CITY OF SANTA ROSA PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT STAFF REPORT FOR PLANNING COMMISSION September 8, 2022

PROJECT TITLE APPLICANT

Flora Terra David and Alicia Wingard/Sonoma CHO

LLC dba Flora Terra

ADDRESS/LOCATION PROPERTY OWNER

4575 Highway 12, Suite B Kent Woodell and Bill Bishop

ASSESSOR'S PARCEL NUMBER FILE NUMBER

182-490-013 CUP21-097

<u>APPLICATION DATE</u> <u>APPLICATION COMPLETION DATE</u>

December 8, 2021 June 1, 2022

REQUESTED ENTITLEMENTS FURTHER ACTIONS REQUIRED

Conditional Use Permit (CUP) N/A

PROJECT SITE ZONING GENERAL PLAN DESIGNATION

CN (Neighborhood Commercial) Retail and Business Services

PROJECT PLANNER RECOMMENDATION

Monet Sheikhali Approval

Agenda Item #8.1

For Planning Commission Meeting: September 8, 2022

CITY OF SANTA ROSA PLANNING COMMISSION

TO: CHAIR WEEKS AND MEMBERS OF THE COMMISSION

FROM: MONET SHEIKHALI, SENIOR PLANNER

PLANNING AND ECONOMIC DEVELOPMENT

SUBJECT: FLORA TERRA

AGENDA ACTION: RESOLUTION

RECOMMENDATION

The Planning and Economic Development Department recommends that the Planning Commission, by resolution, approve a Conditional Use Permit to allow a commercial (Type 10) Cannabis Retail (Dispensary) use and sale of cannabis smoking devices within an existing 2,031 square foot commercial building located at 4575 Highway 12, Suite B.

EXECUTIVE SUMMARY

The applicant seeks a Conditional Use Permit (CUP) to allow a commercial Cannabis Retail (Dispensary) use with the sale of cannabis smoking devices within an existing commercial building. Retail hours of operation will be from 9:00 a.m. to 9:00 p.m. seven days a week consistent with Zoning Code Section 20-46.080(F)(4).

1. <u>Project Description</u>

The proposed project would occupy 2,031 square feet of an existing commercial building in suite B, which used to be a Starbucks, on a site zoned Neighborhood Commercial. The proposed cannabis retail (dispensary) use would include a retail area, an office, and a storage room. The applicant is not proposing any cannabis deliveries to the consumers from this site.

In compliance with Zoning Code Section



Figure 1: Project site and immediate vicinity.

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<u>20-46.080(F)(4)</u>, the applicant proposes retail hours of operation from 9:00 a.m. to 9:00 p.m. daily.

State Requirements

The applicant will hold a Type 10 State license, which allows operation of a commercial Cannabis Retail (Dispensary) and Delivery business. The Project will be required to adhere to State Bureau of Cannabis Control licensing and operating procedures in addition to operational provisions of Zoning Code Chapter 20-46.

2. Surrounding Land Uses

The site is located on the corner of Mission Boulevard and Highway 12, along with other commercial uses. The site currently has a grocery store and a mattress store. The surrounding land uses are a mix of commercial, office, restaurants, and residential. The parcel to the north is already developed with commercial uses, including restaurants, cleaners, a salon, and a convenience store. Of the two properties on the east side, one is currently an undeveloped lot, and the other parcel is developed with a single-family residence. Valero Gas station and an apartment complex are on the west side, across the street. On the south side of Highway 12, the commercial uses include restaurants, and a mix of retail and office uses.

The site is not located within any required school setbacks. The closest schools to the site are Brush Creek Montessori, Madrone Elementary School, and Douglas L. Whited Elementary School, all located more than 2,700 feet from the project site. This exceeds the minimum 600-foot separation required under State of California and the City of Santa Rosa regulations.

3. Existing Land Use – Project Site

The proposed cannabis dispensary would occupy an existing vacant commercial suite of 2,031 square feet, which used to be a Starbucks coffee shop. The entire site provides 53 parking spaces shared with the existing businesses with no assigned parking stalls for any individual.

4. Project History

Oct 18, 2021	Neighborhood meeting was held
Dec 8, 2021	Conditional Use Permit application submitted
Dec 21, 2021	Notice of Incomplete application sent to applicant
June 1, 2022	Staff received updated document and application was deemed complete
Aug 29, 2022	Notice of the Planning Commission meeting was mailed out

PRIOR CITY COUNCIL REVIEW

Not applicable.

ANALYSIS

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The Project proposes establishment of a medical and adult use retail cannabis (dispensary) land use in the Neighborhood Commercial Zoning District. No on-site consumption or delivery are proposed. Adult use and medical cannabis retail dispensaries are allowed with a Conditional Use Permit approval within the Neighborhood Commercial zoning district.

1. Santa Rosa General Plan 2035

The proposed project site is designated as Retail and Business Services on the General Plan Land Use Diagram. This classification is intended to accommodate retail and service enterprises, offices, and restaurants. The following General Plan goals and policies are applicable to the Project:

LAND USE AND LIVABILITY

LUL-I-1 Provide a range of commercial services that are easily accessible and attractive, that satisfies the needs of people who live and work in Santa Rosa and that also attracts a regional clientele.

ECONOMIC VITALITY

- EV-A Maintain a positive business climate in the community.
- EV-A-1 Continue to promote Santa Rosa as the North Bay's premier location for technology, clean/green technologies, and entrepreneurial businesses, which create new products and business models that will attract national and international markets.
- EV-A-5 Maintain diversity in the types of jobs available in Santa Rosa to lessen the impact of economic cycles.
- EV-D-2 Continue to promote Santa Rosa's role as a regional center.

Although Cannabis land uses are not considered under the current General Plan, the Neighborhood Commercial zoning district is an implementing zoning district of General Plan Retail and Business Services land use designation. The Zoning Code specifically identifies CN (Neighborhood Commercial) zoning districts as locations appropriate for cannabis retail (dispensary) uses.

Staff has determined that the proposed medical and adult cannabis retail dispensary use is consistent with the applicable identified General Plan goals and policies, and the associated Retail and Business Services General Plan land use designation. The re-occupancy of the building would assist in maintaining the economic viability of the area and maintaining the diverse types of employment opportunities available in the City, while continuing compatibility through proposed conditions of approval and operational and security measures with surrounding businesses and neighborhoods.

2. Other Applicable Plans

Not applicable.

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3. Zoning

North: CN (Neighborhood Commercial)

South: PD 0307 and PD 0403 (Planned Development)

East: R-3-15 and R-3-18 (Multi-Family Residential) and CN (Neighborhood

Commercial)

West: CN (Neighborhood Commercial) and PD 0474 (Planned Development)

As noted, the project site is located within a Neighborhood Commercial (CN) zoning district and is surrounded by Residential and Commercial zoning districts. Pursuant to Zoning Code Section 20-23.030, Table 2-10, cannabis retail (dispensary) and delivery uses are allowed within the CN zoning district subject to an approved Conditional Use Permit.

Zoning Code <u>Section 20-46.050</u> provides General Operating Requirements applicable to all Cannabis Businesses and <u>Section 20-46.080</u> specifies additional operating requirements for a cannabis retail (dispensary) and delivery. The proposed project operational plans are in compliance with standards relating to requirements of the Zoning Code including security, lighting, odor control and noise. These requirements are summarized below.

Proximity to Schools

City and State regulations prohibit establishing and operating a retail cannabis dispensary within 600 feet of a K-12 school as defined by Health and Safety Code Section 11362.768. There are no schools within 600 feet of the subject property. Brush Creek Montessori and Madrone Elementary School are approximately 2,700 feet north of the project site, and Douglas L. Whited Elementary School is about 3,700 feet east of the project site. Therefore, the project is consistent with the State and local regulations (See Figure 2).

Concentration

The Zoning Code limits the geographic concentration of cannabis retail facilities (dispensaries) by prohibiting dispensaries within 600 feet of each other. One operating cannabis retail is located at 4880 Highway 12, approximately 2,700 feet east of the project site. Another dispensary is currently under review and is located at 4040 Highway 12 and is about 1,700 feet on the west side of the project site; therefore, the Project site is not located in an "over-concentration" area (See figure 2).

Special Events

A request for special events is not included with the subject Project. However, if in the future, the applicant wishes to host a special event, approval of a Temporary Use Permit, per Section 20-52.040 (Temporary Use Permit) will be required.



Figure 2: Project proximity to school and concentration.

Lighting

Exterior lighting is located on the existing building and within the parking lot, and no new exterior lighting is being proposed with the project. The Zoning Code (Section 20-30.080) requires that outdoor lights be shielded and cast downward to avoid light or glare spilling onto neighboring properties. A condition of approval is added to the resolution to require that all exterior lighting shall comply with Zoning Code Section 20-30.080.

Noise.

The business activities will occur within the existing building, and no exterior equipment will be set up or used outside the building. All noise generated by business operations shall comply with the City of Santa Rosa's Noise Ordinance (City Code, Chapter 17-16) and be kept to undetectable levels beyond the premises to help maintain positive relationships in the community.

Security Plan

Zoning Code Section 20-46.050(G) requires cannabis businesses to provide adequate security to ensure the public safety, and safety of persons in the facility to protect the business premises from theft. The Project narrative has included security measures which includes the following key features:

<u>Security Personnel</u>. The applicant would employ qualified security personnel onsite during business hours to discourage and correct any behavior that may constitute a nuisance surrounding the premise and adjacent properties.

<u>Security Cameras</u>. The applicant will install high-definition (HD) security camera monitoring and recording 24 hours per day, seven days per week, and recording

will be maintained for a minimum of 90 days. Cameras will monitor all entrances and exits, and all places cannabis or cash will be handled.

<u>Alarm.</u> A professionally monitored alarm system will be installed and maintained by the applicant. All doors will have a keycard entrance requirement of an ID badge with a personal identification number. The alarm system will include sensors to detect entry and exit from all secure areas and panic buttons will be installed in appropriate locations.

<u>Emergency Access</u>. The project narrative states that a Knox box will be installed on the site, and a keycard will be provided to the local fire department for access to the premises in the event of an emergency.

<u>Secure Storage Waste</u>. The proposed retail dispensary would generate waste, but the volume would be much less than cultivation or distribution uses. The waste will be disposed of and destroyed in accordance with local and state laws.

<u>Transportation</u>. Shipments of cannabis goods will be received only from a licensed distributor or licensed microbusiness. All deliveries from licensed will occur between 8 am to 5:30 pm; delivery drivers will enter and exit through the limited access/employee door of the building, not visible from the customer entrance door.

<u>Locks</u>. The applicant proposes commercial-grade door and window locks that a licensed contractor would install. All locks will only be accessed via an assigned keycard.

Odor Control

Zoning Code Section 20-46.050(H) requires cannabis businesses to "incorporate and maintain adequate odor control measures such that the odors of Cannabis cannot be detected from outside of the structure in which the Business operates." The applicant has provided a certified Odor Mitigation Plan prepared by a licensed professional mechanical engineer, Jason Vander Veen, dated December 7, 2021, which explains odor engineering and administrative controls. The applicant will professionally install a carbon filtration system using carbon filter canisters on the exhaust and recirculation systems in the retail, storage, and shared space areas throughout the entire building to remove cannabis-related odors from the exhaust system airstreams. Hands-on instruction will be given to the applicant team regarding the manufacturer's specifications for the carbon filtration system. A schedule will be maintained to keep electronic records of maintenance performed on the system. In addition, team members will be trained on maintenance and proper record keeping ensuring peak performance for the carbon filtration system.

Sale and display of cannabis paraphernalia

Per Zoning Code Section 20-46.080(F)(7), "No dispensary shall sell or display any cannabis related paraphernalia or any implement that may be used to administer Cannabis or Cannabis Products unless specifically described and authorized in the Conditional Use Permit. The sale of such products must comply with the City's

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zoning code and any other applicable State regulations." The applicant states the dispensary will provide a small offering of smoking devices for sale to customers that will comply with local and State regulations.

Parking

The 2,031 square foot commercial suite was previously a Starbucks coffee shop and is part of a 13,882 square foot shopping center (7,750 sf Supermarket,4,101sf mattress store, 2031sf dispensary). The commercial site shares a total of 53 parking spaces with adjacent businesses, including three ADA accessible spaces. Per zoning code Section 20-36.040, "When a building's use changes to a new use, for example a retail use to a restaurant, without enlarging the space in which the use is located, there shall be no additional parking required for the new use, except that the new use shall comply with current ADA standards for parking, provided that any deficiency in parking is no more than 10 spaces, or a 25 percent overall reduction from standard parking requirements, whichever is greater." Therefore, no additional parking would be required for this project which is a re-tenanting with a retail use and compliance with parking requirements is satisfied.

Per Zoning Code <u>Section 20-36.040</u> (Table 3-4), the total number of required parking spaces for the proposed dispensary is eight (1 space per 250 sf). The prior coffee shop would have been required to provide parking at a rate of one space for every 75 square feet, meaning that the required parking spaces for the proposed project is lower than the coffee shop that required 27 spaces.

4. Design Guidelines

No exterior modifications are proposed at this time. Any exterior modifications or additions would require Design Review approval.

5. Neighborhood Comments

A neighborhood meeting was held on October 18, 2021, three members of the neighborhood attended the meeting, and two emails were received from the neighborhood. Comments include:

- Distance to schools and residential uses
- Traffic
- Loitering and onsite consumption
- Homelessness
- Concerns about the security

<u>Staff response</u>: The cannabis ordinance does not regulate setbacks to residential uses. The only setbacks regulated by the cannabis ordinance are the distance from schools and the distance from other cannabis dispensaries. The proposed dispensary is located more than 600 feet from the schools in this area; therefore, it is consistent with the required regulations.

A Traffic Report was prepared by W-Trans, reviewed by the City's Traffic Division, and no additional requirements were placed on the Project. The report concluded

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that the Project would result in a less-than-significant transportation impact.

No onsite consumption is being proposed with this dispensary. The applicant will have security personnel onsite during the hours of operation that would monitor the activities on the premises. Additionally, the project is conditioned to comply with all City requirements for cannabis business's found in Zoning Code Section 20-46.

6. Public Improvements/Onsite Improvements

Not applicable.

FISCAL IMPACT

Approval of this action will not have a fiscal impact on the General Fund.

ENVIRONMENTAL IMPACT

The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and staff has determined that the project qualifies for:

- Class 1 Categorical Exemption under CEQA Guidelines Section 15301 in that the
 project is located within an existing structure involving a negligible expansion of an
 existing use that will not result in significant impact(s).
- Class 3 Categorical Exemption under CEQA Guidelines Section 15303 in that the project involves a change of use, which will require only minor interior modifications to the structure/site.
- Class 32 Categorical Exemption under CEQA Guidelines Section 15332 (In-fill Development Projects) in that:
 - The Project is consistent with Santa Rosa General Plan 2035 and the current City of Santa Rosa Zoning Code. The site is zoned CN and dispensaries are permitted use through a Major Conditional Use Permit;
 - 2. The Project is located within City of Santa Rosa jurisdiction, on a project site of no more than five acres substantially surrounded by urban uses;
 - The project site is currently developed with two commercial buildings and parking lot, and does not have any habitat value for endangered, rare, or threatened species;
 - 4. The Project will not result in any significant effects relating to traffic, noise, air quality, or water quality. The Traffic Report prepared by W-Trans, dated April 18, 2022, concludes the Project would result in a less-than-significant transportation impact on VMT, and the City's Traffic Division has reviewed the proposal and requested no additional Traffic Study. The proposed Project will occupy an existing building, and all the work will take place inside the building, and all the work will be required to meet the City noise ordinance. Based on the certified Odor Control Plan, the Project will not emit cannabis-related odors. The City Sewer Treatment facility will treat any wastewater; and

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5. The Project site is located in a developed area where it can be adequately served by all required utilities and public services. City staff has reviewed the plans and conditions the project appropriately.

The City has further determined that no exceptions to the exemptions apply and there is no reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances (CEQA Guidelines Section 15300.2.)

NOTIFICATION

The Project was noticed as a public hearing per the requirements of Chapter 20-66 of the City Code. Notification of this public hearing was provided by posting an on-site sign, publishing notice in a newspaper of general circulation, mailed notice to surrounding property owners, electronic notice to parties that had expressed interest in projects taking place in this geographic area of Santa Rosa, and bulletin board postings at City Hall and on the City website. Pursuant to Government Code Section 65091, where necessary, the City has incorporated notice procedures to the blind, aged, and disabled communities. These procedures include audio amplifier/assistive listening device support at public meetings, closed captioning, and optical character recognition conversion of electronic notices.

ISSUES

There are no unresolved issues.

ATTACHMENTS

Attachment 1: Disclosure Form

Attachment 2: Location Map

Attachment 3: Project Narrative, dated received June 1, 2022

Attachment 4: Project Plan Set, dated received March 16, 2022

Attachment 5: Odor Control Plan TEP Engineering, dated received June 1, 2022

Attachment 6: Traffic Impact Study prepared by W-Trans, dated received April 18,

2022

Attachment 7: Public Correspondence

Resolution

Exhibit "A"

CONTACT

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