
Location: 1750 Iris Avenue, District 2; APN: 266-0241-004-0000

Recommendation: Conduct a Public Hearing and upon conclusion, adopt: 1) a Resolution adopting the Environmental Exemption (Per CEQA Guidelines Section 15301 – Existing Facilities); and 2) a Resolution adopting findings of fact and conditions approving the Dragon’s Lair Enterprises project for a Conditional Use Permit for cannabis production, a Conditional Use Permit for non-storefront, delivery only of cannabis all within an existing 29,924 square foot warehouse building, and Site Plan and Design Review for minor site improvements on approximately 1.37 acres in the Light Industrial (M-1) zone.

Contact: Garrett Norman, Associate Planner, (916) 808-7934; Teresa Haenggi, Senior Planner, (916) 808-7554, Community Development Department

Presenter: Garrett Norman, Associate Planner, Community Development Department

Attachments:
01-Description/Analysis
02-Background
03-Resolution Adopting Environmental Exemption
04-Resolution Approving Project Entitlements
05-Exhibit A – Site Plan
06-Exhibit B – Floor Plans
07-Neighborhood Context Map
08-Site Photos
09-Applicant’s Supplemental Project Narrative
10-Council Call Up Letter
11-Community Comments
Description/Analysis

Issue Detail: This project was approved by the City Planning and Design Commission on August 30, 2018. Councilmember Warren of District 2 called up the item for City Council review, authorized by Sacramento City Code Section 17.228.900.J/17.228.920.G. The reasons requesting the call up are based on security concerns with six individual suites/operators for delivery only dispensaries, the regulatory compliance challenges that may arise with the large number of independent operators, and not having District 2’s appointed Commissioner at the Planning and Design Commission hearing. A copy of the letter is included in Attachment 10.

Staff has reviewed these concerns and provide the following response:

- Each individual operator will be required to obtain their own Business Operating Permit (BOP) in which annual reporting and relicensing will be required.
- The applicant has agreed to all the conditions of approval, including several security conditions, such as a security alarm system for each business operator including 24-hour video assessment and surveillance system (VASS) recording, dispersing of loiterers, the daily removal of litter, and providing exterior lighting.
- The Planning and Design Commissioners exercised discretion no differently than any other cannabis project, in the absence of Commissioner Farrell.

The project description has not changed from the Planning and Design Commission approval: The applicant is requesting land use entitlements to establish cannabis manufacturing, cultivation, distribution, and non-storefront delivery-only within the existing 29,924 square foot warehouse building located at 1750 Iris Avenue. The non-storefront cannabis delivery use will be for adult-recreational and medical uses. This project required discretionary review by the Planning and Design Commission because the delivery-only cannabis use is located within 300-feet of a residential zoned parcel (SCC Section 17.228.920.D.4).

There is an existing auto repair business located in a single suite that is approximately 6,912 square feet in size. The remaining portions of the building will be occupied with the requested cannabis uses and will be partitioned into the following:

- Cultivation (1 suite): 5,600 square feet
- Manufacturing (1 suite): 1,200 square feet
- Packaging (1 suite): 400 square feet
- Distribution (1 suite): 4,000 square feet
- Delivery-Only (6 separate suites): 10,396 square feet

Public/Neighborhood Outreach and Comments: As part of the application review process, the proposal was routed to Walk Sacramento, Sacramento Area Bicycle Advocates,
Preservation Sacramento, the Hagginwood Community Association, the Ben Ali Community Association, and the North Sacramento Chamber of Commerce. In addition to the initial routing, staff also mailed an early notice to property owners within 300-feet of the subject site. The applicant also conducted outreach to the North Sacramento Chamber of Commerce and neighboring businesses and hosted a neighborhood BBQ event on Memorial Day. A detailed summary of outreach efforts, provided by the applicant, including images showing site cleanup, is included in Attachment 9.

Staff received opposition from the Ben Ali Community Association, a resident of the Ben Ali Community, and two property owners near the project site. The emails state that the cannabis use will exacerbate the cleanup efforts made in the neighborhood to become a more family friendly and safe environment. Staff also received a letter of support from the North Sacramento Chamber of Commerce citing the opportunity to receive investment in local neighborhood vitality through the Neighborhood Responsibility Plan and Community Relation Plan. Comment letters are provided in Attachment 11.

Staff finds the proposed use will not impact the surrounding community because it will not intensify the existing industrial operations in the building and within the vicinity. Currently there is a vehicle repair business operating within the building that sees several cars parked on site and associated noise with car repair. Additionally, the applicant will provide substantial measures to help improve the security in the area by providing new fencing, lighting, video surveillance, and security guards.

Policy Considerations: The General Plan designation for the subject site is Employment Center Low Rise. Policies within this designation promote the city’s position as a major regional and interstate employment center through continuation of existing operations, promotion of new industries, and improvements in job accessibility. Furthermore, these areas provide for the continued growth of the city’s existing employment centers and encourage the reuse of underutilized, vacant, or obsolete industrial buildings. The proposed project helps achieve this vision because it promotes a new industry in an existing, underutilized industrial building in an older industrial area of North Sacramento. Furthermore, industrial or manufacturing that occurs entirely within an enclosed building is an allowed use in the Employment Center Low Rise designation. In addition to the project’s consistency with the General Plan designation, the following Goals and Policies from the Land Use and Urban Design Element of the 2035 General Plan support the project:

Goal LU 7.2: Industrial Development. Maintain industrial districts that provide for the manufacturing of goods, flex space, and research and development that are attractive, compatible with adjoining nonindustrial uses, and well-maintained.
- **Policy LU 7.2.1: Industrial Growth.** The City shall encourage the protection, continued intensification, and expansion of existing industrial, warehousing, and distribution facilities and provide for new warehousing/distribution activities in select locations when found to be compatible with existing surrounding neighborhoods, to provide a range of employment opportunities for Sacramento’s residents.

  *The proposed project will provide for the continuation of industrial, warehousing, manufacturing, and distribution activities by occupying an existing warehouse building, providing employment opportunities. The project will not create any new impacts to the surrounding neighborhood in that the use will not result in an increase in traffic, noise, or odor in relation to other industrial uses that would be allowed by right to occupy the site, including, but not limited to vehicle or heavy truck service and repair, towing service and storage yard, and manufacturing service and repair.*

- **Policy LU 7.2.6: Industrial Development Design.** The City shall require that new and renovated industrial properties and structures incorporate high-quality design and maintenance.

- **Policy LU 7.2.7: Property Maintenance.** The City shall encourage and, where legally permissible, require owners of visually unattractive or poorly maintained industrial properties to upgrade existing structures and properties to improve their visual quality.

  *The project is consistent with the two policies above because it will greatly improve the appearance of the property by cleaning up rubble stored on the site, construct new wrought-iron fencing around the building, and rehab the exterior of the building with paint and necessary repairs. Additionally, establishing a new use in the building with multiple tenants helps encourage continual upkeep of the premises.*

**Economic Impacts:** None.

**Environmental Considerations:** The Community Development Department, Environmental Planning Services Division has reviewed this project and determined it to be exempt from the provisions of the California Environmental Quality Act (CEQA) under Class 1, Section 15301 (Existing Facilities). This project qualifies for this exemption because it consists of the operation, repair, maintenance, permitting, leasing, licensing, and minor alteration of an existing private warehouse structure that involves a negligible expansion of use beyond the existing industrial use at the time of the lead agency’s determination.

**200-Year Flood Protection:** State Law (SB 5) and Planning and Development Code Chapter 17.810 require that the City must make specific findings prior to approving certain entitlements
for projects within a flood hazard zone. The purpose is to ensure that new development will have protection from a 200-year flood event or will achieve that protection by 2025. The project site is within a flood hazard zone and is an area covered by SAFCA’s improvements to the State Plan of Flood Control System, and specific findings related to the level of protection have been incorporated as part of this project. Even though the project site is within a flood hazard zone, the local flood management agency, SAFCA, has made adequate progress on the construction of a flood protection system that will ensure protection from a 200-year flood event or will achieve that protection by 2025. This is based on the SAFCA Urban level of flood protection plan, adequate progress baseline report, and adequate progress toward an urban level of flood protection engineer’s report that were accepted by City Council Resolution No. 2016-0226 on June 21, 2016 and the SAFCA 2017 Adequate Progress Annual Report accepted by City Council Resolution No. 2017-0418 on November 7, 2017.

**Sustainability:** None.

**Commission/Committee Action:** At the public hearing on August 30, 2018, and after hearing public testimony, the City Planning and Design Commission passed a motion to approve the subject project.

**Rationale for Recommendation:** Staff recommends the Commission approve the requested entitlements based on the findings and subject to the conditions listed in Attachment 4. The proposal complies with the goals and policies of the 2035 General Plan in that it occupies an existing, underutilized industrial building with an employment generating use. Furthermore, the project has been conditioned to ensure a safe and productive operation of the property that will not be a nuisance to the neighboring community.

**Financial Considerations:** None.

**Local Business Enterprise (LBE):** None.
Background Information

The subject site is located at the southwest corner of the Iris Avenue and Plover Street intersection. Staff was unable to find any planning entitlement records to confirm prior uses that would have required discretionary approval, such as a Conditional Use Permit. Additional research indicates requests to sell used vehicles at this location in 2005 and 2006, which are allowed by right in the M-1 zone. In 2007, further research confirmed the legal establishment of the auto repair business. It is unknown the number and types of businesses that have occupied the building since it was constructed in the 1950s; however, the applicant indicates welding, fabrication, and painting businesses have occupied the building within the last 10 years.

Table 1: Project Information

<table>
<thead>
<tr>
<th>General Plan designation:</th>
<th>Employment Center Low Rise</th>
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</thead>
<tbody>
<tr>
<td>Existing zoning of site:</td>
<td>Light Industrial (M-1)</td>
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<tr>
<td>Existing use of site:</td>
<td>Warehousing and Auto Repair</td>
</tr>
<tr>
<td>Existing building area:</td>
<td>29,924 square foot</td>
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<tr>
<td>Property area:</td>
<td>1.37 acres</td>
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Land Use Context

The project would occupy a larger warehouse building among existing industrial/manufacturing buildings that encompass approximately 8.1 acres and is surrounded by residential uses to the north and east. West of the site is towing business with frontage on Auburn Boulevard and west of Auburn Boulevard is the Union Pacific Railroad. Figure 1 below illustrates the subject site and surrounding land uses and zoning designations.

The site is zoned Light Industrial (M-1) which allows for a variety of industrial and manufacturing type businesses by-right. In order to establish cannabis cultivation, manufacturing, distribution and a delivery-only dispensary, a Conditional Use Permit is required. As previously mentioned, this application requires review by the Planning and Design Commission because the delivery-only dispensary component is within 300-feet of residential uses. In review of the application, staff finds that the proposed cannabis uses are compatible land uses for this area because the area’s zoning and general plan designation are intended to accommodate a wide range of employment generating, industrial uses and therefore staff is supportive of the requested entitlements.
Project Specifics

The existing single-story warehouse measures approximately 29,924 square feet and contains an existing vehicle repair business that utilizes 6,912 square foot of space; this business is located on the eastern side of the building and fronts onto Plover Street. The vehicle repair business is not a party to this application and is not requesting any entitlements. The remaining 23,012 square feet of the building is proposed to be occupied with cannabis uses and will be divided into the following:

- Cultivation (1 suite): 5,600 square feet
- Manufacturing (1 suite): 1,200 square feet
- Packaging (1 suite): 400 square feet
- Distribution (1 suite): 4,000 square feet
- Delivery-only dispensary (6 separate suites): 10,396 square feet

The applicant has indicated that the proposed cannabis uses will operate seven days a week from 7:00am to 9:00pm. The applicant also estimates there will be between 10-15 employees per work shift, with a total of 2 shifts per day. There is no retail storefront and no customers will be coming to the site.

Entitlement Review

**Conditional Use Permit - Cannabis Production:** Approval of a Conditional Use Permit (CUP) is required to operate cannabis cultivation, manufacturing, and distribution within the Light Industrial (M-1) zone. As part of the CUP application, the applicant is required to submit the following five supporting documents to demonstrate feasibility of the project. Although submitted as supplemental information to their planning entitlement application, these five documents are enforced and regulated under the Business Operating Permit (BOP) through the City’s Revenue Division:

1. **Community Relations Plans:** The applicant has submitted a community relations plan that outlines a strategy by which the operator will continuously inform the nearby community members of their operation. The plan will develop a set of policies for the operator to abide by in terms of ongoing community outreach with adjacent property owners and community groups.

2. **Odor Control Plan:** As part of the Business Operating Permit, the operator is required to submit an odor control plan. The odor control plan outlines methods to prevent cultivation related odors from being detected outside of the facility.

3. **Wastewater Management Plan:** This plan requires the applicant to implement mechanisms that prevent discharge of contaminated water into the wastewater system, such as pesticides and fertilizers. The wastewater management plan is reviewed by the Department of Utilities.
4. **Security Plan:** The applicant has submitted a draft security plan to the Police and Fire Departments for review during the planning entitlement process. The applicant is required to submit a final security plan for approval by Police and Fire, prior to obtaining a Business Operating Permit. The security plan is a confidential document that generally addresses safety concerns related to vandalism, internal and external theft, lighting, video surveillance, security personnel, and other Crime Prevention Through Environmental Design (CPTED) principles. Because this document is confidential it cannot be attached to this staff report for public review.

5. **Neighborhood Responsibility Plan:** A neighborhood responsibility plan is required to address any potential adverse effects of the cannabis business on the surrounding neighborhood. A requirement of the conditional use permit application submittal is that the property owner agrees to enter into an agreement with the City Manager to pay money to be used by the City to pay for measures to mitigate the adverse impacts. The property owner for this site has agreed to pay a fee in the amount of 1% of the gross receipts of every cannabis business on the property. Payment shall be made in accordance with the neighborhood responsibility agreement between the property owner and the City. The submitted neighborhood responsibility agreement has been sent to the City Clerk’s Office for execution.

In addition to the CUP findings set forth in Section 17.808.200.C of the Planning and Development Code, and included in Attachment 3 of this staff report, the Planning and Design Commission is required to make one additional finding for marijuana production projects (Sacramento City Code 17.228.900.F.2):

1. The proposed cannabis production will not result in undue concentration of cannabis production establishments.

There is one cannabis cultivation facility located approximately 2,600 feet south of the property at 1500 Frienza Avenue (Z17-056). Staff finds that the proposed cannabis production will not result in an undue concentration of cultivation establishments because the nearest cultivation use is approximately ½ mile away.

**Conditional Use Permit: Delivery-Only Dispensary:** The applicant is requesting a CUP to establish six (6) individual suites devoted to cannabis delivery. Each suite is designed to accommodate individual tenants and provides inside parking/loading for the delivery vehicle. No consumer sales of cannabis will be allowed on site. All retail transactions will take place off-site and therefore the traffic impact is reduced because consumers will not be driving to the location. Unlike the Cannabis Production CUP, there are no additional findings for delivery-only dispensaries beyond the standard CUP findings set forth in Section 17.808.200.C of the Planning and Development Code. These findings can be found in Attachment 3.

In summary, the CUP process is designed to evaluate a project’s potential impact on a site and the surrounding area. In evaluation of the proposed project, staff found the potential impacts generated by the cannabis production use permit and delivery-only
dispensary to be minimal because the uses are employment based, meaning there will be less ongoing traffic compared to a retail business. Furthermore, the Police Department has reviewed the requested CUPs and is in support of the project, subject to increased security measures incorporated into the project and based on the conditions listed in Attachment 3.

**Site Plan and Design Review:** The applicant is proposing minor modifications to the exterior of the building. These alterations include seven roll-up doors for enhanced security for the delivery companies, HVAC upgrades to accommodate the proposed use, exterior wrought-iron security fencing, and exterior lighting and video surveillance. No expansion of the building’s footprint is proposed under this application.

Vehicular access to the site will be provided from existing driveways along Iris Avenue and Plover Street. The site currently contains 68 off-street parking spaces. The Planning and Development Code requires a minimum of 15 spaces, and therefore this project is in compliance with the City’s parking requirements. Also, because the applicant is not expanding or adding any new parking spaces, the parking lot is not required to comply with the 50-percent shading requirements, as prescribed by Planning and Development Code Section 17.612.040.A.1.
RESOLUTION NO. 2018 –

Adopted by the Sacramento City Council

DETERMINING PROJECT EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (P17-075)

BACKGROUND

A. On August 30, 2018, after conducting a public hearing, the City Planning and Design Commission passed a motion to approve the Dragon’s Lair Enterprises Project (P17-075).

B. On September 13, 2018, Councilmember Warren called up the item for City Council review, pursuant to Sacramento City Code section 17.228.900.J and 17.228.920.G.

C. On November 20, 2018 after giving notice as requested by the Sacramento City Code section 17.812.010 (2)(b), the City Council conducted a public hearing on the Project, receiving and considering evidence concerning it.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. Based on the determination and recommendation of the City’s Environmental Planning Services Manager and the oral and documentary evidence received at the hearing on the Project, the City Council finds that the Project is exempt from review under Section 15301, Existing Facilities, of the California Environmental Quality Act (CEQA) Guidelines as follows:

This project qualifies for this exemption because it consists of the operation, repair, maintenance, permitting, leasing, licensing, and minor alteration of an existing private warehouse structure that involves a negligible expansion of use beyond the existing industrial use at the time of the lead agency’s determination.
RESOLUTION NO. 2018 –
Adopted by the Sacramento City Council

ADOPTING FINDING OF FACT AND APPROVING
THE DRAGONS LAIR ENTERPRISES PROJECT (P17-075)

BACKGROUND

A. On August 30, 2018, after conducting a public hearing, the City Planning and Design Commission passed a motion to approve the Dragon’s Lair Enterprises Project (P17-075).

B. On September 13, 2018, Councilmember Warren called up the item for City Council review, pursuant to Sacramento City Code section 17.228.900.J and 17.228.920.G.

C. On November 20, 2018 after giving notice as requested by the Sacramento City Code section 17.812.010 (2)(b), the City Council conducted a public hearing on the Project, receiving and considering evidence concerning it.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. Based on the verbal and documentary evidence received at the hearing on the Dragon’s Lair Enterprises Project, the City Council approves the Project entitlements based on the findings of fact and subject to the conditions of approval as set forth below.

Section 2. The City Council approves the Project entitlements based on the following findings of fact:

A. Environmental Determination: The Environmental Exemption per CEQA Guidelines Section 15301 - Existing Facilities has been adopted by Resolution No. 2018-____.

B. Conditional Use Permit for 11,200 square feet of Cannabis Production (Cultivation, Manufacturing, and Distribution) within an existing 29,924 square foot warehouse building in the Light Industrial (M-1) zone is approved based upon the following findings of fact:

1. The proposed use and its operating characteristics are consistent with the general plan and any applicable specific plan or transit village plan, in that the subject site is designated as Employment Center Low Rise and the proposed project is consistent with General Plan Policy that encourages activating
underutilized parcels with employment generating uses in areas. The subject site is not located in a specific plan or transit village plan.

2. The proposed use and its operating characteristics are consistent with the applicable standards, requirements, and regulations of the zoning district in which it is located, and of all other provisions of this title and this code, in that the site is zoned Light Industrial (M-1) which allows for low intensity industrial uses intended for the manufacturing or treatment of goods. The use will be employment based with hours of operation that are consistent with normal business hours.

3. The proposed use is situated on a parcel that is physically suitable in terms of location, size, topography, and access, and that is adequately served by public and private services and utilities, in that the site will have vehicular access from existing driveways along Iris Avenue and Plover Street. Furthermore, the site is fully built-out, has been functioning since the 1950s, and is currently served by the necessary public and private utilities to ensure proper operation of the use.

4. The proposed use and its operating characteristics are not detrimental to the public health, safety, convenience, or welfare of persons residing, working, visiting, or recreating in the surrounding neighborhood and will not result in the creation of a nuisance, in that the proposed cannabis cultivation and manufacturing uses are not consumer based, therefore resulting in less vehicle traffic and parking activity which is often perceived as a nuisance in neighborhoods. The odor control plan that is required for cannabis-related uses will ensure no odors will be detectable outside of the building. Furthermore, as part of the Business Operating Permit (BOP) required by the City’s Revenue Division, the applicant will be providing a community relations plan that will outline a process for the community members to contact the operator should any issues arise. Lastly, all marijuana related activity is required to take place inside the building, thus marijuana plants and products will not be visible outside of the building.

5. The proposed marijuana cultivation will not result in undue concentration of marijuana cultivation establishments. There are no cannabis cultivation or manufacturing sites near this location. The nearest approved Conditional Use Permit application on file with the City is approximately 2,600 feet south of the site at 1500 Frienza Avenue. Staff finds that the proposed cannabis cultivation and manufacturing site will not result in an undue concentration of cultivation establishments because there are none within a close proximity.

C. Conditional Use Permit

for a non-storefront, delivery-only of cannabis use within 10,396 square feet of an existing 29,924 square foot warehouse building in the Light Industrial (M-1) zone is approved based upon the following findings of fact:
1. The proposed use and its operating characteristics are consistent with the
general plan and any applicable specific plan or transit village plan, in that the
subject site is designated as Employment Center Low Rise, in that the subject
site is designated as Employment Center Low Rise and the proposed project
is consistent with General Plan Policy that encourages activating
underutilized parcels with employment generating uses in areas. The subject
site is not located in a specific plan or transit village plan.

2. The proposed use and its operating characteristics are consistent with the
applicable standards, requirements, and regulations of the zoning district in
which it is located, and of all other provisions of this title and this code. The
site is zoned Light Industrial (M-1) which allows for low intensity industrial
uses. The delivery use is consistent with the purpose and intent of the M-1
zoning district to allow for the distribution of manufactured goods to an end
user and delivery will be for adult-recreational and medical uses.

3. The proposed use is situated on a parcel that is physically suitable in terms of
location, size, topography, and access, and that is adequately served by
public and private services and utilities. The project will have adequate
vehicular access from existing driveways along Iris Avenue and Plover Street.
Each delivery suite will have its own internal parking space. Lastly, the site is
completely built-out and is currently served by the necessary public and
private utilities to ensure proper operation of the use.

4. The proposed use and its operating characteristics are not detrimental to the
public health, safety, convenience, or welfare of persons residing, working,
visiting, or recreating in the surrounding neighborhood and will not result in
the creation of a nuisance. The proposed 6 suites for the delivery of cannabis
will not cause an impact to the surrounding neighborhood, nor will it create a
nuisance because each suite will provide for an internal parking space.
Additionally, the delivery of cannabis will mostly consist in smaller, personal
vehicles, as opposed to larger trucks, which is a less noticeable impact to the
neighborhood.

D. Site Plan and Design Review for minor site improvements, such as fencing and
lighting, on approximately 1.37 acres in the Light Industrial (M-1) zone is
approved based on the following findings of fact:

1. The design, layout, and physical characteristics of the proposed development
are consistent with Employment Low Rise General Plan designation and any
applicable specific plan or transit village plan, in that the proposed project is
adding additional security mechanisms in the form of lighting, surveillance
cameras, and wrought iron fencing for safety purposes. All new mechanical
equipment is required to be screened from street views.

2. The design, layout, and physical characteristics of proposed development are
consistent with all applicable design guidelines and with all applicable
development standards or, if deviations from design guidelines or
development standards are approved, the proposed development is consistent with the purpose and intent of the applicable design guidelines and development standards, in that the building is existing, and no building footprint expansion is proposed to exterior of the building. The site will be improved to be more consistent with today’s zoning code requirements with the addition of adequate lighting and security measures.

3. All streets and other public access ways and facilities, parking facilities, and utility infrastructure are adequate to serve the proposed development and comply with all applicable design guidelines and development standards, in that the project has adequate street access, utility infrastructure, and meets the onsite parking requirements.

4. The design, layout, and physical characteristics of the proposed development are visually and functionally compatible with the surrounding neighborhood, in that the surrounding neighborhood is a mix of commercial, residential, and industrial uses. The existing design of the building is a single-story structure that incorporates a cement plaster finish with suite occupancy that faces Iris Avenue and Plover Street.

5. The design, layout, and physical characteristics of the proposed development ensure energy consumption is minimized and use of renewable energy sources is encouraged. The applicant is working closely with the Sacramento Metropolitan Utility District (SMUD) to provide the necessary electrical power to operate the facility. Furthermore, the necessary interior tenant improvements will ensure that cooling and heating costs are minimized by providing the necessary upgrades to maximize efficiency.

6. The design, layout, and physical characteristics of the proposed development are not detrimental to the public health, safety, convenience, or welfare of persons residing, working, visiting, or recreating in the surrounding neighborhood and will not result in the creation of a nuisance, in that modifications to the site and business operations will ensure that the use does not result in a nuisance to the surrounding neighborhood.

E. Flood Protection Finding: The project site is within an area for which the local flood management agency has made adequate progress (as defined in California Government Code section 65007) on the construction of a flood protection system that will result in flood protection equal to or greater than the urban level of flood protection in urban areas for property located within a flood hazard zone, intended to be protected by the system, as demonstrated by the SAFCA Urban level of flood protection plan, adequate progress baseline report, and adequate progress toward an urban level of flood protection engineer’s report accepted by City Council Resolution No. 2016-0226 on June 21, 2016 and the SAFCA 2017 Adequate Progress Annual Report accepted by City Council Resolution No. 2017-0418 on November 7, 2017.

CONDITIONS OF APPROVAL
B. **Conditional Use Permit** for 11,200 square feet of Cannabis Production (Cultivation, Manufacturing, and Distribution) within an existing 29,924 square foot warehouse building in the Light Industrial (M-1) zone approved based on the following conditions:

**PLANNING**

B1. The project shall conform to the approved plans as shown on the attached exhibits. The building is approved for Cannabis Cultivation, Manufacturing, and Distribution. Changes to the interior are permitted to conduct the use.

B2. Only one non-illuminated sign is permitted for the use. If a sign is proposed in the future the maximum size permitted is six square feet in area. The sign may be attached or detached. If the sign is detached it shall be a monument sign. A sign permit from the Building Division is required.

B3. The site shall be inspected and maintained daily to be clear of litter.

B4. The cultivation permit holder or property owner shall provide regular landscape maintenance for the site. The cultivation permit holder or property owner shall provide city staff a plan that demonstrates meeting this requirement.

B5. No unpermitted cannabis events on the premises hosted by the property owner, tenants, subtenants or guests.

B6. No outdoor storage is allowed.

B7. Additional lighting on the building to meet Crime Prevention Through Environmental Design (CPTED) standards or better as outlined and approved by Sacramento Police Department.

B8. All material transfer will be done inside the facility.

B9. All dumpsters shall be locked and stored inside the building.

B10. Any modification to the project proposed in the future shall be subject to review and approval by Planning staff and may require additional entitlement(s).

B11. All cannabis project facilities shall be connected to SMUD or PG&E facilities for the supply of all electrical power. Generators shall be used only for emergency electrical service for the duration of any power outage.

B12. Trees on the cannabis project site shall be trimmed to avoid interference with security cameras operated as part of the project.

B13. Cannabis Production is limited to 11,200 square feet of the building.
BUILDING

B14. A building permit is required to verify occupancy for a marijuana facility, even if no improvements to the property are proposed. The building permit application must meet the City’s general building permit submittal requirements.

POLICE

B15. Site plans and floor plans for each distribution business shall be completed to the satisfaction of the Sacramento Police Department CPTED Sergeant prior to the issuance of a building permit, including:
- Secure Lobby
- Secure area for transferring cannabis or cash to or from vehicles
- Secure storage

B16. Site plans and floor plans for each manufacturing business shall be completed to the satisfaction of the Sacramento Police Department CPTED Sergeant prior to the issuance of a building permit, including:
- Secure lobby
- Manufacturing area
- Secure area for transferring cannabis or cash to or from vehicles
- Secure storage

B17. Site plans and floor plans for each cultivation business shall be completed to the satisfaction of the Sacramento Police Department CPTED Sergeant prior to the issuance of a building permit, including:
- Secure lobby
- Cannabis cultivation areas
- Secure area for transferring cannabis or cash to or from vehicles
- Secure storage

B18. Exterior lighting shall be white light using LED lamps with full cutoff fixtures to limit glare and light trespass. Color temperature shall be between 2700K and 4100K with a color rendering index of 80 or higher and a light loss factor of .95 or better.

B19. Broken or damaged exterior lighting shall be repaired or replaced within 48 hours of being noted.

B20. Exterior lighting shall be shielded or otherwise designed to avoid spill-over illumination to adjacent streets and properties.

B21. All mature landscaping shall follow the two-foot, six-foot rule. All landscaping shall be ground cover, two feet or less and lower tree canopies of mature trees
shall be above six feet. This increases natural surveillance and eliminates hiding areas within the landscape.

B22. Tree canopies shall not interfere with or block lighting. This creates shadows and areas of concealment. The landscaping plan shall allow for proper illumination and visibility regarding lighting and surveillance cameras through the maturity of trees and shrubs.

B23. All solid core exterior doors shall be equipped with a 180 degree viewing device to screen persons before allowing entry, and shall remain locked at all times except for emergencies and deliveries.

B24. Fences shall be of decorative tubular steel, no climb type. This condition shall only apply to newly installed fencing.

B25. A final security plan shall be submitted for review and approval of the Sacramento Police Department CPTED Sergeant (or designee) prior to issuance of any Business Operations Permit (BOP) for the site. The following Police Department conditions shall be part of the security plan. The final security plan may be modified with the review and approval of the Sacramento Police Department CPTED Sergeant (or designee).

B26. EACH Business shall be equipped with and maintain a security system with
- An alarm system with a valid UL Certificate in accordance with ANSI/UL Standard 681-2014 (Standard for Installation and Classification of Burglar and Holdup Alarm), Extent Number 3 with line security.
- a Video Assessment and Surveillance System (VASS)

B27. Holdup/Distress alarm system shall be employed near the:
- transport area
- lobby
- employee entrance
- safe(s)

B28. Burglar alarms shall cause the dispatch of a properly licensed private patrol.

B29. Holdup alarms shall cause the dispatch of the Sacramento Police Department.

B30. Security system shall be equipped with at least 24 hours of continued operation time in case of power failure.

B31. Security system shall be equipped with cellular back-up in case of phone line disruption.

B32. Facility shall be staffed at all times that the security system is not fully functional.
B33. A log shall be maintained that shows when the alarm system was armed and disarmed, and by whom.

B34. VASS storage shall be kept off-site or in a secured area accessible only to management.

B35. Manager with access to VASS storage shall be able to respond to any activation within one hour.

B36. Cameras shall be day/night capable with a resolution of no less than two (2) megapixels and a minimum frame rate of 15 frames per second.

B37. Each driveway entrance and exit and each building entrance and exit shall be covered by a camera set at 100 pixels per foot or higher to capture license plates and faces.

B38. VASS shall be capable of exporting footage to common media in a standard viewing format and shall not require proprietary software for third party viewing.

B39. VASS shall be capable of storing no less than 30 days' worth of activity. (note: CA State currently requires 90 days of retention).

B40. VASS shall provide comprehensive coverage of:
- safe(s)
- areas of ingress and egress
- parking lot
- loading areas
- coverage of all four (4) exterior sides of the property
- adjacent public rights of way

B41. Monitors displaying the employee parking area and property perimeter shall be mounted in a visible location near the door from which employees will arrive and depart so that employees may monitor the outside environment prior to departing the facility.

B42. The applicant shall post the property No Trespassing and No Loitering. The applicant shall designate a properly permitted and approved private patrol company as agent for trespass. No trespassing signs shall cite 602K PC and 9.16.140 SCC.

B43. The applicant is responsible for reasonably controlling the conduct of persons on the site and shall immediately disperse loiterers.

B44. All dumpsters shall be kept locked or in locked enclosures.
B45. Any graffiti painted or marked upon the premises or on any adjacent area under the control of the applicant shall be removed or painted over with matching paint within 72 hours of being applied.

B46. The operator shall be responsible for the daily removal of all litter from the site.

B47. Applicant shall install a “Knox Box” for police access to the exterior areas of the property after hours.

DEPARTMENT OF UTILITIES

B48. City records indicate the existing domestic water service does not have a backflow preventer. The applicant shall install a reduced pressure principal backflow device (per City standards) as part of their tenant improvement building permit or submit evidence of an existing device that meets City requirements. The applicant may contact the Department of Utilities Development Services staff located at the CDD public counter at 300 Richards Boulevard (3rd floor) for assistance in permitting requirements related to the installation of a backflow device. The applicant shall provide the building permit number that includes the installation of an approved backflow device to the DOU entitlement engineer prior to condition signoff.

FIRE

B49. Any modifications to the facility must be done under permit by way of plan review for compliance to the Fire and Building Codes.

B50. Any access or egress-controlled doors must be identified on the floor plan that is provided as a part of the security plan. This will aid in a more complete plan review when provided for review to obtain a construction permit.

B51. Obtain a Fire Clearance by requesting a fire and life safety inspection from the Sacramento City Fire Prevention Division.

B52. Obtain any required operational permits from the Sacramento City Fire Prevention Division.

B53. Identify if any extraction processes are to be done and provide details for the means in which it is to be accomplished.

B54. Provide a hazardous materials management plan and an inventory statement for any hazardous materials to be stored on-site in accordance with section 5001.5 of the CFC.

B55. Provide documentation to verify that any fire and life safety systems such as fire suppression and fire alarm systems have been serviced, maintained and certified
in accordance with the required maintenance schedules as may be applicable (quarterly, annual and 5-year service).

PUBLIC WORKS

B56. Repair or replace/reconstruct any existing deteriorated curb, gutter and sidewalk adjacent to the subject property per City standards to the satisfaction of the Department of Public Works.

B57. The site plan shall conform to the parking requirements set forth in City Code 17.608.040 (Development standards for off-street parking facilities, Zoning Ordinance).

B58. All gates on entrance driveways shall be relocated to at least 20-ft from the right-of-way line.

B59. Vehicles used for deliveries to and from the site shall be no larger than a cargo van type vehicle.

B60. The design of walls fences and signage near intersections and driveways shall allow stopping sight distance per Caltrans standards and comply with City Code Section 12.28.010 (25’ sight triangle). Walls shall be set back 3’ behind the sight line needed for stopping sight distance to allow sufficient room for pilasters. Landscaping in the area required for adequate stopping sight distance shall be limited 3.5’ in height at maturity. The area of exclusion shall be determined by the Department of Public Works.

REGIONAL SANITATION

B61. Developing this property may require the payment of Regional San sewer impact fees (connection fees). Regional San sewer impact fees shall be paid prior to the issuance of building permits. For questions pertaining to Regional San sewer impact fees, please contact the Sewer Fee Quote Desk at (916) 876-6100.

SMUD

B62. To ensure a timely service connection, the Applicant must submit an anticipated energy load calculation for SMUD’s review before requesting service connection. Depending on the anticipated electrical load, additional electrical equipment and/or upgrades may be needed. Due to a large demand for service in this area, additional SMUD offsite system improvements will be necessary. Request for new/upgraded service connections will exceed the typical 4-6 month timeline. SMUD welcomes the opportunity to discuss your specific service needs. The Applicant may also direct specific questions regarding their service connection to: IndoorCultivation@smud.org.
B63. In the event the Applicant requires the relocation or removal of existing SMUD facilities on or adjacent to the subject property, the Applicant shall coordinate with SMUD. The Applicant shall be responsible for the cost of relocation or removal.

B64. SMUD reserves the right to use any portion of its easements on or adjacent to the subject property that it reasonably needs and shall not be responsible for any damages to the developed property within said easement that unreasonably interferes with those needs.

B65. The Applicant shall not place any building foundations within 5-feet of any SMUD trench to maintain adequate trench integrity. The Applicant shall verify specific clearance requirements for other utilities (e.g., Gas, Telephone, etc.).

B66. In the event the City requires an Irrevocable Offer of Dedication (IOD) for future roadway improvements, the Applicant shall dedicate a 12.5-foot public utility easement (PUE) for overhead and/or underground facilities and appurtenances adjacent to the City’s IOD.

B67. The Applicant shall comply with SMUD siting requirements (e.g., panel size/location, clearances from SMUD equipment, transformer location, service conductors). Information regarding SMUD siting requirements can be found at: https://www.smud.org/en/Business-Solutions-and-Rebates/Design-and-Construction-Services

B68. If the sum of the panel sizes for a parcel exceeds 4,000 amps, the New Business service requirements will be service from SMUD’s 69 kV electric system. This will require the Applicant to provide a substation with a transformer.

B69. If the sum of the panel sizes for the proposed building exceeds 4000 amps, the New Business service requirement will be “primary” service directly from the 21 kV system. This will require the applicant to provide their own transformer(s). Space on the premises for pad-mounted switchgear(s) is also likely needed as part of this requirement. Please contact SMUD’s new service department for additional information.

B70. Space on the premises for pad-mounted transformer(s) and pad-mounted switchgear is likely needed, the precise size and quantity of which will be dependent on the load/service size.

Advisory Notes

DEPARTMENT OF UTILITIES

1. Many projects within the City of Sacramento require on-site booster pumps for fire suppression and domestic water systems. Prior to design of the subject project, the DOU suggests that the applicant request a water supply test to
determine what pressure and flows the surrounding public water distribution system can provide to the site. This information can then be used to assist the engineers in the design of the on-site fire suppression system.

REGIONAL SANITATION

2. The City of Sacramento (City) is responsible for providing local sewer service to the proposed project site via their local sanitary sewer collection system. Regional San is responsible for the conveyance of wastewater from the City collection system to the Sacramento Regional Wastewater Treatment Plant (SRWTP).

SMUD

3. Any necessary future SMUD facilities located on the Applicant’s property shall require a dedicated SMUD easement. This will be determined prior to SMUD performing work on the Applicant’s property.

SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

4. Any The following MAY require a permit or registration with the Sacramento Metropolitan Air Quality Management District:

- Power generation engines
- Odor control systems
- Solvent usage in manufacturing, operations and cleaning
- Equipment for mechanical processes such as sifting, squeezing, screening or grinding
- Natural gas-fired equipment
- Other diesel equipment

Contact the Sacramento Metropolitan Air Quality Management District at 916-874-4800 regarding the need for a permit or registration.

5. Construction: All projects are subject to SMAQMD rules at the time of construction. A complete list of current rules is available at www.airquality.org or by calling 916-874-4800.

C. Conditional Use Permit for a non-storefront, delivery-only of cannabis use for adult recreational and medical use within 10,396 square feet of an existing 29,924 square foot warehouse building in the Light Industrial (M-1) zone approved based on the following conditions:

PLANNING
C1. The project shall conform to the approved plans as shown on the attached exhibits. The building is approved for non-storefront delivery of cannabis. Changes to the interior are permitted to conduct the use.

C2. Only one non-illuminated sign is permitted for the use. If a sign is proposed in the future the maximum size permitted is six square feet in area. The sign may be attached or detached. If the sign is detached it shall be a monument sign. A sign permit from the Building Division is required.

C3. The site shall be inspected and maintained daily to be clear of litter.

C4. The cultivation permit holder or property owner shall provide regular landscape maintenance for the site. The cultivation permit holder or property owner shall provide city staff a plan that demonstrates meeting this requirement.

C5. No unpermitted cannabis events on the premises hosted by the property owner, tenants, subtenants or guests.

C6. No outdoor storage is allowed.

C7. Additional lighting on the building to meet Crime Prevention Through Environmental Design (CPTED) standards or better as outlined and approved by Sacramento Police Department.

C8. All material transfer will be done inside the facility.

C9. All dumpsters shall be locked and stored inside the building.

C10. Any modification to the project proposed in the future shall be subject to review and approval by Planning staff and may require additional entitlement(s).

C11. All cannabis project facilities shall be connected to SMUD or PG&E facilities for the supply of all electrical power. Generators shall be used only for emergency electrical service for the duration of any power outage.

C12. Trees on the cannabis project site shall be trimmed to avoid interference with security cameras operated as part of the project.

C13. Delivery-only of cannabis use is restricted to 10,396 square feet of the building.

C14. The manager shall instruct delivery drivers to use routes that are restricted to Plover Street and Auburn Boulevard only, to prohibit cut-through traffic in the adjacent neighborhood.

**BUILDING**
C15. A building permit is required to verify occupancy for a marijuana facility, even if no improvements to the property are proposed. The building permit application must meet the City’s general building permit submittal requirements.

**POLICE**

C16. Site plans and floor plans for each *delivery only dispensary* shall be completed to the satisfaction of the Sacramento Police Department CPTED Sergeant prior to the issuance of a building permit, including:

- Secure lobby
- Secure area for transferring cannabis or cash to or from vehicles
- Secure storage

C17. Exterior lighting shall be white light using LED lamps with full cutoff fixtures to limit glare and light trespass. Color temperature shall be between 2700K and 4100K with a color rendering index of 80 or higher and a light loss factor of .95 or better.

C18. Broken or damaged exterior lighting shall be repaired or replaced within 48 hours of being noted.

C19. Exterior lighting shall be shielded or otherwise designed to avoid spill-over illumination to adjacent streets and properties.

C20. All mature landscaping shall follow the two-foot, six-foot rule. All landscaping shall be ground cover, two feet or less and lower tree canopies of mature trees shall be above six feet. This increases natural surveillance and eliminates hiding areas within the landscape.

C21. Tree canopies shall not interfere with or block lighting. This creates shadows and areas of concealment. The landscaping plan shall allow for proper illumination and visibility regarding lighting and surveillance cameras through the maturity of trees and shrubs.

C22. All solid core exterior doors shall be equipped with a 180 degree viewing device to screen persons before allowing entry, and shall remain locked at all times except for emergencies and deliveries.

C23. Fences shall be of decorative tubular steel, no climb type. This condition shall only apply to newly installed fencing.

C24. A final security plan shall be submitted for review and approval of the Sacramento Police Department CPTED Sergeant (or designee) prior to issuance of any Business Operations Permit (BOP) for the site. The following Police Department conditions shall be part of the security plan. The final security plan may be modified with the review and approval of the Sacramento Police Department CPTED Sergeant (or designee).
C25. EACH Business shall be equipped with and maintain a security system with
  • An alarm system with a valid UL Certificate in accordance with ANSI/UL
    Standard 681-2014 (Standard for Installation and Classification of Burglar and
    Holdup Alarm), Extent Number 3 with line security.
  • a Video Assessment and Surveillance System (VASS)

C26. Holdup/Distress alarm system shall be employed near the:
  • transport area
  • lobby
  • employee entrance
  • safe(s)

C27. Burglar alarms shall cause the dispatch of a properly licensed private patrol.

C28. Holdup alarms shall cause the dispatch of the Sacramento Police Department.

C29. Security system shall be equipped with at least 24 hours of continued operation
    time in case of power failure.

C30. Security system shall be equipped with cellular back-up in case of phone line
    disruption.

C31. Facility shall be staffed at all times that the security system is not fully functional.

C32. A log shall be maintained that shows when the alarm system was armed and
    disarmed, and by whom.

C33. VASS storage shall be kept off-site or in a secured area accessible only to
    management.

C34. Manager with access to VASS storage shall be able to respond to any activation
    within one hour.

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    megapixels and a minimum frame rate of 15 frames per second.

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    covered by a camera set at 100 pixels per foot or higher to capture license plates
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DEPARTMENT OF UTILITIES

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PUBLIC WORKS

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C69. Space on the premises for pad-mounted transformer(s) and pad-mounted switchgear is likely needed, the precise size and quantity of which will be dependent on the load/service size.

Advisory Notes

DEPARTMENT OF UTILITIES

1. Many projects within the City of Sacramento require on-site booster pumps for fire suppression and domestic water systems. Prior to design of the subject project, the DOU suggests that the applicant request a water supply test to determine what pressure and flows the surrounding public water distribution system can provide to the site. This information can then be used to assist the engineers in the design of the on-site fire suppression system.

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2. The City of Sacramento (City) is responsible for providing local sewer service to the proposed project site via their local sanitary sewer collection system. Regional San is responsible for the conveyance of wastewater from the City collection system to the Sacramento Regional Wastewater Treatment Plant (SRWTP).

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SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

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   - Power generation engines
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• Equipment for mechanical processes such as sifting, squeezing, screening or grinding
• Natural gas-fired equipment
• Other diesel equipment

Contact the Sacramento Metropolitan Air Quality Management District at 916-874-4800 regarding the need for a permit or registration.

5. Construction: All projects are subject to SMAQMD rules at the time of construction. A complete list of current rules is available at [www.airquality.org](http://www.airquality.org) or by calling 916-874-4800.

D. **Site Plan and Design Review** for minor site improvements, such as fencing and lighting, on approximately 1.37 acres in the Light Industrial (M-1) zone is **approved** based on the following conditions:

**PLANNING**

D1. All new mechanical equipment shall be screened from public view.

D2. All new perimeter fencing shall be decorative.

**FIRE**

D3. Provide appropriate Knox access for site. CFC Section 506

D4. Identify any fencing and gates on the plans to verify that fire department access is not hindered. Provide details as needed to show configuration of any additional security measures such as barbed or concertina wire.

D5. Any vehicle access gates that are located on drive lanes required for Fire Department access must have a gate width that provides a minimum of 20 feet clear access width.

D6. If any automatic gates are to be installed, they shall have AC power and be provided with Key override switch (Knox) and Radio operated controller (Click2Enter). For gates that do not fail safe in the open position upon loss of AC power or are provided with battery back-up power, an approved pedestrian gate shall be installed within 10 feet of all vehicle gates. An approved key box (Knox) shall be installed at least 48 inches above grade on the outside of the gate. It shall be provided with a key to open the pedestrian gate.

Attachments:

Exhibit A: Site Plan
Exhibit B: Floor Plans
SUPPLEMENTAL PROJECT NARRATIVE

P17-075
1750 Iris Avenue, Sacramento, CA

1. Dragon’s Lair Enterprises, Inc. (“Dragon’s Lair”) has done extensive community outreach to engage neighbors and local residents in a dialogue about the Project.

   a) **Memorial Day BBQ.** In an effort to meet the neighbors to the Project, on May 28, 2018, Dragon’s Lair held a BBQ for all neighbors. Over 200 flyers were distributed to neighbors, inviting them to come visit the exterior of the facility, where free hamburgers, hot dogs, non-alcoholic beverages were provided. Two bounce houses were rented for the children, and a security guard was present.

      Approximately 100 people visited the BBQ; some stayed for hours, while others visited only briefly. Everyone seemed to have a good time, and it created a genuine opportunity to discuss the project with the neighbors, learn about the neighborhood history, and alleviate many concerns neighbors had because of a lack of information about the proposed operations and the regulations under which it will operate. Dragon’s Lair intends to host more neighborhood gatherings to engage and enjoy the local neighbors.

      More than 20 neighbors signed a list in favor of the Project, a copy of which is attached. Since that date, Dragon’s Lair representatives have met many more neighbors, all of whom have been supportive of the project, and several of whom will attend the CUP hearing to show their support.

   b) **North Sacramento Chamber of Commerce.** Dragon’s Lair representatives have met with Franklin Burris of the North Sacramento Chamber of Commerce. Dragon’s Lair joined the organization to facilitate interaction between local business owners and tenants of the facility. This effort specifically to enable Dragon’s Lair and its tenants to “buy local” when possible as to goods and services Dragon’s Lair needs as a small business. It also gives Dragon’s Lair many opportunities to meet local business owners and address any concerns they may have about the Project.

   c) **Local Businesses.** Dragon’s Lair has engaged local businesses in dialogue about how to best benefit the neighborhood. As an example, the new owner of the A&M Liquor Mart located at 1838 Auburn Blvd, Sacramento, CA 95815 has become a genuine ally in making improvements to the Ben Ali neighborhood and is in favor of the Project. Dragon’s Lair has also engaged with the owners of the adjacent property located at 2830 Plover Street and has agreed to purchase tires for its vehicles from that neighbor, who does not oppose the Project.

2. Importantly, Dragon’s Lair has already done extensive work, in conjunction with the property owner, to remove much of the trash, debris and blight at the Property.

   When Dragon’s Lair first leased the property, it was rife with storage containers, and hundreds of yards of materials and boats “collected” by the Owner. Although the City had, on several occasions, attempted to have the Property cleared of these items by the Owner, he avoided abatement actions based on having been “grandfathered” in under old codes.
Below is a Google Earth screen shot of the condition of the Property when leased by Dragon's Lair:

**THEN:**

![Photo 1](image)

**NOW:**

![Photo 3](image) (of the same entrance as shown in Photo 2)

Below are photographs showing how the Property looks now.
Photo 4 (Same areas as shown in Photos 1 and 3)

Photo 5 (Same area as shown on the bottom of Photo 1)
The Memorial Day BBQ
3. Dragon’s Lair has established a favorable relationship with the Cannabis Code Enforcement Officers assigned to the property, who are in favor of this Project, as set forth below:

4. Contacts with those Opposing the Project:

As we discussed, we have not contacted Ms. Bettancourt because of the unlikelihood of any dialogue changing her opposition to every project.

We have attempted to contact William Walters, who lives 6 houses down from the Project. We have not yet spoken with him.

As to Mr. Granzella, our research reveals that he is a real estate broker and owns an investment company. He currently resides in Granite Bay, California. His opposition is likely financially driven. Further, there is no evidence to support his claim that the business “traditionally carries an element—culture of crime and adult recreation into the middle of our families (sic) lives.” With the added security, enhanced fencing and lighting, coupled with the fact that there will be no patrons visiting the Project, his arguments are readily disposed of.

I hope you find this information helpful. Please contact me with any questions.

END
September 13, 2018

Tom S. Pace  
Planning Director  
City of Sacramento  
Community Development Department  
300 Richards Blvd.  
Sacramento, CA 95811

Director Pace,

Pursuant to code section 17.228.900, Section J., Councilmember Warren requests that P17-075 “Dragon’s Lair Enterprises, Inc.” is called up for Council review for the following reasons:

**Security Concerns**

The applicant is requesting a conditional use permit to allow six individual suites for delivery only dispensaries. Six independent delivery operators inside one building is the largest we’ve seen so far and there are concerns for public safety. In addition to the six delivery operators, the applicant is also requesting to locate a distribution business and a cultivation business, for a total of eight independent business operators within one building. This level of intensity inside one building could be harmful to the residents who live across the street and within the Ben Ali neighborhood. An operation of this size is worthy of a more robust dialogue around public safety.

**Regulatory Compliance Challenges**

Given the number of independent operators inside one building, Councilmember Warren has concerns about our ability to manage compliance, both from a business operating standpoint and zoning administrator conditions of approval standpoint.

**Commissioner Farrell’s Absence from Planning and Design Commission Hearing**

At the scheduled Planning and Design Commission Hearing for P17-075, Commissioner Farrell was absent, leaving District 2 without a representative at the hearing.

Respectfully,

Daniel Savala  
Council Representative  
Office of Councilmember Allen W. Warren

CC: Councilmember Allen W. Warren  
Garret Norman  
Joy Patterson
July 18, 2018

Mr. Garrett Norman
Community Development Department
City of Sacramento
300 Richards Blvd., 3rd Floor
Sacramento, CA 95811

RE: 1750 Iris Avenue (Z17-075) CUP

Dear Mr. Norman:

It is my understanding that the City Director for the City of Sacramento, will be conducting a hearing regarding the above referenced Cannabis Cultivation Conditional Use Permit Application.

The Chamber has reviewed both the application and plans submitted as provided by planning as well as met and conferred with Kathleen Finnerty (for Applicant) to discuss the planned operation and it’s commitment to the neighborhood and local business community. Chamber has visited the site as well. In that regard, on behalf of the North Sacramento Chamber of Commerce, after careful review, the Chamber Supports the proposed use at this location.

We strongly support the City Council’s intent to invest in local neighborhood vitality through the Neighborhood Responsibility Plan and/or Community Relations Plan of these Cultivation CUP’s. However, there is little clarity or direction from the City or Staff on how or when this funding (1% voluntary contribution) will get to the community or which plan should guide that funding or how the two plans even work together. The North Sacramento community is being asked to bear the burden and stigma of nearly half the City’s cultivation, “greenlining” us if you will. As the City well knows, North Sacramento, as part of the Promise Zone, is already burdened with many challenges and insufficient resources and support. This funding could be a big help.

The Chamber request is that the 1% of gross receipts of every marijuana cultivation business on the property earmarked for the Neighborhood Responsibility Plan be collected by the Chamber and allocated to our community by the Chamber for the needs and requirements of our neighborhoods. The Applicant was agreeable to this concept, and has expressed support and understanding for this collection and investment directly into the local community in an effort to keep our community and neighborhoods strong in alignment with the Council’s intent and the Chamber’s long philanthropic history within the community.

Since 1923, The Mission of the North Sacramento Chamber of Commerce is to promote a strong local economy resulting in business growth, employment opportunities, and improving the quality of life for all citizens. The Chamber is a membership-based, business driven, non-profit corporation focused on business advocacy, networking, community building, and equipping businesses to prosper. The Chamber represents 148 businesses in a nearly 53 square mile area of Northern Sacramento County and City representing more than 5,000 employees.

Yours in service,

Franklin Burris
Executive Director
North Sacramento Chamber of Commerce
cc: Allen Warren, City Council Member
Mr. Garrett Norman,

I am writing this email to you today regarding the Dragon's Lair Enterprises (Cannabis Cultivation, Manufacturing, Distribution & Delivery) Application Number P17-075. I was notified by letter from the City of Sacramento that this business wishes to open up in my neighborhood. I do not want this business in my area at all. I live at 2800 Plover Street, and this business would be just a few yards from my home. I have talked to my neighbors and they are also concerned that this business will lower our home values, along with bring in crime into our area. I am begging the City of Sacramento not to allow this business to open up in our neighborhood. We live here, we raise our families here, and we don't want this type of business here.

Respectfully Submitted,

William Walters
2800 Plover Street
Sacramento, CA. 95815
(916) 716-5597
Please be advised that the Ben Ali Community stands united in the firm opposition of this request.

Sondra Betancourt, President
Ben Ali Community Association

On Tue, Jan 23, 2018 at 9:02 AM Kris Wimberly <KWimberly@cityofsacramento.org> wrote:

Good Morning – Just wanted to confirm that you received this routing information for a project at 1750 Iris Ave. Please follow the instructions below on reviewing and providing comment to the planning staff member before February 23, 2018. The hyperlink provided will take you directly to the project within Development Tracker. This project may be pending uploading as there is a delay between the routing notification and the upload sometimes. If additional time may be needed please talk directly to the planner. Thanks.

Kris

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From: Garrett Norman
Sent: Monday, January 22, 2018 3:28 PM
To: Garrett Norman <GNorman@cityofsacramento.org>
Subject: P17-075: Project Routing for Dragon's Lair Cannabis Production

Hello,

I have a project for review located at 1750 Iris Avenue. The request is for cannabis cultivation, nonvolatile manufacturing, distribution and delivery within an existing 29,924 square foot warehouse in the Light Industrial (M-1) zone. The project is within 300 feet of residential dwellings and therefore requires a Planning and Design Commission Conditional Use Permit for cannabis delivery. Please review the attached routing sheet and find additional project information by clicking on the Attachments hyperlink. Please provide written comments to me by February 23, 2018 and let me know if you have any questions.

Thank you,
Mrs. Rossi - Thank you so much for the comments provided below. Garrett Norman is the Planning Division staff person gathering comments on the proposed project. I have copied him on this email and you can email him directly if you have any additional comments on this particular project. Thank you again.

Kris Wimberly
808-6172

-----Original Message-----
From: Betty Rossi [mailto:brossib@sbcglobal.net]
Sent: Wednesday, January 24, 2018 1:21 PM
To: Kris Wimberly <KWimberly@cityofsacramento.org>
Subject: Re: Pot growers Benalli area

Good morning Chris, I live in the area and do not want pot growers manufacturers or pot delivery service in this area we are trying to clean it up we have great citizens that live here and do not want your garbage brought in We want a decent place for our kids to grow and go to school and we’re trying very hard to clean the area up we do not need nor want any pot here Thank you Mrs. rossi homeowner Benallie

Sent from my iPhone
Garrett,

Please note I am following up regarding this application.
Yes the building is zoned commercial.
Yet it lies directly across the street and in the middle of our neighborhood
With families, both single family and multi-unit properties.
This business traditionally carries an element-culture of crime and adult recreation into the middle
of our families lives.

Please pass this on to the Community Development Department.

David Granzella
C: 916.223.5564