

CITY OF SANTA ROSA
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
STAFF REPORT FOR PLANNING COMMISSION
December 13, 2018

PROJECT TITLE

Aloha Aina, Inc. (Dispensary)

APPLICANT

Marvin Otsuji – Applicant
Beck Law - Representative

ADDRESS/LOCATION

1954 Piner Road, Suite B
Santa Rosa, CA 95403

PROPERTY OWNER

Hassan Kazemini

ASSESSOR'S PARCEL NUMBER

036-011-059

FILE NUMBER

CUP18-060

APPLICATION DATE

April 19, 2018

APPLICATION COMPLETION DATE

June 26, 2018

REQUESTED ENTITLEMENTS

Conditional Use Permit (CUP)

FURTHER ACTIONS REQUIRED

None

PROJECT SITE ZONING

CG (General Commercial)

GENERAL PLAN DESIGNATION

Retail and Business Service/Medium
Density Residential

PROJECT PLANNER

Adam Ross

RECOMMENDATION

Approval

Agenda Item # 10.1
For Planning Commission Meeting of: December 13, 2018

CITY OF SANTA ROSA
PLANNING COMMISSION

TO: CHAIR EDMONDSON AND MEMBERS OF THE COMMISSION
FROM: ADAM ROSS, CITY PLANNER
SUBJECT: PLANNING AND ECONOMIC DEVELOPMENT
ALOHA AINA, INC. CONDITIONAL USE PERMIT

AGENDA ACTION: RESOLUTION

RECOMMENDATION

The Department of Planning and Economic Development recommends that the Planning Commission, by resolution, approve a Major Conditional Use Permit to allow a Medical and Adult Use Cannabis Retail Dispensary with Delivery Services in 2,134 square feet of a newly constructed 2,550 square-foot building on 0.68 commercial parcel with reciprocal access and parking.

EXECUTIVE SUMMARY

The proposed Aloha Aina, Inc. project (Project) seeks a Major Conditional Use Permit (CUP) to allow a Medical and Adult Use Cannabis Retail Dispensary with Delivery Services in a 2,134 square-foot tenant space located within a newly constructed 2,550 square-foot building on a 0.68 commercial parcel with reciprocal access and parking. Delivery services will occur during permitted business hours of operation only (9:00 a.m. to 9:00 p.m. seven days per week as allowed in Zoning Code Section 20-46.080(F)(4)). No on-site consumption is proposed in this project.

BACKGROUND

On December 19, 2017, the City Council enacted comprehensive regulations for cannabis (ORD-2017-025), which occurred after the State of California approved the sale of cannabis for adult use.

On September 10, 2015, the Planning Commission approved the Tentative Map and Conditional Use Permit to split the lot at 3093 Marlow Road in Santa Rosa and to allow development of Yogurt Time Center that included a drive-through. Subsequently, Yogurt Time Center received a Minor Design Review Approval for the project and the Yogurt Time Center commercial spaces were permitted and built as shell buildings in June of

2018. Aloha Aina, Inc. submitted the Conditional Use Permit Application on April 19, 2018. The Project is in a non-competitive track and was deemed complete on June 26, 2018.

1. Project Description

The Project will occupy 2,134 square feet of a newly constructed commercial site. The current Zoning is CG (General Commercial). The General Plan designation is Retail and Business Services/Medium Density Residential, which anticipates uses, such as retail and service enterprises, offices, and restaurants. The Project requires a a Minor Design Review Permit Application before Building Permits can be issued. The Project will allow Medical and Adult Use Cannabis Retail with Delivery Services.

Engineering Development Services has Conditioned the Project to provide a flush slope for ADA access on the southeast corner of Bay Meadow Drive and Piner Road.

2. Surrounding Land Uses

North: PD 0181 (Orchard West Multi-Family)
South: CG (General Commercial)
East: CN (Neighborhood Commercial)
West: CG (General Commercial) Vacant

Multi-family uses are located north of the site across Piner Road (approximately 140 feet from the project's building to habitable space), with commercial retail to the south (Walgreens), and vacant parcels to the west of the site. Across Marlow Road to the east of the existing site there is a commercial development that includes various retail commercial locations.

3. Existing Land Use – Project Site

The proposed project is located within the CG (General Commercial) Zoning District, and the Retail and Business Services General Plan Land Use Designation with a Medium Density Residential overlay. Cannabis Retail Dispensary uses are allowed under Zoning Code Section 20-23.030 Table 2-6, with approval of a Conditional Use Permit.

Project History

April 19, 2018	The CUP application was submitted to the Planning and Economic Development Department
June 06, 2018	Neighborhood Meeting was held

May 31, 2018	Notice of Incomplete Application was sent to the Applicant (Disclosure Form, Copyright Materials Release, Cannabis Retail Use Applications Completeness Review Time Extension, Odor Mitigation Plan, Dimensioned Plans, School Setback Maps, Photos, Signed Statement of Compliance, Operational Plan, Sample Interior Theme and Materials)
June 21, 2018	Completeness Review Time Extension was received by City Staff
June 21, 2018	Response to Incomplete Letter was received by City Staff
June 26, 2018	Notice of Complete Application was sent to the Applicant
July 24, 2018	Referral was sent out to all applicable City Departments and Tribal Referrals.
July 24, 2018	Notice of Application was sent out
Sept 25, 2018	Notification of Staff Issues was sent to the Applicant
October 31, 2018	Updated Plans and Project Description was received by Staff

PRIOR CITY COUNCIL REVIEW

Not Applicable

ANALYSIS

The project proposes the use of a Medical and Adult Use Cannabis Retail Dispensary with Delivery Services in a General Commercial Zoning District. Adult Use and Medical Cannabis Retail Dispensaries with Delivery Services are an allowed use with the approval of a Conditional Use Permit.

The Project adheres to the Medical and Adult Use Cannabis Retail Operational requirements Per Section 20-46 of the Zoning Code. The Project does not include on-site consumption, manufacturing, cultivation, or testing of any kind.

1. General Plan

The project site is designated Retail and Business Services/Medium Density Residential on the Santa Rosa General Plan 2035 Land Use Diagram. This classification is intended to accommodate retail and service enterprises, offices, and restaurants with a Medium Density Residential Land Use Overlay.

The following General Plan goals and policies are applicable to the proposed Medical and Adult Use Cannabis Retail Dispensary Uses:

- 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.
- LUL-J** Maintain the economic vitality of business parks and offices, and Santa Rosa's role as a regional employment center.
- LUL-J-1** Maintain an adequate supply of employment centers in a variety of locations and settings to ensure the City's continued economic vitality.
- EV-A-1** Encourage unique local retail and service businesses to locate within the Plan area.
- 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** Maintain the economic vitality of the downtown, business parks, offices and industrial areas.
- EV-D-1** Continue to promote Santa Rosa's role as a regional center.
- EV-D-2** Maintain space in business parks for distribution and research uses. Attract a wide range of industries which serve local and regional needs and contribute to the community's economic vitality, and at the same time protect the local environment and quality of life.

The Zoning Code specifically identifies the General Commercial (CG) Zoning Districts where Retail Cannabis Dispensary use would be appropriate. Although Cannabis uses are not explicitly addressed in the General Plan, the CG Zoning District is intended for many uses similar to Medical and Adult Use Cannabis Retail Dispensaries such as a bar or tavern, cafes or coffee shops, and general retail.

Staff has determined that the proposed Medical and Adult Use Cannabis Retail Dispensary use is consistent with the applicable aforementioned General Plan

Goals and Policies, and the associated Retail and Business Services General Plan Land Use Designation. The use would assist in maintaining the economic viability of the area and maintain the diverse types of employment opportunities available in the City, while continuing compatibility with the surrounding businesses and neighborhoods through proposed operations and security measures.

2. Other Applicable Plans

Not Applicable

3. Zoning

The project site is located within a General Commercial (CG) Zoning District and is surrounded by Neighborhood Commercial (CN), General Commercial (CG), and a multi-family Planned Development (PD-0181) Zoning District (Orchard West Apartments). The surrounding Zoning Districts support Retail, Office, and Business Services and the Multi-Family Development. The Orchard West Apartments adjacent on the north side of the project are separated from the project by Piner Road, and the apartment buildings are approximately 140-feet away from the project building.

City Council amended Zoning Code Section 20-24.030 to include Cannabis – Retail (dispensary) and Delivery uses, subject to an approved Major Conditional Use Permit, regardless of the size of the proposed use.

Zoning Code Section 20-46.050 provides General Operating Requirements applicable to all Cannabis Businesses and Section 20-46.080 specifies additional operating requirements for Cannabis Retail (Dispensary) and Delivery Services. The applicant has demonstrated compliance with all General Operating Requirements and those specific to Cannabis Retail (Dispensary) and Delivery Services. There is no On-Site Consumption proposed with this Project.

Aloha Aina, Inc. is required to adhere to all State Bureau of Cannabis Control licensing and operating procedures, as well as City ORD-2017-025. The applicant will display copies of all State Licenses as well as all County and City permits.

Employment

Aloha Aina, Inc. completes background checks on all current and prospective employees.

Odor Control

As required by Zoning Code Section 20-46.050(H), the applicant has provided an Odor Mitigation Plan, signed by a licensed professional engineer.

Aloha Aina, Inc. will include engineering and administrative controls. Engineering controls include carbon filtration system on their exhaust systems and their recirculating air filters. The engineering controls will be installed by a licensed mechanical engineer. There is no on-site consumption proposed with this project.

Outdoor Lighting

The site plan shows the existing and proposed lighting on site, which illuminates the building and the surrounding walkway areas. The light fixtures will comply with Zoning Code Section 20-30.080.

Noise

The Project complies with the General Plan Noise and Safety Chapter 12-4, Land Use Compatibility Standards Figure 12-1 for Office Buildings, Business Commercial and Professional where normally acceptable land use is acceptable and does not require special noise insulation requirements. The Project is proposed within an insulated building, which provides adequate sound dampening for a retail business as the project should not exceed 55 decibels. Generators will not be used on this site unless an emergency situation requires a temporary one.

Accessory Uses

There are no accessory uses proposed with this project.

Security Plan

As required in Zoning Code Section 20-46.050(G), the applicant has provided a Security Plan that has been reviewed and determined to be adequate by City Staff.

Video Surveillance: The applicant will install security cameras to monitor the interior and exterior of the building that will run 24 hours a day, maintained in good working condition, and comply with standard industry format to support criminal investigations and maintained for 90 days. The cameras will be placed to record activity within 20-feet of the site.

Alarm System: An internal alarm system will be installed and continually monitored by a third-party company. Motion sensor cameras will monitor the site after hours. The motion sensor cameras will alert management and provide a live stream via email to determine whether criminal activity is taking place on site.

Secure Storage and Waste: Expired, opened, returned, or otherwise unsellable cannabis products will be disposed of in secure waste containers located in a limited access area inside the dispensary. Aloha Aina, Inc. will contract with permitted disposal transportation services when cannabis goods need to be removed from the licensed.

Secure Entrance: The door to the dispensary property is locked at all times. All members are greeted by security and must show identification at the reception area before entry is granted. All doors are closed and locked at night.

Security Personnel: The dispensary will employ multiple security guards that will be present during all operating hours to monitor the interior and exterior of the site.

Additional Security Measures: Any areas not available to customers will require key card access. Signs will be posted at the safe and around the premises notifying anyone that employees cannot open the safe. Height markers will be installed at the entry.

Staff reviewed the applicant's Security Plan (confidential) and determined that the plan is adequate for this site and meets all requirements set forth in Section 20-46.050(G).

Delivery Procedure

Aloha Aina, Inc. will only sell and deliver cannabis goods that were received from a licensed distributor and are properly packaged and labeled by the manufacturer prior to sale.

Cannabis goods will be delivered by Aloha Aina, Inc. employees. The delivery employee will park near the entrance of the building and will be escorted by security personnel to and from their vehicle. All products will be kept in their original packaging, placed in opaque child-proof bags, and then placed inside a lockable bag or tote, and carried to the delivery vehicle and placed in a locked tamper proof box inside the vehicle. Aloha Aina, Inc. will use GPS tracking for all delivery vehicles.

Aloha Aina, Inc. will adhere to all delivery requirements established by City Council ORD-2017-025 Section 20-46.080(B) and Title 16 CCR Section 5415.

On-Site Consumption

No on-site consumption is proposed with this application.

Special Events

Aloha Aina, Inc. will not host any events requiring a cannabis permit at this location. If the Applicant requests approval to host a cannabis event permit at this location in the future, the applicant would be required to obtain a Temporary Use Permit, pursuant to Section 20-52.040 (Temporary Use Permit).

Storefront, Signage, and Window Treatments

All signs will be subject to Santa Rosa Zoning Code Section 20-38. Aloha Aina, Inc. will install a security window film to ensure products are not readily visible to the public. There are no schools within 1,000 feet of the Project.

4. Design Guidelines

The project received a Minor Design Review Permit (DR15-035) for the site. There are no changes being proposed to the site and therefore, the project does not require additional Design Review Permit applications.

5. Historic Preservation Review Standards

Not Applicable

6. Neighborhood Comments

Five members of the Public attended the neighborhood meeting held on June 6, 2018. The following concerns were raised:

- On-site consumption
- What happens outside the building
- Young children would attend Yogurt Time and they would not want children to get someone to buy cannabis products for them
- What would signage look like
- The cost of the products

Response to neighborhood concerns:

- There is no on-site consumption proposed at this site
- Security will monitor the site and parking lot to ensure that no children are able to acquire cannabis products
- Signs are subject to City and State Ordinances
- Pricing is subject to market rates

7. Public Improvements/On-Site Improvements

The project has been conditioned to provide a flush entrance to the pedestrian path on the southeast corner of Bay Meadow Drive and Piner Road for ADA compliance.

8. Parking

Per Section 20-36.040 of the Zoning Code, required parking for Cannabis retail in this location is 1 space per 250 square feet and one bicycle parking space per 5,000 square feet. The gross floor area of the building is 2,500 square feet. Therefore, a total of 10 parking spaces and one bicycle parking space is required for this particular use.

The Project is located in a commercial center and has a reciprocal parking easement with the existing Walgreens retail use and new commercial buildings. The total required parking for the newly constructed building is 33, and 60 spaces are required for the existing Walgreens for a total of 93 required parking spaces for the center. There are 93 existing parking spaces serving the commercial site s including the 10 required parking spaces for the Project. The applicant will provide at least one short-term bicycle parking space. Therefore, there is sufficient parking.

FINDINGS REQUIRED FOR CONDITIONAL USE PERMIT

The Planning Commission must make all of the following findings as required in Zoning Code Section 20-52.050 (Conditional Use Permits), to grant the Major Conditional Use Permit. Each finding is followed by a staff response.

A. 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.

Staff Response: The proposed Medical and Adult Use Cannabis Retail Dispensary with Delivery use will occupy 2,134 square feet of an existing building in the CG (General Commercial) Zoning District, which is allowed subject to Planning Commission approval of a Major Conditional Use Permit.

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

Staff Response: The proposed Medical and Adult Use Cannabis Retail Dispensary with Delivery is consistent with the applicable underlying General Plan goals and policies related to industry, economic vitality, and the associated Retail and Business Services General Plan land use designation that allows retail and service enterprises, offices, and restaurants.

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

Staff Response: The proposed Medical and Adult Use Cannabis Retail Dispensary and Delivery is an allowed use under Section 20-33.030 Table 2-6 with approval of a Conditional Use Permit. The existing site is located within the CG (General Commercial) Zoning District. As such, the area is well-suited for the use and the hours of operation are within those permitted in Zoning Code Section 20-46.080(F)(4). The project site is developed for a Retail use, and parking is adequate for the staffing and operations associated with the use. The project complies with the General Operating Requirements for Cannabis Businesses and those operating requirements specific to Medical and Adult Use Cannabis Retail Dispensary.

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

Staff Response: The proposed use will occupy 2,124 square feet within an existing 2,500 square foot retail building. Vehicular access to the site is provided via Piner Road and Marlow Avenue. The Project plans demonstrate compliance with all operational standards as specified in Zoning Code Section 20-46. The building will remain fully accessible pursuant to Americans with Disabilities Act (ADA) standards. All necessary utilities are available at the project site, including water, wastewater, storm drainage, gas and electric services.

E. 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.

Staff Response: The proposed project will be consistent with the surrounding land uses to the east and south, which are within the CN – Neighborhood Commercial, and CG General Commercial Zoning Districts, and comprise a wide variety of commercial, office retail, and business uses.

The Odor Mitigation Plan has been certified by a licensed engineer ensuring that all mitigation controls are sufficient to effectively mitigate odors from all sources (see Attachment 7 – Certified Odor Mitigation Plan dated received June 21, 2018). The project Security Plan seeks to effectively prevent theft or diversion of any cannabis or currency, as well as to discourage loitering, crime, and illegal or nuisance activities, by having an existing interior and exterior camera surveillance system with after hours motion sensing, on-site security personnel, a professionally monitored alarm system, access controls, and secure storage and waste areas, as well as implementing inventory controls, employee safety and security operational procedures, delivery service operation standards and procedures, and training on such procedures. The parking area for this business will be monitored by security guards during normal business hours, and the security cameras will provide after hours notification to management staff via email streaming.

The existing building is set back approximately 140 feet from the habitable space in the residential neighborhood to the north, and is separated by Piner Road. Per Zoning Code Section 20-46.050 (E), the project is subject to Building and Fire permits. Additionally, an annual Fire Department Operational Permit is required, as well as Health and Safety Code for this business.

FISCAL IMPACT

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

ENVIRONMENTAL IMPACT

The project qualifies for a Class 1 Categorical Exemption under CEQA Guidelines Section 15301 in that the project proposes minor alterations to an existing building involving negligible expansion of use. The Project involves minor modifications to an existing facility and no expansion of use to the site is proposed.

The project qualifies for a Class 3 Categorical Exemption under CEQA Guidelines Section 15303 in that the project is a conversion of an existing small structure from one use to another where the project is going from one approved use to another similar use, does not exceed 2,500 square feet of building, and proposes no exterior modifications.

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.)

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not Applicable

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 remaining with the project.

ATTACHMENTS

- Attachment 1 – Disclosure Form
- Attachment 2 – Neighborhood Context Map
- Attachment 3 – Project Narrative
- Attachment 4 – Project Plans

Attachment 5 – Certified Odor Mitigation Plan
Attachment 6 – Focused Traffic Study
Attachment 7 – Resolution No. 11724
Attachment 8 – Resolution No. 11725
Resolution – Conditional Use Permit

CONTACT

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