

# MAR SR LLC

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## **Santa Rosa Conditional Use Permit**

**Medical and Recreational Cannabis Manufacturing Type 6/Level 1 (non-volatile)  
and Type 7/Level 2 (volatile), Distribution Type 11**

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**Name:** MAR SR LLC

**Address:** 3075 Coffey Lane, Santa Rosa, CA 95403

**APN:** 015-370-035

**Zoning:** IL

**Building Size:** 6,072 square feet

**Occupied space:** 3,036 square feet

**Lot Size:** 0.53 acres

**General Plan Designation:** Light Industry

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### **Project Description Summary:**

The applicant proposes a medical and recreational cannabis manufacturing Type 7/Level 2 (volatile), and Distribution Type 11 within an existing building located at 3075 Coffey Lane, Santa Rosa. The cannabis activities will occupy approximately 3,036 square feet of the total 6,072 square feet of unoccupied space in the building. The area of the building to be used is currently vacant.

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## Conditional Use Permit Application

See Santa Rosa City Conditional Use Permit application attached. (Tab 2)

### *Indemnification Form*

See Indemnification Form attached with CUP Application (Tab 3)

### *Copyright Materials Release*

See Copyright Materials Release Form attached with CUP Application (Tab 4)

### *Agent Authorization Form*

See Agent Authorization Form attached with CUP Application (Tab 5)

### *Disclosure Form*

See Disclosure Form attached (Tab 6)

### *Articles of Incorporation*

See Articles of Incorporation attached (Tab 7)

### *Storm Water Determination Worksheet*

No exterior modifications to the building or footprint are proposed at this time. The proposed site creates 6,500 or less square feet of impervious surface.

(See Storm Water Determination Worksheet attached Tab 8)

## Project Description

The applicant proposes a medical and recreational cannabis manufacturing facility within an existing building located at 3075 Coffey Lane, Santa Rosa. The building is a total 6,072 square feet with MAR SR LLC occupying 3,036 square feet. The operation will meet the General Operating Requirements set forth in Section 20-46.050 of the Santa Rosa Code, specific demonstration of this is included in the sections within this narrative. This application and the proposed commercial cannabis business are in compliance with the Santa Rosa City Cannabis Ordinance 2017-025. There will be no other accessory uses other than what are included in this application. The proposed cannabis activity will occupy the following:

- Electrical: 67 square feet
- Reception/Office: 236 square feet
- Secure Storage: 102 square feet
- Work Area: 908 square feet
- Mod Lab 11: 66 square feet
- Mod Lab 12: 66 square feet
- Mod Lab 13: 66 square feet
- Mod Lab 14: 66 square feet
- Mass Transfer: 227 square feet
- Packaging: 270 square feet
- Unisex ADA Bathroom: 58 square feet
- Employee Breakroom: 273 square feet
- Intake: 237 square feet
- Walk In Freezer: 128 square feet

## Existing and Future Proposed Use

The proposed facility is currently vacant. Manufacturing Level 2 (Volatile) is proposed in this application. The proposed project will include all activities permitted by a commercial cannabis Manufacturing Level 2 (volatile) license, including but not limited to the following activities: receiving raw bulk dried materials; light manufacturing and processing of bulk materials; packaging/re-packaging including but not limited to sorting, grading, quality control, labeling/re-labeling, inventory controls; internal testing for quality control; research and development; manufacturing of cannabis oils, products and compounds using nonvolatile and volatile extraction; post-processing and refining of cannabis oils; storage of raw materials and manufactured products for the production of value added products such as but not limited to edibles, vape cartridges, topicals and tinctures.

## Compliance

The applicant's operational standards will comply with State licensing requirements and conditions including, but not limited to operational controls on background checks, prior

felony convictions, restrictions on multiple licenses and license types and locational criteria.

## Hazardous Materials

For the proposed manufacturing activities, the hazardous materials onsite may include: hexane, heptane, butane, pentane, ethanol, isopropyl alcohol, CO<sub>2</sub>, acetone, and bleach. All hazardous materials will be used, stored and disposed of according to state and local rules, including applicable Health and Safety Code and California Fire Code requirements related to the storage, use and handling of hazardous materials and the generation of hazardous waste. Also, the applicant will obtain all required Certified Unified Program Agency (CUPA) permits including completing a California Environmental Reporting System (CERS) submission for hazardous materials inventory. As required for state licensing, the applicant will develop operating procedures for the use, storage, and disposal of hazardous materials for manufacturing activities.

Employees working with hazardous materials will receive training for safe use and disposal of all hazardous materials used onsite. All employees will be provided with protective eyewear and any other required gear. An emergency eye washing station will be located in the manufacturing area.

## Hazardous Waste Management and Disposal

All hazardous materials will be stored in specialized flammable materials storage cabinets. The applicant will containerize and transport small quantities of hazardous materials as a US EPA Very Small Quantity Generators - VSQGs (also known as Conditionally Exempt Small Quantity Generators – CESQGs and will apply for an EPA ID number with the California DTSC in order to do so. This provision allows operators to transport 100 kilograms or less per month to an authorized facility. Accordingly, the applicant will transport hazardous waste to the Sonoma County Transfer Station on Meacham Road.

## Separation of License Types

The applicant proposes Medical and Recreational Cannabis Manufacturing Type 6/Level 1 (non-volatile) and Type 7/Level 2 (volatile), Distribution Type 11, within an existing building without a physical separation of license types. The City of Santa Rosa Ordinance Section 20-46.050 (D) states that “Cannabis Operators issued permits for multiple license types at the same physical address shall maintain clear separation between license types unless otherwise authorized by local and state law.” The project will be compliant with State law which allows Manufacturing Type 6/Level 1 (non-volatile) and Type 7/Level 2 (volatile), to also hold Distribution Type 11 licenses without physical separation. The applicant requests that the City of Santa Rosa allow that both licensed premises be located in the same building based on compliance with State law.

## Building and Fire Codes

### Building Improvements

The applicant intends to conduct building improvements to enhance the layout design for the proposed use and to improve the overall character and safety of the building.

The applicant will adhere to all 2016 California Building, Fire, Mechanical, Electrical and Plumbing Codes, and Chapter 18 of the City Code. Fire and Life Safety features will meet the National Fire Protection Association (NFPA) Standards.

### Fire Codes

In addition, the applicant will adhere to the new California Fire Code Chapter 38 regarding plant extraction and processing and be guided by the City of Santa Rosa Building and Fire Code Requirements for Cannabis Occupancies. Certified Unified Program Agency permits will be obtained including the Environmental Reporting System (CERS) submission for hazardous materials inventory. The Santa Rosa City Fire Department will have accessibility to a lock box with keys to gates and doors to the facility. The facility has been designed, and is being constructed with sophisticated fire suppression and ventilations systems.

The applicant will install sprinklers and a fire alarm system, which will be routinely inspected and maintained in good working order. A fixed extinguishing system and extension of the wet fire sprinkler system is part of the Flex Mod modular system. Battery backup for emergency lighting will be installed to illuminate the exits during a power outage. Fire extinguishers, placed throughout the facility, will be serviced annually, and inspected monthly. Chemical storage cabinets will be used for storage of all solvents and hazardous materials. The applicant will utilize spill management systems and will designate emergency exits via well-posted route maps. All employees will receive training on fire and safety systems and procedures. Also, the applicant will install air quality and ventilation systems.

### Security Plan

The applicant's security plan is intended to prevent theft or diversion of any cannabis, as well as to discourage loitering, crime, and illegal or nuisance activities. The entrances have locked and secured doors.

There are exterior and interior video surveillance systems. Recording 24 hours a day, seven days a week. The surveillance system will be maintained in good working condition, and surveillance videos will be maintained for 30 days, or as required by local or state law. Motion-sensor security cameras record in all areas where cannabis activities are conducted, at each entrance and exits, roof hatches, skylights or entry points, exterior windows, exterior walls or walls shared with other building tenants, rooms containing cannabis, and cannabis products, and rooms containing safes. Management will require that employees follow necessary procedures to ensure that cannabis and any related by-products from the project site are not visible or accessible to the public. No weapons or firearms will be allowed at the manufacturing site. Alarm system will be professionally installed and managed by a professional monitoring alarm company. The alarm system will be equipped with a failure notification feature that provides prompt notification to applicant of any prolonged surveillance interruption or system failure.

The applicant will comply with and participate in the state's track and trace system and auditing requirements. Additionally, the applicant will track inventory closely to ensure that no diversion or loss occurs. In the event of any inventory discrepancies, the applicant will immediately notify regulators and law enforcement within the required time periods. Shipping and receiving areas will be continuously controlled and monitored with CCTV and alarms. All deliveries and pickups will be scheduled in advance and a member of management will authorize access for the scheduled delivery time by person pre-approved to deliver materials to the site.

The applicant will install a secure gate at the entrance of the parking area and loading area on the north side of the building. Please see site plan with proposed fence. The gate will be locked at all times, and designated personnel conducting delivery will be granted access, along with employees, and all other approved persons. There will be a knock box available for the Santa Rosa Fire Department.

Distribution will be conducted through the secure fence at the north of the building. The vehicle will put through secure fence through access code. Fence will close immediately after vehicle enters fence. Distribution vehicle will load and unload cannabis outside roll-up door.

Every employee will participate in training on the applicant's security and safety protocols required for continuous employment. The applicant will mandate that all employees be well versed in all safety and security procedures. All records related to the cannabis operation will be stored in a secure manner onsite and will include surveillance vendor contracts with schematics of the security zones, name of vendors and monitoring company, and a list of all current authorized employees with access to the surveillance and/or alarm system. Additionally, the applicant will ensure the security plan to complies with state laws and regulations for cannabis licensing security requirements.

For transportation of cannabis and cannabis products, the applicant will utilize their own licensed transportation. The applicant will tailor the vehicle security requirements to the regulations from the State agencies. All material received will be logged into the online inventory management system in conformance with the California Track and Trace requirements.

(See detailed Security Plan in separate binder)

## Odor Mitigation Plan

MAR SR LLC has an air quality and Odor Control Plan to mitigate any odors associated with proposed activities within the building to ensure the impact to the environment is minimal. The building will be equipped with an HVAC system that incorporates the use of carbon filters which act as a means of filtering air within the building containing cannabis odors before being expelled to outside air. Odor control tests will be

conducted by the applicant to ensure the system in place is adequate and will not negatively affect neighbors or the environment surround the facility.

All odor mitigation systems and plans are consistent with accepted and best available industry specific technologies designed to effectively mitigate cannabis odors. The applicant will insure that all odor control and air quality systems routinely inspected and maintained in good working order at all times. All staff will receive training on air quality and odor control systems. The Odor Control Plan is full conformance with Section 20-46.050. Please refer to Exhibit XX for specification on existing air quality and odor controls.

(See Att. 08 Odor Control Plan)

## Outdoor and Indoor Lighting

All interior and exterior lighting will be installed according to best management practices and technologies for reducing glare, shielded and downcast to avoid light pollution into the night sky and onto adjacent properties. Lighting will provide sufficient illumination and clear visibility to all outdoor areas of the premises, including all points of ingress and egress.

Interior lighting systems will be fully shielded, including coverings on windows to confine light and glare to the interior. The project will be in full conformance with the City's Outdoor Lighting Ordinance Section 20-30.080.

## Storage and Waste Disposal

All cannabis products and waste will be stored in a secure area that is not visible to the public. All vendors will be pre-scheduled in advance and must present valid identification and only granted access to the areas required for removal of waste. All waste removal vendors will be required to document and track all waste materials removed from the site.

All other non-cannabis waste will be stored in a secure area and disposed by an approved waste removal vendor. As detailed above, hazardous waste will be stored and disposed of according to local and state guidelines.

## Noise

The applicant will comply with all noise standards set forth by the City of Santa Rosa in Chapter 17-16. All odor control and HVAC mechanical systems will be verified not to exceed noise standards. No generators will be used on site except as a short-term emergency back-up system.

## Accessory Uses

There are no other uses proposed at this time other than those mentioned within this application



## Extraction Processes

The proposed extraction process will use a flammable gas as defined by the National Fire Protection Association (NFPA) 30 and meet the requirements found in NFPA for a closed loop system. Type 6 and Type 7 processes will be conducted in the designated C1D1, one-hour fire rated modular enclosed rooms for the volatile processes, specifically engineered and designed for volatile extraction and manufacturing. The closed loop process does not off gas however in the case of possible release of volatile compounds processing occurs in a one-hour fire rated modular enclosure that meets ASTM E 119 fire rated wall standards, NFPA 30, Class 1 Division 1 electrical fixtures and outlets per NFPA 70 with mechanical ventilation systems as prescribed by NFPA 91. The modular enclosure and all other building components will meet or exceed the standards set forth in the 2016 California Building Code and California Fire Codes. The modular unit features ventilation systems, fixed extinguishing system and extension of the wet fire sprinkler system, and explosion proof fixtures to provide maximum safety for volatile manufacturing activities.

The applicant seeks to utilize several types of volatile solvents including but not limited to butane, pentane, and hexane. The applicant, as is required for state licensing, will prepare and implement standard operating procedures for all manufacturing processes and use of all equipment. All equipment will be grounded to prevent sparks and to stabilize the machines.

Extraction equipment that is not NRTL listed will have received a California licensed professional engineer's stamp and a completed third-party review. This review will occur again post installation of the unit.

(See Attachment 9 for Equipment Specifications)

## Standard of Equipment/Annual Recertification

A Facility Requirements Report has been completed by Pressure Safety Inspectors of Colorado (see Attachment 10), for the modular systems. The report and subsequent post construction site inspection will meet or exceed the California Fire Code (CFC) Chapter 38 requirements for plant extraction.

Third party reports for any non-UL listed equipment will be provided by Pressure Safety Inspectors (PSI) of Colorado and submitted to state regulators. PSI reports meet or exceed not only the state of California requirement but exceed the City of Santa Rosa requirement for Building and Fire Code Requirements for Cannabis Related Occupancies issued March 15, 2018. (Attachment 10)

## Vicinity and Neighborhood Context Maps

Please see Plans attached:

- Vicinity Map and Neighborhood Context Map (Tab 3)

## Neighborhood context

The proposed Cannabis Manufacturing business is zoned as light industrial and is within a general plan area containing industrial uses. The proposed location is not within 600 feet of any K-12 school as defined by the state.

## Site Plan, Elevations, and Floor Plans

Please see Plans attached:

- Site Plan (Tab 4)
- Elevations (Tab 4)
- Floor Plan (Tab 4)

## Traffic/Parking

The proposed location complies with the parking requirements set forth in the Santa Rosa City Ordinance (ORD-2017-025).

Employee traffic will be mitigated by the inclusion of bike racks, ride shares, and a bus station within walking distance to the facility. Employees will be encouraged to schedule ride shares, bike to work, or utilize public transport to help mitigate the effects of traffic in the area. There are 6 parking spaces behind the building, 4 street parking spots, 4 bike parking spots and one loading zone designated for the suite.

## Design Review

The proposed project is exempt from Design Review under Zoning Code Section 20-52.030, as there are no proposed exterior changes to existing building

## Landscaping

No changes to the existing landscaping are proposed.

## Signage

No signage for the business is proposed at this time. Inside the facility, signage will be posted to comply with cannabis rules, relevant laws and safety codes.

## Local Hiring Plan

The applicant is committed to hiring employees locally. Sonoma County has a wealth of experience and dedicated cannabis workforce. The applicant plans to consider residency when making hiring decisions, will promote the job posting locally, and will use local connections in the cannabis industry to discover new local talent. The facility estimates a maximum of 8 employees working at the facility per shift.

## Hours of Operation

MAR SR LLC plans to operate during the business hours of 8am to 10pm, 7 days a week, unless the review authority imposes more restrictive hours.