

CITY OF SANTA ROSA  
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT  
STAFF REPORT FOR PLANNING COMMISSION  
**September 12, 2019**

**PROJECT TITLE**

Responsible Patient Care, Inc. dba  
SPARC Cannabis Retail (Dispensary) and  
Delivery

**APPLICANT**

RPC dba SPARC (J. Erich Pearson)  
Andrew Dobbs-Kramer - Representative

**ADDRESS/LOCATION**

1061 N. Dutton Ave.  
Santa Rosa, CA 95401

**PROPERTY OWNER**

Faraudo Limited Partnership

**ASSESSOR'S PARCEL NUMBER**

010-441-012

**FILE NUMBER**

CUP19-034

**APPLICATION DATE**

April 15, 2019

**APPLICATION COMPLETION DATE**

May 14, 2019

**REQUESTED ENTITLEMENTS**

Conditional Use Permit (CUP)

**FURTHER ACTIONS REQUIRED**

None.

**PROJECT SITE ZONING**

CG (General Commercial)

**GENERAL PLAN DESIGNATION**

Retail and Business Services

**PROJECT PLANNER**

Andrew Trippel

**RECOMMENDATION**

Approval

Agenda Item #10.3  
For Planning Commission Meeting of: September 12, 2019

CITY OF SANTA ROSA  
PLANNING COMMISSION

TO: CHAIR CISCO AND MEMBERS OF THE COMMISSION  
FROM: ANDREW TRIPPEL, PROJECT PLANNER  
PLANNING AND ECONOMIC DEVELOPMENT  
SUBJECT: RESPONSIBLE PATIENT CARE, INC dba SPARC CANNABIS  
RETAIL (DISPENSARY) AND DELIVERY CONDITIONAL USE  
PERMIT

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

The Department of Planning and Economic Development recommends that the Planning Commission, by resolution, approve a Conditional Use Permit to allow the expansion of an existing commercial Cannabis Retail (Dispensary) from 491 square feet to  $\pm$  3,300 square feet and to allow the addition of a Cannabis Delivery use in an existing commercial building located at 1061 N. Dutton Avenue.

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EXECUTIVE SUMMARY

Responsible Patient Care, Inc. dba SPARC (SPARC) seeks a Conditional Use Permit (CUP) to allow expansion of an existing commercial Cannabis Retail (Dispensary) use from 491 sq. ft. to  $\pm$  3,300 sq. ft. in an existing commercial building on a 0.80-acre parcel. Retail and delivery hours of operation will be from 9:00 a.m. to 9:00 p.m. daily consistent with Zoning Code Section 20-46.080(F)(4) and commercial deliveries to the retail (dispensary) would be limited to the hours of 9:00 a.m. – 9:00 p.m. daily. In addition the currently issued Medicinal/Adult Cannabis Retail (Dispensary) operator license, State law would require that the operator obtain a Delivery (Type 10) license.

BACKGROUND

SPARC is one of two Medical Cannabis Dispensaries approved by the City under the previous Medical Cannabis Dispensaries Ordinance adopted by City Council (Ordinance No. 3754 adopted November 1, 2005). In 2011, SPARC received local authorization to operate a 491 square foot dispensary area supported by accessory lobby, office, storage, warehouse/distribution, and processing/manufacturing areas (File No. MCD10-001), and it has maintained the authorized use since that time.

On December 19, 2017, the City Council enacted comprehensive regulations for commercial cannabis (ORD-2017-025) after the State of California approved the sale of cannabis for adult use. In accordance with that Ordinance, Zoning Clearance ZC17-0345 was issued on December 21, 2017, to document SPARC's authorized uses and its status as an Operator in Good Standing per the City's comprehensive cannabis ordinance (see Attachment 5 – Zoning Clearance ZC17-0345).

SPARC has maintained State licensure as follows:

- Medical Only Temporary License issued January 1, 2018
- Adult Temporary License issued January 24, 2018
- Combined Medicinal/Adult Retail Temporary License issued December 26, 2018
- Combined Medicinal/Adult Retail Provisional License issued July 18, 2019

#### 1. Project Description

The project proposes to retain and expand the existing commercial Cannabis Retail (Dispensary) use, including the sale of Cannabis paraphernalia, and add Cannabis Delivery use. Distribution and processing/manufacturing activities would be relocated to other SPARC facilities in Santa Rosa and the greater Bay Area. The expanded Retail (Dispensary) and Delivery operation would occupy ± 3,300 square feet in an existing commercial building on a 0.80-acre parcel in a General Commercial zoning district in Santa Rosa's Northwest quadrant.

Square footage allocation would result in a 1,878 square foot sales floor and 383 square feet of secured cannabis storage, with the remainder of the square footage allocated to office and employee areas, rest rooms, and stock room. In compliance with Zoning Code [Section 20-46.080\(F\)\(4\)](#), the applicant proposes retail and delivery hours of operation from 9:00 A.M. – 9:00 P.M. daily. The applicant's detailed project description is provided in Attachment 3 – Project Narrative and Attachment 4 – Project Plan Set.

#### **Proposed Interior**



(Source: Project Application, August 26, 2019)

#### Building Modifications

Minor exterior modifications are proposed including installation of new entry door system at a central location on the south elevation and installation of exterior security equipment. In addition to reconfiguring interior walls and upgrading interior finishes, interior modifications would include installation of security equipment. No

on- or off-site improvements are required.

### State Requirements

The applicant will hold a Type 10 State license, which allows operation of a commercial cannabis retail (dispensary) and delivery business. The Project will be required to adhere to State Bureau of Cannabis Control licensing and operating procedures in addition to operational provisions of Zoning Code Chapter 20-46.

## 2. Surrounding Land Uses

North: CG (General Commercial)

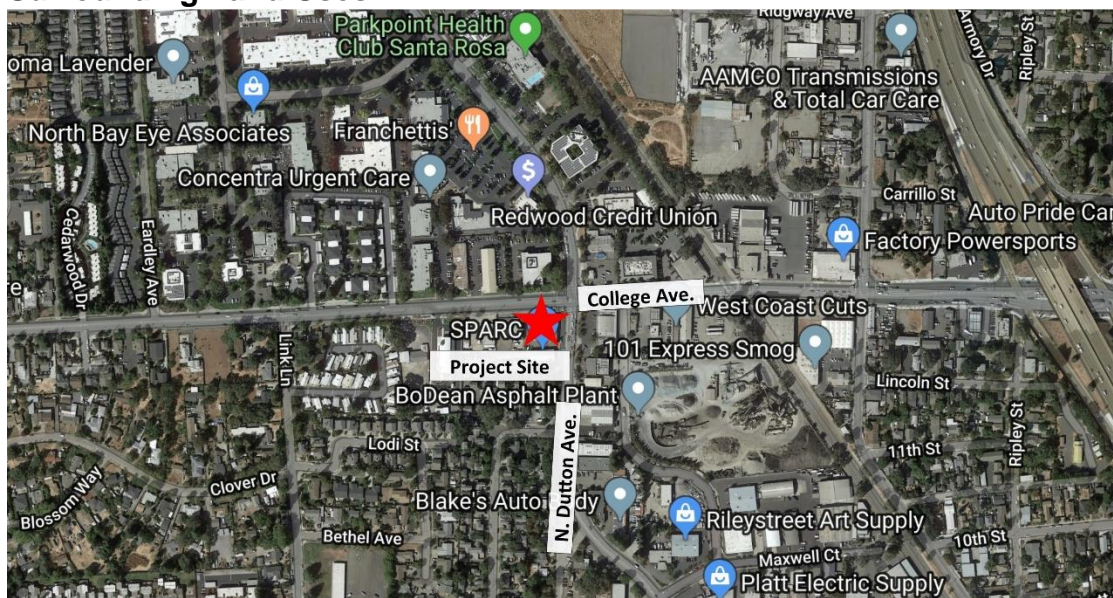
South: R-2 (Duplex Residential)

East: TV-R-SA-LIL (Transit Village Res)

West: CG (General Commercial)

Existing area land uses include a mix of retail and service uses such as banking and other general retail businesses, and minor vehicle maintenance/repair services. To the south of the project are low- to medium-density residential neighborhoods.

### Surrounding Land Uses



(Source: Google Maps, August 23, 2019)

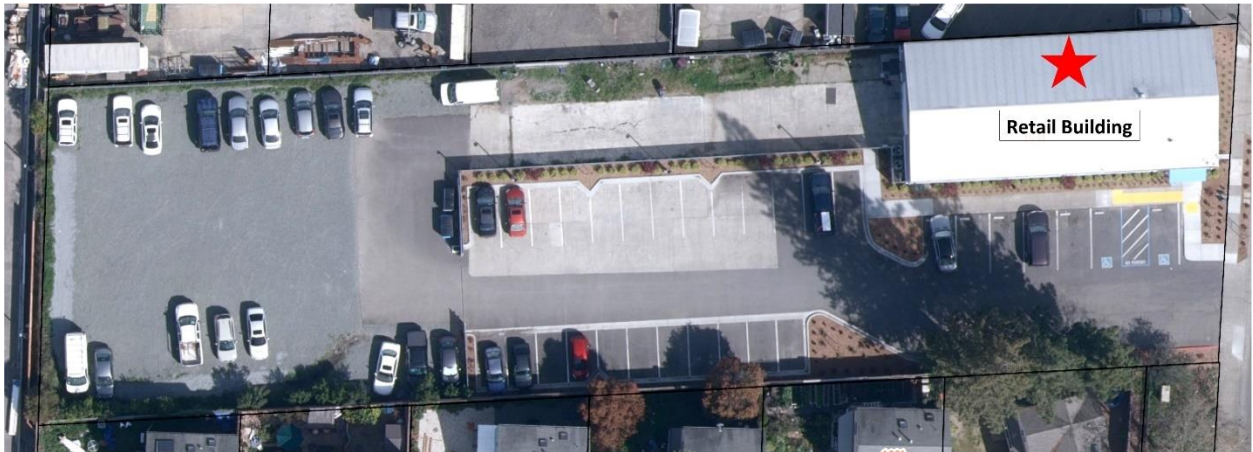
## 3. Existing Land Use – Project Site

The project site features an existing  $\pm$  3,600 gross square foot rectangular commercial building developed in 1954. The building occupies the northeastern corner of the lot with the remainder of the parcel dedicated to vehicle parking. The building entry is located off a 31-space improved customer parking lot and within view of the public right-of-way. A commercial delivery area is located to the rear of the building and is accessed via parking lot drive aisles. Chain link or privacy fences at least 6 feet in height surround the parcel on three sides.



As was presented in the Background and Project Description sections (above), since 2011 project site land uses have included a dispensary area supported by accessory lobby, office, storage, warehouse/distribution, and processing/manufacturing areas. Distribution and processing/manufacturing activities would be relocated to other SPARC facilities in Santa Rosa and the greater Bay Area, and SPARC would retain and expand the existing commercial Cannabis Retail (Dispensary) use and add Cannabis Delivery use.

#### **Existing Land Use – Project Site**



(Source: City GIS aerial data, March 2018)

#### **4. Project History**

September 19, 2018	Pre-application Neighborhood Meeting
April 15, 2019	Project application submitted
May 15, 2019	Notice of Complete Application issued
September, 2019	Public Hearing notice distributed

#### **PRIOR CITY COUNCIL REVIEW**

There has been no prior review by City Council.

#### **ANALYSIS**

##### **1. Santa Rosa General Plan 2035**

The proposed project site is designated as Retail and Business Services on the General Plan Land Use Diagram. This classification is intended to accommodate retail and service enterprises, offices, and restaurants. The following General Plan goals and policies are applicable to the Project:

#### **LAND USE AND LIVABILITY**

LUL-I Maintain vibrant, convenient, and attractive commercial centers.

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 Maintain economic vitality of business parks and offices, and Santa Rosa's role as a regional employment center.

### **ECONOMIC VITALITY**

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.

Although Cannabis land uses are not considered under the current General Plan, the General Commercial zoning district is an implementing zoning district of General Plan Retail and Business Services land use designation. The Zoning Code specifically identifies CG (General Commercial) zoning districts as locations appropriate for cannabis Retail (Dispensary) and Delivery uses.

Staff has determined that the Cannabis Retail (Dispensary) and Delivery use is consistent with the General Plan goals and policies of the Retail and Business Services land use designation. Specifically, the proposed use would assist in maintaining the economic viability of the area; broaden the available positions for both full and part time employment within the City; and provide a viable commercial service, while ensuring compatibility with the surrounding neighborhoods through proposed operational and security measures.

## **2. Other Applicable Plans**

The project site is not located within the boundary of any other applicable plan.

## **3. Zoning**

The project site is located within a General Commercial (CG) zoning district and is adjacent to a Residential (R-2) zoning district. Pursuant to Zoning Code [Section 20-23.030, Table 2-10](#), *Cannabis Retail (Dispensary) and Delivery* uses are allowed within the CG zoning district subject to an approved Conditional Use Permit.

Zoning Code [Section 20-46.050](#) provides General Operating Requirements applicable to all Cannabis Businesses and [Section 20-46.080](#) specifies additional operating requirements for Cannabis Retail (Dispensary) and Delivery. Below is an analysis of applicable subsections from [Sections 20-46.050](#) and [20-46.080](#).

**Section 20-46.050 General operating requirements**

- A. **Dual licensing.** Applicant is required to demonstrate local authorization prior to obtaining a State Cannabis Operator license. Approval of this application for a Conditional Use Permit to operate a Cannabis Retail (Dispensary) and Delivery business is a necessary step in order to comply with the dual licensing requirement. The application reflects a thorough understanding of required compliance with local and state regulations.
- B. **Minors.** Access to the retail area will be limited to individuals who are at least 21 years of age, or who are at least 18 years of age with a valid physician's recommendation. Identification and doctor recommendations will be verified. Employees will present in the retail area when non-employees are present.
- C. **Inventory and tracking.** Applicant has provided policies and procedures for the inventory and tracking of Cannabis and Cannabis products, as well as maintenance of associated records. Planned security procedures and access protocols will help to prevent diversion of Cannabis and Cannabis products.
- E. **Building and fire permits.** The project application has been reviewed by Building and Fire departments, and it has been conditioned as necessary by those departments. The applicant demonstrates a clear understanding of what is required to comply with Building and Fire requirements, including to provide access with a Fire Department lock box for keys to gates and doors, and has indicated that it will comply with all Building and Fire code regulations.
- G. **Security.** The applicant has provided a security plan (see Attachment 6 – Security Plan) that includes the following security enhancements:
  - 1. A Security Surveillance System with video footage retention and descriptions of the number and location of motion-sensor cameras throughout the facility;
  - 2. Access Controls installed on external and internal doors and windows. Alarm systems will be monitored, and appropriate permits obtained for installation and ongoing use;
  - 3. A Secure storage area would be established, and cannabis waste would be retained inside the building until retrieved by an appropriate waste hauler;
  - 4. Transportation and delivery procedures for Retail Delivery activities are provided and
  - 5. Emergency response and emergency access protocols will conform to state and local standards.
- H. **Odor Control.** Zoning Code [Section 20-46.050\(H\)](#) requires cannabis businesses to “incorporate and maintain adequate odor control measures such that the odors of Cannabis cannot be detected from outside the

structure in which the business operates.” The applicant has provided a certified Odor Mitigation Plan, which includes a description of the pressurization and filtration mitigation strategies that will be used in spaces at risk for emitting cannabis odors (see Attachment 7 – Certified Odor Mitigation Plan). The Odor Mitigation Plan has been certified by a licensed professional mechanical engineer, verifying that the proposed odor control and mitigation plan complies with Zoning Code [Chapter 20-46](#).

- I. **Lighting.** The applicant has indicated that it will utilize existing exterior lighting and that the addition of any other exterior lighting will be done in accordance with [Section 20-46.050\(I\)](#) of the City Ordinance.
- J. **Noise.** The applicant does not propose any additional outdoor mechanical equipment. Any ground- or roof-mounted HVAC equipment must be screened from public view, which also helps to contain nuisance noise on-site. Windows and doors will remain closed at all hours. Applicant proposes commercial deliveries during the hours of 9:00 a.m. – 9:00 p.m. daily, and all shipments would be received through the building’s rear entrance.

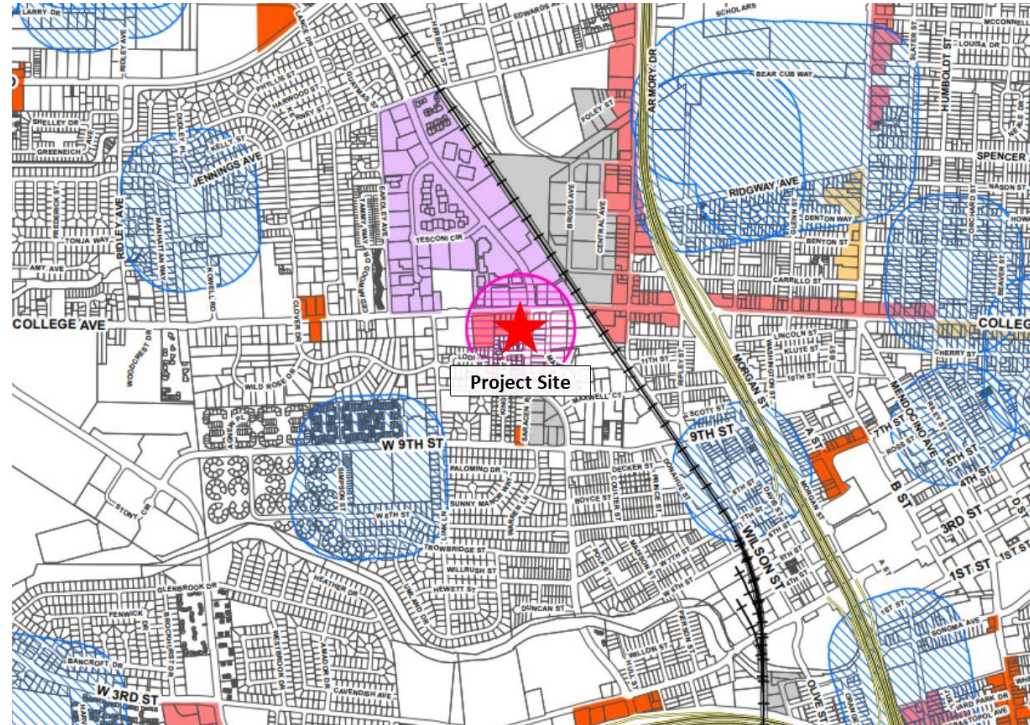
#### **Section 20-46.080 Cannabis Retail (Dispensary) and Delivery Requirements**

- A. **Conditional use.** Application has been made for a Conditional Use Permit to operate Cannabis Retail (Dispensary) and Delivery, and the application clearly indicates that the use is for medical and adult use retail.
- B. **Delivery Services.** Delivery Services are proposed in conjunction with this application for a Retail (Dispensary) operation at a physical location and with a retail storefront that is open to the public. The application provides an operational plan for delivery services that includes:
  1. Locations to which deliveries will be made;
  2. Standards for the types of delivery vehicles used, how cannabis and cannabis products will be secured in the vehicle trunk or out of public sight, the use of GPS tracking to provide geographic information about the location of vehicles; and
  3. Demonstrates compliance with local regulations and Bureau of Cannabis Controls Regulations Sections 5415-5417.
- D. **Location Requirements.** In addition to those location requirements established in Allowable Land Use Tables 2-6 and 2-10, Cannabis Retail is subject to these additional location requirements:
  1. **Overconcentration.** The current Cannabis Retail (Dispensary) use is not within 600 feet of another Cannabis Retail use.
  2. **Setback to Schools.** City and State regulations prohibit establishment and operation of retail cannabis dispensaries within 600 feet of a K-12 school as defined by Health and Safety Code Section 11362.768. The school closest to the site, Abraham Elementary School at 850 W. 9<sup>th</sup>



Street, is at least 1,600 feet from the project site; therefore, the project is compliant with school proximity requirements.

### Overconcentration and School Setbacks Illustrated



(Source: Potential Cannabis Dispensary Locations, City of Santa Rosa, February 2, 2019)

3. **Visibility of entrance.** The current building entrance is proposed to be moved to a central location on the building's southern elevation. The entrance would remain clearly visible from the Dutton Avenue public right-of-way and from all points in the parking lot servicing the proposed use.
- E. **Edible products.** The applicant has acknowledged that it must obtain a Sonoma County Health Permit prior to commencing operation of the Cannabis Retail (Dispensary) and Delivery use.
- F. **Operational Requirements.** The application demonstrates compliance with all operational requirements by providing an operational plan that describes policies and procedures addressing those requirements described in subsections 1-11. The project proposes hours of operation from 9:00 a.m. to 9:00 p.m. daily as allowed by Section 20-46.080 (F)(4). Commercial deliveries would be received daily from 9:00 AM – 9:00 PM.
- G. **On-site consumption.** No on-site consumption is proposed in this application.

#### Parking

The project site is improved with 32 onsite parking spaces and adequate site access and circulation. The Cannabis Retail (Dispensary) use requires 1 parking space for every 250 square feet of use. The expansion of the current use would occupy a total of  $\pm$  3,300 square feet, and a minimum of 13 parking spaces is required. The project site provides ample parking for the proposed expansion of the existing use and addition of Cannabis Delivery.

The proposed project would be required to provide at least one (1) bicycle parking space, and the applicant has proposed installation of four (4) bicycle parking spaces.

A Focused Traffic Study was submitted with the project application (see Attachment 8 – Focused Traffic Study). The proposed project would be expected to generate an average of 834 trips per day with eight trips during the a.m. peak hour and 72 trips during the p.m. peak hour. Compared to the existing operation, the proposed expansion of retail use would result in an additional 364 new daily trips on average, with three more a.m. peak-hour trips and 31 more p.m. peak-hour trips. The proposed expansion would be expected to generate fewer than 50 new trips during either peak hour, even by conservatively applying dispensary rates to the accessory storage area. City Traffic engineers have reviewed the Focused Traffic Study and have no traffic-related concerns with the expansion of use.

#### 4. Design Guidelines

Proposed exterior modifications will be subject to administrative design review approval at the time of building permit submittal.

#### 5. Historic Preservation Review Standards

Not applicable.

#### 6. Neighborhood Comments

A Pre-application Neighborhood Meeting was held on September 18, 2018, and no attendance was recorded. No Notice of Application was distributed.

#### 7. Public Improvements/Onsite Improvements

No public improvements or onsite improvements are proposed, and the City's Engineering Division has conditioned the proposed project as described in Engineering Development Services Exhibit "A" dated July 22, 2019 and as revised on August 13, 2019.

#### FINDINGS REQUIRED FOR CONDITIONAL USE PERMIT

The Planning Commission must make the following findings as required in Zoning Code Section 20-52.050 to grant the Conditional Use Permit. Each finding is followed by a staff response.

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

Staff Response: The proposed commercial *Cannabis Retail (Dispensary) and Delivery* use will occupy  $\pm$  3,300 square feet in an existing commercial building in the General Commercial (CG) Zoning District, which is allowed subject to Planning Commission approval of a Conditional Use Permit. The application complies with district requirements and all other applicable provisions of the Zoning Code and City Code.

**B. The proposed use is consistent with the General Plan and any applicable specific plan.**

Staff Response: The proposed commercial *Cannabis Retail (Dispensary) and Delivery* use is consistent with the applicable underlying General Plan goals and policies related to industry, economic vitality, and the associated Retail and Business Services General Plan land use designation that is implemented by the General Commercial (CG) Zoning District in which the proposed use is located.

**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 commercial *Cannabis Retail (Dispensary) and Delivery* use is allowed under [Section 20-23.030 Table 2-6](#) with approval of a Conditional Use Permit.

The Project is located within the General Commercial (CG) Zoning District. As such, the area is suitable for the use as proposed and the hours of operation are within those permitted in Zoning Code [Section 20-46.080\(F\)\(4\)](#). The project site is developed for commercial retail sales and services uses, and parking meets Zoning Code requirements and is adequate for the staffing and operations associated with the use. The project complies with the general operating requirements for cannabis businesses and the operating requirements specific to medical and adult use cannabis retail dispensaries.

**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 proposed use will be located entirely within an existing commercial building designed for commercial use. Vehicular and pedestrian access to the site is provided from Dutton Avenue, the site is accessible by bicycle, and it is within a quarter mile of public transit. The project plans demonstrate compliance with all operational standards as specified in Zoning Code Section 20-46. The building and site, as conditioned, will be fully accessible pursuant to Americans with Disabilities Act (ADA) standards. All necessary utilities are available at the project site, including water, wastewater, storm

drainage, gas and electric services.

**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 use will be consistent with the surrounding land uses to the north, east and west, which are occupied by a variety of commercial retail sales and services uses. The proposed retail use is consistent with other commercial retail sales and services uses operating in the surrounding area. A privacy fence separates residential land uses immediately south of the project site from the project and provides a noise and activity buffer for residents.

The Odor Mitigation Plan has been certified by a licensed professional engineer, verifying that the proposed odor control and mitigation plan “meets, or exceeds, the requirements of the City of Santa Rosa for cannabis odor mitigation.”

As required in Zoning Code [Section 20-46.050\(G\)](#), the applicant has provided a Security Plan. The applicant will provide and install a variety of security devices to ensure that only authorized personnel have access to the office and the stock/POS room where cannabis is stored, and all access points from outside the facility will have both locks and alarms. The facility will have a comprehensive surveillance system monitored by an outside agency 24/7. In addition to surveillance system, a comprehensive electronic security system, including third party monitoring, will be provided. All cannabis/cannabis product waste and associated water will be stored in a manner that prevents diversion, theft, loss, hazards and nuisance.

Both the business entrance and parking area are clearly visible from the building and public right-of-way. The proposed area for retail/dispensary activity within the building is highly visible, which enhances security due to public exposure and provides 24-hour security personnel with clear sight lines.

The subject property is located at least 1,600 feet from the parcel lines of Abraham Elementary School at 850 W. 9<sup>th</sup> Street. This exceeds the minimum 600-foot separation required under both State of California and the City of Santa Rosa regulations.

Per Zoning Code [Section 20-46.050 \(E\)](#), the project is subject to Building and Fire permits. Additionally, an annual Fire Department Operational Permit is required, and the project must meet Health and Safety Code requirements.

**FISCAL IMPACT**

Approval of this action will not have a fiscal impact on the General Fund.

**ENVIRONMENTAL IMPACT**

The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and staff has determined that the project qualifies for

Class 1 Categorical Exemption under CEQA Guidelines Section 15301 in that project is located within an existing structure involving a negligible expansion of an existing use that will not result in significant impact(s).

The Project qualifies for a Class 3 Categorical Exemption under CEQA Guidelines Section 15303 in that the project involves a change of use, which will require only minor exterior modifications to the structure/site.

The project qualifies for a Class 32 Categorical Exemption under CEQA Guidelines Section 15332 infill development in that it is consistent with applicable General Plan Land Use Designation and Zoning District, is located 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 to traffic, noise, air quality or water quality:

- The project site is fully developed with a building and 32-space parking lot and has no habitat value and is surrounded developed parcels with urban uses;
- The project is connected to City water and wastewater services and is served by all necessary utilities and public services;
- The project includes a Trip Generation Study that concluded that there will be no significant impacts to City streets and was vetted by City staff;
- An Odor Mitigation Plan was prepared in compliance with Zoning Code Section 20-46 and certified by a licensed professional engineer; and
- City staff reviewed the Project and found no foreseeable significant adverse impacts to traffic, noise, air quality or water quality were identified.

The City has further determined that no exceptions to the exemptions apply and there is no reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances (CEQA Guidelines Section 15300.2).

#### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

#### 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. Pursuant to Government Code Section 65091, where necessary, the City has incorporated notice procedures to the blind, aged, and disabled communities. These procedures include audio amplifier/assistive listening device support at public meetings, closed captioning, and optical character recognition conversion of electronic notices.



### ISSUES

There are no unresolved issues remaining with the project.

### ATTACHMENTS

Attachment 1	Disclosure Form
Attachment 2	Vicinity Map and Neighborhood Context Map
Attachment 3	Project Narrative dated received by the City on April 15, 2019
Attachment 4	Project Plan Set (revised) dated received by the City August 12, 2019
Attachment 5	Zoning Clearance ZC17-0345 issued on December 21, 2017
Attachment 6	Security Plan dated received by the City April 15, 2019
Attachment 7	Certified Odor Mitigation Plan dated received by the City April 15, 2019
Attachment 9	Focused Traffic Study prepared by W-Trans dated August 13, 2019
Resolution	Conditional Use Permit
Exhibit A	Engineering Development Services Exhibit "A" dated August 13, 2019

### CONTACT

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(707) 543-3223 or [atrippel@srcity.org](mailto:atrippel@srcity.org)