

CITY OF SANTA ROSA  
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT  
STAFF REPORT FOR PLANNING COMMISSION

**December 12, 2019**

**PROJECT TITLE**

Giffen 2 FlexMOD Extraction Facility

**ADDRESS/LOCATION**

2715 Giffen Ave., Building 2 East

**ASSESSOR'S PARCEL NUMBER**

010-450-008

**APPLICATION DATE**

July 18, 2019

**REQUESTED ENTITLEMENTS**

Conditional Use Permit

**PROJECT SITE ZONING**

Light Industrial (IL)

**PROJECT PLANNER**

Andrew Trippel

**APPLICANT**

Golden State Government Relations

**PROPERTY OWNER**

Giffen Avenue Property, LLC

**FILE NUMBER**

CUP19-083

**APPLICATION COMPLETION DATE**

November 15, 2019

**FURTHER ACTIONS REQUIRED**

No further actions are required.

**GENERAL PLAN DESIGNATION**

General Industry

**RECOMMENDATION**

Approval

For Planning Commission Meeting of: December 12, 2019

CITY OF SANTA ROSA  
PLANNING COMMISSION

TO: CHAIR CISCO AND MEMBERS OF THE COMMISSION  
FROM: ANDREW TRIPPEL  
PLANNING AND ECONOMIC DEVELOPMENT  
SUBJECT: GIFFEN 2 FLEXMOD EXTRACTION FACILITY  
AGENDA ACTION: APPROVE RESOLUTION

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RECOMMENDATION

The Planning and Economic Development Department recommends that the Planning Commission, by resolution, approve a Major Conditional Use Permit for a commercial cannabis Medicinal and Adult Use Manufacturing – Level 2 (volatile) (Type 7) use in a ± 480-square foot, self-contained, FlexMOD modular unit located adjacent to 2715 Giffen Avenue, Building 2 East.

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EXECUTIVE SUMMARY

The proposal is for a commercial cannabis Medicinal and Adult Use Manufacturing – Level 2 (volatile) (Type 7) use within a ± 480-square-foot, self-contained, FlexMOD modular unit to be located adjacent to Building 2 East (2715 Giffen Ave.) on the Giffen Avenue Property LLC industrial campus. The operator of the proposed use currently operates other approved uses in Building 2 East including commercial cannabis Manufacturing Level 1 (non-volatile)

Figure 1: Building 2 is located in the southeast corner of the parcel.



Source: City GIS aerial data.

(Type 6) (6,687 sq. ft.) and Distribution (Type 11) (4,672 sq. ft.) approved by ZC19-0131. Building 2 West is currently occupied by a different operator conducting Commercial cannabis Distribution (Type 11) (6,087 sf) and Cultivation (Processor) (7,307 sf) uses approved by ZC19-0127. The subject site is located on a 12-acre parcel in a Light Industrial Zoning District. The building is part of a larger campus of six industrial buildings secured by perimeter fencing. The subject site is primarily surrounded by either industrial or business park uses. A residential neighborhood is located adjacent to the northeast corner of the subject parcel; however, the proposed site of the use would be approximately 450 feet south of this neighborhood on the opposite side of Building 2. While Giffen Avenue and Lombardi Lane provide access to the site and surrounding industrial park, both streets terminate at the industrial park (see attachment 2).

## BACKGROUND

On December 19, 2017, the City Council unanimously adopted the City's Comprehensive Cannabis Ordinance. The regulations address the locational and operational requirements for commercial cannabis related businesses, identifying the permit compliance path for both medicinal and adult use activities. The ordinance allows the City to direct these land uses to appropriate areas of the City, establishes a public review process for permits, and specifics locational and operational requirements to address land use compatibility, odor, security, safety, health, lighting, parking and noise. The ordinance specifically addresses volatile cannabis manufacturing in that it requires an approved Major Conditional Use Permit for the use in IL – Light Industrial and IG – General Industrial Zoning Districts.

### 1. Project Description

The applicant proposes to operate a commercial cannabis Manufacturing – Level 2 (volatile) (Type 7) extraction facility within a  $\pm$  480-square-foot FlexMOD unit. A “Flex Mod” unit is a self-contained, prefabricated, C1D1-compliant, modular structure designed for volatile cannabis manufacturing (see Attachment 3).

The proposed site is abutting Building 2, which currently houses commercial cannabis Cultivation (processor), Manufacturing (non-volatile) and Distribution uses (see Attachment 4). The facility would not be open to the general public. The proposed use would include all activities permitted by a commercial cannabis Manufacturing – Level 2 (volatile) (Type 7) license including but not limited to:

- receiving raw bulk dried materials;
- light manufacturing and processing of bulk materials;
- packaging/re-packaging including but not limited to sorting, grading, quality

*Figure 2: Production Series FlexMOD extraction unit.*

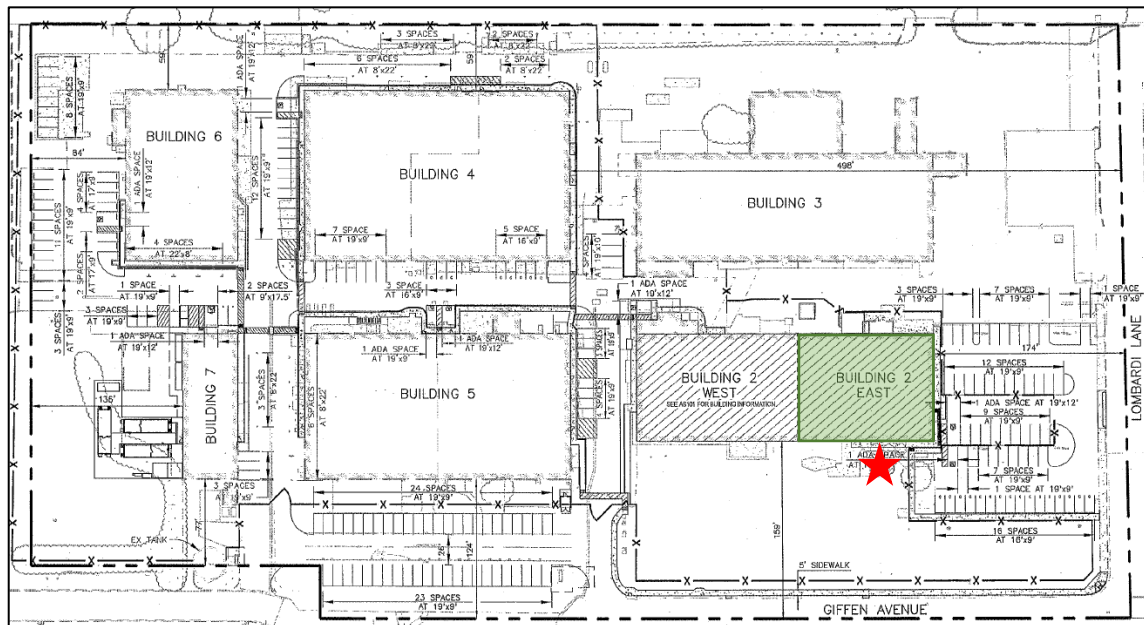


*Source: [extractionbooth.com/extraction-booth-models/](http://extractionbooth.com/extraction-booth-models/) on 12/02/2019.*

- 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;
- pesticide remediation;
- storage of raw materials and manufactured products; and
- production of value-added products, such as, but not limited to, edibles, vape cartridges, topicals and tinctures.

The building is part of the larger Giffen Avenue Properties, LLC, industrial campus for commercial cannabis, which is secured and closed to the general public. In addition to controlled facility access, the security plan includes campus-wide security, existing exterior lighting, and high-resolution cameras. All inventory would be tracked from the point of delivery to distribution. In accordance with state law, all employees are subject to a background check.

**Figure 3: Overall campus layout, with Building 2 highlighted in green and the proposed project site starred.**



Source: Project Plan Set, Attachment 4.

The project's Odor Mitigation Plan has been certified by a licensed engineer ensuring that all mitigation controls are sufficient to effectively mitigate odors from all sources (see Attachment 5).

Cannabis Manufacturing—Level 2 (non-volatile) use refers to the processing or manufacturing of commercial cannabis products using “volatile solvents.” The State of California Health & Safety Code defines a “volatile solvent” as a solvent that is, or produces, a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures. Examples of volatile solvents include, but are not limited to, butane, hexane, and propane. The volatile cannabis

manufacturing process requires the use of a closed-loop vacuum system. A closed loop system is an oil extraction method used to create cannabis concentrates. During the process, no solvents are exposed to the open air and remain contained within a closed loop system. The closed-loop extraction system is not unique to the cannabis manufacturing industry, in that it has been used for decades to produce perfume, food additives, and beauty products.

Per Zoning Code Section 20-46.070(C), the City of Santa Rosa requires that the closed loop system be listed, or otherwise certified by an approved third-party testing agency or licensed professional engineer and approved for the intended use by the City's Building Official and Fire Code Official. Per Section 20-46.070(D), the City also requires that a licensed professional engineer annually recertify the extraction equipment. The applicant will comply with inspection and certification requirements by State agencies, as well as the City's Building and Fire Departments. Also, as required for State licensing, the applicant will prepare and implement standard operating procedures for all manufacturing processes and use of all equipment.

Other than the installation of the FlexMOD, no modifications are proposed to the site or the exterior of Building 2. Located within an existing industrial park, the proposed location of the FlexMOD unit is visible from Lombardi Lane and Giffen Avenue public rights-of-way; however, due to their terminations within the industrial park, there is no through traffic. The unit would not be visible to existing residential development to the northeast. The design of the modular unit is appropriate for an industrial park, although some screening of the unit may be warranted. Planning staff recommends that the project be subject to Director-level design review and has conditioned the project accordingly, pursuant to Planning Commission approval.

## 2. Surrounding Land Uses

The proposed site is located within an area of industrially developed land, and is surrounded on the north, south, east and west sides by General Industry or Business Park land uses. Approximately 100 linear feet of frontage along the northeast campus border is adjacent to a single-family neighborhood. The subject building is located on the south side of the industrial park and is not directly adjacent to residential uses.

## 3. Existing Land Use – Project Site

The proposed project is located within a 12-acre industrial campus, developed in 1966 with six industrial buildings surrounded by shared parking. Five of the buildings and approximately 50% of the shared parking spaces are within an existing or proposed security fence. There are two parking lots available for visitors. One is located south of Building 5 and accessible via Giffen Avenue, and the other is located east of Building 2 and the proposed project site and accessible from Lombardi Lane. The secured portion of the campus is not open to the general public. Most parcels in the immediate area are developed for industrial or business park uses.





- 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-K** Protect industrial land supply and ensure compatibility between industrial development and surrounding neighborhoods.
- 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.
- EV-D** Maintain the economic vitality of the downtown, business parks, offices and industrial areas.
- EV-D-2** Maintain space in business parks for distribution and research uses. Attract a wide range of industries which serve local and regional needs and contribute to the community's economic vitality, and at the same time protect the local environment and quality of life.
- NS-B-5** Pursue measures to reduce noise impacts primarily through site planning. Engineering solutions for noise mitigation, such as sound walls, are the least desirable alternative.

The City specifically identified Light Industrial (IL), and General Industrial (IG) Zoning Districts as zoning districts where this type of use would be appropriate. Although cannabis uses are not explicitly addressed in the General Plan, these industrial zoning districts implement the industrial designations intended for many uses similar to commercial cannabis manufacturing.

Staff has determined that the proposed Commercial Cannabis Manufacturing – Level 2 (volatile) use is consistent with the applicable aforementioned General Plan goals and policies and the associated General Industry General Plan land use designation. The proposed use would assist in maintaining the economic viability of the area, broaden the available full and part time jobs within the City, and provide a viable commercial service, while ensuring compatibility with the surrounding neighborhoods through proposed operations and security measures.

2. Other Applicable Plans

Not applicable.

3. Zoning

The project site is located within a Light Industrial (IL) Zoning District and is surrounded by IL – Light Industrial or BP – Business Park zoned properties, supporting various manufacturing, processing, wholesale, retail, or general services uses. The IL zoning district is applied to areas appropriate for light industrial uses, as well as commercial service uses and activities that may be incompatible with residential, retail, and/or office uses.

City Council Ordinance No. ORD-2017-025, Comprehensive Cannabis Ordinance, amended Section 20-24.030, Table 2-10 – Allowable Land Uses and Permit Requirements for Industrial Districts to include Commercial Cannabis Manufacturing – Level 2 (volatile) uses subject to an approved Major Conditional Use Permit, regardless of the size of the proposed use. In the same Ordinance, Cannabis Businesses (Medical and Adult Use) were permitted in compliance with the provisions of Division 2 (Zoning Districts and Allowable Land Uses). The applicant has met the permit requirements by filing this application for a Major Conditional Use Permit for commercial cannabis Manufacturing – Level 2 (volatile) (Type 7) use.

Zoning Code Section 20-46.050 describes general operating requirements applicable to all cannabis businesses, and Section 20-46.070 specifies additional operating requirements for Cannabis Manufacturing. The applicant has demonstrated compliance with all general operating requirements and those specific to Cannabis Manufacturing.

### **Odor**

The Giffen 2 FlexMOD unit will have a professionally installed carbon filtration system to prevent odors from escaping the building. The required Odor Mitigation Plan prepared and certified by Warner Engineering, Inc., dated November 13, 2019, indicates that the odor control mitigation plan is consistent with best available technologies designed to mitigate cannabis odors.

### **Security**

The building is part of a larger campus, known as Giffen Avenue Properties, LLC, which will be a partially fenced, secured campus and will be closed to the general public. In addition to controlled facility access, the security plan includes campus-wide security, existing exterior lighting, and high-resolution cameras. All inventory will be tracked from the point of delivery to distribution. In accordance with state law, all employees are subject to a background check.

### **Parking**

The proposed project would add ± 480 sq. ft. of cannabis Manufacturing use to the campus. The parking ratio for cannabis Manufacturing is 1 space per 350 sq. ft. for projects up to 50,000 sq. ft. Therefore, the required parking for this proposed use would be one space. The project site is developed as an industrial campus with shared parking. The minimum required parking for all approved campus uses under the current Zoning Code is 144 spaces, and 205 shared spaces are provided. The parking facilities are sufficient to support the proposed cannabis Manufacturing use.

### **Hours of Operation**

The facility is proposed to operate 24-hours per day, 7-days a week. Transportation activities will take place primarily between 6:00AM and 11:00PM. The proposed hours of operation are consistent with the Zoning Code, in that the industrial facility will not be open to the general public. A maximum of three employees would work per shift.



## **Traffic**

The proposed use would add 480 square feet of operational space to the Giffen Avenue campus. A maximum of three employees would staff each shift during a 24-hour period. Given the small addition of usable square footage and low employee count, Planning staff did not require trip generation evaluation for this project.

## **Required Findings**

The Planning Commission must make all of the following findings as required in Zoning Code Section 20-52.050 (Conditional Use Permits), to grant the Major Conditional Use Permit. Each requisite finding is followed by a staff response.

- 1. 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 project includes a Commercial Cannabis Medicinal and Adult Use Manufacturing – Level 2 (volatile) (Type 7) use within a ± 480-square-foot, self-contained, FlexMOD unit. Volatile cannabis manufacturing is allowed in the IL zoning district, subject to Planning Commission approval of a Major Conditional Use Permit.

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

Staff Response: The City identified specific General Plan land use designation areas, including General Industry, as appropriate districts for the proposed land use. The proposed Medicinal and Adult Use Commercial Cannabis Manufacturing – Level 2 (volatile) use is consistent with the applicable underlying General Plan goals and policies related to industry, economic vitality, and the associated General Industry General Plan land use designation. Staff identified several General Plan goals and policies that would be advanced through approval of the proposed project.

- 3. 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 project would add ± 480-sq. ft. of light manufacturing space to 12-acre industrial campus with approximately 146,200 sq. ft. of usable space that hosts a mix of manufacturing, distribution, and various industrial-related uses. The FAR of the current development is approximately 0.28. The industrial campus as designed is capable of accommodating a negligible increase in FAR. Parking is adequate for the staffing and operations of the proposed use, as well as for a facility that is not open to the public. The project complies with the general operating requirements for cannabis businesses and those operating requirements specific to cannabis manufacturing. The campus will be secured with a security fence. The fencing will facilitate secure transport of materials to and from the business. In addition to controlled facility access, the security plan includes campus-wide security, surveillance, alarm, and access control measures. The proposed project is not

directly adjacent to any residential uses and Planning staff recommends director level design review for the installation of the FlexMOD.

**4. 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 would be adjacent to an existing 24,753-sq. ft. industrial building (Building 2), and within a 480-square-foot FlexMOD unit to be placed on the south side of the building. Access to the site is provided via Giffen Avenue and Lombardi Lane, and the building will be fully accessible pursuant to American's with Disabilities Act (ADA) standards, though no public access will be permitted due to the nature of the proposed use and for security purposes. All necessary utilities are available at the project site, including water, wastewater, storm drainage, gas and electric services.

**5. 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. The project 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 seeks to effectively prevent theft or diversion of any cannabis, as well as to discourage loitering, crime, and illegal or nuisance activities, by installing an interior and exterior camera surveillance system, a professionally monitored alarm system, access controls, and secure storage and waste areas inventory controls, as well as implementing inventory controls, employee safety and security operational procedures, and training on such procedures. The facility's campus will be secured with a security fence and gates. The proposed operations are not directly adjacent to residential uses. Per Section 20-46.050 (E), the project is subject to Building and Fire permits, as described in Building and Fire Code Requirements for Cannabis Related Occupancies, including general requirements and those specific to volatile manufacturing. Additionally, an annual Fire Department Operational Permit is required for cannabis manufacturing facilities.

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

Staff Response: The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA). Refer to the Environmental Review section of this report for further discussion.

**4. Design Guidelines**

No major changes are proposed to the exterior of the existing building. The applicant proposes to place a 480-square-foot modular unit to the south of the existing buildings. External modification to the existing building and site will be minimal. Planning staff recommends that the proposed changes be subject to Director-level

Design Review.

5. Neighborhood Comments

No comments have been received at the time this staff report was prepared.

6. Public Improvements/On-Site Improvements

No public improvements/on-site improvements are required.

FISCAL IMPACT

Approval of this action does 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):

- The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and qualifies for a Class 3 Categorical Exemption pursuant to CEQA Guidelines Section 15303, in that it permits the construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure.
- 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

None.

ATTACHMENTS

- Attachment 1 Disclosure Form
- Attachment 2 Location and Neighborhood Context Map
- Attachment 3 Project Description (revised November 15, 2019) dated received by the City on November 15, 2019
- Attachment 4 Project Plan Set dated received by the City on July 18, 2019
- Attachment 5 Certified Odor Plan prepared by Warner Mechanical Engineering, Inc., dated November 13, 2019, and dated received by the City on November 15, 2019
- Attachment 6 Public Correspondence (TBD)

Resolution

CONTACT

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