacent development and neighborhoods.</p> <p><i>One of the identified goals within the Trace PDD is “to create new employment opportunities in the City of San Marcos and allow for easy access to and from those employment centers within Trace.” As demonstrated on the Trace Concept Plan (attached), the subject property and all General Commercial zoning within Trace is situated away from any Single-Family zoning and is further separated by greenway and open space infrastructure. The subject property is approximately 2,397 feet from Rodriguez Elementary and meets the Texas DPS requirements that the use be more than 1,000 feet from a school. The subject property has access to Van Horn Trace, one of the development’s major arterials. Van Horn Trace is designed as a boulevard street, with significant landscaping and bike infrastructure (see Van Horn Trace rendering in packet). A portion of this roadway is currently under construction by the subdivision developer, Highpointe Trace. The subject property will have access to this roadway through private drives. Distribution truck traffic for Surterra will occur at the east of the building and truck traffic will be required to take a right-out onto Van Horn Trace. The subject property may also have access to the extension of El Rio Street, however, the alignment of this street is still not finalized.</i></p> <p><i>The site will be improved in accordance with the commercial regulations of the Land Development Code and the regulations of the PDD. Per the PDD, all service and loading areas are required to be oriented away from Van Horn Trace and shall be screened from public view through the use of screening devices which are compatible to the façade of the primary building.</i></p>

Conditional Use Permit	1105 Van Horn Trace
CUP-20-11	Surterra



<u>X</u>		<p>The proposed use does not generate pedestrian and vehicular traffic which shall be hazardous or conflict with the existing and anticipated traffic in the neighborhood.</p> <p><i>The proposed use will generate some distribution truck traffic. According to the applicant, Surterra is proposing 4 truck bays. The primary use of those bays will be for the loading of delivery trucks or the unloading of supply trucks. While large trucks may access the bays on occasion, the applicant does not envision using large trucks to transport materials to/from this facility. According to the applicant, the products are typically small in size and don't require such bulk transport. To eliminate any potential conflicts, the Engineering Department recommends prohibiting truck traffic along Esplanade Parkway. All truck traffic should be managed on the IH-35 frontage road via Van Horn Trace.</i></p>
<u>X</u>		<p>The proposed use incorporates roadway adjustments, traffic control devices or mechanisms and access restrictions to control traffic flow or divert traffic as may be needed to reduce or eliminate development generated traffic on neighborhood streets.</p> <p><i>In addition to the Engineering Department's recommendation that trucks not utilize Esplanade Parkway, distribution trucks will access Surterra through the use of a street-like private drive to the north and west of the property (reference preliminary site plan).</i></p>
<u>X</u>		<p>The proposed use incorporates features to minimize adverse effects, including visual impacts, of the proposed conditional use on adjacent properties.</p> <p><i>The subject property will be required to meet all screening standards outlined in the Land Development Code and the Trace PDD which are intended to ensure there is adequate screening of all parking and service areas from any public rights-of-way.</i></p>
<u>X</u>		<p>The proposed use meets the standards for the applicable district, or to the extent variations from such standards have been requested that such variations are necessary to render the use compatible with adjoining development and the neighborhood.</p> <p><i>The proposed use will be required to meet all standards of the General Commercial zoning district and all regulations in the Trace Planned Development District. The applicant is not requesting any deviations to such standards.</i></p>