

Sonoma County Board of Zoning Adjustments STAFF REPORT

DATE: UPC17-0102 DATE: April 25, 2019 TIME: 1:20 PM

STAFF: Daniel Hoffman, Project Planner

Appeal Period: 10 calendar days

SUMMARY

Applicant: Shawn Webber, Sweetwater Pharms, Inc.

Owner: Timothy and Kim Arnold

<u>Location:</u> 1388 Copperhill Parkway, Santa Rosa

APN: 059-250-006

Supervisorial District No.: 4

<u>Subject:</u> Cannabis Use Permit for Medium Indoor Cultivation, Processing,

Manufacturing, and Distribution

PROPOSAL: Request for a five-year limited-term Use Permit for Medium Indoor

commercial cultivation with a canopy of up to 21,862 square feet, to be implemented in two phases on a 2.67-acre industrially zoned property.

The Phase I use will occur within an existing 12,353-square-foot

warehouse building and would include 9,862 square feet of two-tiered, stacked, cultivation canopy along with nursery/manufacturing/ancillary operations (i.e., drying and trimming and office space). Phase II includes the future construction of a 9,600-square-foot building to be located north of the existing building and would house an additional 12,000 square feet of indoor cannabis cultivation (stacked in two-tiers), along with an additional 3,600 square feet of support space for storage,

research, and development.

Environmental



<u>Determination:</u> Categorically exempt per Section 15303(c) New Construction or

Conversion of Small Structures) as the project would involve an increase in operations within the confines of an existing facility, involving only a negligible expansion of use and minor construction, including interior tenant improvements and a future building of approximately 9,600 square feet, which is less than the 10,000-square-foot threshold for new construction, where public services are available and the surrounding

area is not environmentally sensitive.

General Plan

<u>Land Use:</u> General Industrial (GI)

Specific/Area Plan: Airport Industrial Area Specific Plan

Land Use: Heavy Industrial

Zoning: Heavy Industrial (M2), Valley Oak Habitat (VOH)

<u>Ord. Reference:</u> 26-48-020(y) – Heavy Industrial Uses Permitted with a Use Permit;

26-48-030 – Heavy Industrial Building Intensity and Development Criteria;

26-88-250 - Commercial Cannabis Uses;

26-88-254(f); 26-88-254(g) – Cannabis Cultivation-Commercial.

Application

Complete: January 23, 2019

RECOMMENDATION: Recommend that the Board of Zoning Adjustments approve the request, with conditions, for a two-phased five year limited-term Use Permit to increase a current 1,332-square-foot canopy cultivation operation up to a total 21,862-square-foot canopy, along with nursery/manufacturing/ancillary operations (i.e., drying and trimming and office space) within an existing building and Phase II construction of a 9,600 square-foot building, on a 2.67-acre industrially zoned property.

EXECUTIVE SUMMARY: Staff is recommending approval of the five-year limited-term Use Permit for a Medium Indoor Cannabis operation, including cultivation, processing, and distribution, subject to recommended conditions of approval because:

a. The project is consistent with the goals and objectives of the General Plan in that it will consist of small-scale development in a developed commercial/industrial area; be compatible with the surrounding environment, urban services and adjacent land uses; be consistent with the development intensity criteria of the Heavy Industrial (M2) designation; and is within an urban service area that has adequate public services, convenient access to collector roads, is near population concentrations, is not subject to flooding or geologic hazards, will

serve projected employment needs, and that complies with the land use policies of the General Industrial Land Use Designation.

- Commercial cannabis cultivation and distribution are allowed uses in the Heavy Industrial zoning district and General Industrial land use designation, per Section 26-48-010;
- The project is consistent with Airport Industrial Area Specific Plan and Sonoma County Comprehensive Airport Land Use Plan policies and standards because it will encourage and provide near-term industrial development in an area that is compatible with surrounding land uses and where environmental impacts can be minimized.
- The proposed project meets the cannabis cultivation development criteria of the Sonoma County Municipal Code, Section 26-88-254, and will meet the operating standards defined in Section 26-88-250 through compliance with recommended conditions of approval;
- The design, location, size, and operating characteristics of the project are considered compatible with the neighborhood and surrounding land 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 15303(c) (New Construction or Conversion of Small Structures), in that it would involve reuse of an existing structure, negligible expansion, and an addition of less than 10,000 square feet.

ANALYSIS

Background:

In October 2015, the California Governor signed three bills into law, collectively known as the Medical Cannabis Regulations and Safety Act, which established 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. In June 2017, the Governor signed a bill creating a single regulatory scheme for both medicinal and adult use cannabis businesses.

In response to these changes in the regulation of cannabis, the Sonoma County Board of Supervisors adopted a series of ordinances to establish a comprehensive local program to permit and regulate medical cannabis. These ordinances were created 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 December 2016, the Medical Cannabis Land Use Ordinance was adopted as Ordinance No. 6189 and codified in Chapter 26 of the Sonoma County Code, Sections 26-88-250 through 26-88-258. In November

2018, the Board of Supervisors adopted Ordinance No. 6245, Amending Chapter 26 of the Sonoma County Code, to refine and modify the regulations.

On December 29, 2017, a Minor Use Permit application was submitted for Indoor Cultivation, Processing, Distribution and Transportation at the site. The applicant enrolled in the penalty relief program and is currently operating and cultivating 1,332 square feet of cannabis.

Project materials were routed to several departments for referral on January 18, 2018. The application was initially deemed incomplete, as detailed in a Notice of Project Status, dated January 25, 2018. In response to this notice, staff received additional application materials in May of 2018. The project scope was subsequently amended in December of 2018, to include a larger square footage of cultivation and more support space for processing and storage. Pursuant to the updated Cannabis Ordinance No. 6245, on December 3, 2018, the applicant submitted an updated project proposal requesting a use permit for a five-year term cultivating adult-use commercial cannabis in lieu of a use permit with a one-year term to cultivate medical cannabis only.

Property and Business Ownership:

The applicant for the project is Sweetwater Pharms, LLC. Per the Articles of Incorporation and Statement(s) of Information submitted under this application, Sweetwater Pharms, LLC membership is comprised of the following individuals: Shawn Webber, Jim Nordberg, and Chris Aff. Per the Planning Application Form and property ownership documents submitted to Permit Sonoma, the subject property is owned by two individuals: Timothy Arnold and Kim Arnold

Project Description: The applicant requests a two-phased five-year Limited-Term Medium Indoor Cannabis Cultivation Minor Use Permit for a commercial cultivation canopy of up to 21,862 square feet, in two phases, on a 2.67-acre industrially zoned property. The Phase I use expansion will occur within the existing 12,353-square-foot warehouse and would include 9,862 square feet of two-tiered, stacked, cultivation canopy as well as nursery/manufacturing/ancillary operations (i.e., drying and trimming and office space). Phase II includes the construction of a 9,600-square-foot building to be located north of the existing building which would house an additional 12,000 square feet of indoor cannabis cultivation (stacked in two-tiers), along with an additional 3,600 square feet of support space for storage, and research and development. The applicant is also requesting a Distributor Permit under State License 11 to continue operating under an existing distribution/sales model and an Operations Permit for an indoor wholesale Nursery under State License Type 4 and Level 1 Non-solvent Manufacturing under the State License Type 6.

Phase I use expansion will occur within the existing warehouse occupied by the applicant/operators and will include nursery/manufacturing/ancillary operations (i.e., drying

and trimming and office space) in an existing industrial building on a 2.67-acre industrially zoned (M2) property (see Exhibit G – Site Plan). The applicant is currently operating and has met the requirements of the penalty relief program.

Phase I within the existing building will house five separate cultivation rooms, for a total of 4,931 square feet of floor area. Each area will utilize a tiered stacking system for a total canopy area of 9,862 square feet. Within the building there would also be a total area of 945 square feet dedicated nursery/vegetation and 407 square feet for drying of cannabis. The operational distribution area would be 433 square feet and there would be an additional 320 square feet for packaging. The building would also house 489 square feet for office space and 446 square feet for employee workrooms, lockers, and an ADA-compliant restroom. (see Exhibit G –Floor Plan).

Proposed interior tenant improvements would include construction of internal walls, installation of tiered racking systems, irrigation, odor-controlling ventilation and filtration systems, and an upgraded building security system.

Phase II would include the future construction of a 9,600-square-foot building to be located to the north of the existing building subject to base zone development criteria.

External improvements would include new parking striping for the entire parking lot and a new ADA-accessible van space, a new sewer line that is currently under construction, a new ADA path that traverses much of the northern perimeter and eastern perimeter of the existing building. (see Exhibit G – Site Plan).

The building is currently serviced by a potable water hauler and produced wastewater is contained and held until removal weekly as detailed in Exhibit H, Waste Management Plan. New sewer and water easements were granted on December 22, 2016 and lines are proposed for installation, after which the operators will transition to municipal services from the Town of Windsor Water Agency and the Airport/Larkfield/Wikiup Sanitation Zone with all applicable permits and comply with applicable regulations.

Indoor cultivation operations are proposed to occur 24 hours per day, 7 days a week, as needed. Hours of operation for deliveries, vendors and consultants would be 8:00 am to 5:00 pm Monday through Friday. The project will maintain no retail aspects. At full buildout, the business will employ a total of nine full-time employees, and four seasonal/part-time employees during peak harvest and processing operations.

Site Characteristics: The parcel is located in the Airport Industrial Specific Plan Area of Santa Rosa, about 1.25 miles east of the Sonoma County Airport (see Exhibit D– Vicinity Map). The subject site is currently developed with an existing warehouse, office building and several small

storage facilities and asphalt paved parking areas. There is minimal landscaping with Oak trees scattered onsite and sparse ruderal vegetative cover.

Currently, the site operates under the Penalty Relief Program in a 3,866-square-oot leased area within an existing 12,353-square-foot industrial/warehousing building. The existing building is shared with a metal fabrication business. The two businesses do not share any interior access and have complete physical separation. The space occupied by the metal fabrication business would be vacated upon the issuance of the subject use permit and reoccupied by the applicant/operators under Phase 1 of the project.

Surrounding Land Use and Zoning: Land uses immediately surrounding the subject site are also zoned Heavy Industrial (M2) or Industrial Park (MP). Industrial uses surround the site, such as Santa Rosa Stainless Steel to the north and Golden State Lumber to the south. Mark West Creek is located approximately a quarter of a mile south of the subject site. The closest residential units are located half a mile east of the subject site at Stonegate Mobile Home Park. The nearest sensitive use (i.e. schools, public parks, and treatment centers), is Sonoma County Day School, which is located half a mile to the north of the project site. Lots between the project site and the school are heavily developed with a mixture of industrial and commercial uses.

DISCUSSION OF ISSUES

<u>Issue #1:</u> General Plan Consistency

The site's General Plan designation is General Industrial. All industrial uses involving the production or assembly of products are allowed under this land use designation. Typical uses include manufacturing goods, warehousing, research facilities, machine shops, contractor's storage, processing plants, and offices incidental to the primary use. The General Plan includes a number of policies intended to facilitate jobs and services for county residents and businesses, and contains the following "Purpose and Definition" statement for General Industrial Areas:

Purpose and Definition. This category provides sites for industrial activities and employment that require urban services and that primarily serve an urban population. The intent of the category is to assure that industrial development is compatible with adjacent land uses, infrastructure and environmental quality. This category also may provide locations for workforce housing for persons employed in adjoining businesses.

The primary use of the proposed project is production of commercial cannabis. Cannabis cultivation, processing, and distribution operations are similar to other warehousing and processing operations in the area. The Board of Supervisors determined in their 2016 decision approving 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 these stated purposes and definitions.

Permitted Development Intensities and Criteria: The General Plan outlines a number of specific development criteria for General Industrial land uses that must be met, including:

Public sewer and water services shall be available. The warehouse is currently serviced by a potable water hauler and produced wastewater is contained, held and removed weekly. On December 22, 2016, new sewer and water easements were granted to the property to facilitate connection to public water and sanitary sewer services. A Will Serve Letter from the Windsor Water District, dated 06/19/2018, was provided with the application stating the site will have access to the Town of Windsor water system. The project is located within the Airport Urban Service Area Boundary serviced by the County Water Agency Airport/ Larkfield/Wikiup Sanitation Zone. As shown on Exhibit X Site Plan, a new sewer line is under construction to connect to public lines. Therefore, urban services will be provided for the operations of the proposal, which complies with the General Plan.

<u>Maximum lot coverage shall not exceed 50 percent of the site</u>. The existing building is 12,353 square feet and the future building (Phase II) is 9,600 square feet, which together would equal to approximately 19% lot coverage for the 2.67-acre parcel.

<u>Maximum building height shall not exceed 65 feet</u>. The existing warehouse is approximately 20 feet tall which complies with the General Plan maximum height limitation of 65 feet. The proposed height of newly constructed building will be approximately 30 feet high and will also meet the height limit.

<u>Development shall be compatible with the environment, urban services, and adjacent land uses</u>. The entire area surrounding the site is heavy industrial. The nearest sensitive use is Stonegate Mobile Home Park, located approximately a half mile east of the site. There are no other sensitive uses (e.g., public parks, treatment facilities) within two miles of the site. The design, location, and size of the existing warehouse and operating characteristics of the use are considered compatible with the existing and future industrial land uses within the vicinity. The use would not be detrimental to the health, safety, peace, comfort, and general welfare of persons residing or working in the neighborhood of the use, nor will the project be detrimental or injurious to property and improvements in the neighborhood or the general welfare of the area. The project complies with General Plan compatibility requirements.

Planning Area Policy: The General Plan also identifies land use policies for specific planning areas. The Santa Rosa planning area includes Policy LU-16a:

Require full urban improvement standards and services for discretionary commercial, industrial and urban residential projects within the Urban Service Boundary.

In addition to transitioning to public water and sewer services, restriped accessible and standard vehicle parking will be provided for the subject site. The site is not in an area where

pedestrian or bike lane improvements are desirable, and on-street parking is prohibited in Heavy Industrial areas by the Airport Industrial Area Specific Plan. Therefore, these improvements are not proposed by the project, but their absence does not conflict with the General Plan.

Issue #2: Airport Industrial Area Specific Plan Consistency

The site's Airport Industrial Area Specific Plan land use designation is Heavy Industrial. This land use designation is "intended to accommodate and encourage near-term industrial development in the county by providing land area exclusively for such activities in areas which are visually contained and where land use and environmental impacts can be minimized."

The project site is located adjacent to other heavy industrial uses in an area that is visually separated from primary circulation routes on Airport Boulevard, Brickway Boulevard, and Regional Parkway. The project site is only visible to adjacent industrial uses, which minimizes visual impacts. The operation is proposed in an existing warehouse, and all improvements, including fencing and parking, will be contained within developed areas to minimize environmental impacts. The project was determined to meet exemption criteria under the California Environmental Quality Act. The project does not conflict with area plan land use goals.

Site Development Standards: The Airport Industrial Area Specific Plan contains additional site development standards, which may be more restrictive than those of the General Plan. Applicable standards include:

<u>Required front yard setback is 20 feet</u>. The subject site is located north of Copperhill Parkway, which provides access to the site via a northerly driveway extension. The existing building is set back approximately 61 feet from the front (southern) property line.

<u>Maximum height of structures is 50 feet</u>. The existing warehouse is approximately 20 feet tall which complies with the General Plan maximum height limitation of 65 feet. The proposed height of newly constructed building will be approximately 30 feet high.

On street parking shall not be permitted on any public streets within a heavy industrial area. No on-street parking is proposed. Parking is located in the interior of the parcel, with 11 standard-size parking spaces and three accessible spaces located west of the existing warehouse, five standard-sized spaces are located south of the existing warehouse, and two standard-sized spaces are located on either side of the existing warehouse.

A 20-foot setback from the adjoining street curb line shall be reserved for landscaping, and a minimum of 10 percent of each lot shall be landscaped. The subject site is currently developed

with an existing warehouse, office building and several small storage facilities, along with an asphalt paved parking area, at the end of a driveway extending off of Copperhill Parkway. Due to its position just beyond the end of a cul-de-sac, there is no adjoining street curb line adjacent to the property and therefore the 20-foot setback requirement is not applicable to the property. Oak trees are scattered on-site along with sparse ruderal vegetative cover. There is no additional landscaping proposed.

Issue #3: Zoning Consistency

A. Article 48. M2 Heavy Industrial District

Section 26-48-020(z) of Article 48 allows commercial cannabis operations that are in compliance with Sections 26-88-250 through 26-88-256. As such, the applicant is requesting a limited five-year term minor use permit for an indoor cannabis cultivation and processing facility. The site's base zoning designation is Heavy Industrial (M2), 40,000 Square Foot Average. Per the development standards for the M2 zone, all structures shall comply with the following:

- 1) Building Intensity: Maximum building height limit multiplied by the maximum lot coverage.
- 2) Height Limit: Sixty-five feet (65')
- 3) Minimum Lot Size. 20,000 square feet
- 4) Maximum Lot Coverage. Fifty percent (50%)
- 5) Minimum Lot Width: Not less than eighty feet (80')
- Yard Requirements: None, except where the lot lines abut a lot in an R district.
- 7) Parking Spaces. Parking shall be provided in accordance with the standards established in Sonoma County Code Article 86.

The project conforms to the building intensity and development criteria for the property as follows:

- 1) Building Intensity: The proposed buildings would total approximately 21,963 square feet in area, well below the 37,999 square feet allowed by the Building Intensity limit of 32.5% (65 feet maximum height times 50% maximum lot coverage).
- 2) Height Limit: The existing building is approximately 20 feet in height, below the 65-foot limit.
- 3) Minimum Lot Size. The subject site is 2.67-acres, exceeding the minimum lot size.
- 4) Maximum Lot Coverage. The project proposes to expand operations in the existing 12,353 square feet warehouse and to add a future building of 9,600 square feet, for a total of 21,953 square feet. This represents a lot coverage of approximately 19% on the 2.67-acre lot, within the 50% maximum allowed coverage.
- 5) Minimum Lot Width. The subject site has a lot width of 262 square feet, about the minimum of 80 feet.

- 6) Yard Requirements. The property is not located on a block that contains residential zoning so there is no minimum setback from front side or rear property lines. The existing building maintains the following setbacks
 - a. North (rear) property line:17 feet
 - b. South (front) property line 61 feet
 - c. East (side) property line: 99 feet
 - d. West (side) property line: 47 feet
- 7) Parking Spaces. The project provides 18 standard-sized parking spaces. Delivery and pick-up activities for the proposed project would occur approximately four times a month and would utilize a 10-foot by 20-foot pull-in vehicle space located at the northern portion of the building, behind a secured gate. The proposed parking complies with the County parking standards and would be adequate for the demand generated by the nine full-time employees and four seasonal/part-time employees at the project site, as well as periodic delivery functions.

The proposed project is consistent with the building intensity and development criteria established by the Sonoma County Code Title 26 for a cannabis cultivation and manufacturing operation subject to Use Permit approval in the M2 Zoning District.

B. Article 88, Section 26-88-250 Commercial Cannabis Uses

Sections 26-88-250(a) and 26-88-250(f) of Article 88 define standards intended to protect the character of the community by ensuring uses are compatible with the neighborhood and do not "create a public nuisance or adversely affect the health or safety of the nearby residents or businesses by creating dust, light, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, unsafe conditions or other impacts, or be hazardous due to the use or storage of materials, processes, products, runoff or wastes."

<u>Neighborhood Compatibility:</u> Commercial cannabis cultivation, including wholesale nurseries, processing, and distribution/transportation support operations are allowed uses in Heavy Industrial zoning, per Section 26-48-020(z). As noted above, Commercial Cannabis Uses Section 26-88-250(a) also requires that such operations be compatible with the character of the neighborhood.

Indoor cannabis cultivation, processing, and distribution operations are similar to other warehousing and processing operations in the area and have similar employment density and hours of operation. The entire surrounding area is zoned for heavy industrial and uses consists of warehouses, and other industrial uses. The nearest sensitive uses are the Sonoma Country Day School, located approximately 3,000 feet to the east of the subject site. There are no other sensitive uses (e.g., schools, public parks, treatment facilities) within two miles of the project site.

Traffic and Access

The subject site is located at the northern terminus of Copperhill Parkway, which serves as the access point to and from the site. There is no through traffic north of the site. Copperhill Parkway intersects with Brickway Boulevard to the south and west of the site. The applicant has submitted trip generation information to account for employee traffic, deliveries, and pick-up at that site. The number of trips generated by the proposed operation were found to be consistent with standard trip volumes generated by other industrial uses. The project would not generate enough traffic volume to require further study and would not alter the level of service in the project area or require any modification or additions to existing infrastructure.

The project would employ five full-time and two part-time employees and would provide 18 standard sized on-site parking spaces to accommodate employees and seasonal workers. Due to the scope of the operation, the project is not anticipated to be detrimental to public roads or traffic.

Air Quality and Odors

As part of the application, the applicant prepared an odor control plan that includes the following components:

- Layers of activated carbon filtration that work to absorb pollutant molecules in the pore structure of the carbon
- In-line and circulating fans with activated carbon filters that work to continually recirculate and remove the ambient smell generated from plants
- Single point of exhaust air with an activated carbon filter attached to it. These will be exhausted periodically throughout the day.
- Negative pressure air will constantly be pulled out of the building through activated carbon filters. The negative pressure within the building would help prevent unfiltered air within the facility from escaping.

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

Security

In adopting the Cannabis Land Use Ordinance, the Board of Supervisors found that security issues could be addressed through compliance with security and fencing requirements. The proposed operation shall maintain all aspects of the approved site security plan (to be held confidentially at Permit Sonoma). This shall, at a minimum, include professionally-monitored video surveillance, of which recordings will be kept for at least 30 days, locking doors and gates, 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 need for daily operations.

Security measures have been adequately outlined through the submittal of the Site Security Plan which complies with the above requirements from the Cannabis Ordinance. The site is fenced at the perimeter with a standard 8-foot chain link fence and access points are secured by manually opening and securing a heavy-duty approved padlock and chain closure. Exterior lighting will be strategically placed and 23 motion-sensor surveillance cameras around and within the building will provide an additional layer of security. The plan also outlines the procedure for checking out and returning keys. There will be no external evidence of cannabis operations. All loading of cannabis products into transportation vehicles would occur behind locked gates at the entrance of the facility.

As discussed above, because cultivation is fully contained, odor is not anticipated to be an issue. The applicant will also implement a carbon filtration system and re-circulating "scrubbers" or fans with carbon filters to ensure air quality and purify the air of any odors. The lack of odors will decrease the chances of the site being detected as a cannabis cultivation site and therefore also enhance security.

C. Article 88, Section 26-88-254 – Commercial Cultivation.

<u>Impact Minimization</u>: The Sonoma County Zoning Code sets forth a number of development criteria and operating standards within Sections 26-88-250 through 26-88-254 of Article 88, including the following standards for indoor cultivation, processing and distribution:

- a. Medium indoor cannabis cultivation cannot exceed 22,000 square feet of cultivation area.
- b. There is no minimum parcel size for indoor cultivation operations on parcels zoned for industrial use.
- c. All structures used for indoor cultivation shall comply with the setbacks for the base zone and any applicable combining zone.
- d. All cannabis operations shall comply with the Comprehensive Airport Land Use Plan.
- e. Structures associated with cultivation shall not be located in the front yard setback area and shall be screened from public view.
- f. There shall be no exterior evidence of cultivation either within or outside the structure.
- g. Indoor light operations require lighting to be contained within the building and all exterior lighting is to be shielded, downward casting and not spill over onto adjacent properties or the night sky.

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 as follows:

- 1) The project is consistent with the operating requirements of the Sonoma County Code because:
 - a) Wastewater will be discharged to the County Water Agency Airport/ Larkfield/Wikiup Sanitation Zone.
 - b) Electric services will be provided/offset by Sonoma Clean Power which involves 100% renewable sources, in compliance with Sonoma County Code Section 26-88-254(g)(3).
 - c) Fire suppression would be provided from an on-site storage tank (2,500 gallon) and fire hydrant adjacent to the site and a second hydrant that is approximately 500 feet south on Copperhill Parkway. Additionally, access to the subject site has adequate width (20 feet wide) and turnarounds (a minimum turning radius of 40 feet) for a standard fire truck.
 - d) Solid waste management was addressed in a Waste Management Plan. The applicant proposes three distinct areas for waste in the proposed work room: an area for storage of cannabis scheduled for destruction, an area for noncompostable refuse, and a green waste composting area. Other elements of the Waste Management Plan include:
 - i. A 64-gallon locking cart for cannabis compost picked up every other week
 - ii. A 64-gallon cart for all other compostable materials, picked up weekly
 - iii. A 96-gallon cart, picked up weekly for recyclables
 - iv. 64-gallon cart, for remaining waste, picked up weekly for the landfill.
 - v.Hazardous materials are and will continue to be collected, handled, stored, and disposed of in compliance with governing State and County regulations. The applicant has an Operator's License from the California Department of Pesticide Regulation (Operator's ID# 49-18-494894).
 - vi. Hours of Operation: The applicant proposes hours of operation to occur 24 hours per day, seven days a week, as needed. Hours of operation for deliveries, vendors, and consultants will be limited to 8:00 am to 5:00 pm, Monday through Friday.
- 2) The 2.67-acre lot size complies with the minimum parcel size located in an industrial zone.
- 3) As discussed under issue #3, the existing structure complies with the setback requirements for the Heavy Industrial District (M2).
- 4) Airport Compatibility: The Zoning Code requires compliance with the Sonoma County Comprehensive Airport Land Use Plan (Sec. 26-88-254(f)(9)), 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. With a maximum of only 13 employees, the operation will have a calculated average of under five persons per acre, and a maximum of 220 persons in a single acre, based on the California Building Code maximum occupant load factor for a 22,000 square-foot industrial building. Both the actual and

- the calculated maximum persons per acre comply with Airport Safety Zone requirements.
- 5) Square Footage Limitations: Table 1C, Allowable Cannabis Uses and Permit Requirements, allows a maximum indoor cultivation area of 22,000 square feet in Heavy Industrial zoning districts (Section 26-88-254(f)(3)). The proposed project would include a total indoor canopy area of 21,862 square feet utilizing tiered racking systems within an existing 12,353 square-foot industrial building and a 9,600-square-foot building proposed for construction in Phase II. The total indoor canopy area would be less than the maximum allowable and would therefore comply with the Zoning Code. Table 1C does not limit the size of distribution/transportation operations.
- 6) Propagation and Vegetative Production Area: Propagation and vegetative production areas up to 25% of the permitted cultivation area are allowed with a use permit, provided the plant material is kept in a separate, unique area away from the flowering plants, per Section 26-88-254(f)(4). The project proposal includes 945 square feet of vegetative production area, which is considerably less than the maximum allowable area of 3,088 square feet (25% of the 12,353 square feet of cultivation area), and therefore would meet ordinance requirements.
- 7) The existing structure is not located within the front-yard setback area required for the M2 Zoning District, and existing buildings screen the warehouse from public view. Proposed cultivation is located entirely within the existing structure which is surrounded by similar uses in the same zoning designation. The building design and placement ensure that there would be no external evidence of cultivation.

Issue #4: Environmental Determination

Staff has determined that the project is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to Section 15303(c) (New Construction or Conversion of Small Structures) as it would involve an increase in operations within the confines of an existing facility and only minor construction, including interior tenant improvements and a future building of approximately 9,600 square feet , which is less than the 10,000 square feet threshold for new construction allowable where public services are available and the surrounding area is not environmentally sensitive.

STAFF RECOMMENDATION

Staff recommends approval of the Use Permit subject to Conditions of Approval for a five-year Limited-Term Medium Cannabis Cultivation under State License Type 3A – Medium Indoor; Distributor Permit under State License 11 to continue operating under an existing

distribution/sales model; and Operations Permit for an indoor wholesale Nursery under State License Type 4 and Level 1 Non-solvent Manufacturing under the State License Type 6.

FINDINGS FOR RECOMMENDED ACTION

- 2. General Plan Consistency: The proposal is consistent with the overall goals, objectives, policies, and programs of the General Industrial General Plan designation because:
 - a. Commercial cannabis cultivation and manufacturing is compatible with the surrounding environment, urban services and adjacent land uses;
 - b. The project is consistent with the development intensity criteria of the Heavy Industrial (M2) designation; and
 - c. The project is located on property that is within an urban service area, has adequate public services planned, has convenient access to collector roads, is located near population concentrations, is not subject to flooding or geologic hazards, has been identified to serve projected employment needs, and that complies with the land use policies of the General Industrial Land Use Designation.
- 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 will encourage and provide near-term industrial development in an area that is compatible with surrounding land uses and where environmental impacts can be minimized. The proposed project does not conflict with the area plan land use goals.
- 4. Zoning Consistency: The proposal is consistent with the Heavy Industrial District (M2) Zoning Classification, because:
 - a. The proposed cannabis cultivation and manufacturing uses are allowable uses in the Heavy Industrial Zoning District, pursuant to the Sonoma County Code Sections 26-48-020 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.
 - d. The establishment, maintenance or operation of the use for which 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 residing or 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.

- e. The design, location, size, and operating characteristics of the use are compatible with the existing and future land uses within the M2 Zoning District and on adjoining property 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 area;
 - ii. Hours of operation for processing, delivery and shipping activities shall be limited to 8:00 AM to 5:00 PM Monday through Friday;
 - iii. There are no sensitive uses within proximity to the subject site
 - 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 and cleaning products) will be stored on site and disposed of in compliance with Fire Code requirements;
 - vii. All equipment shall comply with General Plan Noise Standards;
 - viii. All energy will be renewably sourced or offset from Sonoma Clean Power; 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; and
- 5. Environmental Finding for Exemption: The physical impacts associated with permitting the proposed cannabis operation within an existing facility would result in no, or negligible, expansion of the existing facility or intensity of the use and result in minor land alterations which are exempt from further environmental review pursuant to CEQA Guideline Section 15303(c) categorically exempts new construction of the 9,600-square-foot future building, which is less than the 10,000 square feet threshold for new construction where there are public services available and the surrounding area is not environmentally sensitive.

LIST OF ATTACHMENTS

EXHIBIT A: Draft Conditions of Approval

EXHIBIT B: Use Permit Application

EXHIBIT C: Project Proposal Statement and Operational Plan

EXHIBIT D: Vicinity Map

EXHIBIT E: General Plan Map

EXHIBIT F: Zoning Map

EXHIBIT G: Site and Floor Plan

EXHIBIT H: Waste Management Plan

EXHIBIT I: Draft Resolution