CHRISTINE A. COFONE, PP, AICP Principal



July 14, 2022

Lance B. Landgraf, Jr., P.P., AICP Director of Planning Casino Reinvestment Development Authority 15 South Pennsylvania Avenue Atlantic City, NJ 08401

RE: PG Health, LLC 1015 Pacific Avenue Block 137, Lot 10 Application #2022-06-3233

Dear Mr. Landgraf:

We have deemed this application **<u>complete</u>** for review.

In the subject application, the Applicant is seeking use variance approval for the adult use retail sale of cannabis and an adult use cannabis consumption lounge at 1015 Pacific Avenue. The site is known as Block 137, Lot 10 within the Resort Commercial "RC" Zone District.

As part of our analysis, we undertook the following tasks: an inspection of the subject premises; a survey of surrounding land uses; review of the Casino Reinvestment Development Authority Tourism District Land Development Rules and Tourism District Zoning Map; review of the Applicant's Application submission package, submitted to the CRDA on June 24, 2022; review of a Variance Plan, consisting of one sheet, prepared by Sciullo Engineering Services, LLC, and dated June 23, 2022.

We offer the following analysis and comments for your consideration.

Description of Site and Summary of Development Proposal

The Site is located at 1015 Pacific Avenue.

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The Applicant is seeking use variance approval for the adult use retail sale of cannabis and an adult use cannabis consumption lounge.

Surrounding Land Uses

Surrounding uses include a mixture of surface parking lots, residential, governmental, hotel/casino, and commercial uses.

Zoning Compliance

The property is located in the Resort Commercial (RC) District. As stated at CRDA Land Development Rules Section at N.J.A.C. 19:66-5.10, the purpose of the RC District is as

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follows:

The purpose of the RC Resort Commercial District is to provide an array of land uses that will capitalize on the zoning district's geographical advantages of the zoning district's proximity to the boardwalk and the Atlantic Ocean. The Resort Commercial District also offers the highest intensity residential offerings within the Tourism District with a variety of supportive commercial and services uses. The vision is to create an environment where residential and resort offerings seamlessly integrate.

N.J.A.C. 19:66-5.10(a).1.i: An adult-use retail cannabis dispensary and consumption lounge is not listed as a permitted use in the RC District, nor in any CRDA zone district, and therefore a d(1) use variance is required.

N.J.A.C. 19:66-5.10(a).1.iv(7): "C" bulk variance relief is required for impervious coverage (existing: 100%; proposed: 97.4%) exceeding the maximum permitted (80%)

Master Plan Review

The subject property is located within the Atlantic City Tourism District. Pursuant to the New Jersey CRDA Atlantic City Tourism District Master Plan, the overall intention and vision is to "reinvigorate Atlantic City in the near-term as the leading resort destination in the Northeast and beyond (Page 4, New Jersey CRDA Atlantic City Tourism District Master Plan). Among others, overarching objectives are to "develop an economically viable and sustainable tourism district" and "[expand] Atlantic City's tourism and economic bases" (Id, Page 1-2).

Planning Analysis and Issues for Consideration by the Board

In regard to the "d(1)" variance, the Municipal Land Use Law (MLUL) at NJSA 40:55D-70.d sets forth the standards for variances from the use regulations of a zoning ordinance. A "d(1)" variance is required when an applicant submits an application for a use that is not permitted in the list of permitted uses within a specific zoning district. The applicant must satisfy the *Medici* proofs:

- Is the site particularly suited for the proposed use?
- Does the proposed use advance special reasons and further the purposes of the



Municipal Land Use Law (MLUL)?

- Does the proposal substantially impair the purpose and intent of the master plan, zone plan, and zoning ordinance? Does the proposal satisfy the enhanced quality of proof that the variance sought is not inconsistent with the intent of the master plan and zoning ordinance, proof which must reconcile the proposed use variance with the zoning ordinance's omission of the use from those permitted in the district?
- Can a variance for this use be granted without substantial detriment to the public good?

In regard to the "c" variance, the Municipal Land Use Law (MLUL) at NJSA 40:55D-70c sets forth the standards for variances from the bulk regulations of a zoning ordinance. A "c(1)" variance is for cases of hardship due to factors such as shape or topography, or due to "an extraordinary and exceptional situation uniquely affecting a specific piece of property or the structures lawfully existing thereon." A "c(2)" variance may be granted where the purposes of zoning are advanced and the benefits of deviating from the ordinance requirements outweigh any detriments. The benefits derived from granting a "c(2)" variance must include benefits to the community as a whole, not just to the applicant or property owner. A "c" variance application also must address the "negative criteria."

We offer the following for your consideration in reviewing the Application:

- 1) The Applicant shall provide such statutorily required testimony through a New Jersey licensed professional planner.
- 2) The Applicant's professional planner should discuss the required use variance in the context of the site and the immediate area.
- 3) The Applicant shall provide detailed testimony on the operation of the business, with a specific focus on staffing, product storage, patron access, on-site product consumption, security, etc.
- 4) The Applicant shall furnish the proposed floor plan as referenced on the Variance Plan as "PG Health Dispensary Atlantic City Floor Plans 19Mar2022."
- 5) While a variance is required for non-compliant impervious coverage, the Applicant proposes a reduction from the existing at 100% to 97.4% proposed.

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- 6) Relative to on-site parking, the existing parking lot has an existing grandfathered parking shortfall of at least 40 parking spaces. The proposed use requires 54 parking spaces. Accounting for the 40-parking space shortfall, the proposed use is required to provide 14 parking spaces, where 22 parking spaces are proposed. This will be an existing non-conforming condition, which will be improved with the proposed use.
- 7) An approval for this Application shall be conditioned on a site plan application and stipulation of any required bulk variances.
- 8) The Applicant shall comply with the conditions of all previous approvals received for the site.
- 9) The Applicant shall furnish any resolution and/or prior approvals from, and agreements with, the City of Atlantic City, if any.

Engineering Analysis and Issues for Consideration by the Board

ARH Associates has received the above captioned Application for review. Applicant seeks Bifurcated Use Variance approval for adult use retail sales of cannabis and an adult use cannabis consumption lounge, as well as Bulk Variance relief for impervious coverage on the property to reduce the 100% impervious coverage on site to 97.4%, where 80% maximum is permitted.

The Use Variance is as follows:

1. From NJAC 19:66-5.10(a)1i., General Use Limitations – No adult use cannabis retail store and adult use cannabis consumption lounge explicitly permitted in this zoning district.

The Bulk Variance is as follows:

1. From NJAC 19:66-5.10(a).1.iv(7), Area and Bulk Requirements – No impervious coverage greater than 80% permitted in this zoning district.

Should the Use Variance be granted, it is proposed that the existing building will be demolished, and a new FEMA-compliant building will be constructed, along with a

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22-space parking lot and associated improvements. This proposed development will be required to be depicted on a Site Plan, to be submitted to the CRDA for review and approval. Any action on the Use Variance and/or Bulk Variance application will not relieve the applicant from submitting a Site Plan application with all required checklist items.

We would be happy to address any questions or comments on the above at the public hearing.

Respectfully submitted,

COFONE CONSULTING GROUP

Βv

Christine A. Nazzaro-Cofone, AICP, PP CRDA Consulting Planner

ARH Associates

Ву

Carolyn A. Feigin, PE, PP CRDA Consulting Engineer

cc: Robert L. Reid, AICP, PP, CRDA Land Use Regulation Enforcement Officer Scott Collins, Esq., CRDA Board Attorney Applicant's Attorney Applicant's Planner/Engineer