

CITY OF SANTA ROSA
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
STAFF REPORT FOR DESIGN REVIEW BOARD
MARCH 2, 2017

PROJECT TITLE

Emerald Alliance Cultivation

APPLICANT

Karen Kissler

ADDRESS/LOCATION

2875 Sebastopol Road

PROPERTY OWNER

Karen Kissler Family Trust

ASSESSOR'S PARCEL NUMBER

035-251-037

FILE NUMBER

PRJ16-007

APPLICATION DATE

April 18, 2016

APPLICATION COMPLETION DATE

January 9, 2017

REQUESTED ENTITLEMENTS

Design Review

FURTHER ACTIONS REQUIRED

Building Permit

PROJECT SITE ZONING

IL (Light Industrial)

GENERAL PLAN DESIGNATION

Light Industry

PROJECT PLANNER

Patrick Streeter

RECOMMENDATION

Approval

CITY OF SANTA ROSA
DESIGN REVIEW BOARD

TO: CHAIR BURCH AND MEMBERS OF THE BOARD
FROM: PATRICK STREETER, SENIOR PLANNER
PLANNING AND ECONOMIC DEVELOPMENT
SUBJECT: EMERALD ALLIANCE CULTIVATION

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Design Review Board, by resolution, approve Preliminary and Final Design Review to the proposal of Emerald Alliance to construct and operate a 20,000 square foot medical cannabis commercial cultivation facility on a presently vacant parcel at 2875 Sebastopol Road.

EXECUTIVE SUMMARY

Emerald Alliance is proposing to construct and operate an indoor medical cannabis commercial cultivation facility with a floor area of approximately 20,000 square feet on the vacant parcel located at 2875 Sebastopol Road. The project site is zoned for light industrial land use and is adjacent to residential development along Brittain Lane, to the north. The proposed facility would operate within a modular building. The facility will be staffed in two 8-hour shifts, beginning at 9 a.m. and 9 p.m. Depending on the specific activities being conducted, which include planting, harvesting, trimming, packaging, and storing, the facility will have one to six employees during a shift. Delivery vehicles will enter the property from Sebastopol Road and exit onto Brittain Lane. Delivery vehicles will be loaded and unloaded from a designated enclosed area within the proposed facility. There is no retail component associated with this facility.

BACKGROUND

1. Medical Cannabis Commercial Cultivation in Santa Rosa

On October 9, 2015, Governor Brown signed into law the Medical Marijuana Regulation and Safety Act (MMRSA), which went into effect on January 1, 2016. MMRSA established a comprehensive State licensing and regulatory framework for the cultivation, manufacture, transportation, testing, storage, distribution, and

sale of medical cannabis through Assembly Bills 243 and 266, and Senate Bill 643.

The 2016 City Council Goal Setting Workshop established five priorities to better focus staff efforts towards achieving established City Council Goals. One of the Tier 1 priorities (projects that are underway or receiving the highest attention) identified is to “pursue current opportunities for medical marijuana, cannabis cultivation, lab and employment development. Prepare for impacts of legalized recreational marijuana.”

In accordance with City Council goals, and in response to the State’s adoption of the MMRSA, the Council asserted its interest in retaining local authority over medical cannabis operations.

On January 19, 2016, the City Council initiated a comprehensive policy effort to regulate medical cannabis operations, and reconvened the Medical Cannabis Policy Subcommittee. This subcommittee meets monthly and continues to work towards creation of a new, comprehensive regulatory framework to address medical cannabis land use within the City. The Subcommittee’s progress and meeting content can be tracked through the City’s website (www.srcity.org/cannabis).

On February 23, 2016, the City Council adopted an interim zoning ordinance allowing commercial cultivation of medical cannabis with a Minor Use Permit or Conditional Use Permit, depending on the size of the proposed facility, in the Light Industrial (IL), General Industrial (IG) zoning districts, and the Limited Light Industrial (-LIL) combining zoning district (City Code Chapter 20-46).

As of the writing of this report, two medical cannabis commercial cultivation facilities have been approved in Santa Rosa. Both were located within Light Industrial zoning districts.

2. Project Description

The project is proposed for a presently vacant parcel in southwest Santa Rosa on the northeast corner of the intersection of Sebastopol Road and Brittain Lane. Emerald Alliance is proposing to construct an approximately 20,000 square foot modular building with associated site improvements, to operate as a commercial cultivation facility for medical cannabis. The ground level of the facility will include four large flower rooms, a mother/clone room, an office, secure enclosed truck bay, storage and shipping, restrooms, and ancillary production rooms. A central second story will contain an additional restroom and spaces for trimming, processing, and drying.

The four flower rooms will alternate lighting schedules with two being lit during the day and two at night. The facility will be staffed in two 8-hour shifts,

beginning at 9 a.m. and 9 p.m. On site activities include planting, harvesting, trimming, packaging, and storing. Staffing is anticipated to include two master growers, one for each shift, and two or three support staff per shift. During more labor intensive periods of the cannabis growth cycle, when trimming takes place for example, additional staffing, through temporary agencies, will be acquired. The facility will not feature a retail component or any other land use that would generate visitors from the public.

A maximum usage of approximately 2,000 gallons of water per day, which could vary based on growing cycle, growing media, and level of production, is anticipated. The applicant proposes to capture and reuse a portion of this water for irrigation of exterior landscape plants. Refuse will be separated into containers for organic waste, recycling, and general trash. These containers will be kept in a secure trash enclosure. To reduce odors, organic waste, which consists primarily of stems and some leaves, will be sealed in plastic bags before being deposited in the trash enclosure area. Carbon filters, or scrubbers, will be installed and maintained on the primary building to prevent odors from escaping the site. A prohibition of detectable cannabis odors leaving the project site has been added as a condition of approval for the use permit.

Delivery vehicles will access the facility from Sebastopol Road. Space is available for the vehicle to wait off of the public street while an employee opens the gate to admit the vehicle. Delivery vehicles will be directed to enter a dedicated room within the main building with a lockable, pull down door. After loading/unloading has taken place, an employee will accompany the delivery vehicle to the exit gate on Brittain Lane. A detailed security plan will be developed with indoor/outdoor infrared cameras, remote surveillance access, and motion detection alarms. All prospective employees will be screened and subject to criminal background checks.

3. Surrounding Land Uses

North:	Single-family residential
South:	Sebastopol Road, commercial business park beyond
East:	Single-family residential and industrial uses
West:	Brittain Lane, industrial uses beyond

The project site is located along a commercial/industrial stretch of Sebastopol Road. To the east and west, land uses are predominately associated with automotive or other light industrial uses. The business park, across Sebastopol Road to the south, contains a variety of commercial office uses. North of the project site is a small community of single-family homes that are accessed from Brittain Lane. The residential properties to the north are currently part of a Sonoma County island, but are within the scope of the proposed Roseland Area Annexation.

Several bus routes that run along Sebastopol Road have stops within close walking distance of the project site. The nearest school, Lawrence Cook Middle School is located approximately 900 feet to the east. The project site is approximately $\frac{3}{4}$ of a mile from the Stony Point Road on-ramp to Highway 12.

4. Existing Land Use – Project Site

The approximately 0.9-acre project parcel is presently vacant and surrounded by security perimeter fencing. The site is generally flat and retains a parking lot and concrete building pads from a previous use. With the exception of some low grasses and shrubs, there is no on-site vegetation. The fenced-in portion of the parcel is set back several feet from the striped Sebastopol Road travel lanes. Utility wires on poles run along the Sebastopol Road frontage of the project site.

5. Project History

On April 18, 2016, applications for a Conditional Use Permit and Design Review for the proposed project were filed with the Planning and Economic Development Department.

On May 18, 2016, a Letter of Incomplete Application was sent to the applicant, which provided details on additional information that would be necessary for the City to complete its review of the project.

On May 25, 2016, a neighborhood meeting was held to introduce the project to neighbors and gather feedback from the community.

On September 6, 2016, the applicant provided a response to the City's request for additional information. The application was deemed complete on January 9, 2017.

On February 23, 2017, the Planning Commission approved a Conditional Use Permit for the operation of the Emerald Alliance facility.

PRIOR CITY COUNCIL REVIEW

Not applicable.

ANALYSIS

1. General Plan

The Santa Rosa General Plan envisions Light Industry land use on the project parcel. This classification is intended to accommodate light industrial, warehousing, and heavy commercial uses. A medical cannabis commercial cultivation use, while not specifically addressed in the Santa Rosa General Plan,

would be allowed under the project site's Light Industrial zoning designation, pursuant to Zoning Code Chapter 20-46, subject to Planning Commission approval of a use permit.

The following General Plan goals and policies are applicable to the proposed medical cannabis cultivation use:

- 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-1 Maintain an adequate supply of employment centers in a variety of locations and settings to ensure the city's continued economic vitality.
- LUL-K Protect industrial land supply and ensure compatibility between industrial development and surrounding neighborhoods.
- LUL-K-2 Require that outdoor storage areas be screened from any public right-of-way.
- UD-F-4 Provide visual interest in building, site, and landscape design that avoids the sense of a monotonous tract development.
- 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-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.
- NS-B-5 Pursue measures to reduce noise impacts primarily through site planning. Engineering solutions for noise mitigation, such as sound walls, are the least desirable alternative.

In enacting the medical cannabis commercial cultivation regulations, the City specifically identified the Light Industrial (IL) and General Industrial (IG) zoning districts, as well as the Limited Light Industrial (-LIL) combining district, as locations appropriate for this type of land use. The proposed project has the

potential to provide a viable commercial enterprise to the community, create permanent full-time and part-time jobs, help in maintaining the economic viability of the area, and elevate the project parcel from vacancy to an active and contributing land use. The proposed use will create new jobs along a major arterial road and within close walking distance of public transit stops. New sidewalks will be installed along the project's Sebastopol Road frontage.

Staff finds that the proposed medical cannabis commercial cultivation development is consistent with applicable General Plan goals and policies and the associated Light Industry General Plan land use designation.

2. Roseland Area/Sebastopol Road Specific Plan

Although the project is outside of the boundaries of the Roseland Area/Sebastopol Road Specific Plan (Roseland Specific Plan), the project site is adjacent to the boundaries of the Brittain Lane county island, which is included in the proposed Roseland Annexation. As part of the annexation process, the properties north of the project site have been pre-zoned R-1-6 (single-family residential) and the parcel to the west has been pre-zoned R-3-18 (multi-family residential), both of which are consistent with their respective General Plan land use designations. While the properties north of the project site are predominately developed in a manner consistent with the pre-zoning and the General plan land use designation, the property to the west is presently underdeveloped. It is likely that medium density residential development will occur on the parcel to the west in the future.

3. Zoning

North: IL (Light Industrial), Pre-zone R-1-6 (Single-family Residential) beyond
South: BP (Business Park)
East: IL
West: Pre-zone R-3-18 (Multi-family Residential)

The project site is within the IL zoning district, with residential districts to the north and west and a business park to the south. The IL zone, which is consistent with the Light Industry General Plan land use designation, is applied to areas appropriate for light industrial uses, as well as commercial service uses and activities that may be incompatible with residential, retail, and/or office uses.

Medical Cannabis Cultivation Use:

Commercial cultivation of medical cannabis is addressed in Zoning Code Chapter 20-46, which was added to the Zoning Code in March of 2016. The intent of enacting these regulations was to retain local (City) control over the commercial cultivation of cannabis, pending further legislative action by the State and pending a comprehensive effort by the City to prepare local regulations.

The Zoning Code defines Commercial Cultivation of Medical Cannabis as “any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis for medical use, including nurseries, that is intended to be transported, processed, manufactured, distributed, dispensed, delivered, or sold in accordance with the Medical Cannabis Regulation and Safety Act (MCRSA) for use by medical cannabis patients in California pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.”

Cannabis commercial cultivation is allowed to occur with a Conditional Use Permit or Minor Use Permit, depending on the size of the operation, in Light Industrial (IL), General Industrial (IG), and Limited Light Industrial (LIL) Zoning Districts. With a proposed floor area of 20,000 square feet, the Emerald Alliance project is subject to a Conditional Use Permit. The Code also stipulates that medical cannabis commercial cultivation operators issued a Conditional Use Permit shall be required to comply with additional operational conditions or performance measures adopted by subsequent ordinance(s) of the City to comprehensively regulate medical cannabis. The City anticipates that the comprehensive Code update focusing on commercial medical marijuana cultivation will be considered by the Council for adoption later this year. Additionally, cannabis commercial cultivation operators must obtain appropriate state licenses and must comply with any applicable state licensing requirements, such as operational standards and locational criteria.

The Planning Commission approved a Conditional Use Permit for the Emerald Alliance cultivation facility on February 23, 2017.

Parking:

The project proposes construction of 18 on-site parking spaces in addition to the secure delivery vehicle loading area identified earlier in this report. The Zoning Code does not include specific parking requirements for cannabis cultivation facilities. Although the project description identifies fewer than 10 employees on-site at any given time, the potential exists for a different land use to occupy the site at some time in the future. It has been determined by staff that, for the purposes of parking, newly constructed cannabis cultivation facilities, with the lack of retail customers, would be comparable to warehousing and wholesale distribution operations and a similar parking standard could be applied accordingly.

The parking standard designated for warehousing and wholesale distribution of one space per 1,000 square-feet of gross floor area has been applied to previous approvals. The Code also states that parking requirements for warehousing and wholesale distribution can also be determined through the Use Permit process. Because of the low parking demand expected of the proposed use and because

of the project site's close proximity to public transit, the Planning Commission, in approving the Emerald Alliance Conditional Use Permit determined that 18 parking spaces will be adequate.

4. Design Guidelines

The following is a summary of the most appropriate City of Santa Rosa Design Goals and Guidelines which apply to the proposed project:

Neighborhood Design:

- 1.1 I.C To encourage neighborhood design that supports pedestrians, bicyclists, and use of public transit as well as automobile use.

Building Design

- 3.2 III A 1 Break up the mass of larger structures with articulation of the form, use of color and the use of multiple materials, including: horizontal wood, cement fiber and composite siding, vertical wood siding, stucco, wood shingles, real and cultured masonry.
- 3.2 III A 4 Avoid dressing up fronts of building with higher quality materials and switching to less expensive siding material on the sides and back. Design all four sides of buildings.
- 3.2 III C 2 Avoid buildings with a massive appearance. Divide buildings into segments that break down the scale.

Landscaping:

- 4.1.II.1 Integrate landscaping into all site development.
- 4.1.II.2 Provide special attention to incorporation of trees in all landscape design.
- 4.1.II.8 Utilize planting areas to break up large expanses of paving, to visually separate masses of parked cars, and to provide a shady canopy. These planting areas within paved areas should be a minimum of 5' wide.

Infill Development

- 4.3 I A To provide for continuity of design between existing and new development.
- 4.3 I B To ensure that projects are designed in such a way as to reduce to minimum possible negative consequences, such as: loss of privacy, noise, increased traffic and lighting overspill that infill development may have on existing neighbors.

- 4.3 II 1 Integrate new development carefully into existing neighborhoods with respect to scale, level of detailing, use of materials, landscaping, and other characteristics of the neighborhood.

The project site is proposed to be developed with a modular building. The applicant team has made efforts to utilize variation in materials, articulation, and architectural features to provide visual interest to the building. The currently vacant site will be improved with new landscaping and sidewalks.

5. Neighborhood Comments

At the time of this writing, no comments have been received by Planning and Economic Development.

6. Public Improvements/On-Site Improvements

The project site will be improved with a new, 20,000 square foot building and 18-space parking lot. A new driveway and curb cut will be installed on Brittain Lane and a new curb, gutter, and sidewalk will be installed along the project's Sebastopol Road frontage.

ENVIRONMENTAL IMPACT

The project has been reviewed pursuant to the California Environmental Quality Act and been found statutorily exempt from the provisions of CEQA under Guidelines Section 15183, in that the project is consistent with existing zoning and the Santa Rosa General Plan 2035, for which an environmental impact report was certified and there are no project-specific impacts which are peculiar to the project or its site.

Additionally, the project qualifies for a Class 32 exemption, per Section 15332, as it involves an infill development on a site of less than five acres, within City limits, substantially surrounded by urban uses, with no value as habitat for endangered, rare or threatened species, adequately served by necessary utilities and public services, and the project has no foreseeable significant adverse impacts.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable to this project.

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.

ISSUES

City staff does not have any outstanding issues with the project at this time. In conducting its review of the project, staff worked with the applicant team to ensure that potential issues related to site security, noise, odor, traffic, aesthetics, and parking were addressed in the project description and accounted for in the project's use permit and design.

ATTACHMENTS

- Attachment 1 - Disclosure Form
- Attachment 2 - Location Map
- Attachment 3 - General Plan and Zoning Map
- Attachment 4 - Project plan set
- Attachment 5 - Applicant responses to plan review comments, dated received September 6, 2016, and January 9, 2017
- Attachment 6 - Comments from the public

Draft Resolution – Approving Preliminary Design Review

CONTACT

Patrick Streeter, Senior Planner
Planning and Economic Development
100 Santa Rosa Avenue, Room 3
(707) 543-4323
PStreeter@SRCity.org