

# Sonoma County Board of Zoning Adjustments STAFF REPORT

FILE: Loe Firehouse Cannabis Dispensary; UPC17-0094

**DATE:** April 8, 2021

TIME: At or after 1:10 pm

STAFF: Crystal Acker, Project Planner

# **SUMMARY**

**Property Owner:** Goodharold, LLC

**Applicant:** John Lobro for Loe Firehouse, Inc. (formerly Apothevert)

**Address:** 15499 Arnold Drive, Glen Ellen

Supervisorial District(s): District 1
APN: 054-130-024

**Description:** Request for cannabis dispensary including 1,891 square feet of on-site retail

floor area and delivery service. No building expansion or substantial physical changes to the building exterior are proposed. Storefront dispensary services would be available during regular hours of operation 7:00 am to 7:00 pm Monday through Saturday; closed Sunday. Delivery service trips would occur twice each day during off-peak operating hours (one in am and one in pm).

**CEQA Review:** Proposed Negative Declaration

General Plan Land Use: Limited Commercial (LC)

Specific/Area Plan Land Use: None

Ordinance Reference: 26-36-020(00) – Uses permitted with a use permit

26-36-030 - Permitted building intensity and development criteria

26-64-030 – Scenic corridors 26-86-010 – Required parking

26-88-250 – Commercial cannabis uses 26-88-256 – Cannabis dispensary uses

**Zoning:** Limited Commercial, Scenic Resources – Arnold Drive Scenic Corridor, Valley

Oak Habitat

(LC, SR VOH)



Staff Report – File No. UPC17-0094 April 8, 2021 Page 2 of 13

# **RECOMMENDATION**

The Permit Resource and Management Department (Permit Sonoma) recommends that the Board of Zoning Adjustments approve the Use Permit, with conditions.

# **EXECUTIVE SUMMARY**

The applicant requests approval to open a new cannabis dispensary in an existing commercial building in a small pocket of commercial uses surrounded by residential areas. It would be the first dispensary in the Sonoma Valley to serve the local area.

Public comments have expressed concern primarily related to additional traffic on Arnold Drive. A Traffic Impact Study was prepared, which estimated that the project would generate approximately 301 daily trips, which translates to an average of 25 trips per hour. The greatest trip generation is anticipated during the weekend PM peak hour at 70 trips. Week day PM peak hour trips are estimated at 42. The trip generation rate for the week day AM peak hour is about half that for the PM peak hour, resulting in 21 AM peak hour trips. There is no AM weekend peak hour. Net trip generation (when trips for the existing office and residential uses are subtracted) is 263 daily trips, including 68 trips during the weekend PM peak hour and 36 trips during the week day PM peak hour. The study concluded that the Arnold Drive/Madrone Road intersection would continue to operate acceptably with the addition of project traffic and that no significant traffic impacts would be expected.

Additional comments have been received related to loss of on-street parking, and general public safety concerns. The project proposes 17 parking spaces, which meets code. Conditions of Approval 20 and 49 have been imposed to prohibit on-street parking. The applicant has submitted a Security Plan, which is required to be implemented under Condition of Approval 17.

Staff is recommending approval of the Use Permit because:

- The proposed project is consistent with General Plan policies for providing local-serving commercial retail to an area that currently does not have local access to these products, redevelopment of an existing commercial structure, and considering cumulative weekend traffic impacts and intersection improvements during review of discretionary projects;
- The proposed project is consistent with the Limited Commercial Zoning District which allows cannabis dispensaries with a Use Permit, and also complies with all applicable development criteria for commercial development, including yard setbacks, building height, lot coverage, and parking;
- The project has 17 on-site parking spaces which meets code and is adequate to support the proposed use;
- The proposed dispensary would result in 263 new daily trips, including 36 week day PM peak hour trips and 68 weekend afternoon peak hour trips, neither of which would result in a significant traffic impact to the area:
- The proposed dispensary has been determined to comport with previous decisions to qualify for a 100foot residential zoning district setback waiver due to the physical separation provided by public
  roadways and intervening parcels, screening provided by existing fencing and vegetation, and
  orientation of the dispensary frontage towards Arnold Drive away from residential areas; and





Staff Report – File No. UPC17-0094 April 8, 2021 Page 3 of 13

No physical expansion or exterior modification of the existing commercial building which could alter the
existing visual character of the neighborhood is proposed.

# **PROJECT SITE AND CONTEXT**

#### Area Context and Surrounding Land Uses

Direction	Land Uses	
North	Art gallery and non-conforming residence in Limited Commercial (LC) zoning; Residential development in High Density Residential (R3) apartments and Low Density Residential (R1) single family dwellings	
South	Madrone Road; Single-family residential development in Low Density Residential (R1) and Rural Residential (RR) zoning	
East	Rancho Market & Deli in Limited Commercial (LC) zoning; Residential development in High Density (R3) apartments	
West	Arnold Drive; Single-family residential development in Rural Residential (RR) zoning; vineyards, open space, oak woodlands	

See also Figure 1. Vicinity Map, Figure 2. Aerial Map, Figure 3. Land Use Map, and Figure 4. Zoning Map.

#### Access

Primary site access and all retail customer access is from Arnold Drive on the west side of the property. A secondary access for employees and deliveries is present on Madrone Road on the south side the property (Figure 5. Site Plan). No changes to current site access are proposed.

## Water/Wastewater/Utilities

Potable water is provided to the existing commercial building by the Valley of the Moon Water District. The Water District has indicated they have capacity to continue to serve the parcel.

Sewer service is provided by the Sonoma County Water Agency – Sonoma Valley County Sanitation District.

The building is already serviced for electrical power and telecommunications through various providers.

# **PROJECT DESCRIPTION**

# **Existing Facility**

The project site is located at 15499 Arnold Drive, in an unincorporated, residential area of Sonoma County, approximately 1.75 miles south of the community of Glen Ellen and about 3 miles northwest of the City of Sonoma (Figure 1. Vicinity Map). The 0.33-acre site is located in a small cluster of three commercially zoned parcels, and is developed with an existing commercial building. The building was originally constructed as a fire station with a second-floor residence in 1985 (B-060920). The first floor was converted to office space in 2004 (BLD04-7020). The residence has been maintained, although not always used as one. The entire parcel is developed, including paved parking areas, a trash enclosure, and landscaping.





# **Proposed Dispensary**

Loe Firehouse, Inc. proposes a commercial cannabis dispensary operation in an existing 3,847-square-foot building. The operation will include 1,891 square feet of on-site retail floor area and delivery service. Storefront dispensary services will be available during regular hours of operation 7:00 am to 7:00 pm Monday through Saturday; closed Sunday. The operator anticipates an average of 150 patrons per day will visit the dispensary. Delivery service trips would occur twice each day during off-peak operating hours (one in am and one in pm). The operation will have a maximum of five employees on-site per shift, including delivery drivers. Parking for the operation will be provided on-site in two separate lots- a customer lot accessed from Arnold Drive with 12 parking spaces, including one van accessible space, and an employee lot accessed from Madrone Road with 5 spaces, including one van accessible space. See Figure 5. Site Plan for details.

Construction activities for the project will be minimal, consisting of internal tenant improvements to reconfigure the first floor for retail and security operations, and convert the second-floor residence to employee support space (office(s), break room, bathroom) and product storage space, as needed (Figure 6. Floor Plans). No substantial changes will be made to the external building, besides minor signage, lighting, and accessibility improvements that may be required. Parking lots may be re-configured and re-striped, as needed. Existing landscaping will be maintained. No new landscaping is proposed.

The dispensary will implement a site security plan (held confidentially at Permit Sonoma). Security measures include professionally monitored video surveillance from both indoor and outdoor cameras, controlled access to the retail floor, locking doors and windows, security lighting, alarms, and locked product storage areas. Commercial deliveries of cannabis products and dispensary delivery service will use a separate access at the rear of the building, away from the public entrance. Cash will be limited at the location to the minimum needed for the daily operations, and will be kept in a secure location (e.g., locked drawer, safe, or similar storage cabinet with a locking mechanism). Delivery orders will be completed prior to delivery, so that delivery drivers will not carry cash or process transactions at the point of delivery.

#### **Project History**

The table below summarizes key project milestones and events.

Date	Project Event/Milestone
12/5/2017	Application Submission
12/12/2017	Early Neighborhood Notification
2/15/2018	Complete for Processing - Ready for Referral
3/9/2018	Referral to appropriate agencies
5/22/2018	Referral Closed - Additional Information Required
5/23/2018	Project heard at Sonoma Valley Citizens Advisory Commission
12/30/2019	First Project Revision
4/3/2020	Second Project Revision
11/17/2020	Third Project Revision
1/18/2021	Final Project Proposal
2/26/2021	Negative Declaration published
3/26/2021	Notice of Public Hearing





Staff Report – File No. UPC17-0094 April 8, 2021 Page 5 of 13

#### **Prior Review**

No prior actions have been undertaken for the Project.

#### General Plan and Area Plans

The project is not subject to an area or specific plan. The following General Plan policies are applicable to the project:

#### LAND USE ELEMENT

<u>Policy LU-20i</u>: Use the "Limited Commercial" and "Limited Commercial - Traffic Sensitive" categories for commercial lands in communities with urban services, including Boyes Hot Springs/El Verano/Agua Caliente, Glen Ellen and Kenwood. Require that new uses meet the following criteria:

- (1) The size, scale, and intensity of the use is consistent and compatible with the character of the local community,
- (2) Capacities of public services are adequate to accommodate the use and maintain an acceptable level of service,
- (3) Design and siting are compatible with the scenic qualities and local area development guidelines of the local area, and
- (4) Siting of structures is compatible with planned infrastructure improvements such as roadway widening and under grounding of public utilities.

<u>Policy LU-20i</u>: Encourage the development or redevelopment of existing commercial land as a greater priority than designation of additional lands for new commercial uses [...]

# OPEN SPACE AND RESOURCE CONSERVATION ELEMENT

<u>Policy OSRC-3c</u>: Establish a rural Scenic Corridor setback of 30 percent of the depth of the lot to a maximum of 200 feet from the centerline of the road unless a different setback is provided in the Land Use Policies for the Planning Areas. Prohibit development within the setback, with the following exceptions [...]

(3) Maintenance, restoration, reconstruction, or minor expansion of existing structures.

#### CIRCULATION AND TRANSIT ELEMENT

<u>Policy CT-7nn</u>: Require a traffic analysis and consider cumulative weekend traffic impacts in the review of discretionary projects throughout the Sonoma Valley Planning Area.

<u>Policy CT-7qq</u>: Consider intersection improvements such as signalization and left turn lanes at various intersections along Arnold Drive to reduce congestion, provided that the improvements are consistent with the designated road classifications.





# Zoning

The table below summarizes: 1) the development standards that apply to the site as outlined in the Sonoma County Zoning Ordinance, 2) the existing condition, 3) the proposed project condition, and 4) whether the project is consistent with the Zoning Ordinance.

Standard	Ordinance Requirement	Existing Condition	Proposed Project			
Land Use	Limited Commercial (LC)	Commercial mixed-use building (office/residential)	Dispensary allowed with Use Permit under Sec. 26- 36-020(00); Consistent			
Permitted building intensity and development criteria – Limited Commercial Sec. 26-36-030						
Lot Area	8,000 square foot minimum	14,445 sq ft	Consistent; No Change			
Front Setback – Arnold Dr	20 ft / 45 ft rd centerline	20 ft / 50 ft rd centerline	Consistent; No Change			
Front Setback – Madrone Rd	20 ft / 45 ft rd centerline	35 ft / 50 ft rd centerline	Consistent; No Change			
Side Setback	0 ft	0 ft (east) - 100 ft (north)	Consistent; No Change			
Rear Setback	0 ft	N/A – 2 fronts	Consistent; No Change			
Height	35 ft	30 ft	Consistent; No Change			
Lot Coverage %	50 %	27 %	Consistent; No Change			
Parking (Sec. 26-86-010(c))	17 spaces	14 spaces	17 proposed; Consistent			
Scenic Corridor Protection (Sec. 26-64-030(a)(3))	N/A for existing structures and parcels within Urban Service Areas	N/A	Consistent; No Change			
Valley Oak Protection (Sec. 26-67-030)	Compensation required for valley oak removal	No tree removal proposed	Consistent; No Change			
Dispensary Location	100 ft setback fr R District, unless exception applies		See Setback Discussion *			
Requirements (Sec. 26-88-256(f)	1,000 ft setback fr sensitive uses (e.g., park, school)	1,000 ft fr Moran-Goodman Park; ~ 2 miles fr nearest schools	Consistent			

#### **ANALYSIS**

# Consistency with General Plan

The project parcel has a Limited Commercial land use designation in the Sonoma County General Plan. This category is intended to accommodate retail sales and services for the daily self-sufficiency of local rural or urban neighborhoods or communities in keeping with their character. The proposed dispensary clearly supports the local-serving retail Land Use goals, and involves redevelopment of an existing commercial structure with full urban services in support of Policies LU-20i and LU-20j. A detailed discussion of the project's compatibility with the local community is provided below in the Neighborhood Compatibility section.

Specific policies requiring traffic analysis for discretionary approvals (Policy CT-7nn; Policy CT-7qq) have also been met. Results of the traffic study are discussed below under Environmental Analysis – Traffic.





Staff Report – File No. UPC17-0094 April 8, 2021 Page 7 of 13

# Consistency with Zoning Code

The project parcel has Limited Commercial zoning, which is intended to provide primarily local-serving retail sales and commercial services compatible with the communities in which they are located. Cannabis dispensaries are an allowed use in Limited Commercial with a Use Permit. As summarized in the above Zoning Table, all permitted building intensity and development criteria are met by the proposed project. Additional discussion is provided below for parking and dispensary location requirements. A detailed discussion of the project's compatibility with the local community is provided below in the Neighborhood Compatibility section.

# **Parking**

Section 26-88-010(c) sets parking requirements for dispensaries based on customer floor area and employee number:

2 spaces, including at least 1 van-accessible space; plus 1 additional space for every 200 square feet of gross floor area, plus 1 additional space for each employee on maximum shift; but in no case less than 5 off-street parking spaces

Unlike many other land uses, determination of parking needs for a dispensary requires two separate calculations- one for customers and one for employees. Customer spaces are calculated as a percentage of the dispensary gross floor area, which includes the retail floor area, security check-in, consultation rooms, public-use restrooms, and any other space open to customers or operated as part of the customer interaction. Employee support spaces, like offices, breakrooms, and bathrooms closed to the public, are not included in the dispensary floor area for the parking determination because the regulations contain a specific, separate employee requirement based on the actual number of employees present on-site per shift. One space is required per employee; employee support spaces do not generate additional employee parking need over the one space per employee.

The applicant has stated a maximum of 5 employees per shift will be needed to run the operation. Therefore, the proposed dispensary requires 17 spaces to meet code: 2 spaces (including 1 van-accessible space) + 10 spaces for 1,891 square feet of retail floor area for customers + 5 spaces for a maximum of 5 employees per shift. To ensure adequate parking is maintained for the operation, Condition of Approval 12 limits the dispensary floor to 1,891 square feet, while Condition of Approval 19 requires that 17 parking spaces be maintained, and limits parking of employee vehicles, including delivery vehicles, to a maximum of 5 to preserve all 12 customer parking spaces for customers.

The project has 17 on-site parking spaces: 12 in the lot off Arnold Drive for customers, including 1 van-accessible space, and 5 designated for employees and commercial deliveries at the rear of the building accessed off Madrone Road. The delivery employee would only be parking at the dispensary for short periods to load orders before heading out to make deliveries to customers. The delivery space would be shared with third party licensed cannabis transporters and commercial deliveries of non-cannabis products, which also would only be parking for short periods to unload retail products for sale through the secured back door of the building. Delivery service trips would occur twice each day during off-peak operating hours (one in am and one in pm), so that the delivery vehicle would be parked on-site for only a few short periods per day to pick up delivery orders.

Four bicycle parking spaces are also required by code Sec. 26-86-010(a), and by Condition of Approval 19.





Staff Report – File No. UPC17-0094 April 8, 2021 Page 8 of 13

# **Location Requirements**

Section 26-88-256(f) sets the following property setbacks for cannabis dispensaries:

- 1) A cannabis dispensary shall not be established on any parcel containing a dwelling unit used as a residence, nor within one hundred feet (100') of a residential zoning district.
- 2) A cannabis dispensary shall not be established within one thousand feet (1,000') of any other cannabis dispensary or a public park, nor within five hundred feet (500') from a smoke shop or similar facility.
- 3) A cannabis dispensary shall not be established within one thousand feet (1,000') from a school providing education to K-12 grades, childcare center, or drug or alcohol treatment facility.
- 4) Notwithstanding, the subsections (f)(1) and (2) may be waived by the review authority when the applicant can show that an actual physical separation exists between land uses or parcels such that no off-site impacts could occur.

# On-Site Residence (Sec. 26-88-256(f)(1))

The applicant proposes to convert the second-floor residential unit to employee support space (office(s), break room, bathroom) and product storage space, as needed. To ensure compliance, Condition of Approval 21 requires elimination or conversion of the unit prior to project operation.

#### Residential Zoning District Setback – 100 feet (Sec. 26-88-256(f)(1))

Precedent for approval of a waiver of location requirements under Sec. 26-88-256(f)(4) has been set by five of the six previous dispensary approvals (three approved by hearing at the Board of Zoning Adjustments, one at the Board of Supervisors, one by hearing waiver). All five were granted a waiver of the 100-foot property setback from residential zoning by demonstrating that no off-site impacts were likely to occur due to a combination of an actual physical separation between land uses or parcels, and proposed visual screening measures, such as fences and landscaping.

The proposed dispensary has been determined to comport with previous decisions and qualifies to request a setback waiver of the 100-foot residential zoning district setback based on the following facts (see also Figure 7. Residential Setback Waiver and Attachment 7. Dispensary Location Requirements Setback Waiver Exhibit):

- a. A physical separation exists on all four project parcel boundaries (the project parcel does not directly abut any residentially-zoned parcel):
  - <u>North Meets 100-foot setback:</u> An intervening commercial property containing Arlene's Art Gallery & Studio and a non-conforming residence provides approximately 116 feet of separation from the closest residential district to the north.
    - Approximately 126 feet from the project parcel boundary to the nearest residential unit in high density residential (R3) zoning.
    - Approximately 15 feet to nearest non-conforming residence in limited commercial (LC) zoning.

<u>West – 65 feet:</u> Arnold Drive provides approximately 65 feet of separation from the project parcel boundary to the closest residential district to the west.

Approximately 1,300 feet to the nearest single-family residence in rural residential (RR) zoning.





Staff Report – File No. UPC17-0094 April 8, 2021 Page 9 of 13

<u>South – 75 feet:</u> Madrone Road provides approximately 75 feet of separation from the project parcel boundary to the closest residential district to the south.

- Approximately 100 feet to the nearest single-family residence in low density residential (R1) zoning. The residence is directly across Madrone Road from the proposed dispensary and is oriented towards Glenwood Drive, not facing the dispensary. Visual screening for this residence is provided by existing vegetation and a solid wood side yard fence.
- The proposed dispensary is oriented with the rear of the building and the 5-space employee parking lot facing the residential area on Madrone Road. The front of the dispensary, where customer traffic will occur, is facing Arnold Drive, oriented away from the Madrone Road residential area.

<u>East – 58 feet:</u> An intervening commercial property containing Rancho Market & Deli provides approximately 58 feet of separation from the project parcel boundary to the closest residential district to the east.

- o Approximately 130 feet to the nearest residential unit in high density residential (R3) zoning.
- b. Public roadways within County-owned right-of-way have been used as support for determining a physical separation between parcels in four of the previous dispensary approvals. In one case (Sonoma Medicinal Herbs), there was no separation between abutting parcels, but a privately-owned driveway serving a mobile home park was considered a physical separation between land uses.
- c. The dispensary business frontage and customer access faces Arnold Drive, a major roadway. No public access would occur from the rear or south sides of the building, facing the Madrone Road residential area. Access to the rear of the building will be for employees and deliveries only, which is the same set of circumstances relied on to approve a residential setback waiver for Sonoma Medicinal Herbs, where a commercial loading dock and employee parking area were located at the rear of the building adjacent to residential uses. Continued prohibition of public access and customer parking at the rear of the building is required by Condition of Approval 19.
- d. The density of surrounding residential uses near the project site is variable, ranging from single-family dwellings in rural residential zoning (one primary dwelling unit per 10 acres) to multi-family apartments in high density residential zoning (20 primary dwelling units per acre). Setback waivers have been granted adjacent to high density residential development at one other approved dispensary:
  - Sonoma Medicinal Herbs is adjacent to High Density zoning (13 primary dwelling units per acre),
     composed of a mobile home park and vacant land slated for multi-unit affordable housing.

# Public Park Setback - 1,000 feet (Sec. 26-88-256(f)(2))

Based on data obtained from the the County Geographic Information System (GIS), the northeast corner of the project parcel is approximately 1,000 feet from Moran-Goodman park (Figure 8. Parks Setback). Note that the Cannabis Site Evaluation online tool has been revised to show a more conservative buffer by highlighting all parcels the 1,000-foot-buffer touches, which has caused some confusion with the public.





Staff Report – File No. UPC17-0094 April 8, 2021 Page 10 of 13

# **Environmental Analysis**

## Traffic & Circulation System

The operator anticipates an average of 150 patrons per day will visit the dispensary. Delivery service trips would occur twice each day during off-peak operating hours (one in am and one in pm). The operation will have a maximum of five employees on-site per shift, including delivery drivers.

A Traffic Impact Study was conducted for the project (W-Trans, 7/24/2018; Amended January 1/4/2021). Trip generation rates published by the Institute of Transportation Engineers (ITE) indicate the project would generate an average of 478 trips per day. However, the dispensary trip generation rate is a new ITE land use category based on limited data, and W-Trans estimated that the project would more accurately generate approximately 301 daily trips, which translates to an average of 25 trips per hour. The greatest trip generation is anticipated during the weekend PM peak hour at 70 trips. Week day PM peak hour trips are estimated at 42. The trip generation rate for the week day AM peak hour is about half that for the PM peak hour, resulting in 21 week day AM peak hour trips. There is no AM weekend peak hour. Net trip generation (when trips for the existing office and residential uses are subtracted) is 263 daily trips, including 68 trips during the weekend PM peak hour and 36 trips during the week day PM peak hour. The study concluded that the Arnold Drive/Madrone Road intersection would continue to operate acceptably with the addition of project traffic and that no significant traffic impacts would be expected.

As there are currently no dispensaries in Sonoma Valley or the City of Sonoma, customers from the lower Sonoma Valley, including the City of Sonoma, would need to drive a substantially shorter distance to reach a dispensary with the proposed project than is currently the case. The project would therefore be expected to lead to a reduction in regional Vehicle Miles Travelled.

The study also evaluated the need for intersection improvements at the Arnold Drive/Madrone Road intersection, longer left-turn lanes on Arnold Drive and/or Madrone Road, and dedicated left-turn lanes at project driveways, and determined that none are warranted.

The General Plan and Countywide Bicycle and Pedestrian Master Plan identify a proposed Class II bikeway (onstreet bike lanes for one-way travel on either side of a street) along Arnold Drive; Class II bike lanes are present along Madrone Road in the project area. The project includes installation of 4 bicycle parking spaces to encourage bicycle transportation. Currently, bicyclists ride in the travel lane on Arnold Drive, and could continue to do so post-project. The project does not propose new construction which could interfere with future road widening to accommodate bike lanes, and therefore, would not conflict with proposed bicycle facilities.

A Sonoma County Transit bus stop is present on Arnold Drive immediately north of the project customer driveway entrance, which is also used by school buses. The existing bus stop does not have a passenger shelter. As required by Condition of Approval 43, the project will construct a concrete pad adjacent to the existing sidewalk at the bus stop to allow installation of a future shelter. The project will not conflict with existing or proposed transit facilities.

Pedestrian sidewalks exist along the entire property road frontage. Sidewalks continue along Madrone Road through adjacent residential areas. Conditions of Approval 44 & 45 require correction of all identified accessibility deficiencies (such as sidewalk warps at driveways and pedestrian ramp replacement). The sidewalk on Arnold Drive ends at the bus stop at the northern property boundary. As required by Condition of Approval 48, the project will construct a sidewalk barricade at the northerly end of the sidewalk on Arnold Drive to improve pedestrian safety.





Staff Report – File No. UPC17-0094 April 8, 2021 Page 11 of 13

Project traffic is expected to have a less than significant impact on the traffic circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit.

#### Noise

Dispensaries, and retail in general, are typically not considered to be noise-generating uses because all storefront operations would occur inside the existing commercial building. Proposed hours of operation for the dispensary are 7:00 am to 7:00 pm, when ambient traffic noise from Arnold Drive would also be occurring. No nighttime operations would occur. It is, therefore, reasonable to assume that the facility would operate in compliance with General Plan noise standards. No operational noise impacts are anticipated.

# **CEQA Determination**

The proposed project has been analyzed under the California Environmental Quality Act (CEQA) and the CEQA Guidelines, California Code of Regulations. Staff has determined that the project is subject to CEQA. Based on application materials provided by the applicant and technical specialists, an Initial Study was completed.

As a result of the Initial Study, it was determined that the project would not result in any significant environmental impacts requiring mitigation; therefore, a Negative Declaration was prepared for the project.

# PUBLIC COMMENTS/NEIGHBORHOOD COMPATIBILITY

A neighborhood notification was distributed to residents within 300 feet of the subject property line on December 12, 2017. Public comments on the proposed project have been received, which were subsequently registered to the project file. Issues raised as areas of potential concern include: traffic impacts, loss of on-street parking, public safety, neighborhood compatibility, and general opposition to cannabis. Comments in support of the project noted that a dispensary in Sonoma Valley would serve a population who currently must travel to Santa Rosa or Petaluma, greatly improving convenience and quality of life for those who choose to purchase legal cannabis products or who need them to treat medical conditions. These comments were not in response to a formal public review period or County action.

Additional comments were received in response to the public notice for the project Negative Declaration public review period. Comments generally expressed the same concerns and support as listed above and discussed below.

One new item raised was the recommendation that dispensaries should only be allowed in industrial areas. However, because dispensaries are a retail use, they are only allowed in a specific group of commercially-zoned areas (C1 - Neighborhood Commercial, C2 - Retail Business and Services, and LC – Limited Commercial).

<u>Traffic.</u> Traffic study results were discussed in detail above. Net trip generation (when trips for the existing office and residential uses are subtracted) is 263 daily trips, including 68 trips during the weekend PM peak hour and 36 trips during the week day PM peak hour. The study concluded that the Arnold Drive/Madrone Road intersection would continue to operate acceptably with the addition of project traffic and that no significant cumulative traffic impacts would be expected.

Operation of the first dispensary in Sonoma Valley would be expected to lead to a reduction in regional Vehicle Miles Travelled for this local-serving use, which many commenters in support of the project noted.





Staff Report – File No. UPC17-0094 April 8, 2021 Page 12 of 13

<u>Parking.</u> As described above, parking for the project meets code and has been determined to be adequate to support the proposed use. To ensure adequate parking is maintained for the operation, Condition of Approval 12 limits the dispensary floor to 1,891 square feet, while Condition of Approval 19 requires that 17 parking spaces be maintained, and limits parking of employee vehicles, including delivery vehicles, to a maximum of 5 to preserve all 12 customer parking spaces for customers.

An additional condition has been imposed on the project to address neighbor concerns; Condition of Approval 20 prohibits parking on Arnold Drive and Madrone Road by employees and commercial deliveries/venders to preserve the on-street parking supply for residents.

<u>Fencing.</u> The original project proposal included solid wood fencing around the property perimeter and an electronic security gate at the Madrone Road employee parking lot. Commenters expressed concern that the fence would impede visibility for vehicles backing out of the adjacent market and deli, and that vehicles waiting for the electronic gate to open would cause traffic to back up on westbound Madrone Road. Both of these project components have been eliminated from the project.

<u>Security.</u> As described above, the dispensary will implement a security plan which includes measures intended to facilitate public safety of the surrounding neighborhood by limiting potential for opportunistic crime at the site (e.g., controlling site access, implementing alarms and cameras to discourage break-ins, limiting cash on hand to discourage theft). With implementation of the Security Plan, the project is not anticipated to attract opportunistic crime or result in any undue impacts to public safety.

Children. Commenters have expressed concern that children waiting at or walking to the school bus stop present near the northwest property boundary would be negatively impacted by the dispensary. The dispensary operation includes a reception area where potential customers must check in before being granted entrance into the dispensary. The check-in process includes age verification; no one under 21 years of age would be allowed inside the dispensary retail area. State law also prohibits minors from entering a dispensary. Zoning Code prohibits dispensaries from displaying signage or symbols which advertise the availability of cannabis (also prohibited by Condition of Approval 25). Code also prohibits cannabis consumption on the premises, which includes the actual building, as well as parking areas and other immediate surroundings (also prohibited by Condition of Approval 11e). Therefore, children would not have access to the dispensary, would not be exposed to cannabis advertising, and would not be exposed to cannabis consumption by others at the site. Note that Condition of Approval 43 requires construction of a concrete pad adjacent to the existing sidewalk at the bus stop to allow installation of a future passenger shelter, which would be an improvement over the current condition of the bus stop.

Neighborhood Compatibility. The proposed dispensary operation will be located in an existing building with minimal exterior changes; the visual character of the area will be virtually unchanged. The business frontage is oriented towards the interior of the parcel and the customer driveway is located on Arnold Drive, so that most of the operation's visible activity will occur unseen from the Madrone Road residential area. The operation will result in additional traffic on local roads; however, the increase in trips would not result in a significant impact to road or intersection function. The operation will offer delivery service to reduce customer trips to the storefront location, and is near a public transit stop to encourage alternate modes of travel. The project site has adequate on-site parking to support the operation; to further ensure no parking impact to the neighborhood, Condition of Approval 20 prohibits parking on Arnold Drive and Madrone Road by employees and commercial deliveries/venders to preserve the on-street parking supply for residents. Operating hours are typical for commercial retail: 7:00 am to 7:00 pm Monday through Saturday. The dispensary will be closed Sundays. The dispensary will implement a security plan which includes measures intended to facilitate public safety of the surrounding





Staff Report – File No. UPC17-0094 April 8, 2021 Page 13 of 13

neighborhood by limiting potential for opportunistic crime at the site. The dispensary is physically separated from nearby residential areas by intervening parcels and public roadways and screened from view by existing vegetation and fences.

For all of these reasons, the project was determined to be compatible with the surrounding neighborhood.

# SONOMA VALLEY CITIZENS ADVISORY COMMISSION

The project was presented to the Advisory Commission at their May 23, 2018 meeting. This meeting date was the first to include cannabis projects, and many questions from Commissioners and the public were related to understanding the cannabis ordinance and permit processing requirements. The traffic analysis had not yet been completed, so discussion related to traffic impacts was not fully informed. In addition to potential traffic impacts, the foremost topics of discussion included: residential separation, security, neighborhood compatibility, and medical vs. adult use (at that time the County ordinance only allowed medical use).

Ultimately, the project was not recommended for approval when it failed to pass by a 5 (No): 4 (Yes) vote. Meeting minutes are provided in Attachment 8.

# **RECOMMENDATIONS**

# Staff Recommendation

Staff recommends approval of the Use Permit subject to Conditions of Approval.

# **ATTACHMENTS**

- 1. Draft Resolution
- 2. Draft Conditions of Approval
- 3. Figures: 1. Vicinity Map; 2. Aerial Map; 3. Land Use Map; 4. Zoning Map; 5. Site Plan; 6. Floor Plans; 7. Residential Setbacks; 8. Parks Setback
- 4. Loe Firehouse Proposal Statement, 1/18/2021
- 5. Traffic Impact Study for the Apothevert Dispensary, W-Trans, 7/24/2018
- 6. Addendum to the Traffic Impact Study for the Apothevert Dispensary, W-Trans, 1/4/2021
- 7. Dispensary Location Requirements Setback Waiver Exhibit
- 8. Sonoma Valley Citizens Advisory Commission Meeting Minutes Item 6, 5/23/2018
- 9. Draft Negative Declaration, 2/26/2021
- 10. Public Comments received prior to 2/26/2021
- 11. Public Comments received after 2/26/2021 through 3/23/2021



