CITY OF SANTA ROSA PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT STAFF REPORT FOR PLANNING COMMISSION May 13, 2021

PROJECT TITLE APPLICANT

Stony Point Wellness Eric Yust

ADDRESS/LOCATION PROPERTY OWNER

411 Stony Point Road Stephen & Gail Cavellini

ASSESSOR'S PARCEL NUMBER FILE NUMBER

146-040-022 CUP20-066

<u>APPLICATION DATE</u> <u>APPLICATION COMPLETION DATE</u>

November 16, 2020 March 11, 2021

REQUESTED ENTITLEMENTS FURTHER ACTIONS REQUIRED

Conditional Use Permit (CUP) N/A

PROJECT SITE ZONING GENERAL PLAN DESIGNATION

CG (General Commercial) Retail and Business Service/Medium

Density Residential

PROJECT PLANNER RECOMMENDATION

Adam Ross Approval

Agenda Item #9.2 For Planning Commission Meeting: May 13, 2021

CITY OF SANTA ROSA PLANNING COMMISSION

TO: CHAIR WEEKS AND MEMBERS OF THE COMMISSION

FROM: ADAM ROSS, INTERIM SENIOR PLANNER

PLANNING AND ECONOMIC DEVELOPMENT

SUBJECT: STONY POINT WELLNESS (DISPENSARY) AND DELIVERY

CONDITIONAL USE PERMIT

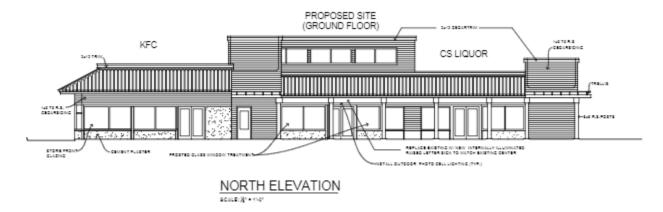
AGENDA ACTION: APPROVE RESOLUTION

RECOMMENDATION

The Planning and Economic Development Department recommends that the Planning Commission, by resolution, approve a Conditional Use Permit to allow a cannabis retail (dispensary) with delivery in a 2,270 square-foot suite of an existing 7,866 square-foot multi-tenant commercial building located at 411 Stony Point Road in the Stony Point Shopping Center.

EXECUTIVE SUMMARY

Stony Point Wellness (Project) seeks a Conditional Use Permit (CUP) that would allow a cannabis retail (dispensary) and delivery use (State license Type 10) within an existing multi-tenant commercial building. Retail and delivery hours of operation would be from 9:00 a.m. to 9:00 p.m., seven days a week, as allowed by Zoning Code Section 20-46.080(F)(4). No exterior modifications and no onsite consumption are proposed.



BACKGROUND

1. Project Description

The proposed Project is in the northeast quadrant of Santa Rosa on a 0.95-acre parcel site in the CG zoning district. The proposed use would occupy a 2,270 square-foot tenant space in an existing 7,866 square-foot multi-tenant building constructed in 1985. The retail/dispensary and delivery use of the space would include a lobby area, retail area, office, work area, break room, and a security room. In compliance with Zoning Code Section 20-46.080 (F)(4), the applicant proposes retail/dispensary and delivery hours of operation from 9:00 a.m. to 9:00 p.m. daily, with delivery service to customers in accordance with Bureau of Cannabis Control Regulations. No onsite consumption is proposed. No exterior modifications are proposed. The proposed retail/dispensary is located within a commercial shopping center with 381 total shared parking spaces. The site provides adequate parking for all uses as specified in the parking section of this report.

A detailed description of the retail/dispensary and delivery operation is included in Attachment 3 – Project Description, provided by the applicant.

State Requirements

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

2. Surrounding Land Uses

North: CG (General Commercial)

South: Highway 12

East: CG (General Commercial) and PD 0292 (Planned Development)

West: CG (General Commercial)

The site is located on Stony Point Road within a mixed-use building with general retail on the ground floor, and an office unit above. The Project is located within the Stony Point Road Shopping Center, which includes retail uses varying from drive-through restaurants, personal services, and large general retail (Oliver's Market). Across Stony Point Road is a multi-family development.

No other cannabis related uses are proximate to the Project site. The closest school is JX Wilson Elementary School, which is accessed off of W. 3rd St., approximately 1,300 feet west from the proposed Project parcel lines.

3. Existing Land Use – Project Site

The existing land use is developed within the Stony Point Road Shopping Center.

4. Project History

June 10, 2020 A Pre-Application Neighborhood Meeting was held.

Nov 16, 2020 An application was submitted requesting the current

proposal was submitted to the Planning and Economic

Development Department.

Dec 18, 2020 Notice of Application was sent to owners and occupants

within 600 feet of parcel lines and on the City's webpage.

PRIOR CITY COUNCIL REVIEW

Not applicable.

ANALYSIS

The Project proposes establishment of a cannabis retail/dispensary with delivery use in the General Commercial Zoning District. Adult use and medical cannabis retail/dispensary with delivery is an allowed use with an approved Major Conditional Use Permit.

1. Santa Rosa General Plan 2035

The site is designated both Retail & Business Services and Medium Density Residential on the <u>General Plan Land Use Diagram</u>. This classification allows retail and service enterprises, offices, and restaurants. The Medium Density Residential classification permits a range of housing types with densities from 8.0 to 13.0 units per gross acre. 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.
- LUL-J Maintain the economic vitality of business parks and offices, and Santa Rosa's role as a regional employment center.
- LUL-J-1 Maintain an adequate supply of employment centers in a variety of locations and settings to ensure the city's continued economic vitality.

ECONOMIC VITALITY

- EV-A Maintain a positive business climate in the community.
- EV-A-1 Continue to promote Santa Rosa as the North Bay's premier location for technology, clean/green technologies, and entrepreneurial businesses, which create new products and business models that will attract national and international markets.
- EV-A-5 Maintain diversity in the types of jobs available in Santa Rosa to lessen the impact of economic cycles.
- EV-D-2 Continue to promote Santa Rosa's role as a regional center.

The Zoning Code specifically identifies the Retail & Business Services as a district appropriate for cannabis retail & delivery. Although cannabis uses are not explicitly addressed in the General Plan, the Retail & Business Services 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. Zoning

The Project site is within the General Commercial (CG) zoning district, which is consistent with the Retail and Business Service General Plan land use designation. Surrounding zoning districts include:

North: General Commercial

South: Hwy 12

East: General Commercial/PD 0292 (Planned Development)

West: General Commercial

Cannabis retail/dispensary and delivery is an allowed use in the CG 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 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 Section <u>20-46</u> provides regulations for all cannabis related uses and Zoning Code Sections <u>20-46.050</u> and <u>20-46.080</u> identifies operating requirements for cannabis businesses and dispensaries and is summarized below:

Proximity to Schools

The closest school is JX Wilson Elementary School, which is located approximately 1,300 feet from the proposed Project parcel lines west of the project site and is accessed off of W. 3rd St.

Over Concentration

There are no other cannabis retail facilities within 600 feet of the subject site.

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." The project includes a certified Odor Mitigation Plan, prepared by Jeff Warner, P.E., which identifies both administrative and engineering controls to ensure compliance with this requirement. For further consideration, refer to Attachment 10.

Lighting

As a part of the project, the applicant will 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 personal whom will remain onsite during open business hours.
- 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

Zoning Code Section <u>20-36.040(E)(1)</u> establishes the parking ratio in Table 3-4 of one space per 250 square feet of gross leasable area when a site is developed

comprehensively as a shopping center. In this case, the total gross leasable of the Stony Point Shopping Center is 94,819 square feet, requiring 379 parking spaces. The Stony Point Shopping Center has a total of 381parking spaces and therefore, there is adequate parking for the proposed use.

Required Bicycle parking for cannabis retail (dispensary) uses as well as shopping centers are one per 5,000 square feet. Because this project is 2,270 square feet, one (1) bicycle parking space is required. There are currently four bicycle parking spaces provided for the existing use, which complies with Table 3-4 of 20-36.040.

Traffic

A Focused Traffic Study prepared by W-Trans, a licensed Traffic Engineering Firm, dated December 23, 2020, indicates that the proposed Project would generate four (4) AM Peak Hour Trips and 48 PM Peak Hour trips. Further, because the site is located within an existing shopping center, pass-by trips were applied to the Trip Generation which resulted in a reduction of 30 new PM Peak Hour trips. Per the City's Standard Guidance for the Preparation of Traffic Impact Analysis, an operational analysis is not required.

Table 1 – Trip Generation Summary											
Land Use	Units	Daily		AM Peak Hour				PM Peak Hour			
		Rate	Trips	Rate	Trips	In	Out	Rate	Trips	In	Out
Existing			. 1								
Shopping Center	2.270 ksf	37.75	86	0.94	2	1	1	3.81	9	4	5
Pass-by Potential			3-7	- 1	-	-	-	-37%	-3	-1	-2
Total Existing with Pass-by	,	1		-	-	-	-		6	3	3
Proposed			100								
*Marijuana Dispensary	2.270 ksf	53.09	121	1.59	4	3	1	21.27	48	26	22
Pass-by Potential		-	-	-	-	-	-	-37%	-18	-10	-8
Total Proposed with Pass-I	ру	- 5	-	-	-	-	-		30	16	14
Net New Trips (without Pass-by)			35		2	2	0		39	22	17
Net New Trips (with Pass-by)			-		-	-	-		24	13	11

Note: ksf = 1,000 square feet; * = custom rates based on local data

The project narrative demonstrates the applicant's comprehensive operational plan for compliance with standards relating to requirements of the Zoning Code including but not limited to licensing, security, lighting, odor control and noise and is available for review as Attachment 3. Furthermore, as conditioned, the proposed dispensary shall remain in compliance with these regulations at all times.

1. Design Guidelines

No exterior modifications are proposed with this site. Any exterior modifications or

additions would require design review approval.

2. Historic Preservation Review Standards

Not applicable.

3. Neighborhood Comments

A neighborhood meeting was held on June 10, 2020. There were five members of the public in attendance. All comments received during the meeting were in support of the Project.

An email was received opposing the project due to a concern for existing and future criminal activity surrounding the site and is included for consideration as Attachment 10 – Public Correspondence.

4. Public Improvements/Onsite Improvements

Should the project exceed \$200,000 in construction costs, it will be required to repair all damaged sidewalks and driveway aprons surrounding the site. If the project does not exceed \$200,000 in construction costs, the repairs within the public right-of-way are not required, although it is strongly recommended. For further clarification, please refer to the Exhibit A, attached to the Resolution.

FINDINGS REQUIRED FOR CONDITIONAL USE PERMIT

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

<u>Staff Response:</u> The proposed commercial cannabis retail (dispensary) and delivery use would occupy 2,270 square feet of an existing commercial building in the General Commercial (CG) zoning district, which is allowed subject to Planning Commission approval of a Conditional Use Permit. The application complies with district requirements and all other applicable provisions of the Zoning Code and City Code.

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

<u>Staff Response:</u> The proposed commercial cannabis retail (dispensary) and delivery use is consistent with the applicable underlying General Plan goals and policies related to economic vitality and the associated Retail and Business Service General Plan Land Use Designation that is implemented by the General Commercial (CG) zoning district in which the proposed use is located.

C. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity.

<u>Staff Response:</u> The proposed cannabis retail (dispensary) with delivery use is allowed under <u>Section 20-23.030 Table 2-6</u> with approval of a Conditional Use Permit. The Project is located within the General Commercial (CG) zoning district. As such, the area is suitable for the use as proposed and the hours of operation are within those permitted in Section 20-46.080(F)(4).

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, and surveillance cameras. The entrance to the retail dispensary is visible from the street and the proposed project is compatible with the existing Stony Point Shopping Center. 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.

<u>Staff Response:</u> The proposed use would be located entirely within an existing 2,270 square-foot space of an existing mixed-use building. Adequate vehicular access to the site is provided from Stony Point Road. The project plans demonstrate compliance with all operational standards as specified in <u>Chapter 20-46</u>. The building and site, as conditioned, will be fully accessible pursuant to Americans with Disabilities Act (ADA) standards. All necessary utilities are available at the project site, including water, wastewater, storm drainage, gas and electric services.

E. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zoning district in which the property is located.

<u>Staff Response:</u> The proposed project would be consistent within the Stony Point Shopping Center, which contains a variety of commercial retail uses. The project includes an Odor Mitigation Plan, certified by Jeffrey Warner, a licensed engineer dated October 26, 2020, ensuring that the Project will effectively prevent cannabis odors from escaping the building by implementing engineering and administrative controls.

A Focused Traffic Study by W-Trans, dated December 23, 2020, indicates that the proposed use would not cause safety concerns as it relates to traffic and access to the site and would result in less than 50 new Peak Hour Trips and has been reviewed and approved by the City's Traffic Engineering Division.

As required in <u>Section 20-46.050(G)</u>, the applicant has provided a Security Plan. The applicant has indicated that in accordance with Bureau of Cannabis Control

Regulations Section 5045, security personnel will be provided. The facility will have a comprehensive surveillance system monitored by an outside agency 24/7. All cannabis product waste will be stored in a manner that prevents diversion, theft, loss, hazards and nuisance.

The subject property is located approximately 1,300 feet from the parcel lines of JX Wilson Elementary School, which exceeds the minimum 600-foot separation required under both State of California and the City of Santa Rosa regulations.

Per <u>Section 20-46.050(E)</u>, the project is subject to Building and Fire permits. Additionally, an annual Fire Department Operational Permit is required, and the project must meet Health and Safety Code requirements.

FISCAL IMPACT

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

ENVIRONMENTAL IMPACT

- The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and staff has determined that the project qualifies for Class 1 Categorical Exemption under CEQA Guidelines Section 15301 in that the project is located within an existing structure involving a negligible expansion of an existing use that will not result in significant impact(s).
- The project qualifies for a Class 3 Categorical Exemption under CEQA Guidelines Section 15303 in that the project involves a change of use, which will require only minor interior modifications to the structure/site.
- 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.

Stony Point Wellness PAGE 12 OF 12

ISSUES

There are no unresolved issues.

<u>ATTACHMENTS</u>

Attachment 1: Disclosure Form Attachment 2: Location Map

Attachment 3: Project Description received March 4, 2021
Attachment 4: Project Plans, received March 23, 2021

Attachment 5: Parking Analysis generated by the applicant, received November

16, 2020

Attachment 6: Sensitive Use Map

Attachment 7: Focused Traffic Study prepared by W-Trans, dated December 23,

2020

Attachment 8: Odor Control Plan, prepared by Warner Mechanical Engineering,

dated October 26, 2020

Attachment 9: Public Correspondence as of April 20, 2021

Resolution

CONTACT

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