



CITY OF SALINAS
CITY COUNCIL STAFF REPORT

DATE: AUGUST 4, 2026

DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT

FROM: LISA BRINTON, COMMUNITY DEVELOPMENT DIRECTOR

THROUGH: COURTNEY GROSSMAN, PLANNING MANAGER

BY: THOMAS WILES, SENIOR PLANNER

TITLE: COMMERCIAL CANNABIS PERMIT 2025-004; APPEAL OF PLANNING COMMISSION UPHOLDING THE SELECTION COMMITTEE DENIAL OF A MAJOR AMENDMENT TO COMMERCIAL CANNABIS PERMIT 2024-009 TO RELOCATE FROM 1610 MOFFETT STREET TO 2033 NORTH MAIN STREET IN THE COMMERCIAL RETAIL – WEST BORONDA ROAD AT U.S. 101 GATEWAY OVERLAY (CR-GW-1) ZONING DISTRICT

RECOMMENDED MOTION:

A motion to approve a resolution as follows:

1. Find the action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378) and exempt pursuant to CEQA Guidelines Section 15061 which includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment; and
2. Affirm the Planning Commission's upholding of the Selection Committee's denial of Emerald Skyway LLC's (doing business as "Valley Farms") request to amend Commercial Cannabis Permit 2024-009 (Commercial Cannabis Permit 2025-004) to relocate from 1610 Moffett Street to 2033 North Main Street within proximity of sensitive uses per Municipal Code Section 5-07.27.

EXECUTIVE SUMMARY:

On November 21, 2025, the Applicant, Emerald Skyway LLC (doing business as "Valley Farms"), submitted Commercial Cannabis Permit 2025-004 for a major amendment ("Amendment

Application”) to Commercial Cannabis Permit 2024-009 (“CCP 2024-009”) to relocate an existing Cannabis Dispensary with accessory Delivery and Distribution from 1610 Moffett Street to 2033 North Main Street. Following the City Attorney’s determination that the Amendment Application contained all the required information, the Amendment Application was forwarded to the Selection Committee appointed by the City Manager for their review in accordance with Article VII of Chapter 5 of the Salinas Municipal Code.

On April 13, 2026, the Selection Committee met to consider the Amendment Application and at that meeting denied the Amendment Application. On April 21, 2026, pursuant to Municipal Code Section 5-07.10, Valley Farms submitted an appeal of the Selection Committee’s denial (see attached Appeal Letter dated April 21, 2026). On June 3, 2026, the Planning Commission upheld the Selection Committee’s denial of the Amendment Application (see Planning Commission Resolution No. 2026-05). On June 9, 2026, pursuant to Municipal Code Section 5-07.10, Valley Farms submitted an appeal of the Planning Commission’s upholding of the Selection Committee’s denial to the City Council (see attached Appeal Letter dated June 9, 2026).

DISCUSSION:

Background:

The proposed site is owned by Northridge Plaza, LLC and is located at 2203 North Main Street [Assessor Parcel Number (APN): 253-061-025-000]. The commercial cannabis business would be located within an approximately 2,733 square-foot tenant space in the Northridge Plaza Shopping Center at the northwest corner of North Main Street and Boronda Road across Boronda Road from the Northridge Mall Shopping Center. The site consists of approximately 1.98-acres and is located in the Commercial Retail – West Boronda Road at U.S. 101 Gateway Overlay (CR-GW-1) Zoning District. The following provides an overview of the land uses and zoning districts adjacent to the proposed site:

North:	Multi-family Residential and Commercial/Residential High Density-West Boronda Road @ U.S. 101 (R-H-2.1-GW-1) and Commercial Retail (CR)
South:	Northridge Mall Shopping Center/Commercial Retail (CR)
East:	Multi-family Residential and Commercial/Residential High Density (R-H-2.1) and Commercial Retail (CR)
West:	U.S. Highway 101

Commercial Cannabis Permits-Amendment Procedures

The holder of a Commercial Cannabis Permit (CCP) issued by the City may request an Amendment pursuant Municipal Code Section 5-07.09. The applicant may request a change to the business location subject to the following requirements:

- (1) The applicant shall submit all items normally required for a new application, except that information related to the principals or operations that will remain

unchanged and are not directly related to the site may be excluded.

- (2) The selection committee shall review the proposed new site. The selection committee may approve an amendment to the permit authorizing the new site if it can make the following findings:
- a. The new site would not be located within the distances specified in Section 5-07.27, unless an exception is approved pursuant to that section.
 - b. The relocation to the new site would not create any significant negative impacts greater than those that existed at the original site.
 - c. The proposed location is located in an appropriate zoning district for the proposed use.
 - d. Owners of real property located within three hundred feet of the proposed site have been notified and have had the opportunity to provide information to the city regarding the proposed site.

Commercial Cannabis Permit 2025-004

Valley Farms has been in pursuit of relocation since 2022 as reflected in the record with the request for five (5) separate Zoning Information Letters as shown in Table 1: Zoning Information Letters. All five (5) Zoning Information Letters are attached to this staff report. The June 3, 2026 Planning Commission Staff Report also included five letters, but one was requested by another party, while another was omitted. Table 1 has been modified to accurately reflect the record.

Table 1: Zoning Information Letters

	Case Number	Date of Letter	Address	Sensitive Uses
1.	ZLTR 2022-011	12/14/22	2033 N Main Street (Diane Findley)	7; One school, five alcohol-related uses, and a smoke shop
2.	ZLTR 2023-002	4/26/23	245 Merced Street (Diane Findley)	9; Seven alcohol-related uses and two churches.
3.	ZLTR 2024-006	5/9/24	61 Tarp Circle (Emerald Skyway)	6; One park and recreation facility, two religious assembly facilities, and three alcohol-related uses
4.	ZLTR 2024-010	6/11/24	240 W Market Street (Emerald Skyway)	4; One religious assembly facility, one alcohol-related use and two residential uses

5.	ZLTR 2025-007	11/21/25 <u>revised on</u> <u>12/15/25</u>	2033 N Main Street (Michalah Frey - Emerald Skyway)	10; One elementary school, seven alcohol-related uses, one smoke shop, and one site zoned for multi-family residential uses
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Valley Farms retail operations on Moffett Street were not Zoning compliant. Valley Farms dispensary was originally approved on December 28, 2017 as CCP 2017-004 under the name Emerald Skyway LLC. The original permit was connected to two other permits: CCP 2017-003 for Cultivation and CCP 2017-002 for Manufacturing. With the manufacturing permit, the retail dispensary was considered accessory. According to City records, the other two permits were not initiated. Therefore, upon abandonment of the manufacturing permit, the retail dispensary was not permitted.

Analysis:

Pursuant to State Law, the proposed site must not be located within a 600-foot radius of a day care, preschool, private/charter school or school. In addition, pursuant to Municipal Code Section 5-07.27(a), no Commercial Cannabis Business may operate within 1,000 feet of any of the following sensitive uses:

- (1) School, college or university (including public, private, charter, and other non-traditional schools, but excluding trade schools that exclusively serve adults at least eighteen years of age);
- (2) Park, daycare center, library, or publicly-owned and operated recreational facility;
- (3) Church or other house of worship;
- (4) Smoke-shops, hookah lounges or businesses engaged in the same or a similar activity, and locations where alcohol is sold or served for individual consumption on or off the premises;
- (5) Card rooms and retail firearm sales businesses;
- (6) Any other commercial cannabis business operating as a dispensary, excepting therefrom the occasional and transient operation of a commercial cannabis delivery business, or
- (7) Any other public or private business or facility where the presence of the commercial cannabis activity would cause a public nuisance or other situation which may result in repeated police department response.

The proposed location at 2033 North Main Street is within a 1,000-foot radius (measured from parcel to parcel) from the ten (10) identified sensitive uses listed Municipal Code Section 5-07.27(a)(1) and (4) and shown on Table 2: Distance to Sensitive Uses below.

Table 2: Distance to Sensitive Uses

	Address	Use	Distance		Business Name
			<u>Parcel to Parcel</u> <u>to Building</u>	<u>Building</u>	
1.	2014 Santa Rita Street	School	995 feet away	1,360 feet away	Santa Rita Elementary School
2.	2015 N. Main Street	On-site alcohol sales	Same parcel	180 feet away	El Michoacano Restaurant
3.	2010 N. Main Street	Off-site alcohol sales	105 feet away	450 feet away	Fish & Chips
4.	2087 N. Main Street	Off-site alcohol sales	505 feet away	570 feet away	La Consentida Market
5.	1988 N. Main Street	On-site alcohol sales	242 feet away	660 feet away	Buffalo Wild Wings
6.	2068 N. Main Street	Off-site alcohol sales	560 feet away	590 feet away	7-Eleven
7.	1962 N. Main Street	Off-site alcohol sales	242 feet away	950 feet away	Foodmaxx
8.	1912 N. Main Street	Smoke Shop	242 feet away	1,300 feet away	Santa Rita Smoke Shop
9.	2034 N. Main Street	Off-site alcohol sales	110 feet away	334 feet away	Tony's market
10.	95 Castro Street	Residential	Adjacent	57 feet away	93 North Apartments

Police Department Comments:

Per Municipal Code Section 5-07.27(d), no commercial cannabis business may operate within any residential area or district of the city or adjacent to a residential area or district if, in the opinion of the Chief of Police or the Community Development Director, the operation of a commercial cannabis business in such location would tend to cause a public nuisance or a situation which may result in repeated police department response or a negative impact on the adjacent residential units. Staff notes there is an existing multi-family residential development located at 95 Castro Street adjacent to the north of the site.

Per the attached Memorandum dated March 16, 2026, the Police Chief is not aware of any information or conditions sufficient to form an opinion regarding the potential of either a public nuisance or repeated Police response to result from Valley Farms' operation of a cannabis dispensary at 2033 North Main Street.

Selection Committee's Determination and Findings

As outlined in section 5-07.09(a)(2), the Selection Committee is required to review the proposed new location and may approve an amendment to the new location if it can establish the following findings:

- a. The new site would not be located within the distances specified in section 5-07.27, unless an exception is approved pursuant to that section;
- b. The relocation to the new site would not create any significant negative impacts greater than those that existed at the original site;
- c. The proposed location is located in an appropriate zoning district for the proposed use; and
- d. Owners of real property located within three hundred feet of the proposed site have been notified and have had an opportunity to provide information to the City regarding the proposed site.

On April 13, 2026, the Selection Committee met to consider the Amendment Application and at that meeting denied the Amendment Application pursuant to Municipal Code Section 5-07.27(a)(1) because the site is located 995 feet from the Santa Rita School, at 2014 Santa Rita Street, which is less than the minimum required 1,000 feet for a sensitive use (see attached Denial Letter). During that meeting, the Selection Committee conveyed their reasons for the denial and the findings of fact upon which their decision was based to the City Attorney.

Appeal of Selection Committee denial:

Pursuant to Municipal Code Section 5-07.27(c), an application (including a dispensary application) which has been denied based on any of the limitations set forth in Subsections 5-07.27(a)(3) through (a)(7) may be appealed by the applicant in accordance with [Section 5-07.10](#). The appellate body may grant an exception to the limitations set forth in this subsection upon findings that the intent of this article would otherwise be met. No such exception will be granted, however, for the distance limitations from those uses listed in Subsections (a)(1) and (a)(2). The Amendment Application was denied by the Selection Committee based on Subsection (a)(1) because the site is within 1,000 feet of a school.

Pursuant to Municipal Code Section 5-07.10, on April 21, 2026, the Applicant filed a timely appeal of the Selection Committee denial per the attached Appeal Letter (see Appeal Letter of the Selection Committee denial dated April 21, 2026). As per the Appeal Letter, the basis for appeal is as follows (staff response in *italics*):

1. Municipal Code does not specify whether the 1,000-foot distance is measured from parcel-to-parcel, building-to-building, or by another method.

Staff Response: Per Municipal Code Section 5-07.27(i), for purposes of Section 5-07.27, distance shall be measured from the closest point of the site occupied by the Commercial Cannabis Business and the closest point of the site occupied by the use defined in Section 5-07.27 Subsection (a), including any parking areas, landscaping, and/or fencing, but excluding any areas of a parcel that is unavailable for use by the commercial cannabis business or the sensitive use. This section shall be construed to require measurement from parcel line to parcel line unless the Selection Committee determines that different points of measure would be appropriate.

2. That the State of California pursuant to Business and Professions Code 26054(b) establishes a Statewide minimum of a 600-foot radius between a licensed cannabis retail premises and a school providing instruction in Kindergarten or Grades 1 through 12 and directs that the distance shall be measured in a manner set forth in Health and Safety Code 11362.768(c).

Staff Response: Business and Professions Code 26054(b) states the following: “A premises licensed under this division shall not be located within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, daycare center, or youth center that is in existence at the time the license is issued, unless the department or a local jurisdiction specifies a different radius. The distance specified in this section shall be measured in the same manner as provided in subdivision (c) of Section 11362.768 of the Health and Safety Code unless otherwise provided by law.” Per Municipal Code Section 5-07.27(a), the City of Salinas as a local jurisdiction has specified a 1,000-foot radius from a school for approval of Commercial Cannabis Businesses. The City’s 1,000-foot radius requirement exceeds the State’s 600-foot radius.

3. The City of Salinas failed to raise a zoning issue in a timely manner and was identified in November 2025 well into the review process.

Staff Response: Three (3) Zoning Information Letters were issued for the subject property (2033 North Main Street – APN: 253-061-025-000) on December 14, 2022, April 12, 2024, and December 15, 2025 (see attached). All three letters indicated the presence of sensitive uses including Santa Rita School at 2014 Santa Rita Street. In as early as 2022, a total of seven (7) sensitive uses were identified, including the school. Subsequently, additional sensitive alcohol related uses were also identified. It is noted that the State of California prohibits a cannabis dispensary located within 600 feet of a school; however, the Salinas Municipal Code requires a 1,000-foot separation. The Zoning Information Letters included two methodologies of measurements: one measured parcel to parcel, and the other by building to building, both of which were determined using the City’s GIS system. See discussion below for measurement methodology pursuant to the Municipal Code.

4. That the denial rests on a five (5) foot shortfall, whereas an alternative and previously acknowledged measurement method, building-to-building, which is approximately 1,360 feet.

Staff Response: Per Municipal Code Section 5-07.27(i), measurement of a proposed Commercial Cannabis Business to a Sensitive Use is as follows:

For purposes of this section, distance shall be measured from the closest point of the site occupied by the commercial cannabis business and the closest point of the site occupied by the use defined in subsection (a), including any parking areas, landscaping, and/or fencing, but excluding any areas of a parcel that is unavailable for use by the commercial

cannabis business or the sensitive use. This section shall be construed to require measurement from parcel line to parcel line unless the Selection Committee determines that different points of measure would be appropriate.

Therefore, measurement is from parcel line to parcel line unless the Selection Committee determines that different points of measure would be appropriate. In this case, the Selection Committee did not determine a different point of measure. Staff notes that as of the date of the most recent Zoning Information Letter, the proposed Commercial Cannabis Business is located within 1,000 feet of nine (9) other sensitive uses consisting of several alcohol related uses and a smoke shop.

Planning Commission Consideration:

In response to the Applicant's timely appeal of the Selection Committee's denial of the Amendment Application, this item was scheduled for Planning Commission consideration at a public hearing on June 3, 2026. After hearing public testimony from both the Applicant and the public concerning the proposed Amendment Application, the Planning Commission by a 4-1 vote upheld the Selection Committee's denial of Commercial Cannabis Permit 2025-004 (see Planning Commission Resolution 2025-04, Planning Commission Minutes dated June 3, 2026, and Planning Commission Staff Report dated June 3, 2026).

Appeal of Planning Commission upholding Selection Committee denial:

Pursuant to Municipal Code Section 5-07.27(c), an application (including a dispensary application) which has been denied based on any of the limitations set forth in Subsections 5-07.27(a)(3) through (a)(7) may be appealed by the applicant in accordance with [Section 5-07.10](#). In addition, pursuant to Section 5-07.10(d), the decision of the Planning Commission may be appealed to the City Council in the same manner as an appeal to the Planning Commission, except that the hearing shall be set by the City Manager or his/her designee.

Pursuant to Municipal Code Section 5-07.10, on June 9, 2026, the Applicant filed a timely appeal of the Planning Commission's upholding of the Selection Committee's denial of the Amendment Application to the City Council as per the attached Appeal Letter (see Appeal Letter of the Planning Commission denial dated June 9, 2026). Per the Appeal Letter, the basis for appeal is summarized in the following (staff response in *italics*):

Factual and Procedural Background:

1. Valley Farms acquired an existing City-permitted dispensary in good-faith reliance on City determinations. In the appeal, the Applicant provided the following timeline. Per the Applicant, in 2020, they purchased the existing above referenced cannabis operation located at 1610 Moffett Street from the prior owners for over \$3,000,000 relying on City-issued documentation indicating that the operation was compliant.

Staff Response: The location of the previous site at 1610 Moffett Street in the Industrial Business Park (IBP) Zoning District does not permit a retail dispensary unless accessory to an IBP zoning compliant use. The Valley Farms retail operations on Moffett Street were not Zoning compliant following abandonment of the primary manufacturing use. Valley Farms dispensary was originally approved on December 28, 2017, as CCP 2017-004 under the name Emerald Skyway LLC. The original permit was connected to two other permits: CCP 2017-003 for Cultivation and CCP 2017-002 for Manufacturing. With the manufacturing permit, the retail dispensary was considered accessory. According to City records, the other two permits were not initiated. Upon abandonment of the manufacturing permit, the retail dispensary was not permitted.

2. That the City of Salinas identified the site (2033 North Main Street) as the most feasible site and confirmed its compliance. Per the Applicant, in April 2023, the City's cannabis consultant advised that of all of the locations that they had evaluated, the site at 2033 North Main Street was the most feasible.

Staff Response: Multiple Zoning Information Letters have been prepared. All of the letters indicate proximity to sensitive uses dated back to 2022. Zoning Information Letter 2022-011 (ZLTR 2022-011) dated December 14, 2022, which was referenced in the appeal letter stated that the proposed Commercial Cannabis Business (CCB) is located within 600-feet and 1,000-feet of sensitive uses as measured from parcel to parcel. The letter states that the site is located within 600-feet and 1,000-feet from five (5) sensitive uses as measured from building to building. As stated on Page 2 of the letter, the issuance of a "Zoning Information Letter" does not mean the written evidence of permission is given by the City or any of its officials to operate a CCB. Per Municipal Code Section 5.07.07(e), the Selection Committee shall have the authority to grant or deny an application for a commercial cannabis permit. The approval of a CCB is a discretionary action of the Selection Committee that may be appealed to the Planning Commission or the City Council.

3. The City of Salinas reversed course mid-process, applying a new measurement that produced a five-foot conflict.

Staff Response: Three (3) Zoning Information Letters were issued for the subject property (2033 North Main Street – APN: 253-061-025-000) on December 14, 2022, April 12, 2024, and December 15, 2025 (see attached). All three letters indicate the presence of sensitive uses including Santa Rita School at 2014 Santa Rita Street. In as early as 2022, a total of seven (7) sensitive uses were identified, including the school. Subsequently, additional sensitive alcohol related uses were identified. It is noted that the State of California prohibits a cannabis dispensary located within 600 feet of a school; however, the Salinas Municipal Code requires a 1,000-foot separation. The Zoning Information Letters included two methodologies of measurement: one measured parcel to parcel, and the other by building to building, both of which were determined using the City's GIS system. See below for discussion on measurement methodology pursuant to the Municipal Code.

Argument:

4. That the denial turns on a single disputed five-foot shortfall based on an inappropriate and improper measurement methodology.

Staff Response: Per Municipal Code Section 5-07.27(i), measurement of a proposed Commercial Cannabis Business to a Sensitive Use is as follows:

For purposes of this section, distance shall be measured from the closest point of the site occupied by the commercial cannabis business and the closest point of the site occupied by the use defined in subsection (a), including any parking areas, landscaping, and/or fencing, but excluding any areas of a parcel that is unavailable for use by the commercial cannabis business or the sensitive use. This section shall be construed to require measurement from parcel line to parcel line unless the Selection Committee determines that different points of measure would be appropriate.

Therefore, measurement is from parcel line to parcel line unless the Selection Committee determines that different points of measure would be appropriate. In this case, the Selection Committee did not determine a different point of measure. Staff notes that as of the date of the most recent Zoning Information Letter, the proposed Commercial Cannabis Business is located within 1,000 feet of eight (8) other sensitive uses consisting of several alcohol related uses and a smoke shop. In addition, the proposed Commercial Cannabis Business is located adjacent to residential uses. The Zoning Information letters are prepared in a manner providing both measurement methodologies, subject to Selection Committee determination.

5. Properly measured under Municipal Code Section 5-07.27(i), the site satisfies the 1,000-foot separation.

Staff Response: Per Municipal Code Section 5-07.27(i), distance shall be measured from the closest point of the site occupied by the commercial cannabis business and the closest point of the site occupied by the use defined in subsection (a), including any parking areas, landscaping, and/or fencing, but excluding any areas of a parcel that is unavailable for use by the commercial cannabis business or the sensitive use. This section shall be construed to require measurement from parcel line to parcel line unless the Selection Committee determines that different points of measure would be appropriate. The Selection Committee did not determine whether an alternative point of measure would be appropriate.

6. The Code does not prescribe a single mandatory measurement methodology, and the City has applied it inconsistently.

Staff Response: Per Municipal Code Section 5-07.27(i), for purposes of Section 5-07.27,

distance shall be measured from the closest point of the site occupied by the Commercial Cannabis Business and the closest point of the site occupied by the use defined in Section 5-07.27 Subsection (a), including any parking areas, landscaping, and/or fencing, but excluding any areas of a parcel that is unavailable for use by the commercial cannabis business or the sensitive use. This section shall be construed to require measurement from parcel line to parcel line unless the Selection Committee determines that different points of measure would be appropriate.

7. State law measures that distance parcel line to parcel line without regard to intervening structures, and the site satisfies the state standard with substantial margin.

Staff Response: *Business and Professions Code 26054(b) states the following: “A premises licensed under this division shall not be located within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, daycare center, or youth center that is in existence at the time the license is issued, unless the department or a local jurisdiction specifies a different radius. The distance specified in this section shall be measured in the same manner as provided in subdivision (c) of Section 11362.768 of the Health and Safety Code unless otherwise provided by law.” Per Municipal Code Section 5-07.27(a), the City of Salinas as a local jurisdiction has specified a 1,000-foot radius from a school for approval of Commercial Cannabis Businesses. The City’s 1,000-foot radius requirement exceeds the State’s 600-foot radius.*

On July 13, 2026, the Applicant e-mailed to City staff the attached Site Survey & Parcel separation for Emerald Skyway LLC prepared by Salinas Valley Surveyors dated July 10, 2026. The survey shows the minimum distance as 1,112.7 feet between the Santa Rita Elementary School District Property and the northwest corner of the Denny’s Restaurant Lease, on the boundary of Northridge Plaza Salinas of the subject property (APN: 253-111-016-000). However, as stated above, the Municipal Code states that the minimum distance shall be measured from parcel-to-parcel, which is 995-feet (see attached measurements).

8. Valley Farms’ substantial good-faith reliance and the absence of any negative impact support reversal or, at minimum, an exception.

Staff Response: *Each of the Zoning Information Letters that were provided to the Applicant stated that the issuance of a Zoning Information Letter does not mean the written evidence of permission given by the City of Salinas or any of its officials to operate a Commercial Cannabis Business (CCB) nor does it mean “permit” within the meaning of the Permit Streamlining Act, nor does it constitute an entitlement under the Zoning or Building Codes, and a regulatory permit for the purpose of regulating a CCB does not constitute a permit that runs with the land on which the CCB is established. Per Municipal Code Section 5-07.07(e), the Selection Committee shall have the authority to either grant or deny an application for a commercial cannabis permit. Notwithstanding what is otherwise provided in this article, the Selection Committee, when approving a commercial cannabis permit,*

may place any additional limitations and conditions on the operation of the business as deemed necessary, consistent with the public interest and with this article.

9. The City Council possesses the authority to grant an exception, and the equities and record warrant doing so here.

Staff Response: Per Municipal Code Section 5-07.07(g), in addition to whatever additional findings may be made by the Selection Committee (or the appellate body or the City Council in the event of an appeal initiated pursuant to this article), an application for a commercial cannabis permit may be denied upon making any of the following findings:

- (1) The applicant made one or more false or misleading statements or omissions on the registration application or during the application process.*
- (2) The applicant is not qualified to operate a commercial cannabis business.*
- (3) The applicant fails to meet the requirements of this Article or any regulation adopted pursuant to this article.*
- (4) The operation of the proposed commercial cannabis business at the proposed location is prohibited by any state or local law or regulation.*
- (5) Any person who is listed on the application is ineligible to operate a commercial cannabis business due to their criminal history as specified in subsection (b) of this Section.*
- (6) The applicant or the operator listed in the application is less than twenty-one years of age.*
- (7) The Selection Committee determines that the proposal, taken as a whole, would be unable to operate without significant impact on the community.*
- (8) The number of businesses of the subject application type that have been approved or permitted within the City of Salinas meets or exceeds the maximum number of that respective business type specified in this article.*

Public Correspondence:

Owners of real property located within 300-feet of the proposed site have been notified of this appeal and public hearing and have the opportunity to provide information to the City regarding the proposed site. The Appeal letter and other correspondence received up to the date of publication are attached to the Report. Any comments received after publication will be provided to the City Council at the meeting and will be included in the record.

Findings:

The City Council must establish findings to uphold the Planning Commission's upholding of the Selection Committee denial of the Amendment Application. Findings for the City Council to consider, pursuant to City Code Section 5-07.09(a)(2), include the following (see attached draft denial resolution):

- a. The new site would not be located within the sensitive use distances specified in Section 5-07.27, unless an exception is approved pursuant to that Section;
- b. The relocation of the new site would not create any significant negative impacts greater than those that existed at the original site;
- c. The proposed location is located in an appropriate Zoning District for the proposed use; and
- d. Owners of real property located within three hundred feet of the proposed site have been notified and have had the opportunity to provide information to the city regarding the proposed site.

Time Consideration:

The Planning Commission upheld the Selection Committee's denial of the Amendment Application on June 3, 2026. On June 9, 2026, pursuant to Municipal Code Section 5-07.10, the Applicant filed a timely appeal within 10 calendar days of the Selection Committee denial. Pursuant to Municipal Code Section 5-07.10(b), a public hearing before the City Council shall be scheduled within 60-days from the filing of the appeal. Per the Municipal Code, the deadline for City Council consideration is August 8, 2026.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines Section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

Alternatives Available to the City Council (Section 5-07.10(d)):

- 1. Affirm the Planning Commission's upholding of the Selection Committee's denial of Valley Farm's Amendment Application and deny Commercial Cannabis Permit 2025-004;
- 2. Reverse the Planning Commission's upholding of the Selection Committee's denial of Valley Farm's Amendment Application and approve Commercial Cannabis Permit 2025-004; or
- 3. Modify the Planning Commission's upholding of the Selection Committee's denial of Valley Farm's Amendment Application and approve Commercial Cannabis Permit 2025-

004 with modifications.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

The appeal does not directly relate to the City Council's 2025-2028 Strategic Goals.

DEPARTMENTAL COORDINATION:

The processing of this appeal appeals was been coordinated by the Current Planning Division of the Community Development Department, the City Attorney, and the Police Department.

FISCAL AND SUSTAINABILITY IMPACT:

No significant impacts to the City's General Fund are anticipated with this application.

ATTACHMENTS:

Draft City Council Denial Resolution
Planning Commission Resolution 2026-05
Unofficial Planning Commission Minutes dated June 3, 2026
Planning Commission Staff Report dated June 3, 2026 without attachments
Police Department Memorandum dated March 16, 2026
City Attorney Complete Letter dated March 13, 2026
Valley Farms Appeal Letter of Planning Commission denial dated June 9, 2026
Site Survey & Parcel Separation for Emerald Skyway LLC prepared by Salinas Valley Surveyors dated July 10, 2026
Valley Farms Appeal Letter of Selection Committee denial dated April 21, 2026
City Attorney Denial Letter dated April 13, 2026
Parcel to Parcel distance map
Sensitive Uses Map for CCP 2025-004
Sensitive Uses Radius Map within 1,000 feet of 2033 North Main Street
CCP 2023-006 Valley Farms Renewal
Zoning Information Letter 2025-007 dated December 15, 2025
Zoning Information Letter 2024-010 dated June 11, 2024
Zoning Information Letter 2024-006 dated May 9, 2024
Zoning Information Letter 2023-002 dated April 26, 2023
Zoning Information Letter 2022-011 dated December 14, 2022
Ordinance No. 2566 (N.C.S.) and Report to the City Council
Ordinance No. 2597 (N.C.S.) and Report to the City Council
Ordinance No. 2598 (N.C.S.) and Report to the City Council

Ordinance No. 2600 (N.C.S.) and Report to the City Council
Draft August 4, 2026 City Council PowerPoint presentation

Cc: Emerald Skyway LLC (doing business as “Valley Farms”), Applicant and Appellant
Micalah Frey, Kolaboration Ventures Corporation
Chuck Wesley, Kolaboration Ventures Corporation
Andrew Wesley, Kolaboration Ventures Corporation
Martin Wesley, Kolaboration Ventures Corporation
Gene Stonebarger, Stonebarger Law
Krista Fontius, Kolaboration Ventures Corporation
Northridge Plaza, LLC, Property Owner

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