

CITY OF SANTA ROSA  
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT  
STAFF REPORT FOR PLANNING COMMISSION  
**September 26, 2019**

**PROJECT TITLE**

Citrus Hill Cannabis Retail

**ADDRESS/LOCATION**

1236 Briggs Ave

Santa Rosa, 95401

**ASSESSOR'S PARCEL NUMBER**

012-083-009

**APPLICATION DATE**

April 19, 2018

**REQUESTED ENTITLEMENTS**

Conditional Use Permit (CUP)

**PROJECT SITE ZONING**

IL-SA (Light Industrial – Station Area)

**PROJECT PLANNER**

Emmanuel Ursu

**APPLICANT**

Erin Carlstrom

**PROPERTY OWNER**

Eric Valianti and Dimitry Shkolnikov

**FILE NUMBER**

CUP18-050

**APPLICATION COMPLETION DATE**

May 17, 2019

**FURTHER ACTIONS REQUIRED**

Not Applicable

**GENERAL PLAN DESIGNATION**

Light Industry

**RECOMMENDATION**

Approval

Agenda Item #

For Planning Commission Meeting of September 26, 2019

CITY OF SANTA ROSA  
PLANNING COMMISSION

TO: CHAIR CISCO AND MEMBERS OF THE COMMISSION  
FROM: EMMANUEL URSU, CONTRACT PLANNER  
PLANNING AND ECONOMIC DEVELOPMENT  
SUBJECT: CITRUS HILL CANNABIS DISPENSARY CONDITIONAL USE  
PERMIT

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

The Planning and Economic Development Department recommends that the Planning Commission, by resolution, approve a Conditional Use Permit to allow a medical and adult use retail cannabis dispensary with delivery in a 654 square foot portion of an existing 6,664 square foot building on a 0.35 acre parcel at 1236 Briggs Avenue.

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EXECUTIVE SUMMARY

The applicant seeks Conditional Use Permit (CUP) approval to allow a medical and adult use retail cannabis dispensary with delivery in a 654 square foot portion of an existing 6,664 square-foot building. The remaining area of the building has Minor CUP approval for cannabis cultivation, distribution and non-volatile manufacturing along with the addition of a mezzanine resulting in a total floor area of 7,350 square feet (CUP 17-059).

Retail hours of operation will be from 11 a.m. to 7 p.m. Monday through Saturday and 12:00 p.m. to 5 p.m. on Saturday and deliveries will occur between the hours of 7:00 a.m. and 7:00 p.m. seven days per week.

The application includes a request under Zoning Code Section 20-36.070(A)(1) to allow four of the required parking spaces to be located on an adjacent property subject to a recorded covenant running with the land, recorded by the owner of the parking facility, guaranteeing that the required parking will be maintained exclusively for the use or activity served for the duration of the use or activity.

## BACKGROUND

On December 19, 2017, the City Council enacted comprehensive regulations for cannabis (ORD-2017-025) after the State of California approved the sale of cannabis for adult use.

On April 19, 2018, the Zoning Administrator approved a MUP granting approval of the cultivation, manufacture and distribution of medical and adult use cannabis products. Operations approved with MUP17-059 include cultivation, nonvolatile CO2 extraction, processing, packaging, sorting and quality control. The approved facility includes 5,103 square feet for cultivation, 506 square feet for manufacturing, and 1,120 square feet for distribution. Hours of operation approved with the MUP are 8 a.m. to 6 p.m. seven days a week with five to eight employees, plus one security guard on location after normal operating hours.

### 1. Project Description

The Project will occupy a 654 square-foot portion of a 7,350 square foot building on a 0.35-acre parcel within the IL (Light Industrial) Zoning District. The remaining space in the building is approved for the cultivation, manufacture and distribution of medical and adult use cannabis products.

Exterior changes to the building are limited to making the parking and building access ADA compliant and installing new landscaping. Interior modifications to finish the retail space and add security cameras are included in the Project. Modifications associated with the approved cultivation and manufacturing operations are underway.

The project will allow on-site medical and adult use retail cannabis sales with delivery, which is permitted in the Light Industrial Zoning District with a Conditional Use Permit. The applicant's project description is provided in Attachment 3. The Project will be required to adhere to State Bureau of Cannabis Control licensing and operating procedures in addition to the operational provisions of Zoning Code Chapter 20-46.

### 2. Surrounding Land Uses

North: IL-SA (Light Industrial – Station Area)  
South: IL-SA (Light Industrial – Station Area)  
East: IL-SA (Light Industrial – Station Area)  
West: IL-SA (Light Industrial – Station Area)

The site is located in a light industrial area north of College Avenue and a few blocks west of Highway 101 in the Station Area Specific Plan. Light industrial uses surround the project site on all sides.

No other cannabis related uses are proximate to the Project site. The site is located about 1,100 feet from the closest school.

**Existing Land Use – Project Site**

Currently vacant, the previous use was a general retail store, Everett Garden Supply store.

The proposed project is located within the IL-SA (Light Industrial – Station Area) Zoning District, and the Light Industrial General Plan Land Use Designation. Cannabis Retail Dispensary uses are allowed under Zoning Code Section 20-23.030 Table 2-6, with approval of a Conditional Use Permit.

**Project History**

April 19, 2018	Conditional Use Permit application submitted to the Planning and Economic Development Department
May 31, 2018	Notice of Incomplete application sent to applicant
June 21, 2018	Response to incomplete letter received by City Staff
June 27, 2018	Application deemed complete
April 12, 2019	Transpedia Consulting Engineers prepared a Trip Generation and Parking Report for the Project.
September 26, 2019	Planning Commission public hearing held to consider the application

**PRIOR CITY COUNCIL REVIEW**

Not applicable

**ANALYSIS**

The project proposes establishment of a medical and adult use retail cannabis dispensary with delivery in the Light Industrial Zoning District. Adult Use and Medical Cannabis Retail Dispensaries with Delivery are allowed with a Conditional Use Permit approval.

The Project adheres to the cannabis retail operational requirements per Section 20-46 of the Zoning Code. Previous approval was granted for cultivation, non-volatile

manufacturing, and distribution on the Project site and the current proposal will add a retail dispensary and delivery service. No on-site consumption is proposed.

1. Santa Rosa General Plan 2035

The site is designated Light Industrial on the General Plan Land Use Diagram. This classification is intended to accommodate among other uses, auto repair, warehousing, manufacturing/assembly, home improvement and landscape material retail, research oriented industrial, and services with large space needs, such as health clubs. (General Plan p. 2-12)

The following General Plan goals and policies are applicable to the Project:

**LAND USE AND LIVABILITY**

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.

**ECONOMIC VITALITY**

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.

The Zoning Code specifically identifies the Light Industrial zoning district as a district appropriate for cannabis cultivation, distribution, manufacturing and retail (dispensary) and delivery. Although Cannabis uses are not explicitly addressed in the General Plan, the Light Industrial zoning district is intended for manufacturing, cultivation, distribution and retail uses with operational patterns similar to the operational patterns (i.e. traffic, parking, hours of operation) of the proposed Project, including restaurants, bars, and neighborhood centers.

Medical and adult use cannabis retail and delivery are consistent with the General Plan goals and policies of the Light Industrial land use designation. Specifically, the proposed dispensary 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

conditions of approval and operational and security measures.

2. Zoning

The Project site is within the Light Industrial (LI) zoning district, which is consistent with the Light Industrial General Plan land use designation and is surrounded on all sides by land zoned Light Industrial.

Zoning Code Section 20-24.020(B) describes the purposes of the Light Industrial zoning district and the manner in which the district is applied as follows:

*“The IL zoning district is applied to areas appropriate for some light industrial uses, as well as commercial service uses and activities that may be incompatible with residential, retail, and/or office uses. Residential uses may also be accommodated as part of work/live projects. The IL zoning district is consistent with the Light Industry land use classification of the General Plan.”*

Cannabis manufacturing, cultivation, distribution and retail (dispensary) and delivery is an allowed use in the IL zoning district subject to discretionary approval of a conditional use permit when setback no less than 600 feet from a school and from any other cannabis retail use within and permitted by the City of Santa Rosa. “School” as defined by Health and Safety Code Section 11362.768 applies to this section of the Zoning Code.

Zoning Code Chapter 20-46 provides operational requirements for commercial cannabis facilities. The project narrative demonstrates the applicant’s building improvement plan and operational plan for compliance with standards relating to requirements of the Zoning Code including security, lighting, odor control and noise.

The Project is required to adhere to all State Bureau of Cannabis Control licensing and operating procedures, as well as City ORD-2017-025. The applicant will display copies of all State Licenses as well as all County and City permits.

**Proximity to Schools**

Both 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 closest school to the Project site based on the City of Santa Rosa’s Public GIS map is Ridgeway High School which is approximately 1,100 feet east of the Project site.

**Concentration**

The Zoning Code limits geographic concentration of cannabis retail facilities

(dispensaries) by prohibiting dispensaries within 600 feet of each other. There are no other existing or planned cannabis retail facilities within 600 feet of the subject site, therefore, the Project is not within an “over-concentration” area.

### **Employment**

All potential employees will be required to pass a background check. The applicant also indicates that, “Hiring practices will focus on the Santa Rosa and Sonoma County employee pool.... Employees will be paid a living wage...”

### **Odor Control**

As required by Zoning Code Section 20-46.050(H), the applicant provided an Odor Mitigation Plan. The Odor Mitigation Plan was prepared by a licensed professional engineer, Matthew J. Torre, PE, dated June 13, 2018 and the Odor Mitigation Plan specifies the use of carbon exhaust air filtration, building pressure controls and particulate filtration of supply air coming into the building. With these measures in place and a monitoring program, the Odor Mitigation Plan finds that the Project will be in compliance with the requirements of the Zoning Code.

### **Outdoor Lighting**

The applicant will incorporate exterior lighting systems for security and safety purposes. The light fixtures will comply with Zoning Code Section 20-30.080. The interior lighting will be fully shielded with and comply with Zoning Code Section 20-46.080.

### **Noise**

Other than delivery vehicles, all operations are proposed in the fully enclosed building located on the site in the Light Industrial zoning district. Interior operations are not anticipated to generate excessive noise.

Mechanical equipment will be required to comply with the Noise Ordinance, City Code Chapter 17-16 (attached).

### **Security Plan**

As required in Zoning Code Section 20-46.050(G), the applicant has provided a detailed Security Plan. Staff has reviewed and determined the applicant’s Security Plan to be adequate for the proposed Medicinal and Adult-Use Cannabis Retail Dispensary with Delivery.

Staff Training: A component of the security plan is a training protocol for staff designed to address staff responses to various scenarios including suspicion of a thief, robbery attempt, forced entry, police raid, medical emergency, natural

disaster, etc.

**Video Surveillance:** The applicant will install high definition security cameras both on the interior and exterior of the building along with a screen on which all clients will see themselves projected upon entry into the facility to reinforce the presence and functionality of the cameras. The cameras will run 24 hours a day, be maintained in good working condition, comply with standard industry format to support criminal investigations and shall be maintained for 90 days.

**Alarm System:** An alarm system will be installed and continually monitored giving the applicant notification of any unauthorized access to the premises. The alarm system will be registered and permitted with the City of Santa Rosa.

**Secure Storage and Waste:** All cannabis products and any cannabis waste will be stored in an area secured with commercial-grade non-residential locks, that is not visible to the public and that prevents diversion, theft, loss, hazards and nuisance according to Santa Rosa as required by Zoning Code Section 20-46.050(G)(3). In addition, all vendors will be scheduled to pick up cannabis waste and deliver cannabis products for storage. All waste removals will be documented.

**Secure Entrance:** All customers must have a security picture taken and their identification scanned and saved on-file before allowed to cross the security line and granted access to the retail dispensary. All doors in the facility will have access control features (i.e. code or key fob) with a unique set of access area permissions granted to the staff.

**Security Personnel:** Security personnel will be on-site consistent with the requirements of State law.

## **Delivery**

Cannabis goods will be delivered via company-owned vehicles to customers within Sonoma County, to the extent each local jurisdiction allows cannabis delivery. The applicant will adhere to all requirements of the City of Santa Rosa and the State of California and delivery procedures will include:

- GPS tracking for all delivery vehicles;
- Vehicles equipped with LoJack;
- Vehicles equipped with dash-mounted video camera;
- Drivers that are at least 21 years of age;
- Vehicles equipped with active vehicle alarm system;
- Drivers not carry goods valued in excess of \$3,000 at any time; and
- Receipts prepared for each delivery and signed by the customer.

The applicant will adhere to all delivery requirements established by City Council



ORD-2017-025 Section 20-46.080(B) and Title 16 CCR Section 5415.

### **On-Site Consumption**

No on-site consumption is proposed with this project.

### **Special Events**

The applicant will not host any events requiring a cannabis permit at this location. If the applicant requests approval to host a cannabis event permit at this location in the future, the applicant would be required to obtain a Temporary Use Permit, pursuant to Section 20-52.040 (Temporary Use Permit).

### **Storefront and Signage**

There are no street-facing windows on the building and no signs are included with the subject application. A separate sign permit will be submitted for any new signs and advertising will be required to comply with City of Santa Rosa and State of California regulations, including Santa Rosa Zoning Code Section 20-38.

Signs will not contain any logos or information that identifies, advertises, or lists the specific products or services offered by the dispensary and products will not be readily visible to the public. There are no schools within 1,000 feet of the Project.

### 3. Design Guidelines

No exterior façade modifications are proposed with the Project. Minor modifications are proposed to comply with ADA access requirements and to the landscaping and mechanical equipment screening.

### 4. Neighborhood Meeting

As the Project is on a site surrounded by non-residentially zoned districts and General Plan land use categories and would not have an effect on a residential neighborhood, per Ordinance 2019-003 (Section 3.A.2.a), a neighborhood meeting was not held.

### 5. Public Improvements/Onsite Improvements

Not Applicable.

### 6. Parking

Section 20-36.040, *Table 3-4* specifies vehicle and bicycle parking spaces by land use. In addition to the proposed retail dispensary, the Project site includes

previously approved cannabis cultivation, manufacturing and distribution, each with their own vehicle parking requirements, as shown in Table 1.

**Table 1: Vehicle Parking Requirements**

Use	Floor Area	Spaces Required	Spaces Required	Spaces Provided
Retail Dispensary	654	2.5/1,000	5	
Cultivation	5,103	1/1000	1	
Manufacturing	506	1/350	1	
Distribution	1,120	1/1000	2	
<b>Total</b>			<b>9</b>	<b>6 plus 4 off-site</b>

Six spaces are provided on the Project site and the applicant is requesting approval to allow the balance of the parking requirement to be met on the adjoining property located at 1240 Briggs Ave. Zoning Code Section 20-36.070 – *Parking design standards*, states in subsection A(1) that:

*“Required off-street parking shall be located on the same parcel as the uses served; except with Conditional Use Permit approval, parking may be located on a parcel in the vicinity of the parcel served subject to a recorded covenant running with the land, recorded by the owner of the parking facility, guaranteeing that the required parking will be maintained exclusively for the use or activity served for the duration of the use or activity.”*

The applicant has leased four parking spaces from the owner of 1240 Briggs Avenue which is also in the Light Industrial zoning district and is developed with a 7,640 square foot building occupied by Electrical Services Santa Rosa. There are 33 parking spaces on the 0.54-acre site located at 1240 Briggs Ave. and based on the current uses (5,000 square feet warehouse, 2,000 related office, and 640 square feet accessory retail), the parking requirement is for 16 spaces. The applicant proposes encumbering four of the 17 surplus spaces located at 1240 Briggs Ave. While the applicant has a parking lot lease agreement with the adjacent property owner for four parking spaces, to comply with the requirements of Zoning Code Section 20-36.070(A)(1), as a Condition of Approval the applicant will need to provide a *“recorded covenant running with the land, recorded by the owner of the parking facility, guaranteeing that the required parking will be maintained exclusively for the use or activity served for the duration of the use or activity.”*

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 medical and adult use retail cannabis dispensary will occupy a 643 square foot portion of a 7,350 square foot building in the IL-SA (Light Industrial – Station Area) Zoning District, which is allowed subject to Planning Commission approval of a Conditional Use Permit. The application complies with zoning district requirements and, subject to Conditions of Approval, with 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 medical and adult use cannabis retail dispensary with delivery use is consistent with the applicable underlying General Plan goals and policies related to industry, economic vitality, and on December 19, 2017, the City Council adopted Ordinance No. ORD-2017-025 finding cannabis, manufacturing, cultivation, distribution, and retail (dispensaries) and delivery uses appropriate in areas designated as Light Industrial on the land use diagram.

**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 medical and adult use cannabis retail dispensary with delivery is an allowed use under Section 20-33.030 Table 2-6 with approval of a Conditional Use Permit. The existing site is located within the IL-SA (Light Industrial-Station Area) Zoning District and is surrounded on all sides by light industrial uses on land zoned and designated for light industrial uses. As such, the area is well-suited for the use and the hours of operation are within those permitted in Zoning Code Section 20-46.080(F)(4).

A Trip Generation and Parking Report for the Project dated April 12, 2019 determined that adequate parking on the project site in combination with the spaces available on the adjacent property at 1240 Briggs Ave, bicycle parking, with sufficient and safe sight distances and on-site circulation, and employee parking exists 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 with delivery

**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 building and adequate vehicular access to the site is provided from Briggs Ave. The Project plans demonstrate compliance with all operational standards as specified in Zoning Code Section 20-46. The building and site will be fully accessible and compliant with the 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 project will be consistent with the surrounding land uses which are in the IL-SA (Light Industrial – Station Area) zoning district and comprise warehousing and light manufacturing and associated retail businesses.

The Trip Generation and Parking Report for the Project by Transpedia Consulting Engineers dated April 12, 2019, demonstrates that with the availability of surplus parking on the adjacent property at 1240 Briggs Ave. the total parking supply (on- and off-site) is adequate to accommodate the anticipated peak parking demand, sight distances are adequate for safe egress from the site, and adequate space is available for internal parking lot circulation. Furthermore, ADA accessibility requirements can be met.

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, as well as Health and Safety Code requirements for this business.

The closest school to the Project site based on the City of Santa Rosa's Public GIS map is Ridgeway High School located approximately 1,100 feet east of the parcel line of the Project property. This exceeds the minimum 600-foot separation required under both State and City of Santa Rosa regulations.

The Odor Mitigation Plan has been certified by a licensed engineer ensuring that all mitigation controls are sufficient to effectively mitigate odors from all sources. The project Security Plan will prevent theft or diversion of any cannabis or currency, as well as discourage loitering, crime, and illegal or nuisance activities,

through the use of interior and exterior camera surveillance, on-site security personnel, a professionally monitored alarm system, access controls, and secure storage and waste areas, as well as implementing inventory controls, employee safety and security operational procedures, delivery service operation standards and procedures, and training on such procedures.

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

Staff Response: Refer to the Environmental Review section of this report for further discussion.

FISCAL IMPACT

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

ENVIRONMENTAL IMPACT

The Project qualifies for Class 1 Categorical Exemption under CEQA Guidelines Section 15301 in that the project is located within an existing structure involving no expansion of use.

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 minor exterior modifications to the structure/site.

Pursuant to CEQA Guidelines Section 15332, the project qualifies for a Class 32 Categorical Exemption as infill development as 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 includes a fully developed building and a parking lot with six (6) parking spaces 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 included a Trip Generation and Parking Report dated April 12, 2019, that concluded that there will be no significant impacts to City streets and that adequate on-and off-site parking was available to meet peak parking demand and was vetted by City staff.
- An Odor Mitigation Plan was prepared and signed by Matthew J. Torre, PE, dated June 13, 2018, in compliance with Zoning Code Section 20-46.

City staff reviewed the Project and 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  
Attachment 3 – Project Description, dated June 21, 2018  
Attachment 4 – Proximity to Schools  
Attachment 5 – Project Plans  
Attachment 6 – Certified Odor Mitigation Plan, dated June 13, 2018  
Attachment 7 – Trip generation and Parking Report, dated April 12, 2019  
Resolution – Conditional Use Permit

#### CONTACT

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