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

November 30, 2017

PROJECT TITLE APPLICANT

Sonoma West Ventures Cultivation and

Manufacturing

Sonoma West Ventures

ADDRESS/LOCATION PROPERTY OWNER

1215 Briggs Ave. Santa Rosa Valhaus, LP

ASSESSOR'S PARCEL NUMBER FILE NUMBER

037-012-007 CUP17-058

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

May 24, 2017 October 1, 2017

REQUESTED ENTITLEMENTS FURTHER ACTIONS REQUIRED

Minor Conditional Use Permit Administrative Design Review; Building

Permit

PROJECT SITE ZONING GENERAL PLAN DESIGNATION

IL-SA (Light Industrial; North Santa Rosa

Station Area Specific Plan)

Light Industrial

PROJECT PLANNER RECOMMENDATION

Cheryl Whitfield Approval

Agenda Item #8.3

For Planning Commission Meeting of: November 30, 2017

CITY OF SANTA ROSA PLANNING COMMISSION

TO: CHAIR CISCO AND MEMBERS OF THE COMMISSION

FROM: CHERYL WHITFIELD, SENIOR PLANNER

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

SUBJECT: SONOMA WEST VENTURES

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Planning Commission, by resolution, approve a Minor Conditional Use Permit to operate a medical cannabis cultivation and manufacturing facility within an existing 5,600 square foot industrial building located at 1215 Briggs Avenue.

EXECUTIVE SUMMARY

Sonoma West Ventures is proposing to operate an indoor medical cannabis cultivation and manufacturing facility within an existing 5,600 square foot industrial building at 1215 Briggs Avenue. The proposal consists of a medical cannabis commercial indoor cultivation of approximately 2,995 square feet, and support use of approximately 499 square feet, within the existing 5,600 square foot industrial building. The building will be refurbished for cultivation, trimming and drying of cannabis, and non-volatile manufacturing, processing, packaging and shipment of cannabis products. The second story will be converted to an attic space. A carbon filtration ventilation system and a security system will be installed. Exterior improvements include new Americans with Disabilities Act (ADA) compliant parking and walkways, new trash enclosure, and a replacement chain link fence. Exterior security lighting and cameras will be mounted on the building. The site was previously used as a contractor yard with a small retail component. The facility will operate from 8a.m. to 6 p.m., 7 days a week, with up to 2 full time and 2 part time employees.

BACKGROUND

1. Medical Cannabis Commercial Cultivation and Manufacturing 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, with a targeted completion date for the Draft Land Use Poly proposal by the end of 2016. 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). City staff anticipates that the comprehensive medical cannabis ordinance will go into effect by January 1, 2018. To date, seven medical cannabis commercial cultivation facilities and eleven support (manufacturing, distribution, testing) facilities have been approved.

2. Project Description

The applicant, Sonoma West Ventures, proposes a Minor Conditional Use Permit for a project entitled "Sonoma West Ventures Cultivation and Manufacturing Facility." The project is located at 1215 Briggs Avenue. The request is to

establish a medical cannabis commercial indoor cultivation (approximately 2,995 square feet) and support use (approximately 499 square feet) within an existing 5,600 square foot industrial building. The building will be refurbished for cultivation, trimming and drying of cannabis, and the non-volatile manufacturing, processing, packaging and shipment of cannabis products. A carbon filtration ventilation system and security system will be installed. The second story will be converted to an attic space. The applicant intends to eliminate the four roll-up doors on the west, east, and south elevations, and rebuild the exterior area with siding to match the building. The interior area of the four roll-up doors will be reconstructed as solid walls. Prior to building permit process, the applicant will submit these revised exterior elevation plans for Administrative Design Review.

There are currently two driveways serving the property. The southerly driveway provides access to the side and rear of the lot. The northerly driveway serves both as a parking area in the front setback and as access to the rollup door facing the street. Due to the elimination of use of the rollup door on the front elevation, the project is conditioned by the Engineering and Development Services Division to remove the northly driveway apron in the front of the building that currently serves the front door parking area, as well as provides access to the front elevation rollup door. This driveway apron is conditioned to be removed and replaced with a raised curb, as that front parking area will be redundant with the elimination of the front elevation's roll-up door. A landscaping condition requires the front parking area to be replaced with landscaping, due to the elimination of the northly driveway apron.

Other exterior improvements include new ADA compliant parking and walkways, a new trash enclosure, and landscaping in the front setback, to replace the existing parking area. Exterior security lighting and cameras are proposed to be mounted on the building.

The applicant provided drawings as part of the application, that includes the following: Vicinity Map, Location Map, Neighborhood Context Map, Site Plan Floor Plan, and Photos Elevations of the Existing Building.

The applicant proposes modifications to the site as well as to the exterior and interior of the building. The full list of modifications are detailed in the attached Project Narrative, Exhibit 5, received May 24, 2017.

Parking

The Zoning Code does not include specific parking requirements for medical cannabis cultivation facilities. Staff has found that cannabis facilities that do not include a retail component would be feasibly consistent in parking requirements as warehousing and wholesale distribution operations. The Planning Commission has found consistency with this approach in prior cannabis cultivation facilities

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approvals. In addition, the Planning Commission has the authority to increase or decrease the amount of required on-site parking through the Use Permit process.

Per Zoning Code Section 20-36.040 TABLE 3-4, warehousing and wholesale distribution operations require 1 parking space for every 1000 square feet of gross floor area. As the building is approximately 5,600 square feet, this would require 6 parking spaces.

The applicant proposes to reconfigure the existing parking lot to accommodate a total of 15 parking spaces, 1 van accessible space, and 2 bicycle spaces. A new ADA path of travel will be constructed.

The project narrative anticipates staffing of up to two full time employees and up to two part time employees, in shifts from 8AM to 6PM. The facility will be in operation seven days a week. Deliveries to the facility and shipments from the facility are anticipated to occur 1 to 2 times per week in van-sized vehicles, with an occasional freight truck providing delivery.

Security Measures

The property is enclosed on all four sides by a 6' tall chain link fence, topped with 1' razor wire. The southerly driveway has a chain link swing gate.

The applicant proposes to contract with First Security Services to conduct evening patrols from 7PM to 7AM. Patrolling will be conducted through property drive-thrus within the fenced area, as well as on foot on the site by the security staff.

The applicant has provided Attachment 5, a detailed narrative that describes the various design and operations elements of the project, including a proposed cultivation and manufacturing process description, odor mitigation and air quality measures, wastewater production and treatment, exterior lighting, as well as site security measures. The security measures outlined in the applicant's narrative, address in detail the following items:

- Site security and proposals for its contracting with First Security Services for nightly patrols
- IP Based Access Control operated by Briggs Security
- IP based security surveillance system
- Security failure notification system
- o Electrical backup system

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- A surveillance recording control room
- A Briggs-initiated comprehensive emergency action plan related to employees training in case of fire, flood, or other natural disasters
- Product security addressing inventory controls and loss documentation
- Employee security, hiring, training

School and Residential Use Proximities

The site is not located within 300 feet of any residential uses.

The site is located in the Helen Lehman Elementary School District and is located more than 600 feet away from the nearest school. The project therefore meets the State of California and the City of Santa Rosa requirements for setback from schools.

Noise

The project is located within a Light Industrial area. It is over 300 feet from residential uses. Activities are being conducted within an entirely enclosed building, supplemented by an HVAC system on the roof.

Odor Control

The facility will use both a CAN carbon filtration system that will purify all incoming/outgoing air. Also in use will be a HEPA, aka, High Efficiency Particulate Arrestance, filter system. The cultivation rooms will have various layers of carbon filtration.

3. Surrounding Land Uses

North: Light Industrial Use

South: Light Industrial Use

East: Light Industrial and Commercial Use

West: Vacant industrially-zoned lot

The site is zoned IL-SA (Light Industrial; North Station Area Specific Plan), and located within a Light Industrial General Plan designation area. The building was a plumbing contractor facility with an accompanying office use. The surrounding

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properties are industrial and commercial in use. To the north of the parcel is an industrial use. To the immediate west of the parcel is a vacant lot of industrial designation, and further west of the field is the SMART train alignment. To the south and across Briggs Avenue are industrial zones and uses. To the east of the parcel are industrial uses.

4. Existing Land Uses – Project Site

The site is on a 0.48 acre industrially-zoned lot. It contains a 5,600 square foot vacant building, formerly occupied by a Climate Mechanic and Karuza Plumbing, which had retail components. The site frontage along Briggs Avenue is improved with a contiguous sidewalk, and a travel lane. The frontage of the building has a driveway apron to service the formerly-utilized front roll-up door entry. As this current project proposes to eliminate the existing roll-up doors, including the one on the frontage, the Engineering Division has conditioned the project to replace the driveway apron with a raised curb.

5. Project History

On May 24, 2017, an application for a Conditional Use Permit to operate a medical cannabis cultivation facility with manufacturing uses, was submitted to the Planning and Economic Development Division.

On October 16, 2017, a Notice of Application was sent to neighbors and interested parties to introduce the project and gather feedback. No public comments were submitted to staff.

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 and manufacturing 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 and manufacturing 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 avoid 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. 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 IL (Light Industrial) and General Industrial (IG) zoning districts as locations appropriate for this type of land use. The proposed project has the potential to create full-and-part time jobs on an infill site with access to public transit.

Staff finds that the proposed use is consistent with applicable General Plan goals and policies and the associated Light Industry General Plan land use designations.

2. Zoning

The project site is located within the North Station Area Overlay District. It is

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zoned IL (Light Industrial) and surrounded by other light industrial uses. The Zoning Code applies the IL (Light Industrial) district 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 and Support Uses:

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 defined 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."

Medical cannabis commercial cultivation is allowed to occur with a Conditional Use Permit or Minor Use Permit, depending on the size of the operation, in an IL (Light Industrial) zoning district. Cannabis manufacturing (non-volatile) is permitted by right. As the Planning Commission would already be acting on a Conditional Use Permit for cultivation, the request for cannabis manufacturing use has been made a part of this Planning Commission action.

In granting the use permit, 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.

Findings

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

Staff response: The project will be located in a IL (Light Industrial) district. This IL (Light Industrial) district allows the manufacturing of cannabis by right, and the cultivation of cannabis through the Conditional Use Permit process.

b. The proposed use is consistent with the General Plan and any applicable Specific Plan.

Staff response: In the process of developing and later enacting a medical cannabis ordinance, the City identified suitable and compatible General Plan land uses for such an industry. The Light Industrial General Plan Land Use designation areas were identified as compatible for cannabis cultivation and manufacturing facilities.

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 project would occupy a currently-vacant building that was once was operated by an industrial use. The immediate surrounding neighborhood is an industrial district that includes a mix of manufacturing, warehousing, distribution, indoor recreational, and automotive related uses. Therefore, the area is well-suited for the proposed operation of a cannabis cultivation and manufacturing facility. 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.

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 site is fully serviced by existing public infrastructure and utilities, including PG&E service, storm drainage, wastewater, and water services. The facility will be upgraded to contain fully accessible ADA-approved parking and walkway areas. The proposed use of cannabis cultivation, manufacturing, and packaging will take place completely inside an industrial building within an industrial district thus no adverse externalities are anticipated due to operations of this facility.

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 development would be consistent with surrounding land uses as identified in the General Plan. Additionally, the project has met the requirements of the Cannabis ordinance by providing its operations plan that identifies the proposed means to minimize odors, light pollution, and noise. The project has also met the code requirements for security by submitting a security operations plan that includes background checks for employees 24-hour monitoring, use of surveillance cameras, secure entry gates to

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the project site, and similar measures.

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

Staff response: The proposed project is categorically exempt from the provisions of CEQA pursuant to CEQA Guidelines Section 15301, applicable to existing facilities involving no expansion of the facility. Additionally, the project qualifies for a Class 32 exemption, per Section 15332, as it involves an infill development of a site 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.

The Zoning 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 operators must obtain appropriate State licenses and must comply with any applicable State licensing requirements, such as operational standards and locational criteria.

3. Design Guidelines

The project will be subject to Director-level design review prior to plancheck submittal, as the applicant intends to remove the roll-up doors on three elevations and install exterior siding to match the building.

4. Neighborhood Comments

No comments have been received by the public in regard to this application.

5. Public Improvements/On-site Improvements

The project is conditioned to remove the existing front northerly driveway, and replace it with raised curbing.

ENVIRONMENTAL IMPACT

The proposed project is categorically exempt from the provisions of CEQA pursuant to CEQA Guidelines Section 15301, applicable to existing facilities involving no expansion of the facility.

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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.

NOTIFICATION

The project was noticed as a public hearing pursuant to the requirements of Chapter 20-66 of the City Code. Notification of this public hearing was provided by posting an onsite sign, publishing notice in a newspaper of general circulation, mailed notice to surrounding property owners, and bulletin board postings at City Hall and on the City website.

ISSUES

There are no outstanding issues on this project.

ATTACHMENTS

Attachment 1 - Disclosure Form

Attachment 2 - Location Map

Attachment 3 - Neighborhood Context Map

Attachment 4 - General Plan/Zoning Map

Attachment 5 - Project Narrative, received May 24, 2017

Attachment 6 - Project Plan Set, received May 24, 2017

Draft Resolution / Exhibit A dated Nov 8, 2017

CONTACT

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