

# City of Sacramento

## Legislation Text

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**File #:** 2019-00942, **Version:** 1

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**Title:**

**Call Up for City Council Review for 4500 Pell Drive (Z18-101) Related to Cannabis Production (Noticed 08/16/2019, 10/01/2019 & 11/08/2019) [Continued from 08/27/2019, 09/24/2019, & 10/15/2019]**

File ID: 2019-00942

**Location:** 4500 Pell Drive (APN: 266-0241-004-0000), District 2

**Recommendation:**

Conduct a Public Hearing and upon conclusion, adopt a Resolution denying the project: 1) Environmental Exemption (Per CEQA Guidelines Section 15270(a) - Projects Which Are Disapproved); 2) Conditional Use Permit for cannabis production within an existing 59,962-square-foot industrial building; and 3) Site Plan and Design Review for minor site exterior changes to an existing building in the Light Industrial (M-1) zone.

**Contact:** Christian Svensk, Senior Planner, (916) 808-5613; Evan Compton, Principal Planner, (916) 808-5260, Community Development Department

**Presenter:** Christian Svensk, Senior Planner, Community Development Department

**Attachments:**

- 1-Description/Analysis
- 2-Background
- 3-Resolution Denying Project Entitlements
- 4-Letters from the Public
- 5-Zoning Administrator Record of Decision (includes Plans)

## Description/Analysis

**Issue Detail:** The applicant is requesting a Conditional Use Permit (CUP) to allow cannabis cultivation within an existing 59,962-square-foot building located on a ±3.03-acre parcel in the Light Industrial (M-1) Zone. The proposal includes minor exterior modifications to the existing building that

require Site Plan and Design Review in order to create five suites within the building.

The project was initially approved by the Zoning Administrator (ZA) in January 2019. A member of the public appealed the decision and on May 9<sup>th</sup> the Planning and Design Commission (PDC) upheld the appeal thereby denying the project. During the call up period in late May, Councilmember Warren of District 2 called up the item for City Council review as authorized under Sacramento City Code Section 17.228.900.J.

The below table outlines the issues raised by the appellant and staff's response.

ISSUE	RESPONSE
Shared access: loading/unloading and traffic impacts on neighboring business to the north	Applicant has offered and agreed to conduct all loading and unloading of cannabis on the south side of the building which would be out of view from the appellant's business entrance.
Displacement of Olympus Sports Coliseum	Olympus Sports has found a new location in a nearby building.
Negative externalities of cannabis production facility: odor, crime, truck traffic	Office of Cannabis Policy & Enforcement enforces odor mitigation. Police Department issued Conditions of Approval for project. Applicant stated the businesses would utilize van-sized vehicles, not larger semi-trucks.
Impact on adjacent business that has Federal Agency clientele (i.e. a federal contractor doing business with the Department of Defense)	The Drug-Free Workplace Act of 1988 requires federal contractors to adhere to the provisions of the Act. It does not contain any language that addresses the actions of neighboring parcels or non-employees, nor does it speak to a federal contractor being liable for the actions of neighboring parcels.
Undue Concentration of Cannabis Production Establishments	The Zoning Administrator did not find an undue concentration of cannabis establishments; however, the PDC did find an undue concentration in the area and denied the project on that basis.

**Policy Considerations:** The 2035 General Plan Update was adopted by City Council on March 3, 2015. The 2035 General Plan's goals, policies, and implementation programs define a roadmap to achieving Sacramento's vision to be the most livable city in America. The General Plan designation for the subject site is Employment Center-Low Rise. Sacramento's Employment Centers play an

important role in the City by supporting businesses and providing employment opportunities. Updates to the General Plan are generally incremental such as improvements in accessibility and the integration of additional uses. The General Plan allows industrial or manufacturing uses that occur entirely within an enclosed building. The proposed project meets the General Plan designation as it is an industrial use operating entirely inside the existing building. Staff finds that the project is consistent with the following General Plan goals and policies:

**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 7.2.2 Internal Movement.** The City shall require industrial uses proposed near existing or planned residential areas to be designed to limit the impact of truck traffic on these residential areas.

**Policy 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 structure and properties to improve their visual quality.

**Goal LU 1.1 Growth and Change.** Support sustainable growth and change through orderly and well-planned development that provides for the needs of existing and future residents and businesses, ensures the effective and equitable provision of public services, and makes efficient use of land and infrastructure.

**Policy 1.1.12 Expanded Industrial and Heavy Commercial.** The City may allow existing industrial and heavy commercial uses in areas designated as Centers or Corridors to continue and expand operations, provided that such uses operate compatibly with existing and future new residential, and commercial development in the area.

The proposed project would reuse an existing industrial building and improvements are proposed for the building's exterior as well as to the site's landscaping. The cultivation of cannabis would take place within the building and not be visible from the public right-of-way. The project is consistent with the General Plan goals and policies cited above, in that the project is not a retail use and therefore would not increase customer traffic. If Council sought to approve the project, it could be conditioned for daily site maintenance (e.g. dumpsters to be kept within building, landscaping). Additionally, the applicant would be required to submit a final, detailed odor control plan, wastewater safety plan, and security plan to mitigate impacts on the existing neighborhood.

**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 Section 15270(a) - Projects Which Are Disapproved. This project qualifies for this exemption because CEQA does not apply to projects which a public agency rejects or disapproves.

**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 2019 Adequate Progress Annual Report accepted by City Council Resolution No. 2019-0398 on October 22, 2019.

**Sustainability:** None.

**Commission/Committee Action:** At the public hearing on May 9, 2019, and after hearing public testimony, the City Planning and Design Commission passed a motion to deny the subject project.

**Rationale for Recommendation:** The Planning and Design Commission determined the proposed use would impact the surrounding community with an undue concentration of cannabis production facilities as the proposed project would be the fifth facility within an approximately one-mile corridor along Pell Drive. The recommendation is for the Council to deny the requested entitlements based on the findings in Attachment 3.

**Financial Considerations:** None.

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

**Public/Neighborhood Outreach and Comments:** The project was routed to community groups within the standard 300-foot radius boundary used for project notification including the Robla Park Community Association, Preservation Sacramento, and North Sacramento Chamber of Commerce. Staff received a letter from the Robla Park Community Association opposing the project, as well as a letter from the North Sacramento Chamber of Commerce supporting the project. Many additional letters were received from the public opposing the project. These letters were provided to the Zoning

Administrator for consideration at the December hearing as well as to the Planning and Design Commission (PDC) in May and are attached to this staff report for consideration by the Council (Attachment 4). The site was posted 10 days prior to this public hearing and all property owners and neighborhood associations within 300 feet of the subject site were mailed hearing notifications.