



## Sonoma County Board of Zoning Adjustments STAFF REPORT

FILE: UPC17-0049  
DATE: March 28, 2019  
TIME: 1:05 PM  
STAFF: Scott Davidson, Project Planner

Appeal Period: 10 calendar days

### SUMMARY

**Applicant:** Cub City, LLC  
c/o Foster Andrew Duval Jr., Managing Member  
c/o Karen Ann Kohley, Managing Member  
c/o Nicholas C. Giffith, Managing Member  
c/o Louis Bolivar, Managing Member

**Owner:** Madhaus Family LP  
c/o Dieter J Rief, Managing Member  
c/o Rosemarie Rief, Managing Member  
c/o Manuela Rief, Managing Member

**Location:** 3195 Regional Parkway, Santa Rosa

**APN:** 059-210-024

**Supervisorial District No.:** 4

**Subject:** Minor Conditional Use Permit for Medium Indoor Cannabis Cultivation, Processing, Level 1 Manufacturing, Distribution, and Transportation

**PROPOSAL:** Request for a Five-Year Limited Minor Conditional Use Permit for a Medium Indoor Cannabis Cultivation, Processing, Level 1 Non-Volatile Manufacturing, Distribution, and Transportation on a 1.02-acre parcel.

**Environmental Determination:** Categorically Exempt Under CEQA Section 15301 (Existing Facilities).



**General Plan:** Heavy Industrial (M2)

**Specific/Area Plan:** Airport Industrial Area Specific Plan

**Land Use:** General Industrial

**Ord. Reference:** Sonoma County Ordinance No. 6245, Zoning Code Section 26-88-250 (Commercial Cannabis Uses); Section 26-88-252 (Enforcement); and Section 26-88-254 (Cannabis Cultivation – Commercial).

**Zoning:** Heavy Industrial District (M2); 40,000 SQ FT AVG; Valley Oak Habitat (VOH).

**Land Conservation**

**Contract:** N/A

**Application Complete**

**for Processing:** May 1, 2018

**RECOMMENDATION:** Recommend that the Board of Zoning Adjustments approve the request for Limited-term Use Permit for a Medium Indoor Commercial Cannabis operation on a 1.02-acre site zoned Heavy Industrial (M2) with conditions.

**EXECUTIVE SUMMARY:** Staff is recommending the approval of a five-year limited-term Minor Conditional Use Permit for Medium Indoor Cannabis Cultivation, Processing, Level 1 Manufacturing, Distribution, and Transportation subject to the recommended conditions of approval because:

- The project is consistent with the goals and objectives of the General Plan in that it will consist of a cannabis cultivation, processing, manufacturing, distribution, and transportation operation within an existing building connected to sewer and water in an industrial area;
- The project is consistent with the Airport Industrial Area Specific Plan policies and standards;
- Commercial cannabis cultivation is an allowed use in the Heavy Industrial District (M2) zoning district and General Industrial (GI) land use designation;
- The proposed project meets the development criteria of Sonoma County Cannabis Ordinance No. 6189 and will meet the operating standards of the Ordinance through compliance with recommended conditions of approval;
- The design, location, size, and operating characteristics of the project and proposed addition are considered compatible with the neighborhood and surrounding uses in the vicinity.

- The project has been analyzed pursuant to the California Environmental Quality Act (CEQA) and CEQA Guidelines and staff has determined that it would be categorically exempt under Section 15301, Existing Facilities, because the proposed project would involve a negligible expansion of use, no exterior modification to the existing building, minor interior modifications (i.e., interior wall partitions, electrical and plumbing improvements) and the addition of 3,000 square feet of floor area is less than 10,000 square feet. Further, the proposed project is located in an area where all public services and facilities are available to allow for maximum development permissible in the General Plan, and is not located in an area that is environmentally sensitive.

Staff supports the applicant's request based on the scope of the proposal and recommends the Board of Zoning Adjustments grant approval of the five-year limited-term Minor Use Permit for Medium Indoor Cannabis Cultivation, Processing, Level 1 Manufacturing, Distribution, and Transportation as proposed. Permit approval would remain in effect for a period of five years before requiring renewal by the applicant.

## **ANALYSIS**

### **Background:**

Regulations. In October 2015, the Governor signed three bills into law collectively known as the Medical Cannabis Regulation and Safety Act establishing the State's first licensing system for commercial medicinal cannabis activity. In November 2016, California voters approved Proposition 64, legalizing the adult use and possession of cannabis.

On December 20, 2016, the Sonoma County Board of Supervisors adopted the Cannabis Ordinance (No. 6189) to establish a comprehensive local program to permit and regulate medical cannabis to align with State Regulations. The ordinance was intended to preserve environmental resources, protect the health and safety of communities, and ensure the industry contributes positively to the economic vitality of the County.

In June 2017, the Governor signed a bill creating a single regulatory scheme for both medical and adult use cannabis businesses, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA).

On October 16, 2018, the Sonoma County Board of Supervisors adopted an amendment to the Cannabis Ordinance, extending the maximum term of cannabis use permits from one year to five years, authorizing adult use in addition to medical with a use permit, and clarifying a number of additional items.

Application Processing. The applicant applied for a One-Year Limited Term Medium Indoor Cannabis Cultivation, Processing, Level 1 Manufacturing, Distribution, and Transportation on August 30, 2017, including a Penalty Relief application, indicating the business has been in operation since 2015.

The applicant originally applied for a limited term (one-year) Use Permit for a medical cannabis operation. Following the Board of Supervisors adoption of the Cannabis Ordinance amendments on October 16, 2018, the applicant requested a longer-term use permit (five-year) and to provide both medical and adult use cannabis products consistent with the amended Cannabis Land Use Ordinance.

On May 1, 2018, Permit Sonoma deemed the application complete for processing.

On December 14, 2018, Permit Sonoma sent notification of the proposed project to neighboring properties within 300 feet of the parcel boundaries, posted notices of a hearing waiver in the project vicinity, and published a notice in the newspaper informing the public of a potential waiver of public hearing on the use permit. Three neighbors submitted a request for a public hearing citing the following concerns (See EXHIBIT H)

- 1) Neighborhood Compatibility;
- 2) Air Quality and Odor Issues;
- 3) Security and Safety Issues.

In response to community input, the item was scheduled for a public hearing. Public hearing notices were mailed to neighbors and posted in the area.

**Project Description:**

The applicant requests a five-year limited-term Minor Conditional Use Permit for Medium Indoor Cannabis Cultivation, Processing, Level 1 Manufacturing, Distribution, and Transportation to allow for the cultivation of cannabis and associated activities within an existing 19,590-square-foot warehouse structure. The warehouse is two floors, with an additional 3,160+/- square feet on the second floor, making the existing gross square footage of the building approximately 22,500 square feet. The applicant proposes adding approximately 3,000 square feet to the second floor. This addition will consist of an interior construction and remodel as the existing second floor is currently open to the first floor below. The proposed gross square footage of the building would be approximately 25,500 square feet, though the building footprint will remain at 19,590 square feet. The cannabis operation will contain:

- approximately 11,500 square feet of indoor cannabis cultivation
- 3,000 square feet dedicated to drying and trimming
- 580 square feet of manufacturing

- 550 square feet of distribution
- 530 square feet of packaging
- approximately 9,350 square feet of building area will contain storage, offices, break rooms, restrooms, hallways, and an electrical room

The applicant is currently operating (cultivation, processing, manufacturing, distribution and transportation) in compliance with the Penalty Relief Program.

The main structure is already permitted and would contain all functions of the project. The applicant also proposes to make various improvements to serve the project site and bring the existing structure up to code. These improvements would include:

- 1) Accessibility improvements (ADA compliant path of travel and restrooms);
- 2) Retrofitting existing rooms to comply with County requirements;
- 3) Cultivation, processing, and manufacturing will occur in rooms that are connected to a carbon filter exhaust system;
- 4) Installation of high efficiency HVAC equipment and power-efficient lighting in cultivation rooms;
- 5) Installation of fire sprinklers, extinguishers and lighted exit signs;
- 6) Exterior lighting that will be hooded, fully-shielded, directed downward, and motion activated; and
- 7) Wastewater monitoring equipment.

### **Employees:**

The project will operate with nine full-time employees and three full-time administrative employees. For processing, up to ten additional part-time employees will be used, bringing the total maximum number of employees on-site at any time to twenty-two.

### **Parking:**

A total of 24 parking spaces are available on-site.

### **Hours of Operation:**

Hours of operation will allow activity to occur 24 hours per day, seven days a week, although generally the use will occur Monday through Friday from 8:30 am to 4:30 pm. Deliveries and shipping/distribution trips will be limited to the hours of 8:00 am to 5:00 pm. The project does not include any outdoor cultivation activities.

### **Site Characteristics:**

The 1.02-acre project site is a level parcel, generally rectilinear with 160 feet of frontage along Regional Parkway. The site is developed with an existing structure and includes twenty-four (24) parking spaces, including one ADA accessible space, and a gated parking area for loading and unloading with an existing loading dock near the back of the structure. There are three roll-up doors to the building for loading and unloading and four storage containers within the gated area. The site is located near the intersection of Regional Parkway and Brickway Boulevard, approximately 6 miles north of central Santa Rosa and 3.3 miles south of the Town of Windsor. The site is approximately 0.8 miles to the east of the Sonoma County Airport and 0.9 miles west of Highway 101.

### **Surrounding Land Use and Zoning:**

The subject property and surrounding parcels are fully developed and located within a large industrial park area within unincorporated City of Santa Rosa. The site is zoned Heavy Industrial District (M2) and contains a structure intended for industrial use. The site is bounded by Heavy Industrial zoning to the north, south, east, and west. The project site is not subject to the Williamson Act.

## **DISCUSSION OF ISSUES**

### **Issue #1:** General Plan Consistency

The Sonoma County 2020 General Plan classifies the project site as General Industrial. The Section 2.4 Industrial Use Land Use Policy of the General Plan, states *“This category provides sites for industrial activities and employment that require urban services and that primarily serve an urban population.”* In discussing potential uses, the General Plan indicates *“typical uses include manufacturing goods, warehousing, research facilities, machine shops, contractor’s storage, and processing plants.”*

**Staff Comments:** The proposed project would cultivate, process, manufacture, distribute and transport cannabis consistent with the resource-related industrial uses contemplated by the General Plan. Processing of cannabis includes activities such as drying and trimming while manufacturing will be limited to Level 1 non-volatile solvents. Distribution includes storage of final cannabis products produced elsewhere, preparation of material for shipping and the distribution of cannabis products to other licensed facilities. Cannabis cultivation, processing, manufacturing, distribution, and transportation operations are similar to other warehousing and processing operations in the area. In 2016, the Board of Supervisors determined under the current cannabis ordinance that cannabis uses may be consistent with the overall goals, objectives, policies, and programs of the General Plan, and that cultivation, processing,

distribution, and transportation operations are an allowed use in industrial zoning with a Minor Use Permit. Therefore, the proposed project does not conflict with the stated purposes and definitions.

The site is served by urban sewer and electrical services provided by the City of Santa Rosa Sanitation District and Sonoma Clean Power. The water supply is provided by the Town of Windsor Water District, and the project site is located within a Class 1 groundwater availability area. The project will use water-efficient irrigation practices and a recirculating system of dehumidifiers and air conditioners. Recommended conditions of approval require the Applicant/Operator to institute water conservation measures, install backflow prevention devices, and to disallow single-pass evaporative cooling systems for air conditioning.

The project would occupy an existing structure, previously utilized for industrial uses without expanding the need for urban services. In adopting the Cannabis Ordinance, the Board of Supervisors determined that cannabis uses are consistent with the overall goals, objectives, policies, and programs of the Sonoma County General Plan. The project site is located in an area with industrial land uses. In establishing the industrial zoning for the project and surrounding properties, the General Plan established development intensity criteria to ensure land use consistency. As discussed in Issues #2, #3, and #4 below, the existing facilities comply with the building intensity and development criteria for the industrial area and the proposed project complies with the operational requirements for cannabis cultivation, processing, manufacturing, distribution and transportation to ensure compatibility with surrounding uses.

**Issue #2:** Consistency with the Santa Rosa and Environs Planning Area Policy

The General Plan establishes the Santa Rosa and Environs Planning Area as including the flat terrain of the Santa Rosa Plain, several small valleys surrounded by rolling hills and the mountainous areas of the Sonoma and Mayacamas Mountain ranges. The policies for this planning area are concerned with the ability of public services to accommodate projected residential, commercial and industrial growth and the protection of agricultural lands. The following policies are applicable:

- 1) Require full urban improvement standards and services for discretionary commercial, industrial and urban residential projects within the Urban Service Boundary.
- 2) Recognize existing commercial, industrial, and public/quasi-public uses outside Urban Service Boundaries. Limit expansion of these uses to that which does not necessitate extension of water and sewer.

**Staff Comments:** The project site is located at the northern edge of the Santa Rosa and Environs Planning Area. The project site is already developed and is served by the Town of Windsor Water District and the City of Santa Rosa Sanitation District. It will not require the

extension of water and sewer. As such, the project will comply with the industrial and urban services policies of the Planning Area and will not interfere with the agricultural resource protection goals and policies of the Santa Rosa and Environs Planning Area.

**Issue #3:** Airport Industrial Area Specific Plan Consistency

The Sonoma County Airport Industrial Area Specific Plan planning area encompasses approximately 770 acres of land situated three miles north of the City of Santa Rosa's northern boundary and three miles south of the unincorporated community of Windsor. The area is bounded by US 101 to the east and the Sonoma County Airport to the west. The Airport Industrial Area Specific Plan policies focus on economic, land use, circulation, capital improvement, financing, and visual and natural resource preservation goals. According to Figure 5 of the Airport Industrial Specific Plan, the subject parcel is located within an area designated as heavy industrial. The Land Use and Open Space Element of the Plan states that *"the heavy industrial land use designation mapped on Figure 5 is intended to accommodate and encourage sound near-term industrial development in the county by providing land area exclusively for such activity"* and that *"the designation is considered important for meeting near-term economic and market demands in the county for expansion of heavy industrial and heavy commercial business"*.

The Airport Industrial Area Specific Plan lays out the following site development standards for parcels within the planning area designated as heavy industrial:

1) *Lot Size and Coverage:*

- a. *Lot Area: 20,000 square foot minimum;*

**Staff Comment:** The lot is approximately 44,431 square feet, meeting the minimum lot size requirements.

- b. *Lot width: one-hundred feet (100') minimum-all lots shall have full public street frontage;*

**Staff Comment:** The lot has a width of approximately 161 feet, meeting the minimum lot width requirements.

- c. *Lot Coverage: ten percent (10%) landscaping.*

**Staff Comment:** 10% of the total lot area equals 4,443 square feet. The 20-foot front yard setback is heavily landscaped in addition to existing landscaping in the rear and along both sides of the parcel. The existing building has already been permitted and meets the required 10%.

2) *Yard Setbacks:*

- a. *Front Yard: twenty feet (20');*



b. *Side Yard: None;*

c. *Rear Yard: None.*

**Staff Comment:** The existing building has a front yard setback of 20 feet.

3) *Height Limit: Fifty feet (50')*

**Staff Comment:** The height of the building is 31 feet, which is below the 50-foot height limit for the Planning Area.

4) *Parking and Loading Requirements:*

a. *Parking and loading requirements shall be in accordance with the Parking Regulations of the Zoning Ordinance.*

**Staff Comment:** There are 24 parking spaces, including one ADA stall.

b. *On-street parking shall not be permitted on any public streets within a heavy industrial area.*

**Staff Comment:** No on-street parking is proposed with this project.

5) *Landscaping: A minimum of 10 percent of each lot shall be landscaped. All development plans shall reserve a 20-foot setback from the adjoining street curb line to be used exclusively for landscaping. Parking lots located between the street and structures shall be landscaped at the ratio of one tree per six parking spaces for double-loading stalls, one tree per three spaces for single loaded.*

**Staff Comment:** There is a 20-foot front yard setback that is heavily landscaped. The parking lot is located on the side of the structure and is therefore not subject to the landscaping requirements for parking lots between the street and structures but has approximately two trees for every six stalls.

6) *Signs: Signs in heavy industrial areas shall be in accordance with the standards stated in the Sign Regulations section of the Zoning Ordinance with particular attention given to the compatibility of proposed signs with surrounding development standards. Signs on heavy industrial lots adjacent to or across the street from industrial park areas shall conform to the more restrictive sign standards of the industrial park area.*

**Staff Comment:** The project approval does not include any signage and a separate design review application will be required if any exterior signage is proposed.

7) *Lighting: Exterior site lighting shall be adequate to meet safety and security needs while recognizing the need for energy conservation. Lights shall be directed so as not to cause offsite glare.*

**Staff Comment:** Exterior lighting will comply with the requirements of the Cannabis Land Use Ordinance (Sonoma County Code Sections 26-88-250 through 258) and will be hooded, fully-shielded, directed downward, and motion activated.

*The Airport Industrial Area Specific Plan also requires development in the planning area to be in accordance with the ability of County Service Area #31 to provide adequate sewage collection, treatment, and disposal services. Development approvals shall be conditioned on developer provision of sewer, water, and drainage needs. All structures 5,000 square feet in area or larger shall also be required to install sprinklers.*

**Staff Comments:** In summary, the project is consistent with the Sewer, Water, and Drainage Service Policies of the Airport Industrial Area Specific Plan as the existing site is developed with sewer, water, and drainage. The approval is conditioned to ensure that any existing sewer, water, and drainage will be retrofitted to comply with current County requirements. As required by the conditions of approval, the building will be equipped with fire sprinklers and contain a fire alarm system consistent with the occupancy type.

The proposed project complies with the requirements of development in the Airport Industrial Specific Area Planning Area and is consistent with the goals for industrial development in the area. The project does not interfere with the visual and natural resource preservation goals of the plan.

**Issue #4:** Zoning Consistency

***1) Heavy Industrial District (M2)***

Commercial cannabis cultivation is allowed by Use Permit in the Heavy Industrial Zoning District, pursuant to the Cannabis Land Use Ordinance (Sonoma County Code Sections 26-88-250 through 258), which was adopted on December 20, 2016 (Ordinance No. 6189) and amended on October 16, 2018 (Ordinance No. 6245). The applicant requests a Minor Conditional Use Permit for a Medium Indoor cannabis cultivation, processing, Level 1 manufacturing, distribution, and transportation operation. Pursuant to the development standards for the M2 zone, all structures used for indoor cultivation and manufacturing shall comply with the following limits:

- 1) Building Intensity: 1,110,775 cubic feet (Maximum building height multiplied by the maximum lot coverage)

**Staff Comment:** The proposed building would be approximately 71 percent (790,500 cubic feet) of the allowable 1,110,775 cubic foot building intensity.

- 2) Maximum Building Height: Sixty-five feet (65').

**Staff Comment:** The height of the existing building is 31 feet. This is under both the height requirement for the Heavy Industrial District zone and the height requirement for the Airport Industrial Area Specific Plan.

- 3) Minimum Lot size: Twenty thousand (20,000) square feet, provided that more than one building may be located on each lot.

**Staff Comment:** The lot is approximately 1.02 acres in size, or 44,431 square feet, meeting the minimum lot size requirements.

- 4) Maximum Lot Coverage: Fifty percent (50%).

**Staff Comment:** The existing building footprint is approximately 19,590 square feet which represents a lot coverage of 44 percent on the 1.02-acre lot, within the 50 percent allowed coverage.

- 5) Minimum Lot Width: Not less than eighty feet (80').

**Staff Comment:** The lot width is approximately 161 feet, over the minimum 80 feet.

- 6) Yard requirements: None, except where the lot abuts an R district.

**Staff Comment:** While the zoning code requires no setback, the Airport Industrial Area Specific Plan requires a minimum front yard setback of 20 feet. As discussed above, the lot has a setback of 20 feet from the front and therefore meets the requirements. There will be no expansion of the existing building.

- 7) Parking and Loading Requirements: Parking shall be required in accordance with Sonoma County Code Article 86.

**Staff Comments:** Permit Sonoma requires one on-site parking space for every employee to address employee demand as well as occasional delivery and pick-up activity. The project provides 24 parking spaces (including one ADA accessible space). Delivery and pick-up activities for the proposed project would utilize the parking and loading area at the rear of the lot. The proposed parking complies with the County parking standard and is adequate for the demand generated by the maximum of 22 employees that will be on-site at any time, as well as periodic delivery functions.

**Staff Comments:** Furthermore, the project is consistent with the Valley Oak Habitat Combining District (Sonoma County Code Section 26-67-005) because there will be no expansion of the existing building and no tree removal. The proposed project is located entirely within the existing building.

In summary, the proposed project is consistent with the building intensity and development criteria established by the Sonoma County Code Chapter 26 for a cannabis cultivation, processing, manufacturing, distribution, and transportation operation subject to Use Permit approval in the M2 Zoning District and is consistent with the purpose and objectives of the Valley Oak Habitat Combining District.

**II) Cannabis Ordinance- Commercial Cultivation, Processing, Manufacturing, Distribution, and Transportation**

Commercial cannabis cultivation, processing, Level 1 manufacturing, distribution, and transportation are allowed uses in the Heavy Industrial Zoning District pursuant to the Cannabis Land Use Ordinance (Sonoma County Code Sections 26-88-250 through 258), which was adopted on December 20, 2016 (Ordinance No. 6189) and amended on October 16, 2018 (Ordinance No. 6245). Cannabis cultivation operations must comply with the development criteria and operating standards within Sections 26-88-250 through 26-88-254 of the Zoning Regulations, including the following standards for indoor cultivation, processing, manufacturing, distribution, and transportation:

- 1) Operational requirements contained within Sections 26-88-250 through 26-88-254 of the Sonoma County Code require:
  - a. All indoor cultivation operations shall be equipped with odor control filtration and ventilation systems to control odors, humidity, and mold;
  - b. An on-site water supply source adequate to meet all on site uses on a sustainable basis shall be provided;
  - c. Electrical power for indoor cultivation shall be provided by on-grid power with one hundred percent renewable source;
  - d. The operator shall prepare and implement a Fire Prevention Plan for construction and ongoing operations and obtain an Operational Permit from the Fire and Emergency Services Department; and
  - e. A Waste Management Plan addressing the storing, handling, and disposing of all waste by-products of the cultivation and processing activities in compliance with the Best Management Practices issued by the Agricultural Commissioner.
- 2) Medium Indoor cannabis cultivation cannot exceed 22,000 square feet of cultivation area.
- 3) There is no minimum parcel size for medium indoor cultivation operations on parcels zoned for industrial use.
- 4) All structures used for indoor cultivation shall comply with the setbacks for the base zone and any applicable combining zone.
- 5) Structures associated with cultivation shall not be located in the front yard setback area and shall be screened from public view.
- 6) There shall be no exterior evidence of cultivation either within or outside the structure.

- 7) **Staff Comment:** The project would comply with Zoning Regulations Sections 26-88-250 through 26-88-254. The project as currently designed is compliant with the development criteria and operating standards for cannabis cultivation operations pursuant to Zoning Regulations Section 26-88-254.
- 1) The project is consistent with the operating requirements of the Sonoma County Code because:
- a) The facility will be equipped with an odor filtration and ventilation system to control odors, humidity and mold and all cultivation activities will occur in sealed rooms with installed carbon filters.
  - b) Wastewater is discharged to the City of Santa Rosa Sanitation District.
  - c) Gas and electrical services are provided by Sonoma Clean Power and will continue to be from 100% renewable resources. Any existing electrical service will be upgraded to comply with code and occupancy requirements.
  - d) Fire suppression will be supplied by sprinklers and rooms will be retrofitted with fire extinguishers. The site is developed and currently served by the Rincon Valley Fire Protection District.
  - e) Solid waste will be sorted into four categories: landfill, recycling, compost, and hazardous materials.
    - i. Landfill and recycling will be stored in cans that are emptied every week and transported to the nearby landfill.
    - ii. Green waste will be ground for composting on-site and used in the cultivation operation or exported once a week for off-site disposal. Inflorescence (the complete flower head of a plant including stems, and stalks) will be destroyed in compliance with the Department of Agriculture, Weights and Measures requirements.
    - iii. Hazardous materials are and will be collected, handled, stored, and disposed of in compliance with governing State and County regulations.
- 2) The proposed cultivation area will consist of approximately 11,500 square feet of indoor cannabis cultivation. This is well below the maximum square footage of 22,000 square feet for Medium Indoor Cultivation.
- 3) The 1.02-acre site complies with parcel size requirements as there is no minimum parcel size for lots that are zoned industrial. As this parcel is zoned Heavy Industrial (M2) it meets the requirements.

- 4) As discussed under Issues #3 and #4, the existing structure complies with the setback requirements for the Heavy Industrial District (M2) and the Airport Industrial Area Specific Plan.
- 5) The existing structure is not located within the front-yard setback area required for the Heavy Industrial District (M2) or the Airport Industrial Area Specific Planning Area.
- 6) Proposed cultivation is located entirely within the existing structure. The building has few windows visible from the public right of way and the front parking area will be gated, screening the entrance and first floor windows from view. The side of the building visible from the street is screened by mature vegetation. In combination, the building design and existing landscaping ensure that there is no external evidence of cultivation at the site.
- 7) There are no setbacks required from schools, public parks, childcare centers, or alcohol or drug treatment facilities for indoor operations in industrial zones. Regardless, there are no parks, childcare centers, or alcohol or drug treatment facilities located within 1,000 feet of the project site. The site is located approximately 2,890 feet away from the Sonoma County Special Education School and approximately 3,365 feet away from the Sonoma County Day School, well over the required 600-foot setback from schools. There are no other schools near the project site.

**Issue #5:** Environmental Determination

Staff has determined that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Section 15301, Existing Facilities.

The project proposes to use an existing industrial building for cannabis cultivation, processing, manufacturing, distribution, and transportation uses that are consistent with the M2 Zoning District. The project proposes to legalize and retrofit/buildout existing areas of the building that have already been legalized and to expand the second floor by approximately 3,000 square feet, without changing the existing building footprint or height.

- Consistent with CEQA Guidelines Section 15301(a), physical improvements needed to support the project has no change in use and will consist of interior and exterior alterations that are limited to interior partitioning as well as minor building and site improvements to satisfy operation and code requirements.
- Consistent with CEQA Guidelines Section 15301(e)(2), the proposed addition will not result in an increase of more than 10,000 square feet and the project is in an area where all public services and facilities are available to allow for maximum development permissible in the General Plan and the area in which the project is located is not environmentally sensitive.

This project would result in minor alteration of an existing private structure involving no or negligible expansion of the existing uses. The project is consistent with the General Plan and Sonoma County Code requirements for the property, is located on an existing developed site that is not in an environmentally sensitive area, will not involve notable changes to the existing facilities, and provides adequate parking for proposed operations. For these reasons, there is no reasonable possibility that the project will have a significant effect on the environment due to unusual circumstances (Section 15300.2).

**Issue #6:** Public Comment and Hearing Requests

***I) Air Quality and Odors***

In comments received from the public, odor was noted as a concern and issue for neighbors. In one of the letters, odor was described as 'offensive' and a 'nuisance' and that the odor was noticeable both indoors and outdoors in neighboring buildings.

Staff considers the cultivation proposed by the applicant to be a potential odor generator and requires a negative pressure air filtration system to ensure odors do not escape the project site. In response to this requirement, the applicant prepared an odor control plan with the following components:

- Cultivation, processing, and manufacturing will all occur in sealed rooms equipped with odor control filtration and ventilation/air purification systems
- Cultivation rooms will be equipped with at least three carbon filters
- The entire facility will have an odor control filtration and ventilation system to control odors, humidity, and mold
- All air exhausted from the sealed rooms will be cleaned and filter prior to leaving the room
- No cultivation will occur in the warehouse area and will occur only in the sealed rooms with carbon filters

In combination, these systems and management practices will reduce the potential for air quality and odor issues outside of the building.

***II) Security***

Cannabis related crime in the business park and the potential for future crime was cited as a concern in comments received from the public. A specific incident of police activity at the project site was mentioned in one of the letters received. According to the letter submitted, several officers surrounded the project building, some with weapons drawn, with a helicopter overhead and left after fifteen minutes without entering the building.

In adopting the Cannabis Land Use Ordinance, the Board of Supervisors found that security issues could be addressed through compliance with the security and fencing requirements. The operation shall maintain all aspects of the approved site security plan (held confidentially at Permit Sonoma). This shall, at a minimum, included professionally-monitored video surveillance, of which recordings will be kept for at least 30 days, locking doors, security lighting, and alarms. Weapons and firearms are prohibited at the cultivation site. Cash is not stored on-site and shall be limited to the minimum needed for daily operations.

**Staff Comment:** Security measures have been adequately outlined through the Cannabis Security and Fencing Plan which is required to generally comply with the above requirements under the Cannabis Ordinance. All structures will have locking doors for security. The project site will be equipped with security cameras and lighting and there will be no public access. All employees will undergo a background check. No weapons or firearms are proposed onsite and shall be prohibited. The loading and unloading area at the rear of the structure shall be fenced in and gated.

**Issue #7:** Neighborhood Compatibility

Findings on the design, location, size, and operating characteristics are used to evaluate the project's neighborhood compatibility. These findings are used to determine if the proposed project/use would be detrimental to the health, safety, peace, comfort, and general welfare of persons residing or working in the neighborhood. This determination does not require that there be an environmental impact to prove the project/use may be detrimental.

**Staff Comments:** The project would be located within an existing industrial structure and would not expand or increase the existing footprint. There are no residential uses in the project vicinity and the proposed project is consistent with surrounding industrial uses which include storage and trucking yards, equipment sales, and offices. The proposed cultivation, processing, and manufacturing areas will not be visible or audible nor will cannabis plants at any point be visible from the public right of way. Security measures are robust and will deter potential theft and other crime. All exterior lighting will be downward casting and not project onto neighboring properties or the night sky. The project includes 24 on-site parking spaces, accommodating the maximum number of employees and expected deliveries. For these reasons, and compliance with the Cannabis Ordinance, the project is compatible with the surrounding neighborhood.

**STAFF RECOMMENDATION**

Staff recommends the Board of Zoning Adjustments find the project Categorically Exempt from CEQA, hold a public hearing, and approve the Use Permit for a Five-Year Limited Term Medium



Indoor Cannabis Cultivation, Processing, Level 1 Manufacturing, Distribution, and Transportation subject to the attached Conditions of Approval.

### **FINDINGS FOR RECOMMENDED ACTION**

1. General Plan Consistency: The proposal is consistent with the overall goals, objectives, policies, and programs of the Sonoma County General Plan because:
  - a. Commercial cannabis cultivation, processing, manufacturing, distribution, and transportation help meet the service and employment needs of the County on property that has existing public and private services (e.g. sewer, water, gas, and electric services) that are adequate to support the proposed operation;
  - b. The project is consistent with the development intensity criteria of the General Industrial (GI) designation in which it is located; and
  - c. The project is located on lands that have convenient access to arterial roads, are located near populated concentrations, that are not subject to flooding, or geologic hazards, and that have been identified to serve projected employment needs, complies with the overall goals, objectives, policies, and programs of the General Industrial Land Use Designation.
  
2. Santa Rosa and Environs Planning Area Consistency: The proposed project is consistent with the goals, policies, and objectives of the Santa Rosa and Environs Planning Area because it will comply with the industrial and urban services policies of the Planning Area and will not interfere with the agricultural resource protection goals and policies of the Santa Rosa and Environs Planning Area.
  
3. Airport Industrial Area Specific Plan Consistency: The proposed project is consistent with the goals, policies, and objectives of the Airport Industrial Area Specific Plan because it complies with the development standards, urban services requirements, and fire suppression requirements of the Heavy Industrial land use designation in which it is located because:
  - a. The existing lot and building comply with lot size and coverage, height, setback, landscaping, and parking requirements;
  - b. The project is consistent with the Sewer, Water, and Drainage Service Policies of the Airport Industrial Area Specific Plan as the existing site is developed with sewer, water, and drainage; and
  - c. The building, as required by the conditions of approval, will be equipped with fire sprinklers and contain a fire alarm system consistent with the occupancy type.

4. Zoning Consistency: The proposal is consistent with the Heavy Industrial District (M2) Zoning Classification, because:
  - a. The proposed cannabis cultivation, processing, manufacturing, distribution, and transportation uses are allowed uses in the Heavy Industrial Zoning District, pursuant to the Sonoma County Code Sections 26-50-020 and 26-88-250 through 258;
  - b. The proposed project complies with the building intensity and development criteria established for the M2 Zone in Sonoma County Code Section 26-48-030;
  - c. The proposed project will satisfy the Cannabis Ordinance operational requirements established by Sections 26-88-250 through 26-88-254 of the Sonoma County Code;
  
5. The establishment, maintenance or operation of the use for which the application is made will not, under the circumstances of this particular case, be detrimental to the health, safety, peace, comfort and general welfare of persons working in the neighborhood of such use, nor be detrimental or injurious to property and improvements in the neighborhood or the general welfare of the area.
  - a. The design, location, size, and operating characteristics of the use is compatible with the existing and future land uses within an M2 Zoning Districts and on adjoining properties that are zoned for Heavy Industrial uses, because:
    - i. The cannabis cultivation operation would not involve more than 22,000 square feet of cannabis cultivation and processing area;
    - ii. Hours of operation for delivery and shipping activities shall be limited to 8:00 am to 5:00 pm;
    - iii. The existing structure is not located near residential zones and will be screened from view by existing mature vegetation and a proposed fence;
    - iv. Security measures will be implemented to uphold the health, safety, peace, comfort, and general welfare of persons residing or working in the project area;
    - v. No public access or retail sales are permitted;
    - vi. Hazardous materials (e.g., cultivation nutrients) will be store on-site and disposed of in compliance with Fire Code requirements;
    - vii. All equipment shall comply with General Plan Noise Standards;
    - viii. All energy from Sonoma Clean Power will be 100% renewable; and
    - ix. The project includes an Odor Control Plan that establishes systems and management practices that will reduce the potential for air quality and odor issues outside of the building.
  
6. Environmental Finding for Exemption: The physical impacts associated with permitting the proposed cannabis operation within an existing facility would result in minor alterations to the existing facility and no or negligible expansion in the intensity of the

existing use, making the project exempt from further environmental review pursuant to Section 15301, Existing Facilities, of the California Environmental Quality Act Guidelines. Specifically, CEQA Guideline Section 15301 categorically exempts the proposed minor modifications (i.e., interior wall partitions, electrical and plumbing improvements) and the addition of 3,000 square feet because it is less than 10,000 square feet and is located in an area where all public services and facilities are available to allow for maximum development permissible in the General Plan and is not located in an area that is environmentally sensitive. The project site is located in an entirely developed area and does not contain biologic or cultural resources.

#### **LIST OF ATTACHMENTS**

- EXHIBIT A: Draft Conditions of Approval
- EXHIBIT B: Use Permit Application
- EXHIBIT C: Project Proposal Statement
- EXHIBIT D: General Plan Land Use Map
- EXHIBIT E: Zoning Map
- EXHIBIT F: Site Plan and Photos
- EXHIBIT G: Floor Plans
- EXHIBIT H: Hearing Requests
- EXHIBIT I: Draft Resolution
- EXHIBIT J: Vicinity Map