

CITY OF SANTA ROSA
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
STAFF REPORT FOR PLANNING COMMISSION
JANUARY 14, 2021

PROJECT TITLE

Good Onward, Inc. Cannabis Processing Facility

APPLICANT

Tim Shannon

ADDRESS/LOCATION

3192 Juniper Road

PROPERTY OWNER

Timothy F. Shannon & Celia F. Myers

ASSESSOR'S PARCEL NUMBER

134-072-004

FILE NUMBER

PRJ18-082 (CUP18-146 and DR18-072)

APPLICATION DATE

October 29, 2018

APPLICATION COMPLETION DATE

January 7, 2020

REQUESTED ENTITLEMENTS

Major Conditional Use Permit

FURTHER ACTIONS REQUIRED

Major Design Review

PROJECT SITE ZONING

General Industrial

GENERAL PLAN DESIGNATION

General Industry

PROJECT PLANNER

Conor McKay

RECOMMENDATION

Recommend Approval

CITY OF SANTA ROSA
PLANNING COMMISSION

TO: CHAIR CISCO AND MEMBERS OF THE BOARD/COMMISSION
FROM: CONOR MCKAY, CITY PLANNER
SUBJECT: PLANNING & ECONOMIC DEVELOPMENT
GOOD ONWARD, INC. CANNABIS FACILITY

AGENDA ACTION: Resolution

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Planning Commission, by two resolutions, (1) approve a Mitigated Negative Declaration prepared pursuant to the California Environmental Quality Act (CEQA) for a new cannabis facility and (2) approve a Conditional Use Permit for the operation of a new cannabis facility with onsite uses including *Manufacturing Level 1 (non-volatile)* and *Manufacturing Level 2 (volatile)*, *Commercial cultivation (5,001 feet or greater)*, and *Distribution* totaling 25,914 square feet and a parking reduction.

EXECUTIVE SUMMARY

Good Onward, Inc. Cannabis Facility is a proposed project that includes the construction and operation of a commercial cannabis facility with onsite uses including *Manufacturing Level 1 (non-volatile)* and *Manufacturing Level 2 (volatile)*, *Commercial cultivation (5,001 sq ft or greater)*, and *Distribution* on a 2.05-acre parcel currently operating as a construction storage and staging yard. New development and modifications to the site and to existing development are subject to Major Design Review approval as required by Zoning Code Section 20-52.030 Design Review.

BACKGROUND

The Good Onward, Inc. Cannabis Facility project application has been submitted in accordance with the following policies and regulations of the City of Santa Rosa:

- Zoning Code [Chapter 20-46 Cannabis](#): allows and regulates commercial cannabis land uses in the City of Santa Rosa.
- Zoning Code [Section 20-50 Permit Application Filing and Processing](#): provides procedures and requirements for the preparation, filing, and initial processing of the land use permit applications required by the Zoning Code.

1. Project Description

The project requests Major Conditional Use Permit approval to allow the construction and operation of a proposed 25,914 square foot (SF) cannabis facility with onsite land uses consisting of *Manufacturing Level 1 (non-volatile)* and *Manufacturing Level 2 (volatile)*, *Commercial cultivation (5,001 sq ft or greater)*, and *Distribution* land uses. In the General Industry (IG) zoning district, the *Cannabis – Commercial cultivation (5,001 sq ft or greater)* and *Cannabis – Manufacturing Level 2 (volatile)* land uses are allowed subject to Major Conditional Use Permit approval. *Cannabis – Distribution* and *Cannabis – Manufacturing Level 1 (non-volatile)* land uses, when located adjacent to a residential land use, are allowed subject to Minor Conditional Use Permit approval.

Design Review Board action on the requested Major Design Review approval would be subject to Planning Commission approval of the Major Conditional Use Permit.

All existing structures at the project site would be used for the proposed cannabis uses. The construction of a new ~21,000 square foot warehouse is proposed within two years of commencement of the initial operation. The total structure area would be 25,914 square feet upon full project build out. The proposed project includes the installation of half-width improvements along the project site's Juniper Avenue frontage. Site improvements include paving, stormwater retention basins, landscaping, and new access to new warehouse building. The proposed project operations would consist of up to 10 employees at any one time with employee shifts from 8:00 A.M. to 6:00 P.M., seven days per week.

2. Surrounding Land Uses

North	Warehouse / Storage Yard
South	Rural Residential
East	Warehouse
West	Rural Residential (County Jurisdiction)

The project site is located in an industrial area with existing low-density rural residential uses and industrial development in the surrounding area. A legal non-conforming residential development is located adjacent to the south of the project site. Low density residential development is located across Juniper Avenue from the project site.

3. Existing Land Use – Project Site

In 2016, the current use of the parcel as a construction storage and staging yard was established by resolution of the Zoning Administrator approving Conditional Use Permit and Design Review entitlements.

4. Project History

August 1, 2018 Project applications – Major Conditional Use Permit and Major Design Review - submitted

January 16, 2019 Pre-application Neighborhood Meeting conducted

August 30, 2019 Native American tribes were notified as required by AB 52

July 31, 2020 The Good Onward Inc. Cannabis Facility, 3192 Juniper, PRJ18-082, Initial Study/Mitigated Negative Declaration was published for 30-day public review in accordance with the California Environmental Quality Act (CEQA)

December 30, 2020 Planning Commission public hearing was noticed

- No Notice of Application was distributed as required by Section 20-50.050(E) because the ordinance that established this requirement (Ordinance CC 2019-003) was not in effect at the time of project application. A Notice of Application was not required by the Zoning Code at this time. Property owners and occupants within 600 feet of the proposed project received a mailed Neighborhood Meeting notice, mailed Notice of Intent to Adopt a Mitigated Negative Declaration for the Good Onward, Inc. Cannabis Facility Project, mailed Planning Commission notice, and would have access to onsite noticing for the neighborhood meeting and public hearing.
- Lytton Rancheria responded to AB 52 notification but did not request consultation. No other responses were received.

PRIOR CITY COUNCIL REVIEW (Indicate N/A if not applicable)

N/A

ANALYSIS

1. General Plan

The project site is designated as General Industry on the General Plan Land Use Diagram. This designation provides areas for manufacturing and distribution activities with potential for creating nuisances, along with accessory offices and

retailing. Such uses may generate truck traffic and operate 24 hours a day. The following General Plan goals are applicable to the project:

LAND USE AND LIVABILITY	
LUL-A	Goal – Foster a compact rather than a scattered development pattern in order to reduce travel, energy, land, and materials consumption while promoting greenhouse gas emission reductions citywide.
LUL-K	Goal – Protect industrial land supply and ensure compatibility between industrial development and surrounding neighborhoods.
ECONOMIC VITALITY	
EV-B	Goal – Facilitate the retention and expansion of existing businesses and provide sufficient land for business expansion and attraction of new employers that utilize the area’s existing labor pool.
EV-B-7	Focus business attraction efforts on filling vacancies in commercial and industrial structures. With the Redevelopment Agency and Economic Development and Housing Department, develop incentives for those efforts such as low-cost loans for tenant improvements, façade improvements, and new business incubation.
EV-C-2	Establish an inventory of ready-to-go non-residential sites complete with zoning, infrastructure, and environmental clearances.
EV-D	Goal – Maintain the economic vitality of the downtown, business parks, offices and industrial areas.

Beginning in 2015, the City of Santa Rosa began to implement a robust set of regulations governing the legal cannabis industry. City Council adopted cannabis regulations and industry development as one of its highest priorities and as a Council goal. Since then, implementing City’s 2017 Comprehensive Cannabis Ordinance and developing the industry and the economic subsector it represents has been a continuing Council goal and policy.

The proposed project site is not subject to a specific plan.

2. Zoning

The project site is located within the General Industrial zoning district, which is the implementing zoning district for the General Industry General Plan Land Use Designation. Pursuant to [Section 20-24.030 Industrial district land uses and permit requirements](#), Table 2-10, the proposed cannabis operations are allowed in the IG zoning district subject to Conditional Use Permit approval as follows:

- An approved Major Conditional Use Permit is required for operation of *Cannabis – Commercial cultivation (5,001 sq ft or greater)* and *Cannabis – Manufacturing Level 2 (volatile)* land uses.
- An approved Minor Conditional Use Permit is required for operation of *Cannabis – Manufacturing Level 1 (non-volatile)* and *Cannabis –*

Distribution land uses because they are proposed adjacent to residential land uses.

All proposed cannabis uses are subject to specific use regulations contained in [Chapter 20-46 Cannabis](#). The proposed uses will also be analyzed for compliance with [Chapter 20-36 Parking and Loading Standards](#).

Chapter 20-36 Parking and Loading Standards

Below, parking for proposed cannabis land uses is analyzed for compliance with minimum parking requirements contained in the City's Parking Ordinance.

Proposed Use	Sq. Ft.	Parking Ratio	Required Spaces
Cannabis – Manufacturing Levels 1 and 2	9,836	1:350	28
Cannabis – Cultivation (greater than 5,000 SF)	12,434	1:1000	12
Cannabis – Distribution	3,644	1:1000	3
Total Parking Spaces Required			43
Total Parking Spaces Proposed			29
Net +/-			-14

Proposed parking is below minimum required parking. Project will require approval of a 32.5% parking reduction. Any future use would be required to meet the minimum parking requirement or seek an adjustment to required parking. [Zoning Code Section 20-36.050 Adjustments to parking requirements](#) states that if a project requires Major Conditional Use Permit approval, the review authority may approve an increase or decrease in required parking after making the following findings:

- Due to special circumstances associated with the operation of the use at its location, the proposed use will generate a parking demand different from the standards specified in Table 3-4; and
- The number of parking spaces approved will be sufficient for its safe, convenient, and efficient operation of the use.

There are special circumstances associated with the proposed operation that would generate a reduced parking demand compared to the standards specified in Table 3-4 in that the proposed use would consist of a maximum of 10 on-site employees at any one time. Additionally, access to the site will be locked and secured at all times, restricted to authorized personnel, approved visitors, and scheduled deliveries. The Focused Traffic Study prepared by W-Trans reports that the project would experience an average parking demand of 18 parking spaces on weekdays (Attachment 7). This analysis supports the conclusion that the provision of 29 parking spaces is adequate for the proposed use.

Section 20-46.050 General operating requirements (Cannabis)

- 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 the proposed cannabis land uses 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.** Operations conducted under an approved Conditional Use Permit would not be open to the public. Operators would be required to comply with State regulations governing the employment of minors.
- 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 additionally help to prevent diversion of Cannabis and Cannabis products.
- D. **Multiple permits per site.** The applicant shall receive all local and State approvals required to operate the multiple proposed cannabis land uses and maintain clear separation between cannabis license types.
- 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.
- F. **Security.** The applicant has provided a security plan that includes the following security enhancements:
 - 1. Security Personnel as required by the Bureau of Cannabis Control Regulations and 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 on external and internal doors and windows with two-level verification (key and code) required on some doors. Alarm systems will be monitored and appropriate permits obtained for installation and ongoing use.
 - 3. The applicant shall comply with and participate in the State track and trace system and auditing requirements. In the event of any inventory discrepancies, the applicant will immediately notify regulators and law enforcement within the required timeframe.
 - 4. Secure waste and storage areas, including securing an existing outdoor non-Cannabis waste receptacle, are addressed and protocols for disposing for Cannabis and Cannabis product waste are provided.
 - 5. Operational procedures will prevent cannabis and any related by-products from the project site are not visible or accessible to the public. All employees will be required to participate in security and safety protocol trainings.
 - 6. Emergency response and emergency access protocols are provided.

- G. **Odor Control.** 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 would ensure the odor mitigation system remains functional, staff training procedures, and engineering controls, which include the installation of activated carbon filters on recirculating air systems serving spaces at risk for emitting cannabis odors. The Odor Mitigation Plan has been certified by TEP Engineering, a registered professional engineering firm, verifying that the proposed odor control and mitigation plan complies with Zoning Code Chapter 20-46.
- H. **Lighting.** The applicant has indicated that all external lighting will be installed and operated in accordance with the City of Santa Rosa’s Outdoor Lighting Ordinance, as well as other applicable regulations, to offer safety to customers and employees, while minimizing the impact on surrounding parcels. All exterior lighting systems will be provided for security purposes in a manner sufficient to provide illumination and clear visibility to all outdoor areas of the premises, including all points of ingress and egress, in accordance with Section 20-46.050(I).
- I. **Noise.** The applicant does not propose any outdoor mechanical outdoor mechanical equipment other than standard HVAC systems that would be typical for light industrial and commercial retail uses. Any ground- or roof-mounted HVAC equipment must be screened from public view, which also helps to contain nuisance noise on-site. The application notes that the facility will be heavily insulated reducing any potential nuisance noise from the interior of the building. Windows and doors will remain closed at all hours. Applicant proposes distribution hours of operation from 8:00 a.m. - 6:00 p.m. Monday – Friday, and the project approval will be conditioned accordingly. The applicant recognizes that according to the Santa Rosa City Code ([Chapter 17-16](#)) it is unlawful for any person to willfully make or continue, or cause to be made or continued, any loud, unnecessary, or unusual noise which disturbs the peace or quiet of any neighborhood or which causes discomfort or annoyance to any reasonable person of normal sensitiveness residing in the area.

The applicant is required to comply with all regulations governing operation of Cannabis Cultivation and Manufacturing facilities contained in Sections 20-46.060 and 20-46.070, including the requirement to obtain all required permits from local, County, and State agencies.

Major Conditional Use Permit Required Findings

In granting the Conditional Use Permit, the Planning Commission must first make all of the following required findings set forth in [Section 20-52.050](#) (Conditional Use Permits). Each finding is accompanied 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.**

The Good Onward, Inc. Cannabis Facility project is proposed to be located within the General Industrial zoning district, which permits the uses subject to Planning Commission approval of a Conditional Use Permit as described above.

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

In enacting cannabis commercial cultivation regulations, the City identified specific General Plan land use designation areas, including General Industry, as appropriate districts for the proposed land use to occur. Staff has 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 vicinity.**

The proposed project would redevelop a construction storage and staging yard facility into a facility for cannabis manufacturing, cultivation, and distribution. The General Plan Land Use designation of the subject parcel and surrounding parcels is General Industry, which provides sites for manufacturing and distribution activities with potential for creating nuisances. The parcel located at 3210 Juniper Avenue contains an existing residential use. This parcel is designated General Industry by the General Plan Land Use Diagram; therefore, future redevelopment of the site would result in greater compatibility with the proposed cannabis use. The project's required compliance with Cannabis Odor Control requirements, City's Noise and Outdoor Lighting Ordinances, and required public improvements including the widening of Juniper Avenue to allow for adequate space for two-way traffic to occur without one motorist having to pull over to the shoulder would minimize potential nuisances and conflicts with surrounding parcels.

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.

The proposed cannabis uses would be located in existing and proposed industrial buildings, fully accessible pursuant to ADA standards, though no public access will be permitted for security purposes. All necessary utilities are available at the project site, including water, wastewater, storm drainage, and PG&E services. The project includes site improvements such as asphalt paving, bio-retention basins, landscaping, and a new rear entry for access to the proposed new warehouse building. The project requests the approval of a 32.5% parking reduction. This requires the review authority to find that the project, due to special circumstances, will generate parking demand different than the standards outlined in Zoning Code Section 20-36.040 and that the number of parking spaces approved will be sufficient for its safe, convenient, and efficient operation of the use. The proposed use would consist of up to 10 employees, and the site would not be open to the public. Therefore, the proposed parking capacity is anticipated to be sufficient for safe, convenient, and efficient operation of the use.

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.

The proposed development would be consistent with surrounding land uses as designated by the General Plan. The subject parcel and adjoining parcels are located within the General Industrial zoning district. As discussed above in Finding #4, proposed mitigation measures and conditions of approval reduce potential conflicts with nearby residential uses including noise, odor, and traffic.

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

An Initial Study/Mitigated Negative Declaration was prepared in compliance with the California Environmental Quality Act (CEQA). The proposed project would result in potentially significant impacts to: Air Quality, Biological Resources, Cultural and Tribal Cultural Resources, Geology and Soils, Hydrology and Water Quality, Noise, and Transportation. These impacts would be mitigated to a less-than-significant level through implementation of recommended mitigation measures contained in the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program, which identifies the timing of, and the

agency or agencies responsible for, enforcement and monitoring of each mitigation measure to be implemented to reduce potentially significant impacts to less than significant levels, or through compliance with existing Municipal Code requirements or City standards.

3. Design Guidelines

3.4 - BUSINESS AND LIGHT INDUSTRIAL PARKS AND BUILDINGS	
1-C	Goal – To ensure that business and light industrial parks mitigate impacts that would negatively affect adjacent residential areas.
1-D	Goal – To encourage business and light industrial parks to provide amenities for employees including: outdoor areas, pedestrian circulation for exercising and covered sitting areas.
2-A-4	Mitigate the noise of: compressors, delivery trucks, trash compactors, trash dumpsters handling, and other noise producing equipment or activities.
2-D-2	Integrate new landscape design with surrounding landscaping.
2-D-3	Light spill-over onto neighboring properties should be insignificant. To ensure this, provide light fixtures with shielded light sources and cutoff optics.
3-A-4	Occasionally business & light industrial parks will be located adjacent to residential uses. In these settings the buildings adjacent to the residences must respect zoning code setbacks and height limits. Additionally, care should be taken to design in a sensitive matter at the edge conditions. Issues to consider include: mass and scale relative to residences, residential privacy, providing buildings that are designed, detailed, and articulated on all four sides (long blank back or side walls are discouraged), blockage of neighbors' views to significant vistas or important view corridors, and blocking sunlight from reaching adjacent yards
3-D-5	Design fencing, soundwalls, trash and recycling enclosures, service areas, and similar accessory site elements to be compatible with the architecture of main buildings.

4. Neighborhood Comments

The project received one comment from a nearby property owner who expressed concerns regarding the existing width of Juniper Avenue and its capacity to serve the proposed project, odor impacts, and proximity to schools.

Staff Response: The project includes the widening of Juniper Avenue to allow for two-way traffic to service the project site and nearby parcels. The applicant has provided an Odor Mitigation Plan in compliance with Zoning Code Chapter 20-46

standards. The nearest school is Amarosa Academy, which is located approximately 730 feet from the southeast property boundary.

5. Public Improvements/On-Site Improvements

The project includes the widening of Juniper Avenue from Bellevue Avenue to the southern project boundary. The segment of Juniper Avenue from Bellevue Avenue to the norther project boundary is proposed to be widened to 20 feet. The project frontage will be widened to 30 feet consistent with the City's requirements. The project also includes two entries from Juniper Avenue that will provide access for all project related traffic. On-site improvements also include asphalt paving, bio-retention basins, new site landscaping, and an upgraded lawn area for employee use. The Initial Study/Mitigated Negative Declaration analyzed impacts associated with the road widening and concluded the impacts would be less than significant.

FISCAL IMPACT

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

ENVIRONMENTAL IMPACT

An Initial Study/Mitigated Negative Declaration was prepared in compliance with the California Environmental Quality Act (CEQA). The proposed project would result in potentially significant impacts to: Air Quality, Biological Resources, Cultural and Tribal Cultural Resources, Geology and Soils, Hydrology and Water Quality, Noise, and Transportation. These impacts would be mitigated to a less-than-significant level through implementation of recommended mitigation measures contained in the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program, which identifies the timing of, and the agency or agencies responsible for, enforcement and monitoring of each mitigation measure to be implemented to reduce potentially significant impacts to less than significant levels, or through compliance with existing Municipal Code requirements or City standards. A Notice of Intent to adopt a Mitigated Negative Declaration was posted with the California State Clearinghouse (SCH Number 20200070555) and the Sonoma County Clerk's Office, initiating a thirty-day public comment period beginning July 31, 2020 and ending August 31, 2020. No public comments were received by the City during the public comment period.

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 and occupants, 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.

ATTACHMENTS

Attachment 1	Disclosure Form
Attachment 2	Location Map
Attachment 3	

Attachment 1 Disclosure Form

Attachment 2 Location Map

Attachment 3 Good Onward, Inc. Initial Study/Mitigated Negative Declaration dated June 19, 2020

Attachment 4 Good Onward, Inc. Mitigation Monitoring and Reporting Program dated June 19, 2020

Attachment 5 Revised Project Description dated received January 7, 2020

Attachment 6 Project Plan Set dated received January 7, 2020

Attachment 7 Good Onward, Inc. Cannabis Project Traffic Analysis prepared by W-Trans, dated January 8, 2020.

Attachment 8 Certified Odor Control Plan prepared by TEP Engineering, dated February 19, 2020.

Attachment 9 Public Correspondence

Resolution 1 Mitigated Negative Declaration

Resolution 2 Conditional Use Permit

Exhibit "A" dated September 17, 2020

CONTACT

Conor McKay, City Planner

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