CITY OF SANTA ROSA PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT STAFF REPORT FOR PLANNING COMMISSION <u>February 25, 2021</u>

#### PROJECT TITLE

Manifest Venture

#### ADDRESS/LOCATION

2489 Guerneville Rd

#### ASSESSOR'S PARCEL NUMBER

034-131-005

#### APPLICATION DATE

February 26, 2020

#### REQUESTED ENTITLEMENTS

Conditional Use Permit (CUP)

#### PROJECT SITE ZONING

CN – Neighborhood Commercial

#### PROJECT PLANNER

**Kristinae Toomians** 

#### **APPLICANT**

Manny Rivera

#### PROPERTY OWNER

Charles & Dorothy Tesconi, et all

#### FILE NUMBER

CUP20-008

#### **APPLICATION COMPLETION DATE**

January 21, 2021

### FURTHER ACTIONS REQUIRED

N/A

**GENERAL PLAN DESIGNATION** 

**Retail & Business Services** 

#### RECOMMENDATION

Approval

Agenda Item # 10.3 For Planning Commission Meeting of: February 25, 2021

#### CITY OF SANTA ROSA PLANNING COMMISSION

TO: CHAIR WEEKS AND MEMBERS OF THE COMMISSION

FROM: KRISTINAE TOOMIANS, SENIOR PLANNER PLANNING AND ECONOMIC DEVELOPMENT

SUBJECT: MANIFEST VENTURE CANNABIS RETAIL WITH DELIVERY

AGENDA ACTION: RESOLUTION

#### **RECOMMENDATION**

The Planning and Economic Development Department recommends that the Planning Commission, by resolution, approve a Conditional Use Permit to allow a cannabis retail facility with delivery at 2489 Guerneville Rd.

#### EXECUTIVE SUMMARY

Manifest Venture (Project) proposes to operate a cannabis retail facility with delivery within a 1,554-square-foot tenant space of an existing 2,754-square-foot building. The applicant proposes to operate the facility, including retail and delivery activities, between the hours of 9:00am and 9:00pm, 7 days a week. The applicant proposes delivery service. The applicant does not propose on-site consumption.

#### BACKGROUND

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

1. <u>Project Description</u>

The proposed retail cannabis business is proposed within a tenant space of a dual-tenant commercial building at the northeast corner of Guerneville and Fulton Roads. The applicant proposes to occupy 1,554-square-feet of an existing 2,754-square-foot commercial building.

#### Cannabis Retail and Delivery

In compliance with Zoning Code Section 20-46.080(f)(4), the applicant proposes to operate the cannabis retail dispensary within 1,554-square-feet of the existing commercial building, with operating hours from 9:00 a.m. to 9:00 p.m. seven days per week. The storefront entrance is in a visible location that provides an unobstructed view from Guerneville Road. The applicant proposes retail delivery service to customers, in accordance with the Bureau of Cannabis Control Regulations. The applicant does not propose on-site consumption.

#### 2. Existing & Surrounding Land Uses

The proposed site was developed in 1949 with a commercial building that now contains two tenant suites at the northeast corner of Guerneville and Fulton Roads. The adjacent tenant is a massage therapy business. The commercial tenants share a parking lot with 25 spaces. The site is also developed with two, two-story multi-family buildings with "tuck-under" parking toward the rear of the lot. The project site is adjacent to a grocery store (Asia Mart) to the east, a commercial shopping center to the west, and a bank (Westamerica Bank) and multi-family to the south.

- 3. Project History
  - On February 26, 2020, the applicant submitted Major Conditional Use Permit Review application.
  - On July 29, 2020, Planning staff held a virtual neighborhood meeting to discuss the proposed project. Several neighbors participated in the meeting and voiced concerns and opposition to a cannabis retail facility proposed near the residential neighborhood to the east, as well as Piner High School to the north of the project site.
  - On January 21, 2021 the application was deemed complete.

#### PRIOR CITY COUNCIL REVIEW

Not applicable.

#### **ANALYSIS**

1. Santa Rosa General Plan 2035

The site is designated Retail & Business Services on the General Plan Land Use Diagram. This classification allows retail and service enterprises, offices, and restaurants (<u>General Plan p. 2-12</u>).

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, Neighborhood Commercials, offices and industrial areas.

The Zoning Code specifically identifies the Retail & Business Services District as a district appropriate for cannabis retail & delivery. Although cannabis uses are not explicitly addressed in the General Plan, the Retail & Business Services District is intended for a wide variety of retail uses with operational patterns similar to the operational patterns (i.e. traffic, parking, hours of operation) of the proposed Project.

Staff has determined that Cannabis Retail and Delivery uses are consistent with the General Plan goals and policies of the Retail & Business Services land use designation. Specifically, the proposed Cannabis Retail and Delivery 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

Not applicable.

3. <u>Zoning</u>

The project site is located within a CN – Neighborhood Commercial Zoning District and is surrounded by CN zoned properties to the east, west, and south. The CN zone, which is consistent with the Retail & Business Services General Plan land use designation, is applied to areas within and adjacent to residential neighborhoods appropriate for limited retail and service centers for convenience shopping. Uses in these centers are intended to provide for the day-to-day needs of local neighborhoods and workplaces, but not to be of such scope and variety as to attract substantial traffic volumes from outside the neighborhood. The CN Zoning District also requires multiple tenancies within a building, with no one tenant space exceeding 50 percent of the aggregate commercial floor area. While the building has two tenancies, the applicant's tenant space is slightly larger at 1,554-square-feet compared to the 1,200-square-foot adjoining tenant space. exceeding 50 percent of the aggregate commercial floor area. The tenant configuration is an existing legal nonconforming layout, preceding the applicant's proposed project. The proposed project will not increase the degree on nonconformity, as the applicant does not propose to change the interior walls or tenancy configuration. Per Section 20-61.020(A), nonconforming uses can be continued, transferred, or sold, as long as there is no expansion of the legal nonconformity. Also, Section <u>20-61.020(C)</u> allows for the use of a nonconforming structure, especially if the use is not expanded, enlarged, or extended to occupy a greater area, or increased in intensity. The proposed retail use in the existing commercial tenant space is not a proposed expansion or increased intensity of the existing nonconforming structure.

Cannabis retail and delivery require a Major 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.

Zoning Code Chapter 20-46 provides operational requirements for commercial cannabis facilities. The applicant's building improvement plans and operational plans are in compliance with standards relating to requirements of the Zoning Code including security, lighting, odor control and noise. These requirements are summarized below.

#### **Proximity to Schools**

Both City and State regulations prohibit establishment and operation of a retail cannabis dispensary within 600 feet of a K-12 school as defined by Health and Safety Code Section 11362.768. There are no schools within 600 feet of the subject property. Piner High School is approximately 2,200 feet north of the project parcel. The project is consistent with the State and local regulations.

#### 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 cannabis retail facilities within 600 feet of the subject site; therefore, the Project site is not located in an "over-concentration" area.

#### Employment

The project narrative, attached to this report, details hiring procedures, including background checks for all new employees. The proposed employment

procedures comply with Zoning Code Section 20-46.

#### **Odor Control**

Zoning Code Section 20-46.050(H) require cannabis businesses to "incorporate and maintain adequate odor control measures such that the odors of Cannabis cannot be detected from outside of the structure in which the Business operates." To achieve compliance with Zoning Code and consistent with standard industry practices, the cannabis business will be negatively pressurizing in relation to the outside and an activated carbon filtration system will be installed. Administrative controls will be put in place to monitor and maintain the effectiveness of the carbon filtration system.

#### Lighting

As a part of the project, the applicant proposes to comply with the requirements of Zoning Code Sections 20-30.080 and 20-46.80. All outdoor areas of the premises will be illuminated, including all points of ingress and egress with stationary, fully shielded lights directed away from adjacent properties and from the public right-of-way.

The Zoning Code requires (at Section 20-30.080) that exterior lights be shielded and cast downward to avoid light or glare spilling onto neighboring properties. A recommended condition of approval is that the applicant's building permit submittal include a detailed lighting plan in compliance with the Zoning Code.

#### Noise

Other than delivery vehicles, all operations are proposed in the fully enclosed building located on the site. 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**

Zoning Code Section 20-46.050(G) requires cannabis businesses to provide adequate security to ensure the public safety, and safety of persons in the facility to protect the business premises from theft. Cannabis business applications are required to provide a security plan that includes lighting and alarms, secure storage and waste, procedures for the safe transportation of products and currency, controlled building access and emergency access. A detailed Security Plan designed to prevent theft or diversion of any cannabis or currency, and to discourage loitering, crime, and illegal or nuisance activities was included with the Project application. Details of the plan are provided in the Project narrative which includes the following key features:

- Surveillance High resolution video cameras will provide 24-hour surveillance and recordings will be retained for 90 days. Cameras will be placed in a location that allows the camera to clearly record activity occurring in all areas of the site where cannabis is stored, sold and transferred.
- Alarm A professionally monitored alarm system will be installed and maintained.
- Access Commercial grade security doors will be installed at all building entrances, and internally at restricted areas. In compliance with the Zoning Code, the front entrance is visible from the street. Persons under the age of 21 will not be allowed in the facility, unless they are a qualified medical patient over the age of 18.
- Security Personnel The premises will have a security guard onsite during open business hours, and the applicant will hire a security service to patrol the building and surrounding areas for off-business hours monitoring.
- Delivery and pickups will be scheduled in advance and pre-approval given by management for deliveries at specified delivery times.
- Transportation of cannabis and cannabis products will be via secured vehicles with alarms.

#### **Special Events**

A request for special events is not included with the subject Project. However, if in the future, the applicant wishes to host a special event, approval of a Temporary Use Permit, per Section 20-52.040 (Temporary Use Permit) will be required.

#### Parking

The site is served by 25 shared parking spaces for a dual tenant building. The number of parking spaces required for the proposed use is 7. The adjacent tenant requires 5 parking spaces. The project site has a sufficient number of parking spaces.

Use	Square Feet	Code Requirement	Required Spaces
Retail & Delivery	1,554	1 space/250 SF	7
Adjacent Massage Facility	1,200	1 space/1,000 SF	5
<u>Subtotal</u>	2,754		12

#### Table 1 – Parking Requirements

Required Findings (as shown on the draft resolution)

Decisions on conditional use permits are based on the six discretionary standards found in Zoning Code Section 20-.52.050(F). Applicable conditional use permit standards followed by a staff analysis of the project's compliance with the standards is as follows:

#### A. The proposed Project is allowed in the CN- Neighborhood Commercial Zoning District and complies with all other applicable provisions of this Zoning Code and the City Code.

Zoning Code Table 2-10 lists allowable uses within the Neighborhood Commercial Zoning District, which implements the Retail & Business Services General Plan land use designation. Cannabis retail (dispensary) and delivery require a Major 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.

### B. The proposed Project is consistent with the General Plan land use designation of Retail & Business Services, which is applied to areas that are intended for retail uses.

On December 19, 2017, the City Council adopted Ordinance No. ORD-2017-025 finding cannabis distribution, retail (dispensaries), and delivery uses appropriate in areas designated as Neighborhood Commercial 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.

The site is in area zoned and, while currently vacant, is predominately surrounded by Neighborhood Commercial and General Commercial uses. Property to the south, east, and west are zoned CN – Neighborhood Commercial, while adjacent property to the north is zoned RR-40 – Rural Residential.

The Project is supported by an existing commercial building, shared parking area; security measures including lighting, restricted access for employees, refuse disposal areas, on-site security personnel, surveillance cameras and security fencing and gates. The entrance to the retail dispensary is visible from the street and the proposed project is compatible with the existing Neighborhood Commercial. Therefore, the design, location, size and operating characteristics of the Project will be compatible with existing and future land uses in the vicinity.

## 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.

The Project plans demonstrate compliance with all operational standards as specified in Zoning Code Chapter 20-46, and the subject site is within a fully developed area zoned for Neighborhood Commercial uses.

# 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.

The proposed new building will have on-site security personnel that will monitor the parking lot to prevent loitering, consumption of cannabis or other nuisance activities. In addition, with the proposed odor control measures, the proposed operational procedures, including site and building security, the lack of on-site consumption, storage and waste handling, inventory tracking, hours of operation, and age/medical restrictions, and compliance with all applicable state and local regulations, the proposed Project will not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, or welfare, or materially injurious to persons, property or improvements in the vicinity.

### F. 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

Not applicable.

5. <u>Historic Preservation Review Standards</u>

Not applicable.

6. <u>Public Comments</u>

Staff received several emails in opposition to the proposed cannabis retail project being in close proximity to the residential neighborhood to the east, as well as the relative proximity of the facility to Piner High School. The project as proposed, meets the physical distancing requirements from schools. Piner High School is approximately 2,200 feet north of the project parcel. The proposed security and odor control measures will prevent any nuisance activities. The proposed commercial retail tenant space is located as far as physically possible from any residential uses, located at the southwest corner of the property, and surrounded by a shared parking lot. The City Code does not require a setback between commercial cannabis and residential uses. The proposed business will include minor but needed renovations to a neglected vacant tenant space.

#### 7. Public Improvements/On-Site Improvements

ADA pathway from the public sidewalk to the existing path near the building entrance and two ADA-compliant parking stalls will be included.

#### FISCAL IMPACT

Not applicable.

#### ENVIRONMENTAL IMPACT

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

- The proposed project qualifies for a Class 3 Categorical Exemption pursuant to CEQA Guidelines Section 15303 in that it involves a change of use, which will require minor exterior modifications to the structure/site.
- The proposed project qualifies for a Class 1 Categorical Exemption pursuant to CEQA Guidelines Section 15301 in that it involves minor modifications to an existing facility, with no expansion of use.
- The Project qualifies for a Class 32 exemption under California Government Code Section 15332 (In-fill Development Projects) of the State CEQA Guidelines in that:
  - The Project is consistent with Santa Rosa General Plan 2035 and the current City of Santa Rosa Zoning Code;
  - The Project is located within City of Santa Rosa jurisdiction, on a project site of no more than five acres substantially surrounded by urban uses;
  - The Project site has been previously developed and has no value as habitat for endangered, rare or threatened species. The Project site was previously filled and is encircled by constructed roadways;
  - The Project will not result in any significant effects relating to traffic, noise, air quality, or water quality; and
  - The Project site is located in a developed area where it can be adequately served by all required utilities and public services. City staff has reviewed the plans and conditions the project appropriately.

Environmental Review finding

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- The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and qualifies for an exemption under California Government Code Section 15183 (Projects Consistent with a Community Plan, General Plan, or Zoning) of the State CEQA Guidelines. CEQA Guidelines §15183 mandates that projects which are consistent with the existing zoning and general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site. There are no new significant effects peculiar to the Project or its site, no new significant effects, no new significant off-site or cumulative impacts, and no more severe adverse impacts than previously identified in the Santa Rosa General Plan 2035 EIR. The Santa Rosa General Plan 2035 EIR mitigation measures are applicable to and adequate for the Project. The proposed Manifest Venture Project is within the scope of the Santa Rosa General Plan 2035 EIR, and no further CEQA documentation is required.
- 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.

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#### **ATTACHMENTS**

- Attachment 1:Disclosure FormAttachment 2:Location MapAttachment 3:Project Narrative, dated 02/17/2020Attachment 4:Design dated (see asian difference)
- Attachment 4: Project Plans, dated "received" by the City on 02/26/2020

Resolution Exhibit A

<u>CONTACT</u> Kristinae Toomians, Senior Planner 707-543-4692 <u>KToomians@srcity.org</u>