



MEMORANDUM

DATE: August 21, 2018

TO: Members of the Cannabis Subcommittee

FROM: Kristinae Toomians, Senior Planner

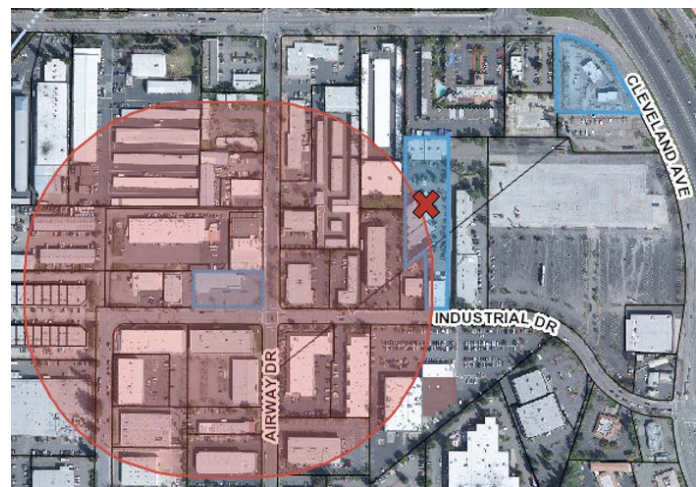
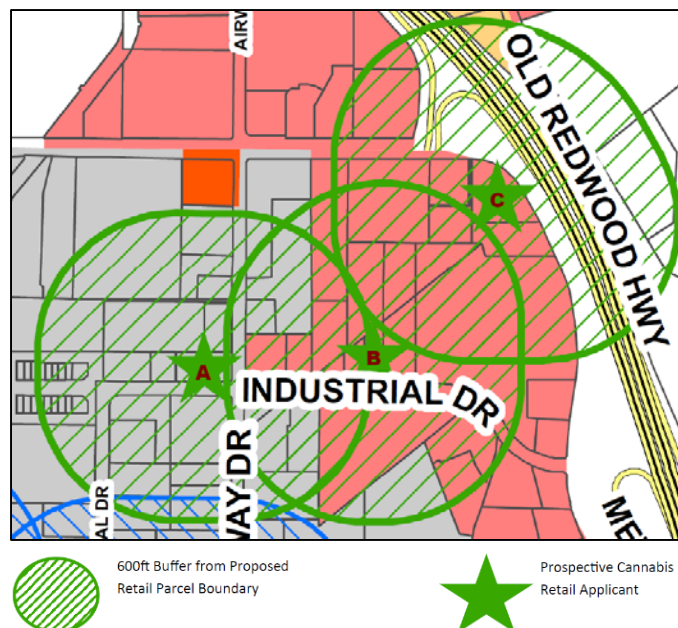
SUBJECT: **Cannabis Retail Merit Based Review – Concentration Area – Cleveland/Industrial**
 (A) 3499 Industrial Drive – CUP18-073
 (B) 3535 Industrial Drive – CUP18-037
 (C) 3791 Cleveland Avenue – CUP18-049

Background

A total of 38 Cannabis Retail Conditional Use permit applications were filed during the application period. City staff reviewed the applications to ensure that applicants submitted all the required checklist items. Applicants were allotted 21 calendar days to respond to any items deemed missing, incomplete, or insufficient. Staff reviewed revised application materials and deemed 37 applications as complete.

Applications deemed complete within the prescribed time period were also evaluated for potential overconcentration. If a proposed location is within 600 feet of another proposed or existing retail location, then the project(s) will enter a competitive merit point based process. Planning staff identified a total of 21 applications, representing 7 areas of overconcentration, for this track. Staff evaluated each competitive application against four criteria that were identified in the City's *Cannabis Use Application Retail Use Requirements*, published on www.srcity.org/cannabis. Points were awarded based on the quality and extent that an application addressed the merit criteria. A total of 100 points may be awarded for all criteria.

After each individual application is reviewed and scored, staff compared the scores to determine which application responded best to the merit-based review criteria. Staff will recommend the highest scoring application to continue through the entitlement process, which will result in voiding the lower scoring



applications in direct competition. Once the lower scoring applications are voided, this may result in one or more applications that are no longer within 600 feet of another proposed cannabis retail project. By default, the resulting noncompetitive project applications will move forward in the entitlement process.

Industrial Drive & Cleveland Avenue Overconcentration

Pursuant to the City's *Cannabis Use Application Retail Use Requirements*, Staff evaluated and ranked competing cannabis retail applications in the Cleveland Ave/Industrial Dr. overconcentration area for consideration by the City Council's Cannabis Policy Subcommittee and assigned the following scores, below.

AVERAGE SCORES			
Cannabis Retail Merit Based Review Criteria	A	B	C
	Expanding Roots CUP18-073 3499 Industrial Drive	UMMA, Inc CUP18-037 3535 Industrial Drive	Humanity of Santa Rosa CUP18-049 3791 Cleveland Avenue
Local & State Compliance (20 points)	17.7	13	15
Site Management (20 points)	13.7	11.7	16.7
Neighborhood Compatibility (30 points)	25.5	23.1	24.1
Neighborhood Enhancement (30 points)	24.1	23.3	23
TOTAL SCORE (Out of 100)	81	71.1	78.8

Recommendation

Since applicant A achieved the highest score, the Department of Planning & Economic Development recommends that the Cannabis Subcommittee, by motion, select applicant A to move forward in the Conditional Use Permit entitlement process. As a result of selecting applicant A, applicant C will no longer be competitive, and can also move forward in the Conditional Use Permit entitlement process.

Contact

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Attachments

Scorecards for CUP18-073, CUP18-037, CUP18-049
Application packets for CUP18-073, CUP18-037, CUP18-049
Retail Program Guide

CANNABIS RETAIL MERIT BASED REVIEW – CONCENTRATION AREA – Cleveland Ave and Industrial Dr

MERIT BASED REVIEW CRITERIA	COMMENTS	SCORE
1. Local and State Compliance (20 points max) <ul style="list-style-type: none"> i. State regulations ii. County/regional permit requirements iii. Santa Rosa General Plan policies iv. Santa Rosa City Code locational and operational requirements 	<ul style="list-style-type: none"> • Very detailed responses to each criterion. 	17
2. Site Management (20 points max) <ul style="list-style-type: none"> i. Experience in operating a cannabis retail business in the North Bay area ii. Qualifications and backgrounds of principals iii. Business Plan that includes day-to-day operations and how cannabis will be monitored to prevent diversion iv. Management plan that prevents and responds to potential nuisance impacts (e.g. loitering, trash, local contact) on adjoining properties, public areas, and the surrounding neighborhoods v. Performance timeline from land use approval to plan check and construction to opening 	<ul style="list-style-type: none"> • Limited cannabis business experience. • No North Bay area business experience. • Comprehensive management plan. • No performance timeline identified. 	13.7
3. Neighborhood Compatibility (30 points max) <ul style="list-style-type: none"> i. Description of how the use will fit into the stability and quality of the surrounding neighborhood ii. Description of odor control measures to prevent odor from being detectable from adjacent properties or businesses iii. Description of how an enhanced retail experience will be achieved with a well-designed site plan and use of quality materials in interior and exterior finishes iv. Demonstrate a clear and attractive entrance, pedestrian orientation, bike parking, and access to transit. 	<ul style="list-style-type: none"> • Very detailed odor mitigation plan. • Detailed description on interior remodel plans. • Very detailed descriptions addressing each criterion. 	25.5
4. Neighborhood Enhancement (30 points max) <ul style="list-style-type: none"> i. Quality and extent of improvements to the site, building, and surrounding neighborhoods ii. Integration of project through attractive façade, setbacks, quality materials and colors, landscaping, safe circulation and location of driveways, and ease of parking iii. Environmental benefits - green business practices related to energy and/or water conservation iv. Community benefits e.g. employment opportunities, community programs and contributions. 	<ul style="list-style-type: none"> • Limited exterior improvements—paint, gated trash enclosure. • Environmental upgrades include HVAC upgrades, LED lights, solar panels, low VOC paint, and water efficient fixtures and landscaping. • Limited community benefits identified. 	24.1
TOTAL SCORE (Out of 100)	80.9	

CANNABIS RETAIL MERIT BASED REVIEW – CONCENTRATION AREA – Cleveland Ave and Industrial Dr

MERIT BASED REVIEW CRITERIA	COMMENTS	SCORE
1. Local and State Compliance (20 points max) <ul style="list-style-type: none"> i. State regulations ii. County/regional permit requirements iii. Santa Rosa General Plan policies iv. Santa Rosa City Code locational and operational requirements 	<ul style="list-style-type: none"> • Did not address General Plan policies. 	13
2. Site Management (20 points max) <ul style="list-style-type: none"> i. Experience in operating a cannabis retail business in the North Bay area ii. Qualifications and backgrounds of principals iii. Business Plan that includes day-to-day operations and how cannabis will be monitored to prevent diversion iv. Management plan that prevents and responds to potential nuisance impacts (e.g. loitering, trash, local contact) on adjoining properties, public areas, and the surrounding neighborhoods v. Performance timeline from land use approval to plan check and construction to opening 	<ul style="list-style-type: none"> • Native or local to Santa Rosa or the North Bay. • Promoting local hiring. • Descriptions very brief and not detailed. 	11.7
3. Neighborhood Compatibility (30 points max) <ul style="list-style-type: none"> i. Description of how the use will fit into the stability and quality of the surrounding neighborhood ii. Description of odor control measures to prevent odor from being detectable from adjacent properties or businesses iii. Description of how an enhanced retail experience will be achieved with a well-designed site plan and use of quality materials in interior and exterior finishes iv. Demonstrate a clear and attractive entrance, pedestrian orientation, bike parking, and access to transit. 	<ul style="list-style-type: none"> • Submitted detailed Odor Mitigation Plan. • Providing improved lighting, new façade, and landscaping. 	23.1
4. Neighborhood Enhancement (30 points max) <ul style="list-style-type: none"> i. Quality and extent of improvements to the site, building, and surrounding neighborhoods ii. Integration of project through attractive façade, setbacks, quality materials and colors, landscaping, safe circulation and location of driveways, and ease of parking iii. Environmental benefits - green business practices related to energy and/or water conservation iv. Community benefits e.g. employment opportunities, community programs and contributions. 	<ul style="list-style-type: none"> • Proposing new façade adjacent to other retail. • Proposing new paint and landscaping. • Proposing energy saving lighting and water efficient landscaping. • Local hiring as community benefit. 	23.3
TOTAL SCORE (Out of 100)		71.1

CANNABIS RETAIL MERIT BASED REVIEW – CONCENTRATION AREA – Cleveland Ave and Industrial Dr

MERIT BASED REVIEW CRITERIA	COMMENTS	SCORE
1. Local and State Compliance (20 points max) <ul style="list-style-type: none"> i. State regulations ii. County/regional permit requirements iii. Santa Rosa General Plan policies iv. Santa Rosa City Code locational and operational requirements 	<ul style="list-style-type: none"> • General Plan policies vague. • Other criteria adequately addressed. 	15
2. Site Management (20 points max) <ul style="list-style-type: none"> i. Experience in operating a cannabis retail business in the North Bay area ii. Qualifications and backgrounds of principals iii. Business Plan that includes day-to-day operations and how cannabis will be monitored to prevent diversion iv. Management plan that prevents and responds to potential nuisance impacts (e.g. loitering, trash, local contact) on adjoining properties, public areas, and the surrounding neighborhoods v. Performance timeline from land use approval to plan check and construction to opening 	<ul style="list-style-type: none"> • Cannabis experience from the Central Valley, but not North Bay. • Well-written day-to-day operations. • Limited discussion on trash impacts. 	16.7
3. Neighborhood Compatibility (30 points max) <ul style="list-style-type: none"> i. Description of how the use will fit into the stability and quality of the surrounding neighborhood ii. Description of odor control measures to prevent odor from being detectable from adjacent properties or businesses iii. Description of how an enhanced retail experience will be achieved with a well-designed site plan and use of quality materials in interior and exterior finishes iv. Demonstrate a clear and attractive entrance, pedestrian orientation, bike parking, and access to transit. 	<ul style="list-style-type: none"> • Detailed discussions on lighting, security cameras, alarms, and onsite security. • Provided detailed odor mitigation plan. • Proposes new landscaping and ADA parking area. • Proposes new bike parking and EV charging station. 	24.1
4. Neighborhood Enhancement (30 points max) <ul style="list-style-type: none"> i. Quality and extent of improvements to the site, building, and surrounding neighborhoods ii. Integration of project through attractive façade, setbacks, quality materials and colors, landscaping, safe circulation and location of driveways, and ease of parking iii. Environmental benefits - green business practices related to energy and/or water conservation iv. Community benefits e.g. employment opportunities, community programs and contributions. 	<ul style="list-style-type: none"> • Existing building is brand new. Proposes new landscaping and ADA parking striping. • Proposes solar panels, water efficient fixtures and landscaping, recycling program, EV stations. Promotes multi-modal transportation options. • Local hiring preference. • Proposes fundraising for fire victims. 	23
TOTAL SCORE (Out of 100)		78.8