CITY OF SANTA ROSA PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT STAFF REPORT FOR PLANNING COMMISSION <u>September 22, 2022</u>

PROJECT TITLE

APPLICANT

Jane Dispensary

ADDRESS/LOCATION

4040 Highway 12

ASSESSOR'S PARCEL NUMBER

032-500-040

APPLICATION DATE

August 12, 2021

REQUESTED ENTITLEMENTS

Conditional Use Permit (CUP)

PROJECT SITE ZONING

CN – Neighborhood Commercial

PROJECT PLANNER

Suzanne Hartman

Mario Tamo

PROPERTY OWNER

Corhall, LLC

FILE NUMBER

CUP21-071

APPLICATION COMPLETION DATE

August 30, 2022

FURTHER ACTIONS REQUIRED

Building Permit

GENERAL PLAN DESIGNATION

Retail and Business Services

RECOMMENDATION

Approval

Agenda Item #_____ For Planning Commission Meeting of: September 22, 2022

CITY OF SANTA ROSA PLANNING COMMISSION

TO: CHAIR WEEKS AND MEMBERS OF THE COMMISSION

- FROM: SUZANNE HARTMAN, CITY PLANNER PLANNING AND ECONOMIC DEVELOPMENT
- SUBJECT: JANE DISPENSARY

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Planning Commission, by resolution, approve a Conditional Use Permit to allow a commercial (Type 10) cannabis retail facility dispensary with delivery to occupy a 1,997-square-foot space, within an existing 4,776-square-foot multi-tenant commercial building.

EXECUTIVE SUMMARY



Figure 1: Location of Proposed Project Site

The Jane Dispensary (Project) proposes to operate a medical and adult use Cannabis dispensary with delivery within a 1,997-sqaure-foot space within an existing 4,776-square-foot multi-tenant commercial building. The applicant proposes to operate the retail dispensary between the hours of 9:00 am and 9:00 pm, seven days a week, consistent with Zoning Code Section 20-46.080(F)(4). The applicant proposes to limit all commercial deliveries to the hours of 9:00 am to 5:00 pm, Monday through Friday. Jane Dispensary Page 3 of 12

1. <u>Project Description</u>

The applicant proposes to operate a cannabis retail facility within a multi-tenant building that was constructed in 1975 and is located on the south side of Highway 12. The applicant proposes to operate the retail dispensary between the hours of 9:00 am and 9:00 pm, 7 days a week, within an existing 1,997 square foot suite. The applicant has stated in their Project Description Narrative that commercial deliveries shall be between the hours of 9:00 am to 5:00 pm, Monday through Friday. The entrance to the retail dispensary will be visible to the street and the window, door and wall siding changes that are being proposed to the building frontage are minor and shall be reviewed in a separate building permit application.

The applicant must obtain a Type 10 State license from the State of California, 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, described below.

2. <u>Surrounding Land Uses</u>

General Plan Land Use Designations:

North: Mobile Home Park South: Retail and Business Services

East: Medium Density Residential

West: Medium Density Residential

The project site is adjacent to an Assisted Living Facility along Highway 12 to the west, a Mobile Home Park to the north and various residential developments east and south of the project site.

- 3. Existing Land Use Project Site
- 4. The project site is designated Retail and Business Services under the General Plan and is developed with commercial buildings on a 23,086-square-foot corner lot. Highway 12 and Streamside Drive comprise the project frontage. The lot features one primary multi-tenant structure, 36 vehicle parking spaces, a 6-foot-tall wood fence and a row of trees at the rear of the property. The proposed cannabis dispensary would occupy an existing vacant commercial suite of 1,997-square-feet, which was previously a pet supplies shop. Project History

August 12, 2021 Conditional Use Permit Application Submitted

November 8, 2021	Notice of Application Distributed
November 22, 2022	Neighborhood Meeting
August 30, 2022	Application Deemed Complete
September 6, 2022	Notice of Public Hearing Distributed

ANALYSIS

The Project proposes to establish a medical and adult use retail cannabis (dispensary) with delivery within the Neighborhood Commercial (CN) zoning district. No on-site consumption is proposed. 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:

Consistent.
Consistent.
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> Although Cannabis land uses are not considered under the current General Plan, the Neighborhood Commercial (CN) zoning district is an implementing zoning district of the General Plan Retail and Business Services land use designation. The Zoning Code identifies that Neighborhood Commercial (CN) zoning districts may appropriate locations for cannabis retail (dispensary) uses with Conditional Use Permit approval.

It has been determined by Staff that the proposed medical and adult use cannabis retail dispensary use with delivery is consistent with the applicable General Plan goals and policies. The proposed project's operational standards would assist in maintaining the land use and economic viability and would maintain the diverse types of available employment opportunities in the City.

2. Zoning

North: MH (Mobile Home Park) South: PD 02-004 (Planned Development) East: PD 02-004 (Planned Development) West: PD 0389 (Planned Development)



Figure 2: Zoning District Map of Proposed Project Site

The implements the goals and policies of the General Plan by classifying and regulating the use of land and structure development within the City. Zoning Code Chapter 20-23 specifically identifies the Neighborhood Commercial (CN), as a district appropriate for cannabis retail (dispensary) with delivery. The applicant's operational plans comply with Zoning Code Chapter 20-46 standards

relating to location, security, odor control, lighting, noise, and parking requirements, which are summarized below.

Minimum Setback from Schools

Both City and State regulations prohibit establishment and operation of 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. Herbert Slater Middle School is approximately 5,808 feet south of the project parcel. The project is consistent with the State and local regulations.

Concentration

The Zoning Code prohibits cannabis retail facilities (dispensaries) established within and permitted by the City of Santa Rosa to be within 600 feet of each other. There are no other cannabis retail facilities within 600 feet of the subject proposed site; therefore, the Project site is not located in an "over-concentration" area.

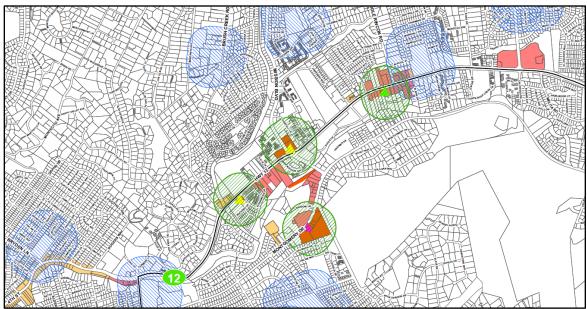


Figure 3: Project proximity to school and concentration

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:

- Security Cameras 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.
- Security Personnel The main entrance will be monitored during business hours by an unarmed, uniformed Security Officer posted outside the main entrance, and a Security Staff member posted at the Administrator's desk.
- Alarm System A professionally monitored alarm system will be installed and maintained.
- Secure Storage and Waste 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.
- Transportation Shipments of cannabis goods will be received only from a licensed distributor or licensed microbusiness. All deliveries from licensed will occur between 9 am to 5:00 pm; delivery drivers will enter and exit through the limited access/employee door of the building, not visible from the customer entrance door.
- Locks 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.
- Emergency Access A key box will be installed in an accessible location, approved by the Fire Chief, for access to the premises in the event of an emergency.

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 Matthew Torre from 15000 Inc., dated June 15, 2021. The Odor Mitigation Plan has been certified by a registered professional engineer which includes: an Operational Process and Monitoring Plan and staff training procedures. The project proposes to implement and maintain building systems that will effectively minimize transmission of order, which includes the installation of carbon filters and negative air pressure.

Lighting

As a part of the project, the applicant proposes to comply with the Outdoor Lighting requirements of Zoning Code Sections 20-46.050 and 20-46.80. All exterior lights will be shielded and cast downward to avoid light or glare spilling onto neighboring properties. A recommended condition of approval is that the applicant's building permit submittal include a detailed lighting plan in compliance with the Zoning Code.

Noise

All noise generated by the proposed project 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.

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.

Parking

The proposed project will be occupying 1,997-square-feet of an existing 4,776square-foot multi-tenant commercial building. The project site shares a total of 36 vehicle parking spaces, including two ADA accessible spaces. 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 project site shall provide one bicycle parking space. The project site meets the vehicle parking minimum identified in the Zoning Code.

Required Findings for a Conditional Use Permit

General.

- 1. Compliance with the latest adopted ordinances, resolutions, policies, and fees adopted by the City Council at the time of building permit review and approval. All fees must be paid prior to issuance of a building permit.
- 2. Comply with all applicable federal, state, and local codes. Failure to comply may result in issuance of a citation and/or revocation of approval.
- 3. Operations of the project shall be consistent with the project description dated August 12, 2021. Any changes to operations may be subject to review by the Planning and Economic Development Department.

Expiration and Extension.

- 4. This Conditional Use Permit shall be valid for a two-year period. If construction has not begun or if an approved use has not commenced within two (2) years from date of approval, this approval shall automatically expire and shall be invalid unless an application for extension is filed prior to expiration.
- 5. If implemented within the initial approval period in accordance with all conditions of approval, this Conditional Use Permit shall be valid for the duration of use.

Building Division.

6. Obtain building permits for the proposed project.

Engineering Division.

7. Compliance with all conditions as specified by the attached Exhibit "A" dated December 7, 2021.

Fire Department.

- 8. Compliance with all conditions as specified by the attached Exhibit "B" dated October 26, 2021.
- 9. The building materials, elevations, and appearance of this project, as presented for issuance of a building permit, shall be the same as that approved by the Planning Commission. Any future additions, expansions, remodeling, etc., will be subject to review and approval of the Planning Division.
- 10. The sale of any cannabis related paraphernalia products must comply with the City's zoning code and any other applicable State regulations.
- 11. Compliance with all applicable operational provisions of Zoning Code Chapter 20-46 is required.
- 12. No signs are approved as part of this Conditional Use Permit. All signs require a separate review process and both Planning and Building permits.
- 13. At least 2 bike parking spaces shall be installed in compliance with Zoning Code Chapter 20-36.

- 14. All exterior lighting shall comply with Zoning Code Section 20-30.080.
- 15. Compliance with City Graffiti Abatement Program Standards for Graffiti Removal (City Code 10-17.080).

SUMMARY OF PUBLIC COMMENTS

A notice of application was distributed, and a neighborhood meeting was held on November 22, 2021, facilitating public comment.

The concerns raised by the public are summarized below:

- The consumption of products adjacent to the site, in surrounding residential areas
- Proximity of cannabis sales to children residing in surrounding residential areas
- The generation of cannabis odors into the surrounding area
- Littering of cannabis related packaging and other items
- Traffic from the new cannabis land use

<u>Staff Response:</u> 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 businesses found in Zoning Code Section 20-46.

The applicant has provided an Odor Mitigation Plan and will 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 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 Focused Transportation Study was prepared by W-Trans. The study found the proposed use would result in three trips during the a.m. peak hour and 34 more trips during the p.m. peak hour. The proposed project would result in fewer than 250 new daily trips and 50 new trips during each peak hour. The report concluded that the proposed project would result in a less-than-significant transportation impact.

FISCAL IMPACT

Approval of the Project will not have an effect on the General Fund.

ENVIRONMENTAL IMPACT

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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:
 - 1. 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;
 - 3. 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
 - 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.)

PUBLIC 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

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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 Description Attachment 4 - Focused Transportation Study Attachment 5 - Project Plans Attachment 6 - Security Plan Attachment 7 - Odor Mitigation Plan Attachment 8 – Public Correspondence

Resolution

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