CITY OF SANTA ROSA PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT STAFF REPORT FOR PLANNING COMMISSION

NOVEMBER 12, 2020

PROJECT TITLE

<u>APPLICANT</u>

Fall 2020 General Plan Amendment Package: T&L Micro Cannabis Facility

Erin Carlstrom, representing T & L Micro

ADDRESS/LOCATION

3515 Industrial Drive T & L Industrial, LLC

0 Industrial Drive

PROPERTY OWNER

ASSESSOR'S PARCEL NUMBER

148-041-049

148-050-027

FILE NUMBER

PRJ19-039 (consisting of GPAM19-003, REZ19-010, CUP19-106)

APPLICATION DATE

September 30, 2019

APPLICATION COMPLETION DATE

June 19, 2020

REQUESTED ENTITLEMENTS

Mitigated Negative Declaration

General Plan Amendment

Rezoning

Major Conditional Use Permit

FURTHER ACTIONS REQUIRED

GENERAL PLAN DESIGNATION

City Council action on General Plan Amendment resolution and Rezoning

ordinance

PROJECT SITE ZONING

Existing: CG-RC Existing: Retail & Business Services

Proposed: IL-RC Proposed: Light Industry

PROJECT PLANNER

Andrew Trippel

RECOMMENDATION

Adopt Mitigated Negative Declaration and

Mitigation Monitoring and Reporting

Program

Recommend approval of General Plan Amendment and Rezoning to City Council Approve Major Conditional Use Permit

Agenda Item #10.1 c

For Planning Commission Meeting of: November 12, 2020

CITY OF SANTA ROSA PLANNING COMMISSION

TO: CHAIR CISCO AND MEMBERS OF THE COMMISSION FROM: ANDREW TRIPPEL, ACTING SUPERVISING PLANNER

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

SUBJECT: T&L MICRO CANNABIS FACILITY

AGENDA ACTION: ADOPT OR APPROVE RESOLUTIONS AND RECOMMEND

ACTION TO CITY COUNCIL

RECOMMENDATION

The Planning and Economic Development Department recommends that the Planning Commission, by resolution:

- Adopt a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the T&L Micro Cannabis Facility;
- Recommend that City Council approve a General Plan Amendment resolution to change subject parcels land use designations from Retail & Business Services to Light Industry;
- Recommend that the City Council adopt a Rezoning ordinance to amend the Zoning Map for subject parcels from CG – General Commercial to IL – Light Industrial; and
- 4. Approve a Major Conditional Use Permit to allow a proposed commercial Cannabis facility consisting of Cannabis Cultivation (10,202 SF), Manufacturing (non-volatile) (3,282 SF), and Distribution (6,016 SF) land uses, in an existing 2-story 19,500 SF building at the project site, subject to City Council approval of the proposed General Plan Amendment and Rezoning.

EXECUTIVE SUMMARY

T&L Micro Cannabis Facility is a proposed project that includes requests for a General Plan Amendment from Retail & Business Services to Light Industry and a Rezoning from General Commercial (CG) to Light Industrial (IL) of two parcels in order to allow operation of a proposed commercial cannabis facility consisting of Cannabis Cultivation

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(10,202 SF), Manufacturing (non-volatile) (3,282 SF), and Distribution (6,016 SF) land uses, in an existing 2-story 19,500 SF building, subject to approval of a Major Conditional Use Permit as required by Zoning Code Section 20-24.030 Industrial district land uses and permit requirements. Planning Commission approval of the Major Conditional Use Permit would be subject to City Council approval of the proposed General Plan Amendment and Rezoning.

BACKGROUND

The T&L Micro Cannabis Facility project application has been submitted in accordance with the following policies and regulations of the City of Santa Rosa:

- City of Santa Rosa <u>General Plan 2035</u>, Section 1-7 Changing the General Plan, allows amendment of the General Plan Land Use Diagram three times per year (p. 1-11). City Council shall conduct hearings after consideration by Planning Commission. T&L Micro Cannabis Facility is being brought forward for review as part of the Fall 2020 General Plan Amendment package.
- Zoning Code <u>Chapter 20-64 Amendments</u> allows and regulates application, processing, noticing, and review of proposed General Plan and Zoning Map amendments.
- Zoning Code <u>Chapter 20-46 Cannabis</u> allows and regulates commercial Cannabis land uses in the City of Santa Rosa.

1. <u>Project Description</u>

The project requests a General Plan Amendment from Retail & Business Services to Light Industry and a Rezoning from General Commercial (CG) to Light Industrial (IL) to allow operation of a proposed commercial cannabis facility consisting of Cannabis Cultivation (10,202 SF), Manufacturing (non-volatile) (3,282 SF), and Distribution (6,016 SF) land uses, subject to approval of a Major Conditional Use Permit as required by Zoning Code Section 20-24.030 Industrial district land uses and permit requirements. Planning Commission approval of the Major Conditional Use Permit would be subject to City Council action on proposed General Plan Amendment and Rezoning entitlements. The project proposes minor exterior alterations to an existing building, which would be subject to Director-level design review (see Attachments 5-6).

2. Surrounding Land Uses

North	Light Industry, Retail and Business Services
South	Light Industry, Retail and Business Services
East	Retail and Business Services
West	Light Industry, Retail and Business Services

The project site is surrounded by a variety of commercial and light industrial uses including public self-storage facilities to the north, commercial retail, health facilities, and wholesale merchants to the south, indoor commercial recreational facilities and occupied and unoccupied retail spaces to the east, and public self-storage and a blood donation/collection center to the west.

Image 1: Area Land Uses



Source: Google Maps, October 2020

3. <u>Existing Land Use – Project Site</u>

The project site is located on the north side of Industrial Drive east of its intersection with Airway Drive at 3515 Industrial Drive (APN 148-050-027 @ 0.24 acres and 148-041-049 @ 0.99 acres) in northwest Santa Rosa (see Attachment 2). The approximately 1.23-acre project site was developed in 2004. The 0.24-acre parcel fronts Industrial Drive and is developed with public improvements, site circulation areas, and surface parking, while the 0.99-acre parcel is developed with a 2-story, 19,500 square-foot commercial/industrial building.

The building's exterior footprint is approximately 13,650 square-feet but includes 19,500 square-feet of internal space on ground floor and mezzanine levels. The building is oriented towards Industrial Drive, with the parking lot along the south, east, and north side, and it sets back at least 25 feet from all property lines and adjacent development. The loading area is located on the west side of the building. The site currently provides 54 parking spaces, three of which are ADA compliant. The project site is currently provided with water and wastewater service by the City, including fire flows.

148-041-04 148-050-027 Industrial Drive

Image 2: Existing Developed Site

Source: City of Santa Rosa, GIS Aerial Data, March 2020

The October 2017 Tubbs Fire burned the project area to the north, northwest and east, including the former Kmart building and residential development to the west

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and northwest. Rebuilding has been on-going in the project area since. The 2019 Kincade Fire resulted in the project area being under mandatory evacuation though no damage to the project area occurred.

The most recent use of the building was a commercial furniture store and is now currently vacant. The project area is surrounded by commercial and light industrial uses. The nearest residential uses occur approximately one-quarter mile to the west and northwest and there is a mobile home park approximately the same distance to the south.

4. <u>Project History</u>

September 30, 2019	Project applications – General Plan, Rezoning and Major Conditional Use Permit – submitted
October 18,2020	Native American tribes with known interest in the area were notified of the proposed project in accordance with SB 18 requirements for General Plan amendments
January 30, 2020	Native American tribes were notified as required by AB 52
June 22, 2020	The T&L Commercial Microbusiness Facility, 3515 Industrial Drive, PRJ19-039, Initial Study/Mitigated Negative Declaration was published for 30-day public review in accordance with CEQA regulations. Planning staff mailed a Notice of Intent to Adopt a Mitigated Negative Declaration for the T & L Micro project to neighboring property owners and interested parties. A copy of the proposed mitigated negative declaration was made available for review at https://srcity.org/425/Plans-Studies-EIRs . The review period ended July 22, 2020.
October 31, 2020	Planning Commission public hearing was noticed

- In accordance with Zoning Code <u>Section 20-50.050(A)(4)</u>, the required Neighborhood Meeting was waived by the Director because no residential neighborhood would be impacted by the proposed project.
- No Notice of Application was distributed as required by <u>Section 20-50.050(E)</u>. Section 20-66.020(A)(3) states that "A defect (failure) in the notice procedure shall not affect the jurisdiction or authority of a review authority to take action on a matter." Property owners and occupants within 600 feet of the proposed project received a mailed Notice of Intent to Adopt a Mitigated Negative Declaration for the T & L Micro project, mailed Planning Commission public notices, and would have access to onsite noticing for the public hearing.
- One response to distributed SB18 letters was received by Lytton Rancheria, who indicated that it would not be requesting further consultation.

No responses were received to AB 52 notification.

PRIOR CITY COUNCIL REVIEW

N/A

ANALYSIS

1. Request for General Plan Amendment

The project site is designated as Retail & Business Services on the General Plan Land Use Diagram. This designation allows retail and service enterprises, offices, and restaurants. The implementing zoning district is *General Commercial* (GC). While this zoning allows Cannabis Retail/Dispensary uses, it does not accommodate other Cannabis Cultivation, Manufacturing, Distribution, or Testing land uses. These other Cannabis land uses are allowed in *Light Industrial* (IL) zoning districts.

The Light Industry General Plan designation accommodates light industrial, warehousing and heavy commercial uses. Uses appropriate to this land use category include auto repair, bulk or warehoused goods, general warehousing, manufacturing/assembly with minor nuisances, home improvement retail, landscape materials retail, freight or bus terminals, research oriented industrial, accessory offices, and employee-serving commercial uses, and services with large space needs, such as health clubs. The implementing zoning district is *Light Industrial* (IL).

The applicant requests a General Plan Diagram Amendment from Retail & Business Services to Light Industry, which would allow a request for a Zoning Map Amendment to IL to be adopted. Approval of a Major Conditional Use Permit for a proposed cannabis facility that would include Cannabis Cultivation, Manufacturing (non-volatile), and Distribution land uses could then be requested.

General Plan Amendment Required Findings

A. The proposed amendment ensures and maintains internal consistency with the goals and policies of all elements of the General Plan.

The following General Plan goals are applicable to the project:

LAND USE AND LIVABILITY		
LUL-A	Goal – Foster a compact rather than a scattered development pattern in order to reduce travel, energy, land, and materials consumption while promoting greenhouse gas emission reductions citywide.	
LUL-K	Goal – Protect industrial land supply and ensure compatibility between industrial development and surrounding neighborhoods.	

ECONOMIC VITALITY		
EV-B	Goal – Facilitate the retention and expansion of existing businesses and provide sufficient land for business expansion and attraction of new employers that utilize the area's existing labor pool.	
EV-B-7	Focus business attraction efforts on filling vacancies in commercial and industrial structures. With the Redevelopment Agency and Economic Development and Housing Department, develop incentives for those efforts such as low-cost loans for tenant improvements, façade improvements, and new business incubation.	
EV-C-2	Establish and inventory of ready-to-go non-residential sites complete with zoning, infrastructure, and environmental clearances.	
EV-D	Goal – Maintain the economic vitality of the downtown, business parks, offices and industrial areas.	

Beginning in 2015, the City of Santa Rosa began to implement a robust set of regulations governing the legal cannabis industry. City Council adopted cannabis regulations and industry development as one of its highest priorities and as a Council goal. Since then, implementing City's 2017 Comprehensive Cannabis Ordinance and developing the industry and the economic subsector it represents has been a continuing Council goal and policy.

The City's focus on implementing a successful cannabis industry and the related jobs and economic bases, and the City's adoption of its cannabis ordinance, which allows for all cannabis uses to locate in industrially-zoned parcels, has resulted in strong market demand for properties zoned/eligible for cannabis land uses. This demand has outweighed supply in recent years.

Professional real estate industrial markets demand studies show less than 5% vacancy in industrial spaces in Santa Rosa, with just over 500,000 square feet of available industrial space in the 2nd Quarter 2020 (see Attachment 7).

Ideally, the City would have a higher vacancy rate to facilitate negotiating power of lessees, as well as to encourage a variety of uses, sizes of operations, and market mix. Amending the General Plan for this property would provide approximately 20,000 additional square feet of industrial zoning- a nearly 4% increase in available industrial space. The General Plan seeks to protect the industrial land supply and ensure compatibility between industrial development and surrounding neighborhoods. Conversion of existing developed land in response to market demand would ensure that the industrial land supply continues to meet economic needs. Rather than promoting development of vacant, greenfield sites, conversion would foster a compact development pattern that reduces travel, energy, land, and materials consumption while promoting greenhouse gas emission reductions citywide.

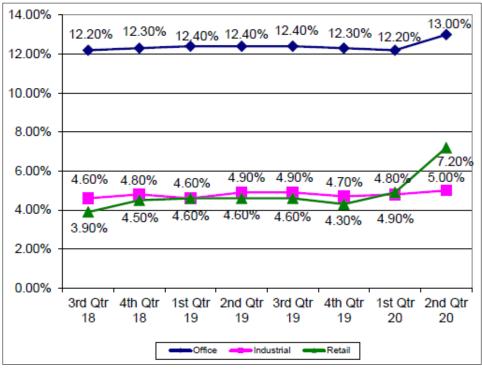


Image 3: Eight-Quarter Vacancy Chart, 3rd Quarter 2018 to 2nd Quarter 2020

Source: Keegan & Coppin Company, Inc. analysis provided by applicant.

B. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

Following the 2017 Tubbs fire, the area surrounding the subject parcel has suffered a precipitous loss of productive properties. The Kmart property once provided an economic anchor for the neighborhood, but, following its destruction, the neighboring businesses have suffered tremendously. It is not anticipated that a major retail anchor will redevelop the former Kmart property. Additionally, given the restrictions on retail operations imposed by COVID-related state and local health ordinances, as well as the significant restriction in consumer spending, retail is a less profitable enterprise. Rezoning and amending the general plan from retail and business services to allow for industrial uses aligns the property with its neighbors, as well as the actual current intensity of use of the building.

Given the property's recent use as a retail facility, the change to a closed, secured facility that is not open to the public would reduce traffic impacts to surrounding properties. Rezoning and amending the General Plan for light industrial uses would not foreseeably increase the intensity of the property's use nor have any foreseeable effect on the public's health, safety, convenience, or welfare. Making the highest and best use of the property, as well as the most valuable in terms of production, tax revenue, and jobs

created is in the best interests of the City.

C. The site is physically suitable (including absence of physical constraints, access, compatibility with adjoining land uses, and provision of utilities) for the requested/anticipated land use developments.

The project site is adjacent to a large parcel to the west designated Light Industry on the General Plan Land Use Diagram that is a gateway parcel to a large swath of industrial properties. The surrounding uses are a wide mix of commercial and light industrial uses. Because the property is already adjacent to an industrial district, amending the General Plan and rezoning the property will render the property more compatible with its neighbors. Additionally, the intended manufacturing uses are "light" in nature, which would be compatible with the overall zoning of the area and neighborhood.

The property is currently developed with a two-story commercial/industrial building, which could accommodate a wide variety of light industrial uses, while maintaining compatibility with neighboring properties. A change to the General Plan and this property's designation is necessary to better utilize the space. Industrial designations better reflect the property's current occupancy as a furniture warehouse, the changed character of the overall neighborhood, and the property's adjacency to one of the City's largest industrial zones.

D. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA).

An Initial Study was prepared in compliance with the California Environmental Quality Act (CEQA) (see Attachments 3-4). The proposed project would result in potentially significant impacts in: Air Quality, Greenhouse Gases, and Transportation. The project impacts would be mitigated to a less-than-significant level through implementation of recommended mitigation measures contained the Mitigation Monitoring and Reporting Program prepared for the project, which identifies the timing of, and the agency or agencies responsible for, enforcement and monitoring of each mitigation measure to be implemented to reduce potentially significant impacts to less than significant levels, or through compliance with existing Municipal Code requirements or City standards.

2. Zoning

The applicant requests a rezoning of the subject parcels from *General Commercial* (CG) to *Light Industrial* (IL) and has submitted a Rezoning application in accordance with Zoning Code <u>Section 20-64.020</u>. *Light Industrial* is an implementing zoning district of the General Plan Light Industry land use

designation (see <u>Section 20-20.020 Zoning Map and zoning districts</u>) and would allow the proposed Cannabis Cultivation, Manufacturing (non-volatile), and Distribution uses, subject to a Major Conditional Use Permit as required by Section 20-24.030 Industrial district land uses and permit requirements.

Zoning Map Amendment Required Findings

A. The proposed amendment is consistent with the goals and policies of all elements of the General Plan, and any applicable specific plan.

In accordance with <u>Section 20-24.020(B)</u>, the IL zoning district is applied to areas appropriate for some light industrial uses, as well as commercial service uses and activities that may be incompatible with residential, retail, and/or office uses. The IL zoning district is consistent with the Light Industry land use classification of the General Plan and implements this land use designation (<u>Section 20-20.020</u>). General Plan Section 1-2 requires that the General Plan be internally consistent; therefore, a proposed amendment to a zoning district that is consistent with a General Plan land use designation and implements that land use designation would be consistent with the goals and policies of all elements of the General Plan.

The proposed project site is not subject to a specific plan.

B. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

The proposed zoning would be consistent with the Light Industry General Plan land use designation. Rezoning would allow for industrial uses that would align the property with its neighbors, as well as the actual current intensity of use of the building. Given the property's recent use as a retail facility, the change to a closed, secured facility that is not open to the public would reduce traffic impacts to surrounding properties. Rezoning and amending the General Plan for light industrial uses would not foreseeably increase the intensity of the property's use nor have any foreseeable effect on the public's health, safety, convenience, or welfare.

C. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA).

An Initial Study was prepared in compliance with the California Environmental Quality Act (CEQA). The proposed project would result in potentially significant impacts in: Air Quality, Greenhouse Gases, and Transportation. The project impacts would be mitigated to a less-than-significant level through implementation of recommended mitigation measures contained the Mitigation Monitoring and Reporting Program prepared for the project, which identifies the timing of, and the agency or agencies responsible for,

enforcement and monitoring of each mitigation measure to be implemented to reduce potentially significant impacts to less than significant levels, or through compliance with existing Municipal Code requirements or City standards.

D. The proposed amendment is internally consistent with other applicable provisions of this Zoning Code.

The Project, as proposed and conditioned, meets all required development standards for the IL zoning district.

E. The site is physically suitable (including absence of physical constraints, access, compatibility with adjoining land uses, and provision of utilities) for the requested zoning designations and anticipated land uses/developments.

The project site is adjacent to a large swath of industrially-zone parcels, and surrounding it are a wide array of commercial and light industrial uses. Because the property is already adjacent to an industrial district, rezoning the property will render it more compatible with its neighbors. Additionally, the intended manufacturing uses are "light" in nature, which would be compatible with the overall zoning of the area and neighborhood.

The property is currently developed with a two-story commercial/industrial building, which could accommodate a wide variety of light industrial uses, while maintaining compatibility with neighboring properties. A change to this property's zoning is necessary to better utilize the space. Industrial designations better reflect the property's current occupancy as a furniture warehouse, the changed character of the overall neighborhood, and the property's adjacency to one of the City's largest industrial zones.

The project requests approval of a Major Conditional Use Permit to allow operation of a proposed commercial cannabis facility consisting of Cannabis Cultivation (10,202 SF), Manufacturing (non-volatile) (3,282 SF), and Distribution (6,016 SF) land uses. Section 20-24.030 Industrial district land uses and permit requirements, Table 2-10, requires a Major Conditional Use Permit for Cannabis Cultivation > 5,000 SF. Manufacturing (non-volatile) (3,282 SF), and Distribution (6,016 SF) land uses are permitted uses subject to specific use regulations contained in Chapter 20-46 Cannabis. Because the project site features existing development and no changes are proposed to the site or building exterior, the proposed uses will be analyzed for compliance with Section 20-36.040 Parking and with specific use regulations contained in Chapter 20-46 Cannabis.

Section 20-36.040 Parking

Below, parking for proposed Cannabis land uses is analyzed for compliance with minimum parking requirements contained in the City's Parking Ordinance.

Proposed Use	Sq. Ft.	Parking Ratio	Required Spaces
Cannabis—Commercial cultivation—5,001 sq ft or greater	10,202	1:1000	10
Cannabis—Manufacturing level 1 (non-volatile)	3,282	1:350	9
Cannabis—Distribution	6,016	1:1000	1
Total Parking Spaces Required		20	
Total Parking Spaces Available		54	
Net +/-			+34

Section 20-46.050 General operating requirements (Cannabis)

- A. **Dual licensing**. Applicant is required to demonstrate local authorization prior to obtaining a State Cannabis Operator license. Approval of this application for a Conditional Use Permit to operate Cannabis Cultivation > 5,001 sq. ft. is a necessary step in order to comply with the dual licensing requirement. The application reflects a thorough understanding of required compliance with local and state regulations.
- B. **Minors**. Operations conducted under an approved Conditional Use Permit would not be open to the public. Operators would be required to comply with State regulations governing the employment of minors.
- C. Inventory and tracking. Applicant has provided policies and procedures for the inventory and tracking of Cannabis and Cannabis products, as well as maintenance of associated records. Planned security procedures and access protocols will additionally help to prevent diversion of Cannabis and Cannabis products.
- D. **Multiple permits per site**. The applicant has indicated that it will pursue licensure as a Cannabis operator in compliance with State law.
- E. Building and fire permits. The project application has been reviewed by Building and Fire departments, and it has been conditioned as necessary by those departments. The applicant demonstrates a clear understanding of what is required to comply with Building and Fire requirements, including to provide access with a Fire Department lock box for keys to gates and doors, and has indicated that it will comply with all Building and Fire code regulations.
- G. **Security**. The applicant has provided a security plan that includes the following security enhancements:
 - Security Personnel as required by the Bureau of Cannabis Control Regulations and a Security Surveillance System with video footage retention and descriptions of the number and location of motion-sensor cameras throughout the facility;
 - 2. Access Controls on external and internal doors and windows with 2-level verification (key and code) required on some doors. Alarm

- systems will be monitored and appropriate permits obtained for installation and ongoing use.
- 3. Secure waste and storage areas, including securing an existing outdoor non-Cannabis waste receptacle, are addressed and protocols for disposing for Cannabis and Cannabis product waste are provided.
- 4. Transportation and delivery procedures for Distribution and Retail Delivery activities, and currency are provided in detail.
- 5. Emergency response and emergency access protocols are provided.
- H. Odor Control. 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 the structure in which the business operates." The applicant has provided a certified Odor Mitigation Plan, which Operational processes and maintenance plan, including activities undertaken to ensure the odor mitigation system remains functional, staff training procedures, and engineering controls, which include the installation of activated carbon filters on recirculating air systems serving spaces at risk for emitting cannabis odors. The Odor Mitigation Plan has been certified by Burke Mechanical Engineering, a registered professional engineering firm, verifying that the proposed odor control and mitigation plan complies with Zoning Code Chapter 20-46.
- I. **Lighting**. The applicant has indicated that all external lighting will be installed and operated in accordance with the City of Santa Rosa's Outdoor Lighting Ordinance, as well as other applicable regulations, to offer safety to customers and employees, while minimizing the impact on surrounding businesses. All exterior lighting systems will be provided for security purposes in a manner sufficient to provide illumination and clear visibility to all outdoor areas of the premises, including all points of ingress and egress, in accordance with Section 20-46.050(I).
- J. **Noise**. The applicant does not propose any outdoor mechanical equipment other than standard HVAC systems that would be typical for light industrial and commercial retail uses. Any ground- or roof-mounted HVAC equipment must be screened from public view, which also helps to contain nuisance noise on-site. The application notes that the facility will be heavily insulated reducing any potential nuisance noise from the interior of the building. Windows and doors will remain closed at all hours. Applicant proposes commercial deliveries during the hours of 9:00 a.m. 5:00 p.m. Monday-Friday, and the project approval will be conditioned accordingly.

The applicant recognizes that according to the Santa Rosa City Code (Chapter 17-16) it is unlawful for any person to willfully make or continue, or cause to be made or continued, any loud, unnecessary, or unusual noise

which disturbs the peace or quiet of any neighborhood or which causes discomfort or annoyance to any reasonable person of normal sensitiveness residing in the area.

The applicant is required to comply with all regulations governing operation of Cannabis Cultivation and Manufacturing facilities contained in Sections <u>20-46.060</u> and <u>20-46.070</u>, including the requirement to obtain all required permits from local, County, and State agencies.

Major Conditional Use Permit Required Findings

In granting the Conditional Use Permit, subject to City Council approval of the proposed General Plan Amendment and Rezoning, the Planning Commission first must make all of the following required findings set forth in Section 20-52.050 (Conditional Use Permits). Each finding is accompanied by a staff response.

 The proposed use is allowed within the applicable zoning district and complies with all other applicable provisions of this Zoning Code and the City Code.

The T&L Micro Cannabis Facility project is proposed to be located within the Light Industrial zoning district, which permits the use subject to Planning Commission approval of a Conditional Use Permit.

2. The proposed use is consistent with the General Plan and any applicable specific plan.

In enacting cannabis commercial cultivation regulations, the City identified specific General Plan land use designation areas, including Light Industry, as appropriate districts for the proposed land use to occur. Staff has identified several General Plan goals and policies that would be advanced through approval of the proposed project.

3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity.

The proposed project would re-tenant a previously occupied commercial building within a commercial-industrial area that includes a mix of retail, manufacturing, warehousing, distribution, and indoor recreational uses. As such, the area is well-suited for the proposed operation. There are no existing or planned residential uses in the immediate vicinity of the project site and the use has been conditioned to minimize impacts to adjacent properties.

4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints.

The proposed use, including all growing, harvesting, packaging and shipping functions, would be located wholly within an existing industrial building. The building will be fully accessible pursuant to ADA standards, though no public access will be permitted due to the nature of the proposed use and for security purposes. All necessary utilities are available at the project site, including water, wastewater, storm drainage and PG&E services.

5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zoning district in which the property is located.

The proposed development would be consistent with surrounding land uses as identified in the General Plan. Additionally, proposed conditions of approval address the requirement to minimize potential odors, light pollution, and noise, as well as a requirement for a detailed security plan that includes background checks for employees, 24-hour monitoring, use of surveillance cameras, secure entry gates to the project site, and similar measures.

6. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA).

An Initial Study was prepared in compliance with the California Environmental Quality Act (CEQA). The proposed project would result in potentially significant impacts in: Air Quality, Greenhouse Gases, and Transportation. The project impacts would be mitigated to a less-than-significant level through implementation of recommended mitigation measures contained the Mitigation Monitoring and Reporting Program prepared for the project, which identifies the timing of, and the agency or agencies responsible for, enforcement and monitoring of each mitigation measure to be implemented to reduce potentially significant impacts to less than significant levels, or through compliance with existing Municipal Code requirements or City standards.

3. <u>Design Guidelines</u>

No major site or exterior building alterations are proposed. Construction would be limited to interior reconfiguration and would include the construction of interior walls, lighting, HVAC equipment and ADA improvements. All work would be subject to City building permit requirements and meet current codes. Because the building is intended to be repurposed, construction activities and equipment would be limited, would not involve grading or utility installation and would not result in additional traffic to the project area. Any required minor alterations would receive Director-level design review at the time of building permit submittal.

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4. Neighborhood Comments

No public comments were received in response to the Notice of Intent to Adopt a Mitigated Negative Declaration for the T & L Micro project mailed to neighboring property owners, occupants and interested parties within 600 feet of the proposed project. In the early part of the project's Planning review, Planning staff asked the property owners to consider contacting the abutting property owner to the west to gauge the neighbor's interest in participating in the General Plan Amendment. The property owner reported that the neighbors were engaged in evaluation of their long-term property ownership; thus, a change to the property's General Plan designation was not timely.

No additional public comments have been received at the time that this Staff Report was prepared.

5. Public Improvements/On-Site Improvements

The project site is currently improved to City standards. No public improvements are required for implementation and operation of the proposed land uses.

FISCAL IMPACT

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

ENVIRONMENTAL IMPACT

An Initial Study was prepared in compliance with the California Environmental Quality Act (CEQA). The proposed project would result in potentially significant impacts in: Air Quality, Greenhouse Gases, and Transportation. The project impacts would be mitigated to a less-than-significant level through implementation of recommended mitigation measures contained the Mitigation Monitoring and Reporting Program prepared for the project, which identifies the timing of, and the agency or agencies responsible for, enforcement and monitoring of each mitigation measure to be implemented to reduce potentially significant impacts to less than significant levels, or through compliance with existing Municipal Code requirements or City standards. A Notice of Intent to adopt a Mitigated Negative Declaration was posted with the California State Clearinghouse (SCH Number 2020060495) and the Sonoma County Clerk's Office, initiating a thirty-day public comment period beginning June 22, 2020, and ending July 22, 2020. No comments were received by the City during the public comment period.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

FALL 2020 GENERAL PLAN AMENDMENT PACKAGE: T&L MICRO CANNABIS FACILITY PAGE 18 OF 18

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 and occupants, 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.

<u>ISSUES</u>

There are no unresolved issues.

<u>ATTACHMENTS</u>

Attachment 1	Disclosure Form
Attachment 2	Neighborhood Location Map
Attachment 3	T&L Micro IS-MND with MMRP dated June 19, 2020
Attachment 4	T&L Micro MMRP only
Attachment 5	Revised Project Description dated received October 26, 2020
Attachment 6	Project Plan Set dated received September 30, 2019
Attachment 7	2019-2020 Industrial Space analysis prepared by Keegan & Coppin Company, Inc. dated received by the City on October 18, 2020
Attachment 8	T&L Industrial Cannabis Project Traffic Analysis prepared by Transpedia Consulting Engineers dated August 20, 2020
Attachment 9	Certified Odor Control Plan prepared by Buke Mechanical Engineering August 17, 2019, with Addendum dated received October 26, 2020
Resolution 1	Mitigated Negative Declaration
Resolution 2	General Plan Amendment
Resolution 3	Rezoning
Resolution 4	Conditional Use Permit
Exhibit A	Mitigated Negative Declaration with MMRP

CONTACT

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