



## Sonoma County Board of Zoning Adjustments STAFF REPORT

FILE: UPC17-0078  
DATE: June 13, 2019  
TIME: 1:20 PM  
STAFF: Lauren Scott, Project Planner

Appeal Period: 10 calendar days

### SUMMARY

**Applicant:** Victor Nguyen, Fresko Management, LLC

**Owner:** Richard Schram

**Location:** 3162 Regional Parkway, Santa Rosa, CA 95403

**APN:** 059-210-019

**Supervisorial District No.:** 4

**Subject:** Use Permit

**PROPOSAL:** Request for a Five-Year Limited Conditional Use Permit for Medium Indoor Cannabis Cultivation (7,018 square feet), Processing (2,070 square feet), Nursery (1,860 square feet), Level 1 Non-Volatile Manufacturing (1,969 square feet), Distribution, and Transportation Operation in an existing industrial building on a 1.07-acre parcel.

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

**General Plan:** General Industrial (GI)

**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 24, 2018

**RECOMMENDATION:** Recommend that the Board of Zoning Adjustments approve the five-year limited-term Use Permit for a Medium Indoor Commercial Cannabis nursery, processing, manufacturing, distribution, and transportation operation on a 1.07-acre site zoned Heavy Industrial (M2) with conditions.

**EXECUTIVE SUMMARY:** Staff is recommending the approval of a five-year limited term Use Permit for Medium Indoor Cannabis Cultivation, Nursery, Processing, Level 1 Manufacturing, Distribution, and Transportation Operation 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 indoor 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;
- The project is consistent with the General Industrial (GI) land use designation shown in the General Plan and with the Heavy Industrial land use shown in the Airport Industrial Area Specific Plan.
- Commercial cannabis cultivation, processing, distribution, and transportation operation is an allowed use in the Heavy Industrial District (M2) zoning district with a use permit approval;
- 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 no or negligible expansion of a use, no exterior modification to the existing building, and only minor interior modifications (i.e., interior wall partitions, electrical and plumbing improvements).

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 Use Permit for Medium Indoor Cannabis Cultivation, Nursery, 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. Below is a summary of key considerations addressed.

## **ANALYSIS**

### **Background:**

**Regulations.** In October 2015, the Governor signed three bills into law collectively known as the Medical Cannabis Regulations 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 permit 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.** On August 31, 2017, the applicant applied for a One-Year Limited Term Medium Indoor Cannabis Cultivation, Processing, Level 1 Manufacturing, Distribution, and

Transportation, 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 24, 2018, Permit Sonoma deemed the application complete for processing.

As of February 14, 2019, the project site is no longer operating under the Penalty Relief Program.

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

**Project Description:**

The applicant is seeking a five-year limited term Conditional Use Permit for Medium Indoor Cannabis Cultivation, Nursery, Processing, Level 1 Manufacturing, Distribution, and Transportation to allow for the cultivation of cannabis and associated activities within an existing 17,152-square-foot light industrial/office building in a developed industrial park area. The warehouse is two floors, with an additional 2,256+/- square feet on the second floor, making the existing gross square footage of the building approximately 19,408 square feet. The cannabis operation will contain approximately:

- 7,018 square feet of indoor cannabis cultivation;
- 2,070 square feet of processing, which includes activities such as drying and trimming;
- 1,860 square feet for nursery, which includes producing clones, immature plants, seeds and other agricultural products used for the propagation and cultivation of cannabis for wholesale distribution to licensed cultivators or dispensaries;
- 1,969 square feet of Level 1 non-volatile manufacturing, which consists of the extraction of cannabis oils from the raw plant material with ethanol, a non-volatile solvent, and mechanical cannabis extraction using a Rosin Press. A Rosin Press uses heat and pressure to create a cannabis extract free of solvents. The operation will conduct the production, preparation, propagation, or compounding of cannabis and cannabis products either directly or indirectly, by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis. The site includes all manufacturing activities to compound, blend, extract, infuse, and otherwise prepare cannabis products and edible cannabis products;

- 1,395 square feet of distribution, which will include the procurement of medical cannabis from licensed cultivators or manufacturers for sale to licensed dispensaries and the inspection, quality assurance, batch testing by a testing laboratory (Type 8 licensee), storage, labeling, packaging, and other processes prior to transport to licensed dispensaries and the procurement, sale, and transport of cannabis and cannabis products between licensees;
- 529 square feet of transportation operations, which will occur inside the building, accessed through a roll-up door; and
- 4,567 square feet of building area will contain storage, offices, break room, restrooms, hallways, and an electrical room.

All operations will occur entirely within the existing building. No outdoor cultivation activities are proposed.

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

- 1) Accessibility improvements (ADA compliant path of travel and restrooms);
- 2) Rooms will be connected to a carbon filter exhaust system to reduce odor;
- 3) Installing backflow prevention devices and shutoff valves;
- 4) Installation of fire sprinklers and extinguishers in proposed rooms; and
- 5) Exterior lighting that will be hooded, fully-shielded, directed downward, and motion activated.

#### Employees:

The project will operate with 12 full-time employees for cultivation and processing activities, 8 full-time employees for distribution, and 6 employees for manufacturing, for a maximum of 26 employees on-site at any one time.

#### Parking:

The site is accessed via a driveway, approximately 23 feet in width, which provides ingress and egress to Regional Parkway, a two-way street. 37 parking spaces are available on-site.

#### Hours of Operation:

As permitted by the Sonoma County Zoning Code Section 26-88-254 (Cannabis cultivation – commercial), indoor cultivation and processing activities may be conducted 24 hours per day, 7 days a week. 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 1.07-acre project site is a level rectangular-shaped parcel with 160 feet of frontage along Regional Parkway. 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 also approximately 0.8 miles to the east of the Sonoma County Airport and 0.9 miles west of Highway 101. The site is developed with an existing recently constructed light industrial/office structure and includes a total of 37 parking spaces, including two ADA accessible spaces. There are two parking areas, one in the front of the building with 13 parking spaces, and the second in the back with 24 parking spaces. Both parking areas have existing, mature landscaping. There are three entrances to the existing building and two roll-up doors located at the back of the building. The exterior of the building has a six-foot high wall surrounding the southern rear parking lot.

**Surrounding Land Use and Zoning:**

The subject property and surrounding parcels are fully developed and located within an industrial park near the Sonoma County Airport. The site contains a recently constructed two-level structure that is intended for light industrial or office/warehousing use. The site is bounded by Heavy Industrial zoning to the north, south, east, and west. The site is located approximately 3,012 feet away from the Sonoma County Special Education School, approximately 3,710 feet away from Sonoma Country Day School, and approximately 4,752 feet away from the Anova Administration and Special Education School, well over the required 600-foot setback from schools. Mark West Creek is approximately 700 feet away from the project site and is separated from the site by another industrial parcel. The project is well beyond the fifty-foot riparian setback for Mark West Creek. 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. 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 Analysis:** The proposed project would cultivate, process, manufacture, distribute and transport cannabis consistent with the resource-related industrial uses contemplated by the General Plan. 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 currently served by urban sewer and electrical services provided by the Airport/Larkfield/Wikiup Sanitation District and Sonoma Clean Power. The water supply is provided by the Town of Windsor Water District. The project site is located within a Class 1 groundwater availability area and will use water-efficient irrigation practices, along with 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 disallow single-pass evaporative cooling systems for air conditioning.

The project would occupy an existing structure that has been previously utilized for industrial uses and will not expand 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 facility complies with the building intensity and development criteria for the industrial area and the proposed project would comply with operational requirements for cannabis cultivation, processing, manufacturing, distribution and transportation to ensure compatibility with surrounding uses.

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

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. One of the goals of the Planning Area is to avoid urban development within the Urban Service Boundary of Santa Rosa. The following policies are applicable:

- 1) 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 Analysis:** The project site is located at the northern edge of the Santa Rosa and Environs Planning Area and within the Airport Urban Service Area. The project site is already developed and is served by the Town of Windsor Water District and the Airport/Larkfield/Wikiup Sanitation District. It will not require the extension of water and sewer or public roadways. 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 Area 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 Analysis:** The lot is approximately 46,609 square feet, meeting the minimum lot size requirement of 20,000 square feet.

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

**Staff Analysis:** The lot has a width of approximately 160 feet, meeting the minimum lot width requirement of 100 feet.

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

**Staff Analysis:** 10% of the total lot area is equivalent to 4,660 square feet. There is approximately 3,500 square feet of heavily landscaped area at the front of the property as well as landscaping surrounding the building and intermittent landscaping in the parking areas. The existing building has been legalized and meets the required 10% for landscaping coverage.

2) *Yard Setbacks:*

- a. *Front Yard: twenty feet (20');*
- b. *Side Yard: None;*
- c. *Rear Yard: None.*

**Staff Analysis:** The existing building has a front yard setback of 83 feet.

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

**Staff Analysis:** The height of the building is twenty-six feet, under 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 Analysis:** There are 37 existing parking spaces, including two ADA stalls. Delivery and pick-up activities for the proposed project would occur within the facility, accessed via a roll-up door on the southern side of the building. The proposed parking complies with the County parking standards and would be adequate for the demand generated by a maximum of 26 employees on-site at any one time, as well as periodic delivery functions.

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

**Staff Analysis:** No on-street parking is proposed with this project. Parking is located on both the front and back sides of the building.

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 Analysis:** There is an existing landscaped area within a twenty-five-foot-wide area along Regional Parkway. This area is approximately 3,500 square feet in area and landscaping also exists around the building and in the parking area at the back of the building. There is one parking lot located between the building and Regional Parkway that contains 13 spaces. The front parking area currently has four trees spaced in between parking stalls, and over ten trees in between the building and street.

- 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 Analysis:** 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 Analysis:** 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.

As stated above, the project is consistent with the Sewer, Water, and Drainage Service Policies as the existing site has functional sewer, water, and drainage service. The approval is conditioned to ensure that any existing sewer, water, and drainage will be retrofitted to comply with current County requirements. The proposed conditions for the project include a requirement to equip the building 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 Area Specific Planning Area and is consistent with the goals for industrial development in the area. The project site is located adjacent to other heavy industrial uses in an area which is visually separated from primary circulation routes on Airport Boulevard and Brickway Boulevard. The project site is only visible to adjacent industrial uses, which serves to minimize visual impacts. The project does not interfere with the visual and natural resource preservation goals of the plan.

#### **Issue #4: Zoning Code Consistency**

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

The site's base zoning designation is Heavy Industrial (M2), 40,000 Square Foot Average, and Valley Oak Habitat (VOH).

Commercial cannabis cultivation is allowed with Use Permit approval in the Heavy Industrial Zoning District (Sonoma County Code Section 26-48-020(z)), 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 Conditional Use Permit for a Medium Indoor cannabis cultivation, nursery, processing, Level 1 non-volatile manufacturing, distribution, and transportation operation. Pursuant to the development standards for the M2 zone, all structures shall comply with the following limits:

- 1) Building Intensity: 1,165,225 cubic feet (Maximum building height multiplied by the maximum lot coverage). The maximum building height requirements for the Airport Industrial Area Specific Plan were used as they were more restrictive.

**Staff Analysis:** The proposed building would be approximately 43% percent (504,608 cubic feet) of the allowable 1,165,225 cubic foot building intensity.

- 2) Maximum Building Height: Sixty-five feet (65'). However, since the project is in the Airport Industrial Area Specific Planning Area, where the height maximum is fifty feet (50'), the more restrictive height requirements shall apply.

**Staff Analysis:** The height of the existing building is 26 feet. This is below 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 Analysis:** The lot is approximately 1.07 acres, or 46,609 square feet, meeting the minimum lot size requirement of 20,000 square feet.

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

**Staff Analysis:** The existing building footprint is approximately 17,512 square feet, which represents a lot coverage of 37 percent for the 1.07-acre lot, within the 50 percent allowed coverage.

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

**Staff Analysis:** The lot width is approximately 160 feet, over the minimum 80 feet.

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

**Staff Analysis:** 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 83 feet from the front and therefore meets the requirements. There will be no expansion of the existing building footprint.

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

**Staff Analysis:** 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 site provides 37 parking spaces (including two ADA accessible spaces). 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 26 employees that will be on-site at any time as well as periodic delivery functions.

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, nursery, 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 with a use permit approval 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 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 relevant to this project:

- 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) All cannabis operations shall comply with the Comprehensive Airport Land Use Plan.

**Staff Analysis:** 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 filters (Refer to Condition No. 14).
  - b) Wastewater is discharged to the Airport/Larkfield/Wikiup 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 applicant is required to develop and submit a fire prevention plan which includes the identification of materials that are potential fire hazards, a description of the fire protection equipment, identification of the person responsible for the control and accumulation of flammable or combustible material, and provides training to employees regarding fire hazards. 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 continue to be collected, handled, stored, and disposed of in compliance with governing State and County regulations.
- 2) The proposed indoor cultivation area, including nursery, is approximately 9,088 square feet. This is well below the maximum square footage of cultivation for Medium Indoor cannabis cultivation which allows for up to 22,000 square feet for medium indoor cultivation (Refer to Condition No. 2).
- 3) The 1.07-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 #2 and #3, 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 and existing mature vegetation partially screens the front of the structure from public vantage points.
- 6) Proposed cultivation is located entirely within the existing structure. The building has several rows of windows, but these are tinted so the interior of the building is not visible to the public. The parking lot in the front of the building is landscaped with several trees, partially screening the building and windows from a public vantage point. In combination, the building design and existing landscaping ensure that there is no external evidence of cultivation and the use is not evident from the building exterior.
- 7) There are no such 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 3,012 feet away from the Sonoma County Special Education School, approximately 3,710 feet away from Sonoma Country Day School, and approximately 4,752 feet away from the Anova Administration and Special Education School, well over the required 600-foot setback from schools..

- 8) The project falls within the TPZ-B safety zone for the Sonoma County Airport. Under the Comprehensive Airport Land Use Plan, uses such as schools, amphitheaters, day care centers, hospitals, and nursing homes should be limited or avoided. The maximum population density in structures or outdoors for the TPZ-B zone is 300 persons per acre (or a max of 1,200 persons per any single acre). As the proposed project does not fall into the above-listed categories and will have a maximum of 26 employees on-site at any time (or 24 people per acre and well within the threshold for TPZ-B), the project is compliant with the Comprehensive Airport Land Use Plan requirements and objectives.

**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, nursery, processing, manufacturing, distribution, and transportation uses that are consistent with the M2 Zoning District. The project proposes to partition and retrofit rooms within the existing building.

- Consistent with CEQA Guidelines Section 15301(a), physical improvements needed to support the project 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.

This project would result in minor alteration of an existing private structure involving no or negligible expansion of 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

Due to the proximity to other projects in the area that have received hearing requests, staff has decided to bring this project to a hearing instead of pursuing a hearing waiver. Staff has not received letters of opposition for this cannabis application. For other cannabis applications near the site, the following concerns were raised by neighbors:

***1) 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 Analysis:** The project would be located within an existing light industrial/office structure and would not expand or increase the existing footprint. The site is located in a fully developed industrial park area and is adjacent or nearby to numerous other heavy and light industrial uses. There are no nearby residential uses as the surrounding area is zoned heavy industrial (M2). The proposed cultivation 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. Security cameras will be motion-sensor activated and surveillance video kept for a minimum of 30 days. The structure shall have locking doors to prevent free access and the building will only be accessible to the licensed operators and employees. No weapons and firearms are allowed on-site. All exterior lighting will be downward casting and not project onto neighboring properties or the night sky. The project includes 37 existing on-site parking spaces which will be adequate to serve the maximum of 26 employees at the site. The applicant has prepared an odor control plan and odor will be reduced by a filtration and ventilation system throughout the entire facility and cultivation, processing, and manufacturing will occur in sealed rooms equipped with filters and ventilation systems. For these reasons, the project is compatible with the surrounding neighborhood.

## ***II) Air Quality and Odors***

Staff considers the cultivation proposed by the applicant to be a potential odor generator and will require a negative pressure air filtration system to ensure odors do not escape the project site. In response to this requirement, the applicant has 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
- The entire facility will have an odor control filtration and ventilation system to control odors, humidity, and mold
- No cultivation will occur in the warehouse area and cultivation 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.

## ***III) Security***

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 site. Cash on-site and shall be limited to the minimum need for daily operations. Security measures shall be designed to ensure emergency access in compliance with fire safe standards. All structures used for cultivation shall have locking doors to prevent free access.

**Staff Analysis:** Security measures have been adequately outlined through the Cannabis Security and Fencing Plan which complies with the above requirements from the Cannabis Ordinance. All cannabis cultivation and nursery, processing, manufacturing, delivery loading and unloading will take place entirely within the structure. All structures will have automatically locking doors for security.

### **STAFF RECOMMENDATION**

Staff recommends the Board of Zoning Adjustments finds 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, Nursery, Processing, Level 1 Manufacturing, Distribution, and Transportation subject to the attached Conditions of Approval.

### **FINDINGS FOR RECOMMENDED ACTION**

1. General Plan Consistency: Commercial cannabis cultivation (up to 22,000 square feet of cultivation area plus up to 25% of the cultivation area for on-site propagation), nursery, Level 1 non-volatile manufacturing, distribution, and transportation operations are allowed uses with a minor use permit in Heavy Industrial (M2) zoning and the General Industrial (GI) land use designation (Section 26-88-250(d) Table 1C). The proposal is consistent with the overall goals, objectives, policies, and programs of the General Industrial (GI) General Plan designation 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 GI designation;
  - c. The Sonoma County Comprehensive Airport Land Use Plan limits land uses within Airport Safety Zones. The project site is located within the Traffic Pattern Zone (TPZ-B), which allows industrial uses with a maximum of 300 persons per

acre on average and a maximum of 1,200 persons in a single acre. The operation will have a maximum of 26 employees on-site at any time for the operation. This complies with the Airport Safety Zone requirements.

- d. 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.
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 as follows:
    - 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; and
    - 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 for the following reasons:
  - a. The applicant has prepared an odor control plan and odor will be reduced by a filtration and ventilation system throughout the entire facility and cultivation, processing, and manufacturing will occur in sealed rooms equipped with filters and ventilation systems. 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.
  - b. The design, location, size, and operating characteristics of the use are compatible with the existing and future land 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. The facility will be screened from view by existing mature vegetation and existing tinted windows;
    - 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. The security plan includes automatically locking doors to prevent free access, an alarm system, and 24-hour video surveillance that will be kept for a minimum of 30 days. All operations will take place inside the building including loading and unloading for all distribution and transportation activities.
    - v. No public access or retail sales are permitted;
    - vi. Hazardous materials (e.g. cultivation nutrients) will be stored on site and disposed of in compliance with Fire Code requirements;
    - vii. All equipment use shall comply with General Plan Noise Standards; and
    - viii. All energy from Sonoma Clean Power will be 100% renewable.
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 existing facility and no or negligible expansion in the intensity of the 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). No

exceptions under CEQA Section 15300.2 apply because a) the project location is not designated or precisely mapped to within an environmental resource of hazardous or critical concern by federal, state, or local agencies; b) the project has no successive projects of the same type in the same place that over time is significant; c) there is no reasonable possibility that the activity will have a significant impact due to unusual circumstances; d) the project would not damage an officially adopted scenic resource; e) the project site is not on a hazardous waste site; and f) the project will not cause a substantial adverse change in the significance of a historical resource as it does not involve any ground disturbance and the site is already developed.

#### **LIST OF ATTACHMENTS**

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