



## MEMORANDUM

**DATE:** November 20, 2018

**TO:** Members of the Cannabis Subcommittee

**FROM:** Kristinae Toomians, Senior Planner

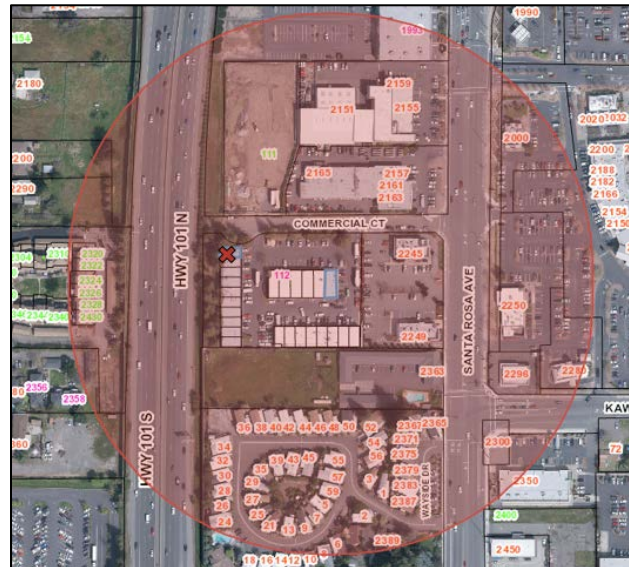
**SUBJECT:** Cannabis Retail Merit Based Review – Concentration Area – 112 Commercial Ct

(A) 112 Commercial Ct, #2	CUP18-065
(B) 112 Commercial Ct, #25	CUP18-045

### Background

On November 14, 2018, staff presented average scores for two competing cannabis retail applications on Commercial Ct. Since applicant B achieved the highest score, the Department of Planning & Economic Development recommended that applicant B move forward in the process. The Cannabis Policy Subcommittee requested that staff provide additional information that demonstrated how the applications were scored and ranked.

Three City staff reviewers independently evaluated each competitive application at Commercial Ct against four criteria that were identified in the City's *Cannabis Use Application Retail Use Requirements* (published on [www.srcity.org/cannabis](http://www.srcity.org/cannabis)). Points were awarded based on the quality and extent that an application addressed the merit criteria. Vague discussions and general lack of detail in the narrative tend to garner a lower score. Reviewers were looking for a thorough and thoughtful discussion that addressed each and every Merit Based Review Criterion. After each individual application is reviewed and scored, staff compared the scores to determine which application responded best to the merit-based review criteria. A total of 100 points could be awarded for all criteria.



While applicant A presented very detailed standard operating procedures, the narrative either did not fully address each criteria, provided vague statements, or lacked a thorough discussion. In other instances, it appeared that the application narrative was not tailored to address the City of Santa Rosa's review criteria. Information was provided that was not required, such as, "Products Services & Menu," "Market Overview," "Marketing Strategy," and "Financial Summary." The information presented was not concise and was, at times, confusing. After reading the "Business Plan," it was difficult to determine whether the proposed business is a nonprofit company or a for profit limited liability company (LLC). It appears that the City was provided generic information related to the business that was not tailored to address all of the City's Merit Based Review Criteria. The reviewers did not evaluate any late correspondence.

In contrast, applicant B presented a narrative that addressed each criterion and provided detailed discussions. The narrative was thorough, concise, and tailored to the City's Merit Based Review Criteria.

The independent reviewers unanimously awarded applicant B with more points based on how thoroughly the applicant addressed the Merit Based Review Criteria.

### **Commercial Court Overconcentration**

Pursuant to the City's *Cannabis Use Application Retail Use Requirements*, three City staff reviewers independently evaluated and ranked competing cannabis retail applications in the Commercial Court overconcentration area for consideration by the City Council's Cannabis Policy Subcommittee and assigned the following scores.

Cannabis Retail Merit Based Review Criteria	A			
	Emerald Blooms CUP18-065 112 Commercial Ct, #2			
STAFF REVIEWER	REVIEWER 1	REVIEWER 2	REVIEWER 3	AVG
Local & State Compliance (20 points)	7	15	10	10.7
Site Management (20 points)	12	14	16	14
Neighborhood Compatibility (30 points)	18	22	25	21.7
Neighborhood Enhancement (30 points)	12	21	22	18.3
<b>TOTAL SCORE (Out of 100)</b>	<b>49</b>	<b>72</b>	<b>73</b>	<b>64.7</b>

Cannabis Retail Merit Based Review Criteria	B			
	NorStar Dispensary CUP18-045 112 Commercial Ct, #25			
STAFF REVIEWER	REVIEWER 1	REVIEWER 2	REVIEWER 3	AVG
Local & State Compliance (20 points)	12	18	17	15.7
Site Management (20 points)	20	19	20	19.7
Neighborhood Compatibility (30 points)	25	22	24.5	23.8
Neighborhood Enhancement (30 points)	20	26	24.5	23.5
<b>TOTAL SCORE (Out of 100)</b>	<b>77</b>	<b>85</b>	<b>86</b>	<b>82.7</b>

### **Recommendation**

Since applicant B unanimously achieved the highest score from all the reviewers, the Department of Planning & Economic Development recommends that the Cannabis Subcommittee, by motion, select applicant B to move forward in the Conditional Use Permit entitlement process.

### **Contact**

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