

Project Description
The Santa Rosa Farm Group
Cannabis Cultivation Facility
800 Yolanda Ave.

Application for Use Permit: Medical Cannabis cultivation, manufacturing, distribution and lab testing.

Owner: 800 Yolanda, LLC
Applicant: The Santa Rosa Farm Group
Address: 800 Yolanda Ave., Santa Rosa, CA
APN: 044-091-063
Zoning: IL
General Plan: Light Industry
Existing Building Size: 1,105 square feet
Lot Size: 5.53 acres

PROJECT OVERVIEW

The Santa Rosa Farm Group (Applicant) proposes to redevelop an industrially-zoned parcel with an approximately 117,000 square-foot cannabis cultivation facility. The Mitigated Negative Declaration (MND) prepared for the project will analyze the facility as a maximum of 120,000 square feet to provide design flexibility, if needed. The project will include cannabis support uses, including manufacturing, distribution, and lab testing. A proposed single story with mezzanine utility building, approximately 3,200 square feet in area, will be constructed on the central portion of the Project site, northeast of the main building. The project also proposes removal of the existing residential building on the project site. The project site is located at the southwest corner of Yolanda Avenue and Petaluma Hill Road. The eastern half of the parcel is undeveloped except for an access route from Petaluma Hill Road. The western half of the parcel includes the developed residence and ancillary buildings, as well as roughly 3 acres of gravel paving. The project is limited to disturbed areas and does not propose developing any of the currently undeveloped areas.

ENTITLEMENT APPLICATIONS

The project will require conditional use permits for cannabis cultivation and the related support uses, including manufacturing level 2 (volatile) and level 1(non-volatile), distribution, and lab testing, and design review approval for the proposed new buildings. The Applicant is concurrently submitting signed applications for the conditional use permits, design review, and an environmental assessment, along with supporting application materials. Approval of the entitlements shall in no way permit any activity which violates Santa Rosa or State of California regulations.

PROJECT PLANS AND DRAWINGS

The following plans and drawings for the project are included with this submittal:

- Site Plan
- Proposed Elevation Drawings
- Floor Plan
- Neighborhood Context Map
- Vicinity Map with North Arrow

NEIGHBORHOOD MEETING and COMMUNITY OUTREACH

Because the project site is located within 300 feet of residential uses, the City sponsored a neighborhood meeting for the project. On April 17, 2017 the City sent notification letters to owners and occupants of residences within a 300-foot radius of the project site. On May 3, 2017, the neighborhood meeting was held, and several dozen neighbors attended. As a result of community input from this meeting, the applicant adjusted several design elements, including moving the main building on the central-western portion of the project site to accommodate a 70-foot setback from the southern project site.

A second, catered community meeting was hosted at the site by Santa Rosa Farm Group on August 16th to further discuss the project, design revisions, and neighbor concerns. The applicant, design, architectural, legal and public relations team were present to answer neighbor concerns.

The applicant has been meeting with neighborhood representatives to discuss developing a community garden along Yolanda Ave. in order to support community development and respond to neighborhood concerns.

Additionally, the applicant has agreed to maintain the water tower's presence on the eastern side of the property, either through relocation or reconstruction, pending City approval of future development. This is in response to neighborhood and community feedback, expressing an interest in maintaining the visual appeal of the water tower.

GENERAL PLAN CONSISTENCY

The City's 2035 General Plan designates the project site as Light Industrial. The City interprets medical cannabis cultivation uses and related support uses as consistent with this designation.

ZONING CONSISTENCY and PLANNING COMMISSION REVIEW

The project site is zoned IL, Light Industrial. The proposed cannabis uses are consistent with this zoning district. The City's Medical Cannabis Cultivation Ordinance permits cultivation operations larger than 10,000 square feet in the IL district with a conditional use permit. Likewise, the City's

Official Zoning Code Interpretation (No. 11) authorizes related cannabis support uses, including manufacturing, distribution, and lab testing, in the IL district with a minor use permit.

On June 30, 2017, the City released a Draft Comprehensive Cannabis Policy Ordinance (City Code, Chapter 20-46) for public review and comment. The ordinance would establish a uniform regulatory program for all medical cannabis uses in the City in accordance with state law and to prohibit commercial non-medical cannabis uses in the City.

Under the draft ordinance, cannabis facilities would be subject to a Minor or Major Conditional Use Permit (depending on size) in specific zoning districts. Cultivation operations over 10,000 square feet in size will be allowed in the IL district with a Major Conditional Use Permit. The project is consistent with the draft policy ordinance. The final policy ordinance is expected to be adopted in late 2017.

The City's Planning Commission will decide on issuance of the Conditional Use Permits for the project. In order for a Conditional Use Permit to be approved, public notice and a public hearing are required. Additionally, the following conditions must be met:

1. The proposed use is allowed within the applicable zoning district and complies with all other applicable provisions of the Zoning Code and the City Code;

As above, the proposed use is allowed within the Light Industrial zoning district, and complies with all provisions.

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

As above, the proposed use is consistent with the General Plan and applicable specific plans.

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;

As discussed throughout this Project Description, as well as throughout the attached environmental assessment documents, the design, location, size and operating characteristics of the proposed use and activity are compatible with the existing and future land uses in the vicinity. Specifically, the project meets applicable design standards and has been modified to reflect neighbor concerns; the project is located within a light industrial neighborhood which has been targeted for further development intensification; the building's size is less than what would otherwise be allowed by Santa Rosa development standards; and the operations of the project will not have a public impact because the business will not be open to the public, and all noise, odor, traffic, visual, and other impacts have been mitigated.

4. The proposed 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 site abuts industrial uses and falls across the street from a heavy industrial/commercial zone, thus a manufacturing and indoor agricultural cultivation facility is suitable for the area; the proposed project does not propose density or development intensity beyond that which is allowed under Santa Rosa development standards (*see* Santa Rosa Municipal Code Section 20-24.040, Industrial District Development Standards- both density and intensity determined by review authority/CUP). Access, utilities, and physical constraints have been addressed in the project's pre-application and department review.

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 project will incorporate strict security protocols to address site, product, employee and public safety; there will be no noise beyond the noise generated by construction of the project; odor will be mitigated and nearly eliminated through industry-leading internal controls; and development of the site will facilitate upgrades to sidewalks, bike paths, and overall quality of the neighborhood.

6. The proposed project has been reviewed in compliance with CEQA.

Please see the environmental assessment application and related materials. The applicant will prepare an initial study for the project and conduct further environmental review as appropriate to comply with CEQA.

PROJECT SITE AND SURROUNDINGS

The area around the subject property is a mix of agricultural, industrial, commercial and residential uses. The building is at the corner of Yolanda and Petaluma Hill Road. To the North are heavy commercial and industrial uses, including Wyatt Irrigation Supply and Marlo's RV Service. Immediately to the West of the parcel are additional commercial and industrial uses including Hensley's Auto Smog and Repair. At the southwest corner of the parcel are residential uses. Two homes share property lines with the 5.5 acre parcel, and the property line is already screened by mature trees. The property's Southern property line is shared by a parcel similarly developed but zoned R-1-6. To the east, across Petaluma Hill Rd., is a dairy farm. The project site is located within the City's Urban Growth Boundary.

BUILDING CHANGES

The residence will be demolished. Along the southwestern property line, a three-story operations building will be erected. The proposed building will be situated on the central portion of the site,

104' from the northern property line (Yolanda Ave.), 27' from the western property line, and 70' from the southern property line. Please see the "NOISE IMPACT AND MITIGATION" section, below, for a further discussion of the 70' southern setback. Trees will be planted along the south and west boundary lines in the continuous planter provided for in the site plans. The overall height of the building is 55'. The length is 293' and the depth is 176'. To the east of the main building, a single-story utility building will be erected. At the two northern entrances, a guard building will be erected for security.

The floor plan shows the layout of the interior of the facilities along with square footages of the various cannabis uses. Approximately 21,505 square feet would be used for manufacturing, drying and trimming, packing and labeling, and kitchen; approximately 1,085 square feet would be used as the laboratory; approximately 8,070 square feet would be used for vaults, warehousing, distribution and receiving; The offices, conference rooms, lounge areas, breakrooms, restrooms and the lobby will include at least one (1) gender neutral shower with a private changing area.

Approximately 86,050 square feet will be dedicated to cannabis cultivation. Of this, approximately 41,920 square feet will be cannabis cultivation table space.

The applicant will be upgrading the HVAC systems and the power systems of the building to accommodate the cannabis cultivation use. The power upgrade will be completed with PG&E approval and oversight. The HVAC upgrades will be in compliance with Title 24 and Cal Green. The internal power distribution will be done according to the CEC. All work will be in conformance to the requirements of the California Building Code and other adopted codes, and ordinances

PARKING AND LANDSCAPING

Currently the site contains no designated parking spaces since it is not currently in commercial use. The revised site plan is modified to comply with the City of Santa Rosa's Design Guidelines for parking. The plan contains 85 parking spaces, of which 3 are accessible and two are designated for electric vehicles. Bicycle parking shall be provided in accordance with Zoning Code requirements contained in Section 20-36.090. There will be a minimum of eight bicycle parking spaces, of which two of the bicycle parking spaces shall be provided in long-term bicycle parking facilities and at least four parking spaces shall be provided in short-term bicycle parking facilities. Outdoor bicycle lockers will be installed as required long-term bicycle parking facilities.

Landscaping will conform to City of Santa Rosa development codes.

TRAFFIC

The standard staffing for this operation will be 105 full time employees, including security

personnel, depending on the shift. These employees will be monitoring the cultivation and manufacture of cannabis, manage the extraction process, manage the product inventory system, perform laboratory testing and ancillary operations including packaging, shipping and receiving, and office work and keeping the operations going on a day-to-day basis. The facility's operations will run continuously, with the following shifts:

45 employees on-Site during the 9:30 a.m. to 6:30 p.m. shift,
25 employees on-Site during the 6:30 p.m. to 3:30 a.m. shift,
10 employees on-site during the overlapping 7:00 p.m. to 4:00 a.m. shift, and
25 employees on-site during the 4 a.m. to 10 a.m. shift.

However, these activities generate little to no noise or odor (see below for a full discussion of noise impacts), and light impacts will be mitigated by additional screening along the southern edge of the property. Additionally, the shift starting and ending times as well as the number of employees per shift were designed to minimize noise in the southern portion of the site (i.e., nearest the neighboring residences) after 7:00 p.m. and prior to 7:00 a.m. Proposed operations are discussed further below.

On a daily basis, there will be approximately 45 vehicles arriving during the beginning of the day shift and at the end of the day shift there will be approximately 45 vehicles departing. There will be approximately 35 vehicles arriving and departing for the evening shift and approximately 25 vehicles arriving and departing for the early morning shift.

Santa Rosa Farms will not maintain or operate supply or delivery trucks. Trucks used for shipping and receiving will be owned by third parties. Suppliers will generally make deliveries once a week during the day shift (typical business hours), and delivery pickups will be between 10 a.m. and 5 p.m. by appointment only.

NOISE

The project complies with the Noise and Safety Elements of the Santa Rosa General Plan 2035, guaranteeing its citizens a peaceful and quiet environment. The project's noise impacts will be analyzed in the MND prepared for the project. The analysis of noise impacts considers the effects of both temporary construction-related noise and long-term noise associated with operation of the project. This analysis is based in part on the Santa Rosa General Plan and municipal code, the Fehr & Peers Traffic Study, the Rincon Consultants Project Noise Study, and FTA's Transit Noise and Vibration Impact Assessment. Importantly, the City code requires, and the City imposes a standard condition of approval on, development projects to limit construction to the hours of 7:00 AM – 4:00 PM Monday through Friday, 8:00 AM – 4:00 PM Saturday, and none on Sunday. These timing restrictions would ensure that adjacent residences are not exposed to construction noise during evenings, nighttime, and Sundays, when residences are most sensitive to disturbance. As

analyzed in the MND, the project would not result in the generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the noise ordinance.

Parking Lot Noise

Typical noise sources associated with parking lots include tire squealing, door slamming, car alarms, horns, and engine start-ups. The proposed project includes 85 parking stalls located in various areas of the site. Approximately half of these parking stalls would be located along the southern property line approximately 50 feet from adjacent residences. Although activity in the proposed southern parking lot would generate noise in proximity to adjacent residences, the location, type, frequency, and loudness of parking lot activity would not substantially disturb the peace and quiet of people of normal sensitivity to noise. Therefore, the project would have a less than significant impact from parking lot noise, and no mitigation or project design features are required.

Equipment Noise Impacts

The stationary equipment includes chillers, cooling tower, air compressors, pumps, boilers and a natural gas co-generation unit. The Santa Rosa Farm Group intends to house the chillers, boilers and air compressors in a utility building, located 400 feet away from residences located to the southwest and east of the project. The gas-fired turbine generator will be enclosed in a bunker that will contain its noise. The equipment will be located in the central portion of the project site where the main building will obstruct line of sight to residences located southwest of the project site. Additionally, in order to mitigate the stationary equipment noise, the Santa Rosa Farm Group intends to enclose the equipment in a utility building, which will substantially reduce the exposure of residents to noise.

Delivery Truck and Trash Hauling Noise

On-site activities would include the use of delivery trucks and trash hauling trucks. Because truck noise at sensitive receptors would not exceed the measured ambient noise level at sensitive receptors, would be reduced by the location of truck activity on-site, and would not occur during evening or nighttime hours, on-site truck noise would not substantially disturb the peace and quiet of neighboring residences. Therefore, the impact from on-site truck noise would be less than significant.

ODOR MITIGATION AND AIR QUALITY

All indoor growing and processing facilities at 800 Yolanda Avenue will be equipped with CAN carbon filtration systems that purify all incoming and outgoing air through virgin charcoal filters.

All ventilation air entering the building will pass through HEPA (High Efficiency Particulate Arrestance) filters.

The rooms where cannabis is actively being grown and processed will have several layers of activated Carbon filtration. Furthermore, the applicant will utilize FogCo odor control systems. These systems address odor control, humidification, disinfecting and sterilizing of the products. The FogCo system utilizes a high-pressure fog system to attach to and eliminate odors by eliminating the molecules that contain the odor. More information on these systems can be obtained at fogco.com/applications/cannabis.

SCHOOLS and other SETBACKS

Under California law, cannabis activities must be located more than 600 feet from schools. Santa Rosa has consistently applied this same setback requirement for retail locations, but has not expanded this required setback for non-retail facilities. Since no retail uses are currently proposed for this site, Health and Safety Code Section 11362.768 is not applicable to this project, and there is no setback requirement for schools.

Additionally, the Subject Building is in the Bellevue Union School District and is more than 600 feet away from the nearest schools- Kawana Elementary and Taylor Mountain Elementary. The proposed development otherwise complies with local building setback requirements.

SITE SECURITY

The Santa Rosa Farm Group location will utilize the services of a minimum of two security guards, who will monitor and patrol the site continuously. The security office will be fortified and utilize industry-standard vaults for cash and inventory control. As can be seen on the site plan, two security booths will be constructed on the Yolanda property line. Additionally, a perimeter wall will be constructed, controlling access through two points of entry at the security booths.

CCTV will be installed throughout the property including infrared and motion sensors. Entry to facilities will be controlled through a biometric security system using one of either retinal, thumb or palm scans.

We will be implementing a security plan for this building consisting of a monitored security system, access control, surveillance cameras, and security patrols to secure the property.

The monitored security system, installed and maintained by First Alarm, will feature a commercial alarm control panel. Each perimeter door to the facility will be alarmed and linked to the central control panel. Internal motion sensors will be installed. All alarms will comport with the City of Santa Rosa's Alarm System requirements as contained in City Code Chapter 6- 68.

The main entrance of the building will feature access code keys to allow entry into the building for approved members of staff only. Double doors and biometric scanning will be used for sensitive sections of the facility.

Surveillance Cameras will be installed at each perimeter door to the facility and strategically on the outside of the building. All recordings from the security cameras will be recorded onsite and will be backed up offsite daily. Any suspicious activity will be reported immediately to law enforcement, and recordings will be made available to the Santa Rosa Police Department at their request.

A local security company, SOCO Private Security will conduct patrols of the property 24 hours/day. Daily patrols have already commenced on the undeveloped property in order to discourage vagrancy.

PRODUCT SECURITY

Inventory controls and loss documentation procedures will be implemented. A web-based inventory control system will be accessible upon demand to assist the City of Santa Rosa with its requirement to implement a track and trace program. All cannabis products produced, manufactured, or distributed through the facility will be inventoried into the system including the employee Identification number, date/time, quantity, strain and batch number.

All employees will be trained to report loss or theft immediately to the company and the City of Santa Rosa.

All products will be stored in a restricted-access area. All products will be accounted for in the inventory system. The storage area is sufficient to maintain the quantities of cannabis proposed for this site.

EMPLOYEE SECURITY

In accordance with regulations called for under the Medical and Adult Use Cannabis Regulation and Safety Act, all employees will submit to and pass a LiveScan Federal Background Check. Hiring practices will focus on the Santa Rosa and Sonoma County employee pool. Employees and managers will receive extensive training on safe industry practices, best management practices, City of Santa Rosa regulations and the requirements of the permits called for under this Use Permit, California regulations and the requirements of any State license subsequently obtained, and Federal Guidelines regarding diversion and protection of minors. Employees will be paid a living wage in order to support the City of Santa Rosa's efforts to create a sustainable jobs base, and contribute to the creation of head of household jobs.

CULTIVATION

The Santa Rosa Farm group proposes to cultivate through the use of hydroponics, as can be seen on the floor plans. Grow lights will be used. Cultivation will be overseen by the Santa Rosa Farm Group team. Their team of cultivators and operators bring unique skill and expertise to the production of exceptional quality CBD medicine. There will be only one operator on-site.

Cultivation methods will follow industry-standard protocols for production and quality assurance. Cannabis plants will be grown in above-ground pots, and watered through a drip irrigation system. Runoff will be collected in trays and run down a hose where it will be sent to the water treatment system, as more fully described below.

Cultivation activities will focus on producing high-CBD yield crops. CBD's application amongst patient populations has shown promising results as an anti-inflammatory, antioxidant, neuroprotectant, anxiolytic, antidepressant, analgesic, anti-tumoral agent and anti-psychotic. The Applicant's business model supports development of high yield CBD at a reasonable price to support Santa Rosa and Sonoma County's patients and the public.

MANUFACTURING

Onsite manufacturing including extraction, in compliance with MAUCRSA Type 6 and Type 7 and City of Santa Rosa regulations for nonvolatile and volatile manufacturing, will be conducted on site. Non-volatile CO₂, nitrogen and any approved non-volatile and volatile compounds and extraction methods will be implemented. Uses will include processing, packaging, sorting, and grading. This use is permitted by right in the IL zones, but is included in this project description in order to provide a complete perspective on operations.

DISTRIBUTION/LAB TESTING

Distribution activities, including logistics for movement of products, facilitation of testing, and collection of taxes, are also contemplated in this application to the extent permitted by the City of Santa Rosa. Any operations will take place within the existing footprint of the building, as more clearly defined by the site plans. Traffic generated by distribution activities will follow the traffic patterns as outlined above. These uses are permitted by right in the IL zones, but are included in this project description in order to provide a complete perspective on operations.

WATER USE, WASTE WATER, FILTRATION

In support of the City's commitment to a sustainable, clean supply of drinking water, and in acknowledgment of the City's zero discharge order imposed by the State Water Board, the Santa Rosa Farm Group will implement a water reclamation system in order to recapture and reconstitute usable water. This system can reclaim up to 90% of the water used. The Santa Rosa Farm Group will also install water-saving toilets and sinks for employee use.

Additionally, the Santa Rosa Farm Group will ensure no contaminants, residue, sediment, or nutrients will be discharged into the City's wastewater system. Waste water created through our cultivation activities will be filtered by a multi-media filter and re-used, either in our cultivation activities or in irrigating the landscaping on our property.

ELECTRICAL USE

The Santa Rosa Farm Group is committed to supporting the City in its goal of reducing greenhouse gas emissions. Thus, the development plan includes utilizing a natural gas co-generation system, geothermal heating and cooling and, potentially, implementing Tesla commercial batteries.

RECYCLING

The Santa Rosa Farm Group intends to implement a bio-waste system utilizing the treated wastewater from cultivation activities. Vegetable plots and decorative plants on site will be watered and maintained with treated wastewater. The applicant will incorporate aggressive recycling protocols for packaging, materials, and waste.

TRASH ENCLOSURE DETAILS

An onsite dumpster is located to the southeast of the lot, closest to the Southern and Eastern property lines.

EXTERIOR LIGHTING

Flood lights will be installed on each corner of the building, with cameras surrounding the building. Cameras will be accessible remotely via Wi-fi connections. Alerts including intrusions, temperature changes, and motion will all be available remotely.

DELIVERIES

Trucks will enter through the security-controlled access points, entering from east-bound Yolanda and exiting westbound whenever possible. For a fuller discussion of traffic impacts, please see the attached traffic and noise studies.

SIZE

The subject facility is sufficient to properly store and control the volume of cannabis proposed for production and distribution. The facility is also sufficient to provide enough comfortable space for personnel.