



TO: CITY OF SUTTER CREEK PLANNING COMMISSION

MEETING DATE: JULY 8, 2026

FROM: ERIN VENTURA, PLANNING CONSULTANT, TOM DUBOIS, CITY MANAGER

SUBJECT: Sutter Creek Responsible and Compliant Retail LLC DBA Embarc- Zoning Ordinance Amendment, Development Agreement, Site Plan, Sign Permit, Conditional Use Permit- 11 RIDGE ROAD (APN: 044-020-063)

RECOMMENDATION:

Staff recommends the Planning Commission take the following actions:

Zoning Ordinance Amendment and Development Agreement Recommendations:

1. Conduct a public hearing and receive public input, and
2. Find, that the Zoning Ordinance Amendment and Development Agreement are Categorically Exempt under Section 15301 Class 1, Existing Facilities, from CEQA and instruct staff to file a Notice of Exemption after council action;
3. Recommend that the City Council:
 - a. Adopt a Zoning Ordinance Amendment to allow exactly one (1) retail cannabis business within the City, subject to conditions of a development agreement and CUP;
 - b. Approve the Development Agreement with Sutter Creek Responsible and Compliant Retail, LLC DBA Embarc.

Site Plan Permit, Conditional Use Permit, Sign Permit Approvals:

4. Conduct a public hearing and receive public input, and
5. Find, that the project is Categorically Exempt under Section 15301 Class 1, Existing Facilities, from CEQA and instruct staff to file a Notice of Exemption after council action on zoning ordinance and development agreement;
6. Adopt resolution to approve, with conditions, a Site Plan Permit, Conditional Use Permit, and Sign Permit for Sutter Creek Responsible and Compliant Retail LLC DBA Embarc, at 11 Ridge Road, for one retail and delivery cannabis business. These approvals are contingent on Council action.

BACKGROUND:

On May 11, 2026, the City received an application from Sutter Creek Responsible and Compliant Retail, LLC DBA Embarc ("Embarc") to develop and operate a commercial cannabis retail and delivery business at 11 Ridge Road in the Sutter Hill area. They are forecasting generating direct fees and sales tax to the City plus community benefit payments totaling \$680,000 a year in exchange for vested rights to operate a single dispensary for renewable five year terms, subject to

an initial one-year pilot program and compliance with all City requirements. They will also generate tax and excise fees for the County, the Fire District, and the State.

State of California Legal Cannabis Background: In 2016, California voters approved Proposition 64, the "Adult Use of Marijuana Act" (AUMA), legalizing and regulating the sale of nonmedical cannabis for adults 21 and over. In 2017, the state passed Senate Bill 94 (MAUCRSA), creating a unified regulatory structure for both medicinal and adult-use cannabis. While the state enforces rigorous licensing, strict age restrictions, security mandates, and a mandatory "track-and-trace" system (METRC), MAUCRSA preserves local authority, mandating that state licenses cannot be issued if a business violates local ordinances. The City of Sutter Creek currently prohibits retail cannabis, but this application proposes a carefully regulated exception for a single facility. Attachments 16 and 17 summarize and list cannabis related state laws.

The Development Agreement Approach: To maximize local control and public benefit, the City is utilizing a Development Agreement (DA) pursuant to California Government Code sections 65864 et seq.. A DA is a voluntary, bilateral contract between the City and the developer. The DA approach ensures that the City receives negotiated benefits—such as a 8% retail fee on gross receipts, including a 1% Community Investment Fund—that are legally exempt from being classified as a general tax requiring voter approval under Article XIII C of the California Constitution. In exchange, the developer receives vested property rights and reduced economic risk.

Business Environment & Project Description: Embarc is an experienced cannabis operator with 17 legally permitted retail storefronts across California, founded by Lauren Carpenter and Dustin Moore. Their business model focuses on integrating into the community, partnering with local law enforcement, and providing robust employee benefits, including \$18/hour starting wages and union representation via the United Food and Commercial Workers (UFCW).

The company is forecasting generating revenue that would provide \$625,000 in fees and taxes to the City of Sutter Creek in the first full year of operation. In addition, it would donate \$60,000 as a community benefit, and generate significant tax revenue for the County, the State and the Fire district.

PROJECT DESCRIPTION:

The proposed project involves the adaptive reuse of a vacant, 2,662-square-foot former Umpqua Bank building located at 11 Ridge Road. No new construction or expansion of the building footprint is proposed. The site will feature 17 on-site parking spaces, utilize the bank's existing security infrastructure (like the vault), and undergo minor interior and exterior cosmetic improvements.

OVERVIEW OF ENTITLEMENTS & HOW THE DOCUMENTS RELATE

The Planning Commission is asked to review the project as a complete, interconnected package. Because Sutter Creek does not currently permit cannabis sales, this project relies on multiple layers of municipal approvals working together:

1. **Zoning Ordinance Amendment (Titles 10 & 18):** This is the foundational step. It amends the City's Municipal Code to create a narrow exception allowing *up to one* storefront retail cannabis dispensary in the City. Without this amendment, the project cannot exist.
2. **The Development Agreement (DA):** This is the governing contract. It binds Embarc to specific operational and financial commitments that go far beyond standard zoning

requirements. It mandates the payment of the 8% retail fee to the City, the 1% Community Investment Fund, 100% local hiring priorities, youth drug education funding, on-site security guards and 24 hour live monitoring, and providing real-time camera access to the Sutter Creek Police Department.

3. **Conditional Use Permit (CUP):** The CUP applies the new Zoning Amendment to this specific site at 11 Ridge Road. It ensures the use is compatible with the surrounding C-2 Commercial corridor and explicitly incorporates the operating conditions laid out in the DA.
4. **Site Plan & Sign Permits:** These documents dictate the physical reality of the site. The Site Plan Permit confirms that the minor tenant improvements adhere to City standards. The Sign Permit regulates the aesthetic branding, allowing Embarc to replace the existing illuminated box and monument signs with new faces that conform to local design guidelines.

The Planning Commission is asked to review the project as a complete package and render both decisions and recommendations to Council.

DISCUSSION:

Zoning Ordinance Amendment

The following changes are proposed:

Chapter 17.160- General Plan, Land Use Designation Map, and Development Code Amendments, provides procedures for the amendment of the General Plan, Zoning Map, and this Development Code, whenever required by public necessity and general welfare. A zoning ordinance amendment was initiated by the applicant, Embarc.

The City of Sutter Creek currently prohibits retail cannabis business within the City. SCMC 10.42 The applicant has requested a Zoning Ordinance Amendment to amend the code to allow for an exception for a single retail cannabis business to be a permitted use within the City. The proposal limits it to one (1) establishment which must obtain a Conditional Use Permit and to enter into a Development Agreement with the City in order to operate.

The applicant requests amendments to Title 10- Public Peace, Safety, and Morals and Title 18- Zoning Ordinance.

Title 10- Public Peace, Safety, and Morals

The specific amendments to Title 10 are the following:

10.42.050 - Sales, transfers, and deliveries prohibited.

Except when a conditional use permit has been approved under Chapter 18.60 of this Code, sales, transfers, or deliveries of marijuana for any purpose, whether medical or non-medical, to any person at any residence or public place within city limits are prohibited.

10.42.060 - Commercial activity prohibited.

Except when a conditional use permit has been approved under Chapter 18.60 of this Code, no commercial, office, industrial, or other non-residential building or structure within city limits may

be used to allow, transact, or facilitate the cultivation, sale, processing, storage, or transfer of marijuana for any purpose, whether medical or non-medical.

Title 18- Zoning Ordinance

18.60.020 - Uses permitted in any zone.

The following uses may be permitted in any zone unless limited to specific zones, and upon the granting of a conditional use permit:

- A. Bed and breakfast inns;
...(removed for brevity)
- Q. Golf courses, driving ranges and country clubs:;
- R. Special events:; and
- S. A storefront retail cannabis dispensary, provided only one such dispensary may operate within city limits at one time, and further provided the operator of the conditionally permitted dispensary enters into a development agreement for the same term as any approved conditional use permit.

18.60.030 - Conditions.

In approving a use permit, the commission may include such conditions as the commission deems reasonable and necessary under the circumstances to preserve the integrity and character of the district and to secure the general purposes of this title and the general plan. Such conditions, without limiting the discretion and authority of the commission in this regard, may include time limitations, architectural and site approval, street dedication, and street and drainage improvements. For any application to conditionally permit a retail storefront cannabis dispensary, the commission may incorporate by reference into the conditional use permit any conditions that are separately included in any development agreement to be approved for the cannabis use.

18.60.040 - Findings and decisions.

The commission, on the basis of the evidence submitted at the hearing, may grant use permits required by the provisions of this title when it finds that:

- A. The proposed uses of the property are desirable to the public convenience or welfare;
- B. The proposed uses will not impair the integrity and character of the area in which it is located or the zoning district;
- C. The proposed uses would not be detrimental to public health, safety, or general welfare;
- D. There are adequate public utilities and services available for the proposed uses; ~~and~~
- E. The proposed uses of the property are in harmony with the various elements or objectives of the general plan and the purposes of this title.; and

F. For any storefront retail cannabis dispensary, the proposed use will be subject to a separately approved development agreement for the same term as the approved conditional use permit and:

1. The development agreement will provide for appropriate community benefit as consideration for the City's execution of the agreement;

2. The operator has a demonstrated record of successfully operating storefront retail cannabis dispensaries at least three jurisdictions for a period of at least three years preceding the date of its application;

3. The operator demonstrates it will have adequate capitalization, access to a stable workforce, and a business location conducive to sustaining long-term operations; and

4. The operator, including its principals, shareholders, partners, and officers, has not been convicted of, found civilly liable for, or administratively ordered to fines or penalties for having sold or distributed cannabis or cannabis products in violation of any state statute, state regulation, or local ordinance.

Zoning Amendment Ordinance Findings

An amendment to the General Plan, the Zoning Map, or this Development Code may be approved only if all of the following findings are made, as applicable to the type of amendment.

A. Findings for all amendments.

1. The proposed amendment ensures and maintains internal consistency with all of the goals, policies, and actions of all elements of the General Plan and any applicable specific plan; and

2. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

C. Additional finding for Development Code amendments. The proposed amendment ensures and maintains internal consistency with other applicable provisions of this Development Code.

Recommended Findings

A. Findings for all amendments.

1. The proposed amendment ensures and maintains internal consistency with all of the goals, policies, and actions of all elements of the General Plan and any applicable specific plan; and

Amending the zoning ordinance to allow one retail cannabis business does not create inconsistencies with the City's adopted General Plan. Retail is an allowed use in both the Commercial land use designation and the C-2 zone.

2. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

By adding the requirements of a Development Agreement and Conditional Use Permit, public interest, health, safety, convenience and welfare will all be protected and may be enhanced in some areas.

C. Additional finding for Development Code amendments. The proposed amendment ensures and maintains internal consistency with other applicable provisions of this Development Code.

In amending both Title 10 and Title 18, internal consistency is maintained.

Development Agreement (DA)

Embarc can operate a one year Pilot program subject to an extensive compliance review required to continue operation. The DA sets an initial term of five (5) years, with potential five-year extensions at the City's discretion based on good-faith compliance. The City can terminate the agreement at any time for failure to comply with the terms of the agreements and permits.

- **Financial Benefits:** Embarc will pay an **8% retail fee** to the City on gross receipts, remitted quarterly. This fee includes a protective offset clause: if the City enacts or increases a voter-approved cannabis excise or business tax during the term, the 8% retail fee will be reduced by the amount of that tax paid (though it will not be reduced below zero).
- **Community Benefits:** Embarc will dedicate **1% of gross receipts** into a Community Fund. This fund will be governed and administered by a Community Advisory Board (CAB) consisting of at least two (2) members who reside in Sutter Creek and one(1) who either works or lives in Sutter Creek.
- **Youth Drug Education:** Within six months of opening to the public, Embarc will fund and implement a youth drug education and prevention program using a recognized curriculum.
- **Local Hiring & Staffing:** Embarc commits to using commercially reasonable best efforts to recruit and **hire 100% of its employees** from within the City of Sutter Creek and Amador County, prioritizing those within a 5-mile radius. Additionally, the Sutter Creek Police Department (SCPD) will require a Livescan background check for all employees.
- **Security & Law Enforcement Access:** Embarc will provide the SCPD with secure, real-time, remote access to its video surveillance cameras. Furthermore, management must immediately notify the SCPD of any criminal activity, suspected criminal activity, or internal security breaches (such as faulty alarms or damaged cameras/locks) as soon as practicable. There is a detailed, confidential security plan that has been reviewed by Sutter Creek PD. Sutter Creek PD will have the ability to access the property at any time.
- **Community Camera Fund:** From the Community Fund, Embarc will contribute the lesser of (i) 20% of the Community Fund or (ii) \$25,000 toward a community camera fund available to the Sutter Creek Police Department for installation and annual service fees of cameras throughout the City.
- **Good Neighbor Obligations:** Embarc will maintain a 24/7 Community Hotline and a written complaint response protocol. New provisions also mandate that any graffiti on the property must be removed within 48 hours of discovery or notification, and Embarc must submit a monthly Good Neighbor Report to the City detailing hotline calls, complaint resolutions, and a banned individual list.
- **State Cannabis Law:** The DA requires Permittee to operate in compliance with all “State Cannabis Law”, defined to include the Compassionate Use Act, The Medical Marijuana Program Act, AUMA, MAUCRSA, and DCC regulations promulgated thereunder, as amended. Attachments are included which summarize state law, and provide a longer more detailed listing. The Attachment “Embarc_Sutter Creek DA Conditions Summary” summarizes state law requirements and Permittees agreement to meet or exceed those requirements.
- **Regular Communications and Meetings:** In addition to notification and reports, the agreement requires ongoing meetings to review the operation of the dispensary, address community complaints and any impacts on the community.

Attachments #8-13 are detailed plans which are incorporated by reference into the Development Agreement.

Business Plan

1. Hours. 8 a.m. to 10 p.m, seven days a week.
2. Employees. Will employ 15 - 18 employees, in year 3 anticipate plus one delivery driver. Expect to have an average of 6 - 7 employees on-site on a typical day.
3. Customers. Walk-in visitations without appointment during approved business hours
4. Parking. Exceeds requirements, 17 parking spaces.
5. Delivery service. In year 3, may start delivery according to state law with a single vehicle - one or two outbound deliveries daily during approved operating hours.
6. Ventilation. Carbon filter system installed per code to prevent potential off-site odors.
7. Security Plan. The confidential security plan is on file with Sutter Creek PD.
8. Admittance. The proposed operating plan requires that dispensary staff verify proof of valid identification at check-in of each walk-in customer visitation.

Community Benefits Plan

1. 1% of gross receipts will be put into a community benefit fund to be used to support local organizations, schools, and City sponsored programs.
2. Community Advisory Board:
 - a. Develop and implement a community relations plan.
 - b. Allocation of community funding.
 - c. Oversight and accountability of Embarc operations.
 - d. Assist in establishing and building community trust.
 - e. Ensure appropriate and thoughtful community education.
3. Youth Education and Prevention.
4. Employee Volunteerism.
5. Community Partnerships:
 - a. Community Education
 - b. Senior Outreach
 - c. Discount program for seniors and veterans.
 - d. Local business partnerships
 - e. Compassionate use- reduce or no cost
 - f. Addiction resources

The Applicant has demonstrated to City staff, by its application documentation and reference checks with multiple cities, that it is qualified to operate a Commercial Cannabis business and has pledged in this Development Agreement that it will operate its business in accordance with state and local law and in a responsible manner to contribute positively to the community and the local economy.

The terms and conditions of the Development Agreement have undergone extensive review by City staff and have been found to be fair, just and reasonable. The pursuit of the Project will best serve the interests of its citizens and the public health, safety, and welfare by entering into this Development Agreement. By conducting this public hearing and the Planning Commission rendering a recommendation to the City Council will satisfy the required findings in Municipal Code Section 17.150.

Development Agreement Findings

17.150.040 The City Council may approve a Development Agreement, with or without conditions, only if all of the following findings can be made:

- A. The approval of a Development Agreement for a project that is merely developed in compliance with this Development Code would not be considered in the best interests of the City.

- B. Examples of project elements and components that may be considered in the best interests of the City and promote the public interest and welfare including, but are not limited to, the following:
- a. An enhanced/expanded open space network that ties into existing neighboring open space areas;
 - b. A well designed mixed-use project that further implements the goals, objectives, and policies of the General Plan;
 - c. The dedication of lands for public uses above and beyond those necessary for the project; and
 - d. Off-site improvements in the public right-of-way that would generally be above and beyond those required by the City's standard requirements for a project of the scale and intensity desired in the proposed project.

Providing a recommendation to the City Council to approve and execute the Development Agreement with the Applicant will further implement the Council's following Goals and be in the best interest of the City in the following ways:

- To promote economic development by concentrating on job creation.
Company will hire 15 - 18 people locally in union jobs with benefits
- To promote economic development by pursuing business retention, expansion and attraction.
Storefronts in this part of the city have been empty and somewhat blighted for some time. A professional tenant may attract other businesses to open in the adjacent empty store fronts.
- To promote economic development by striving to constantly improve the city's competitiveness.
Currently millions of dollars of Cannabis products are purchased annually by Amador County residents who drive to other dispensaries or have it delivered. A local dispensary would shift the resulting sales tax plus community benefit fees into the Sutter Creek economy, enabling the City to improve infrastructure and fund city services.

Conditional Use Permit

The property is zoned C-2 (Commercial) and surrounded by compatible multi-tenant commercial uses, including a gas station, retail stores, food truck, a septic treatment company, and a concrete plant. There are several empty storefronts nearby.

A Conditional Use Permit works with the Development Agreement to give the city more direct control. Several of the CUP conditions, reference commitments with the DA.

The following Conditions of Approval are in addition to what is required in the DA:

1. The Conditional Use Permit shall not be operational unless or until a Zoning Ordinance Amendment has been adopted by the City Council.
2. The Conditional Use Permit shall not be operational unless or until a Development Agreement is fully executed by the City and the Development Agreement remains valid
3. Applicant's operations must comply with all applicable laws and regulations. Failure to comply with applicable laws or regulations is a violation of this CUP and constitutes grounds for revocation of the CUP.
4. Applicant's operations must comply with the Development Agreement.
5. Applicant's operations must comply with the Business plan submitted to the City.
6. Applicant's operations must comply with the Safety Plan submitted to the City and approved by the Police Chief.
7. Applicant's operations must comply with the Labor and Employment plan submitted to the City.
8. Applicant's operations must comply with the Neighborhood Compatibility plan submitted to the City.
9. Applicant's operations must comply with the Community Benefits Plan submitted to the City.
10. Applicant's operations must comply with the Location Plan submitted to the City.
11. Applicant shall notify the City in writing within 10 days of any change in licensure status with the California Bureau of Cannabis Control.
12. There shall be no consumption of cannabis products or alcoholic beverages on the subject site.
13. Indoor or Outdoor Live music and entertainment, or use of amplified speakers for advertising, entertainment or promotions is not permitted by this CUP. Events of this type would require separate application, review, and approval from the City prior to each and every event.
14. Applicant shall pay the \$50.00 CEQA Notice of Exemption (NOE) filing fee to the Amador County Recorder.
15. Applicant shall comply with Section 18.06.090 and 18.06.100 of the Zoning Code regarding the 12-month period to implement the Project and/or Extension of time.
16. Applicant must obtain a Business License.
17. Applicant must comply with their approved Site Plan Permit.
18. Applicant shall upgrade existing parking and path of travel to meet current ADA standards.
19. Applicant shall provide building plans and obtain building permits for interior improvements including necessary ADA upgrades.
20. Any building or parking area illumination including security lighting, shall be arranged to direct light and glare away from adjoining properties.
21. Any new signage added must be reviewed and approved by the Planning Commission.
22. The site shall be kept clean of all debris (boxes, junk, garbage, etc.) at all times. All scrap materials shall be stored in a container and shall be removed regularly.

23. Hours of operation. Cannabis retail businesses shall not be open to the public and shall not conduct retail sales or deliveries before eight a.m. or after ten p.m. on Monday-Sunday.
24. Odor control. Odors shall be contained on the property on which the cannabis retail business is located.
25. No business operations or retail merchandise shall be visible from the exterior of a building where a cannabis retail business is located.
26. Cannabis retail businesses shall ensure that advertising and marketing of cannabis and cannabis products are not targeted to individuals less than twenty-one years of age.
27. If and when delivery becomes available, a plan must be submitted to the City for review. No more than two delivery trips will be permitted per day.
28. Any Conditional Use Permit granted in accordance with the terms of the City of Sutter Creek Municipal Code may be revoked if any of the conditions or terms of such permit are violated, the use is discontinued, or if any law or ordinance is violated in connection therewith.

Conditional Use Permit Findings

In order for the Planning Commission to grant approval of the Conditional Use Permit, they must make the following findings:

1. The proposed uses of the property are desirable to the public convenience or welfare;
2. The proposed uses will not impair the integrity and character of the area in which it is located or the zoning district;
3. The proposed uses would not be detrimental to public health, safety, or general welfare
4. There are adequate public utilities and services available for the proposed uses; and
5. The proposed uses of the property are in harmony with the various elements or objectives of the general plan and the purposes of this title.

Recommended Findings

1. The proposed uses of the property are desirable to the public convenience or welfare;

Currently residents of Amador County are leaving the county to purchase cannabis. Allowing one retail cannabis business within the County will provide a public convenience.

2. The proposed uses will not impair the integrity and character of the area in which it is located or the zoning district;

With the required conditions and Development Agreement, the integrity and character of the area will not be impaired. The area in which the proposed project is located is a commercial corridor with a mix of uses, including gas stations, convenience stores, a concrete plant, a septic service company, and retail stores.

3. The proposed uses would not be detrimental to public health, safety, or general welfare

With the required conditions and Development Agreement, public health, safety, and general welfare will not be detrimentally impacted. Must comply with extensive state laws.

4. There are adequate public utilities and services available for the proposed uses; and

The proposed project is located in an existing retail/commercial building with existing utilities and services. The previous use as a bank has extremely similar usage profile in terms of trip generation and parking

5. The proposed uses of the property are in harmony with the various elements or objectives of the general plan and the purposes of this title.

The use of the property will be in harmony with the general plan and C2 zoning. The applicant will improve the property, including landscaping and revitalize the area

Site Plan Permit

The Applicant is proposing to make minor improvements to the site, including interior and exterior tenant improvements to the existing building and new landscaping. The existing building, which once operated as a bank, will be used as a retail cannabis business which will operate consistent with State Cannabis Law, all other applicable California law, and the project approvals.

Table 1. Relevant Summary of Proposed Site

Description	Proposed	Meets Requirements?
Site	11 Ridge Road	-
Building Plan	2,662 sf	Yes- existing
Lot Size	.25 acres/10,890 sf	Yes
Zoning	C-2	Yes
General Plan Land Use Description	C-Commercial	Yes
Is this in the Main Street Historic District?	No	-
Historic District?	No	-
Parking	17 parking spaces	Per SC Code 9 spaces are required.
Access	Ridge Road/Highway 49	Yes
Fencing	None proposed	—
Trees and Landscaping per 13.24.120	Planters in front of the building	Yes

Map 1. Aerial Photo





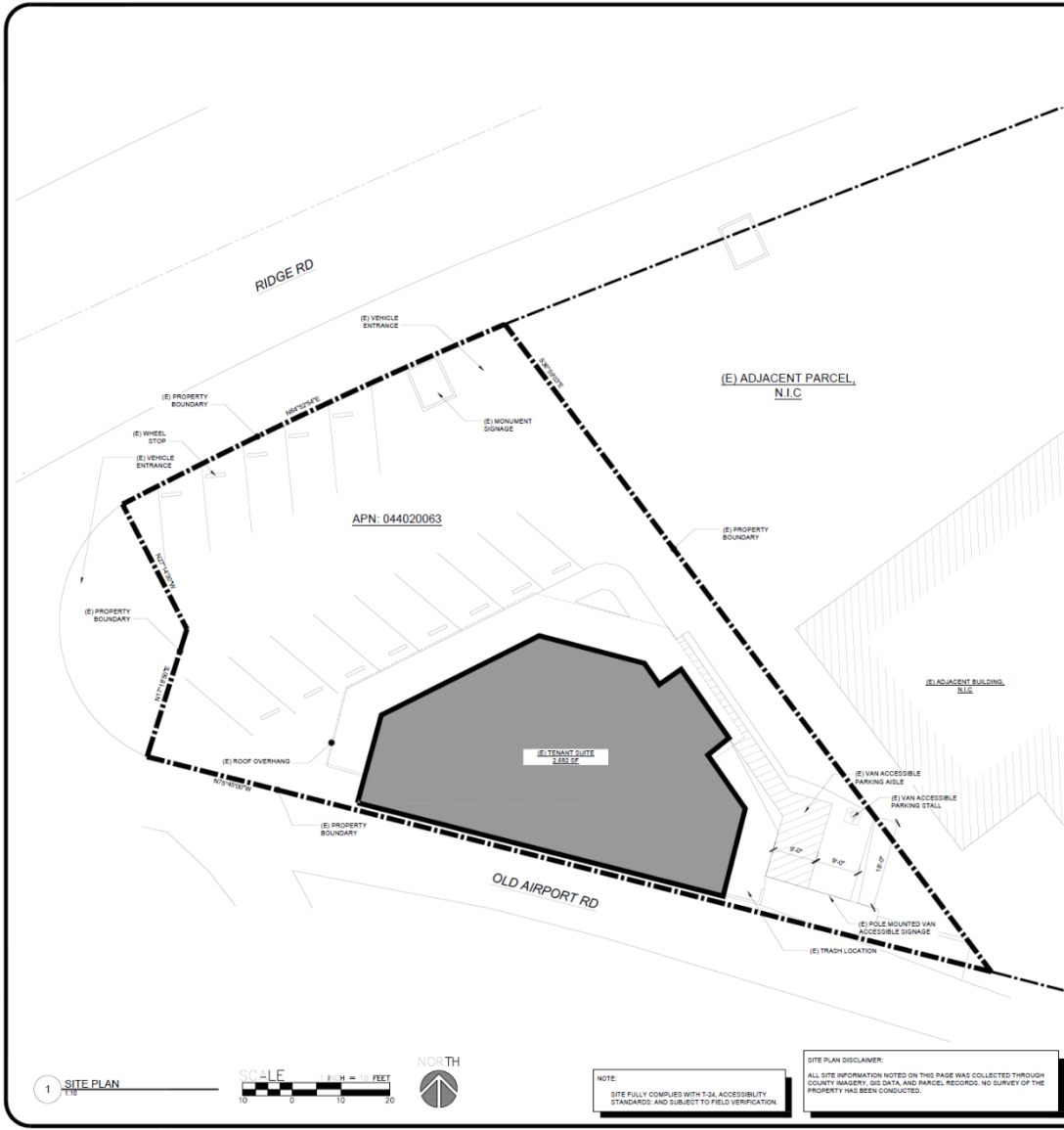
REMOVAL EXISTING SIGN FACE

EXISTING VIEW

180"
54"



1,368" (114')
PROPOSED VIEW



INDEX OF DRAWINGS

ARCHITECTURAL
 AS-101 SITE PLAN
 A-101 FLOOR PLAN

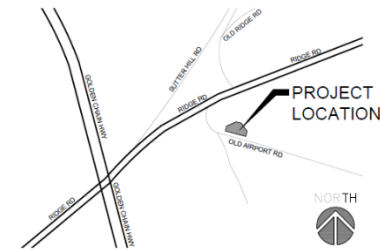
SITE ACCESSIBILITY NOTES

- ACCESSIBLE PATH OF TRAVEL (IPTL) AS INDICATED SHALL COMPLY WITH 118-402 OF THE CALIFORNIA BUILDING CODE. IPTL SHALL BE AN IDENTIFIABLE ACCESSIBLE ROUTE WITHIN AN EXISTING SITE, BUILDING OR FACILITY BY MEANS OF WHICH A PARTICULAR AREA MAY BE APPROACHED, ENTERED AND EXITED, AND WHICH CONNECTS A PARTICULAR AREA WITH AN EXTERIOR APPROACH (INCLUDING SIDEWALKS, STREETS AND PARKING AREAS), AN ENTRANCE TO THE FACILITY, AND OTHER PARTS OF THE FACILITY. ACCESSIBLE PATH SHALL BE:
 - THE RUNNING SLOPE OF WALKING SURFACES SHALL NOT EXCEED 1:20 EXCEPT FOR SIDEWALKS, WHICH SHALL NOT EXCEED THE GENERAL GRADE ESTABLISHED FOR THE ADJACENT STREET OR HIGHWAY.
 - CROSS SLOPE SHALL NOT EXCEED 1:48 (PER 118-403.3).
 - CLEAR WIDTH OF SIDEWALKS AND WALKS SHALL BE 48" WIDE MINIMUM (PER 118-403.6.1).
 - VERTICAL CHANGES IN LEVEL SHALL COMPLY WITH 118-303.2 AND SHALL NOT EXCEED 2" MAXIMUM.
 - BEVELED CHANGES IN LEVEL SHALL COMPLY WITH 118-303.3 AND SHALL NOT EXCEED 2" MAXIMUM, TO INCLUDE A 2" VERTICAL AND 2" BEVELED WITH A SLOPE NOT EXCEEDING 1:5.
- DOORS, DOORWAYS, AND GATES THAT ARE PART OF AN ACCESSIBLE ROUTE SHALL COMPLY WITH SECTION 118-104, INCLUDING ALL GROUND LEVEL ENTRANCES AND EXITS.
- PER 118-203.3 MACHINERY SPACES, SPACES FREQUENTED ONLY BY SERVICE PERSONNEL FOR MAINTENANCE, REPAIR OR OCCASIONAL MONITORING OF EQUIPMENT SHALL NOT BE REQUIRED TO COMPLY WITH CHAPTER 118 OF THE CALIFORNIA BUILDING CODE.

PROJECT SUMMARY

BUILDING DATA	
APN	044020063
JURISDICTION	CITY OF SUTTER CREEK
ZONING	COMMERCIAL
CLIMATE ZONE	12
SITE AREA	10,890 SF/0.25 ACRES
OCCUPANCY CLASSIFICATION	M, S-1
TYPE OF CONSTRUCTION	VB
SPRINKLERED	NO
OCCUPANCY SEPARATIONS	NO
TOTAL EXISTING BUILDING AREA	2,882 SF
EXISTING TENANT AREA	2,882 SF
TENANT IMPROVEMENT AREA OF WORK	2,882 SF
PROPOSED NEW AREA	NO ADDED AREA - TENANT IMPROVEMENTS ONLY

VICINITY MAP



DEVELOPMENT NOTES:

- THE PROPOSED CANNABIS RETAIL BUSINESS CONFORMS WITH THE GENERAL PLAN AND THE LOCAL COMMUNITY PLAN.
- THE PROPOSED CANNABIS RETAIL BUSINESS CONFORMS WITH THE ZONE DISTRICT DEVELOPMENT STANDARDS AND ALL OTHER RELATED DEVELOPMENT STANDARDS.
- THE PROPOSED CANNABIS RETAIL BUSINESS IS ADEQUATE IN SIZE AND SHAPE TO ACCOMMODATE THE YARDS, WALLS, FENCES, PARKING AND LOADING FACILITIES (UNLOADING AND ALL ITEMS REQUIRED FOR THE DEVELOPMENT).
- THE PROPOSED CANNABIS RETAIL BUSINESS IS SERVED BY HIGHWAYS ADEQUATE IN WIDTH AND IMPROVED AS NECESSARY TO CARRY THE VOLUME AND QUALITY OF TRAFFIC SUCH USE WILL GENERATE.
- THE PROPOSED CANNABIS RETAIL BUSINESS IS PROVIDED WITH ADEQUATE ELECTRICITY, SEWERAGE, DISPOSAL, WATER, FIRE PROTECTION, AND STORAGE CANNABIS FACILITIES FOR THE INTENDED PURPOSE.
- THE PROPOSED CANNABIS RETAIL BUSINESS DEMONSTRATES COMPATIBILITY WITH THE SURROUNDING CHARACTER OF THE NEIGHBORHOOD AND BLEND IN WITH EXISTING BUILDINGS. THE ESTABLISHMENT LOOKS SIMILAR TO OTHER HEAVY BUILDINGS.

CANNABIS BUSINESS ACTIVITY NOTE

- NO CANNABIS CULTIVATION WILL BE CONDUCTED.
- ALL CANNABIS ACTIVITY LIMITED TO COMMERCIAL BUSINESS.
- ALL CANNABIS ACTIVITY WILL BE CONDUCTED WITHIN BUILDING INTERIOR.
- NO CANNABIS OR CANNABIS PRODUCTS OR GRAPHICS DEPICTING CANNABIS OR CANNABIS PRODUCTS SHALL BE VISIBLE FROM THE EXTERIOR OF ANY PROPERTY ISSUES A COMMERCIAL CANNABIS BUSINESS PERMIT. OR ON ANY OF THE VEHICLES OWNED OR USED AS PART OF THE CANNABIS RETAIL BUSINESS. NO OUTDOOR STORAGE OF CANNABIS OR CANNABIS PRODUCTS IS PERMITTED AT ANY TIME.

1 SITE PLAN



NOTE:
 SITE FULLY COMPLIES WITH T-24 ACCESSIBILITY STANDARDS AND SUBJECT TO FIELD VERIFICATION.

SITE PLAN DISCLAIMER:
 ALL SITE INFORMATION NOTED ON THIS PAGE WAS COLLECTED THROUGH COUNTY MAPPING, GIS DATA, AND PARCEL RECORDS. NO SURVEY OF THE PROPERTY HAS BEEN CONDUCTED.



KM Architecture, Inc.
 A Full Service Architectural Practice
 3420 COACH LANE
 SUITE 9
 CAMERON PARK, CA 95682
 (530) 344-4073



EMBARC SUTTER CREEK
 11 RIDGE RD
 SUTTER CREEK, CA
 95685

CONDITIONAL USE PERMIT

APN: 044020063

DATE:	12/14/21
PROJECT ARCHITECT:	MARK MILLE
SCALE:	AS NOTED
DATE:	04/29/2026
PROJECT NUMBER:	20112_42

OVERALL SITE PLAN

DATE	DESCRIPTION	DATE

AS-101

FINISH SCHEDULE

NOTE: INTERIOR FINISH MATERIALS APPLIED TO WALL AND CEILING SHALL BE TESTED AS SPECIFIED IN SECTION 903.1.1, CLASS A

- OFFICE, IT, RECEPTION, & AREAS NOT INDICATED BELOW:**
- GWB WALLS TO BE PRIMED AND PAINTED SEE PAINT SCHEDULE, THIS NOTE
 - EXISTING CEILING GRID TO REMAIN, REPLACE MISSING OR DAMAGED CEILING TILES
 - 4" BLACK RUBBER BASE
 - EXISTING FLOOR FINISH TO REMAIN @ OWNER'S DISCRETION, REMOVE (E) FLOOR FINISH AND BROOM CLEAN (E) SLAB
 - OPTION 1: PROVIDE OPTION AT OFFICE FOR LOW MAINTENANCE COMMERCIAL CARPET TILE BY ARMSTRONG FLOORING, OR EQUAL.

- SECURE STORAGE ROOM:**
- GWB WALLS TO BE PRIMED AND PAINTED TO BE PRIMED AND PAINTED SEE PAINT SCHEDULE, THIS NOTE
 - EXISTING CEILING GRID TO REMAIN, REPLACE MISSING OR DAMAGED CEILING TILES
 - 4" BLACK RUBBER BASE
 - EXISTING FLOOR FINISH TO REMAIN @ OWNER'S DISCRETION, REMOVE (E) FLOOR FINISH AND BROOM CLEAN (E) SLAB
 - OPTION 1: PROVIDE OPTION TO EPOXY FINISH (E) CONCRETE FLOORING

- BREAK ROOM:**
- GWB WALLS TO BE PRIMED AND PAINTED TO BE PRIMED AND PAINTED SEE PAINT SCHEDULE, THIS NOTE
 - EXISTING CEILING GRID TO REMAIN, REPLACE MISSING OR DAMAGED CEILING TILES
 - 4" BLACK RUBBER BASE
 - EXISTING FLOOR FINISH TO REMAIN @ OWNER'S DISCRETION, REMOVE (E) FLOOR FINISH AND BROOM CLEAN (E) SLAB
 - OPTION 1: PROVIDE OPTION TO EPOXY FINISH (E) CONCRETE FLOORING

- RETAIL AREA, LOBBY, INTAKE AND RECEPTION:**
- PROVIDE LEVEL 4 FINISH AT ALL NEW SALES FLOOR WALLS, PATCH AND PAINT (E) WALLS WHERE REQUIRED
 - GWB WALLS TO BE PRIMED AND PAINTED TO BE PRIMED AND PAINTED SEE PAINT SCHEDULE, THIS NOTE
 - COORDINATE WITH OWNER ON THE USE OF WALL DECALS, MURALS, WALLPAPER - WHERE REQUIRED, PROVIDE SUITABLE SUBSTRATE FOR MOUNTING
 - EXISTING CEILING GRID TO REMAIN, REPLACE MISSING OR DAMAGED CEILING TILES, PRIME & PAINT FULL CEILING (GRID AND TILES) TO BE PRIMED AND PAINTED SEE PAINT SCHEDULE, THIS NOTE
 - 4" BLACK VINYL COVE BASE
 - EXISTING FLOOR FINISH TO REMAIN @ OWNER'S DISCRETION, REMOVE (E) FLOOR FINISH AND BROOM CLEAN (E) SLAB
 - OPTION 1: PROVIDE OPTION TO EPOXY FINISH (E) CONCRETE FLOORING

- RESTROOM / JANITOR:**
- WALLS TO BE PRIMED AND PAINTED TO BE PRIMED AND PAINTED SEE PAINT SCHEDULE, THIS NOTE. PROVIDE SMOOTH FINISH FRP TO 48" AFF ON WALLS, COLOR AS SELECTED BY OWNER
 - EXISTING RESILIENT FLOOR AND COVE BASE TO REMAIN

- GENERAL:**
- PRIME & PAINT ALL SIDES OF EXPOSED WOOD FINISHES
 - UNLESS OTHERWISE NOTED, BROOM CLEAN (E) EXPOSED CONCRETE SLAB
 - UNLESS OTHERWISE NOTED, PROVIDE 4" BLACK VINYL COVE BASE AT ALL WALLS TO RECEIVE GWB FINISH
 - ALL HW DOOR TRIM TO BE PAINTED BLACK SEMI-GLOSS
 - PROVIDE SCOLLIER SCHEME TRANSITION STRIPS, 304 STAINLESS STEEL FINISH, AT ALL SAME-HEIGHT MATERIAL TRANSITIONS AND TERMINATIONS. PROVIDE SLOPED TRANSITIONS, 304 STAINLESS STEEL FINISH, WHERE CHANGE IN LEVEL IS REQUIRED. REFER TO SHEET S-103 FOR THREE-HOLE & CHANGE IN LEVEL REQUIREMENTS.

- PAINT SCHEDULE:**
- DOORS AND FRAMES: CHANTILLY LACE DOORS, EBONY KING FRAMES
 - ALL INTERIOR WALLS: BENJAMIN MOORE CHANTILLY LACE OC-65 EDGEHILL
 - RESTROOM / JANITOR: BENJAMIN MOORE CHANTILLY LACE OC-65 SEMI-GLOSS
 - EXTERIOR TRIM: BENJAMIN MOORE EBONY KING
 - EXTERIOR BUILDING: BENJAMIN MOORE ICE MIST

LEGEND

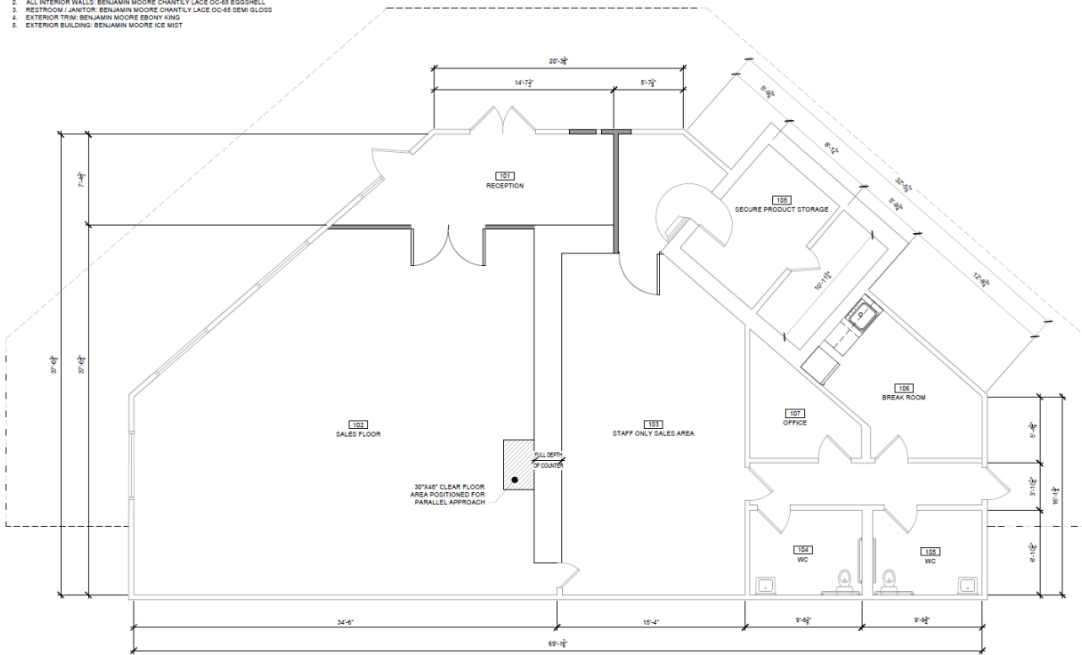
- (E) WALL
- (N) WALL
- PARTITION TYPE, SEE SHEET A-101

- NOTES:**
- SALES AREA COUNTERS TO BE A DEFERRED SUBMITTAL BY OWNER/CONTRACTOR
 - SALES AREA COUNTERS (SERVICE COUNTERS) SHALL COMPLY WITH CBC 11B-501.5 AND SHALL BE LOCATED ADJACENT TO WALKING SURFACE COMPLYING WITH 11B-403
 - SALES AREA COUNTERS SHALL BE PROVIDED WITH AN ACCESSIBLE COUNTER WITH A 30" MAX CLEAR FLOOR AREA ARRANGED FOR PARALLEL APPROACH PER CBC 11B-501.5(B)
 - MAXIMUM HEIGHT OF THE ACCESSIBLE COUNTER IS 34" AFF
 - THE ACCESSIBLE COUNTER SHALL EXTEND THE FULL DEPTH OF THE SERVICE COUNTER AND SHALL BE A MINIMUM LENGTH OF 36" WITH 24" CLEAR FLOOR AREA PER CBC 11B-501.5(B)
 - THE MEANS OF EGRESS SERVING A ROOM OR SPACE, SHALL BE ILLUMINATED AT ALL TIMES THAT THE ROOM OR SPACE SERVED BY THE MEANS OF EGRESS IS OCCUPIED. THIS APPLIES TO LIGHTING OTHER THAN THE EXIT SIGNS. 2022 CFC, SECTION 1008.2
 - PROVIDE EMERGENCY LIGHTING ON EXTERIOR LANDINGS AS REQUIRED BY 2022 CFC, SECTION 1015.1.6 FOR EXIT DOORWAYS THAT LEAD DIRECTLY TO THE EXIT SIGNAGE. 2022 CFC, SECTION 1008.3.2
 - PROVIDE ILLUMINATED EMERGENCY POWER PER CFC, SECTION 1003.3.1
 - A SMOKE DETECTOR SHALL BE PROVIDED IN THE MAIN SUPPLY AIR DUCT OF EACH HVAC UNIT TO SHUT OFF THE POWER SOURCE OF THE UNIT UPON THE DETECTION OF SMOKE WHEN THE TOTAL CFM IN EXCESS OF 2000. 2022 CFC 608.608.1
 - INCLUDE NOTE ON STORE FRONT WITH EMPLOYEE NAME AND 24 HOUR PHONE NUMBER

- CANNABIS BUSINESS ACTIVITY NOTE:**
- NO CANNABIS CULTIVATION WILL BE CONDUCTED
 - ALL CANNABIS ACTIVITY LIMITED TO COMMERCIAL BUSINESS
 - ALL CANNABIS ACTIVITY SHALL BE CONDUCTED WITHIN BUILDING INTERIOR
 - NO CANNABIS OR CANNABIS PRODUCTS OR GRAPHICS DEPICTING CANNABIS OR CANNABIS PRODUCTS SHALL BE VISIBLE FROM THE EXTERIOR OF ANY PROPERTY ISSUED A COMMERCIAL CANNABIS BUSINESS PERMIT, OR ON ANY OF THE VEHICLES OWNED OR USED AS PART OF THE CANNABIS RETAIL BUSINESS. NO OUTDOOR STORAGE OF CANNABIS OR CANNABIS PRODUCTS IS PERMITTED AT ANY TIME.

FIRE EXTINGUISHER NOTE:
CONTRACTOR SHALL PROVIDE & LOCATE FIRE EXTINGUISHERS PER EXIT PLAN, SHEET S-101.

EGRESS DOOR NOTE:
REFER TO NOTES 8-4 ON THIS SHEET FOR EGRESS DOOR REQUIREMENTS.



1 FLOOR PLAN



KM Architecture, Inc.
A Full Service Architectural Practice
3420 COACH LANE
SUITE 9
CAMERON PARK, CA 95682
(530) 344-4073



EMBARC SUTTER CREEK
11 RIDGE RD
SUTTER CREEK, CA
95685

CONDITIONAL USE PERMIT

APN: 044020063

Drawn by:	A. LEVAT
Project Number:	101
Client:	EMBARC SUTTER CREEK
AS NOTED:	
Date:	04/29/2026
Project Number:	20112.42

FLOOR PLAN

DATE SUBMITTED	
DATE REVISION	
SHEET NO.	

A-101

ALL DRAWINGS AND WRITTEN MATERIAL APPEARING HEREIN CONSTITUTE ORIGINAL AND UNPUBLISHED WORK OF KM ARCHITECTURE, INC. AND MAY NOT BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, WITHOUT WRITTEN CONSENT OF KM ARCHITECTURE, INC.

The project site is situated in an area with other commercial uses.

Direction	Zoning	Use
North	C-2	Commercial, Residential
East	C-2	Multitenant Commercial
South	R1A (County)	Vacant
West	C-2	Multitenant Commercial, gas station

General Plan: The Project site is designated “C” Commercial on the Land Use Diagram. The “C,” Commercial, land use designation is applied to those areas of the City where retail, commercial, and professional business services are preferred.

- Minimum parcel or lot size is 7,000 square feet.
 - The Project parcel is approximately 10,890 square feet (.25 acres) in compliance with the land use standard.
- Maximum lot coverage of 85%.
 - The Project coverage is below the maximum coverage standard with about 24% coverage.
- Maximum building height is 50 feet.
 - The existing building is well below the allowable height..

Zoning: The Project site is designated “C-2” (Commercial) on the Zoning Map. The C-2 Zone is designated for retail commercial uses to insure the economic vitality of the community. The project complies with all development standards of the C-2 zones and, with the adoption of the Zoning Ordinance Amendment, is an allowed use, with CUP.

Design Standards: The application is not within the Historic District and therefore was not reviewed by the Design Review Committee. The exterior changes they are proposing are very minor and will not change the existing character of the building.

Parking: The Sutter Creek Municipal code does not explicitly have retail cannabis as a listed use. Retail commercial and professional offices require 1 space for every 300 sf of floor area. Staff categorizes this site as retail commercial, therefore 7 parking spaces are required. The applicant is proposing 17 parking spaces. The site can accommodate additional parking as needed.

Fencing: The applicant is not proposing any fencing at this time.

Access: Main access to the project is off of Ridge Road, with secondary access located off Old Airport Road.

Landscaping: The applicant is proposing minimal landscaping at the front of the buildings. They will be installing planters.

Environmental: This project qualifies for a Categorical Exemption under Section 15301, Class 1 (Existing Facilities), of the California Environmental Quality Act (CEQA) Guidelines.

Pursuant to Section 18.50 (Site Plan Review), all development within the C-2 zoning district is required to obtain Site Plan approval. The applicant has submitted the necessary materials and plans to satisfy the submittal requirements for Site Plan review.

Site Plan Findings

In order for the Planning Commission to grant approval of the Site Plan permit, they must make the following findings:

1. The proposed site development is essential or desirable to the public convenience or welfare;
2. The proposed site development will not impair the integrity and character of the area in which it is located, or the zoning district;
3. The proposed site development will insure that adequate public utilities and services are provided so that the project would not be detrimental to public health, safety, or general welfare;

Recommended Findings

1. The proposed site development is essential or desirable to the public convenience or welfare;

It revitalizes a vacant building within the city and can potentially attract additional new businesses. It will be a public convenience, eliminating long drives by current residents to cannabis stores in adjacent counties.

2. The proposed site development will not impair the integrity and character of the area in which it is located, or the zoning district;

The project will not impair the integrity of the zoning district. It utilizes an existing commercial retail space, requires only minor cosmetic tenant improvements, and provides 17 on-site parking spaces, which exceeds the requirement of 9 spaces for retail commercial.

3. The proposed site development will insure that adequate public utilities and services are provided so that the project would not be detrimental to public health, safety, or general welfare;

The business is proposing to use an existing commercial building that has adequate public utilities to serve that operation.

Sign Permit

The applicant has requested a Sign Permit to update the existing signs. They are proposing to update a monument sign and wall mounted sign.

The monument size is currently existing and was originally approved along with the building. There are two signs on the existing monument sign. The top sign measures 96" by 73" and is double sided (97.33 sf). The smaller sign is 22" by 30" and is also double sided (9.2 sf).



EXISTING VIEW



PROPOSED VIEW

The applicant is also proposing to replace the existing wall sign. The new sign is 192" by 36" (48 sf).



(1) COLORS & MATERIALS (WALL SIGN)

SCALE: 1/4"=1'-0"



Based on Table 15.1 Allowable Sign Area, the applicant is allowed up to a total of 116 ft of signage, with no individual signs exceeding two-thirds of the area permitted.

Recommended Findings

While the existing signs slightly exceed the allowable square footage under current code, they are legally existing structures. Staff recommends allowing the applicant to replace the faces of the existing signs, as this avoids the need to demolish and rebuild the structures and complies with the visual standards of the commercial corridor.

CEQA REVIEW:

CEQA Analysis

As part of the review process for this application, the City is required to analyze the potential impacts under CEQA for the Project, the Zoning Amendment, and the Development Agreement.. Staff has determined that the project is categorically exempt from CEQA review.

Class 1 (Existing Facilities): Under CEQA Guidelines § 15301, this exemption applies to the operation, permitting, or minor alteration of existing private structures involving negligible or no expansion of use. The project involves a 2,598 square-foot building with 1300 sq ft of retail floor space. There will be tenant improvements in an existing commercial building (formerly a bank) with no expansion to the building footprint.

Traffic Impact Analysis

A potential impact of the proposed use is the potential for increased traffic compared to the former bank use, specifically during the p.m. peak hour on weekdays. Data from traffic reports prepared for other dispensaries throughout California and from the Institute of Traffic Engineers (ITE) suggest that the trip generation for a dispensary will be higher than for a bank, including the p.m. peak traffic hour on weekdays. Trip generation for banks is approximately 100 trips per 1,000 square feet of floor area and trip generation for retail cannabis dispensaries have been analyzed at rates of 70 to 250 trips per 1,000 square feet of floor area. However, because of the small size of the building's publicly accessible retail floor space (approximately 1,300 square feet), the potential increase to daily trip generation (up to 195 trips when multiplying 1.3 ksf by a potential increase of 150 daily trips compared to the former bank land use) will have a less than significant transportation impact under CEQA.

Vehicle Miles Travelled (VMT) Analysis

Past changes in State environmental legislation require that public agencies use a metric known as vehicle miles traveled (VMT) rather than the LOS (Level of Service) analysis for determining transportation impacts under CEQA. The finding that the project will have a less than significant transportation impact is supported by VMT recommendations published by the California Governor's Office of Planning and Research (OPR). The OPR data indicates that a project may be presumed to have a less than significant VMT impact because the addition of new locally-serving retail uses (e.g., under 50,000 square feet) typically reduces travel miles by redistributing vehicle trips to within a closer proximity of where customers generally work or reside. If approved, residents from the City and greater Amador County area will have a local option for cannabis dispensary purchases that currently require an approximately 22 (San Andreas) to 32 mile (Shingle Springs) trip to existing dispensaries located in Calaveras or El Dorado counties.

The Accessibility Gap: Regional Travel vs. Local Access



Therefore, as provided by OPR's guidance on locally-serving retail uses, the traffic increase proposed by the dispensary retail operation may be presumed to have a less than significant VMT impact because adding new smaller-scale retail uses to the local transportation framework is typically shown to reduce travel miles by improving destination accessibility and creating more opportunity for customers to travel shorter distances than previously available.

Referrals to other Agencies

The initial application package was referred to City staff and affected agencies. The City received comments back from the following departments or agencies:

- ACTCCity Engineering/Building Department
- City's Sewer Engineer
- PG&E
- Amador County

The comments received have either been included as Conditions of Approval, incorporated into the proposal or been addressed in this staff report.

Response to Amador County General Services Administration: Amador County submitted a letter opposing the project, arguing that the City must prepare an Environmental Impact Report (EIR) because the project presents an "unusual circumstance" under CEQA and raises public health and safety concerns. The City respectfully disagrees with the County's legal and factual assertions:

- **"Unusual Circumstances" Do Not Apply:** The County claims that being the "first" dispensary in the county constitutes an "unusual circumstance" that defeats the categorical exemptions. Under the California Supreme Court standard (*Berkeley Hillside Preservation v. City of Berkeley*), a challenger must show the project is physically unusual for its class *and* has a reasonable possibility of creating a significant environmental effect. Political or cultural novelty does not legally constitute an "unusual circumstance". A 2,598 square foot retail use in an existing commercial structure is standard, not unusual.
- **Social Concerns Are Not CEQA Impacts:** The County extensively cites public health studies regarding youth cannabis use, DUID rates, and social behaviors. CEQA strictly governs *physical changes to the environment*, not the secondary social or public health consequences of a legal business activity. Furthermore, the project complies with all state buffer zones; it is not located within 600 feet of any school, and some of the schools referenced by the County are located in Jackson, not Sutter Creek.
 - **Regulated Market vs. Illicit Market:** Cannabis is legal in the State of California. Prohibiting retail access locally does not eliminate consumption; it merely drives residents to the unregulated illicit market or neighboring jurisdictions. A legally permitted dispensary ensures that products are state-tested for safety, accurately dosed, and strictly kept out of the hands of minors.
 - **Strict Operational Safeguards:** To address the concerns regarding youth access to high-potency products and edibles, the pilot program will mandate stringent operational protocols. This includes mandatory 21+ age verification at the door, robust on-site security, and strict adherence to state packaging laws that expressly prohibit marketing to minors.
 - **State Funding for Local Impacts:** The County notes that the impacts of legalization fall heavily on County services, including the Sheriff's Office, the District Attorney, and emergency responders. It is important to note that a significant portion of state cannabis excise tax revenues is legally mandated to fund the California Highway Patrol to develop DUID enforcement protocols, as well as to fund youth education, intervention, and public health programs specifically designed to mitigate the externalities the County has cited.
 - **Local Funding for Local Impacts:** The County notes that the impacts of legalization fall heavily on County services, including the Sheriff's Office, the District Attorney, and emergency responders. It is important to note that the County will receive increased sales tax from the business.

The City of Sutter Creek is committed to a safe, highly regulated pilot program that provides legal access for adults while strictly protecting our community. We value our partnership with Amador County and will ensure that the operator adheres to the highest standards of safety and legal compliance.

No Illegal "Piecemealing": The County incorrectly argues that utilizing a Development Agreement, CUP, and Zoning Amendment together means the City is illegally "piecemealing" the project to avoid an EIR. CEQA's anti-piecemealing rule prevents

agencies from artificially dividing a single project into smaller pieces. Approving a complete, integrated project entitlement as categorically exempt in its entirety is standard and lawful practice.

- **Constitution Concerns - Voluntary Contract vs General Tax:** A Development Agreement is a voluntary, bilateral contract entered into by the City and the developer. Any community benefit fees negotiated within this agreement are contractual obligations voluntarily accepted by the business in exchange for vested development rights. These fees are assessed on the business's gross receipts—not levied legislatively upon the public or the consumer as a sales tax. Because the fee is a mutually agreed-upon contractual condition of property development between the City and the applicant, it is exempt from the constitutional definition of a tax. Therefore, it does not require a ballot measure or voter approval.

Response to ACTC:

ACTC submitted a comment letter requesting formal traffic impact analyses, parking studies, and regional cumulative impact studies, framing these as CEQA requirements. The City finds these requests inapplicable and adequately resolved by current data and law:

- **Shift from LOS to VMT (SB 743):** ACTC's demands rely on a Level of Service (LOS) framework that measures intersection congestion. However, under California Senate Bill 743, LOS was abolished as a CEQA significance standard for land use projects on July 1, 2020, and was replaced by Vehicle Miles Traveled (VMT).
- **Net Regional VMT Reduction:** The Governor's Office of Planning and Research (OPR) guidelines dictate that local-serving retail projects typically redistribute trips and are presumed to have a less-than-significant VMT impact. Because there are currently no licensed dispensaries in Amador County, consumers are traveling to Sacramento, Calaveras County, or other distant jurisdictions. This project will capture existing regional trips and convert them to short local trips, acting as a net regional VMT reducer.
- **Comparable Trip Generation:** According to the authoritative Institute of Transportation Engineers (ITE) Trip Generation Manual (11th Edition), the proposed 2,662 sq. ft. dispensary with approximately 1,300 sq.ft of retail floor space is estimated to generate up to 195 daily vehicle trips. The incremental increase from the prior walk-in bank is a potential increase of 150 daily trips and will have a less than significant transportation impact under CEQA.
- **Parking Sufficiency & Operations:** The site provides 17 existing parking spaces (including 2 ADA spots), nearly doubling the local code requirement of 9 spaces. Modern cannabis dispensaries feature rapid transaction times (5-7 minutes) via online pre-ordering, which ensures high parking turnover. Finally, operational logistics like delivery dispatch and armored transport scheduling are not CEQA issues; they are tightly regulated through the binding operational conditions of the CUP and the Development Agreement.
- **Delivery and Dispatch Operations:** These logistical concerns are standard operational issues mitigated through the development agreement and conditions of approval. Prior to starting a delivery service Permittee must submit a formalized Delivery and Security Management Plan as a condition of operating. This plan will mandate that:
 - Cannabis delivery dispatch vehicles must utilize standard, low-profile passenger vehicles rather than oversized commercial freight trucks.
 - Employee parking and delivery staging will be restricted to designated, off-peak zones on-site to maintain clear ingress/egress.

- Armored transport arrivals will be restricted to scheduled, non-peak commuting hours to eliminate on-site circulation friction.

CEQA CONCLUSION:

The proposed project involves the reuse of an existing commercial building with operational impacts strictly governed by state law and an enforceable Development Agreement. The arguments presented by the County and ACTC rely on inapplicable legal standards (LOS instead of VMT) and policy objections rather than evidence of physical environmental impacts. Therefore, the project is properly determined to be Categorically Exempt under CEQA Guidelines Section 15301.

BUDGET IMPACT:

The applicant is paying for all costs to process the application.

According to their submitted pro-forma forecast, they anticipate the following Gross Revenue, and we calculate the following benefits to the City and City non-profit organizations.

Year	Gross Revenue	City Retail Fee (8%)	City Sales Tax (2%)	% of FY25-26 General (\$3.2M)	Community Benefit Fee(1%)
Year 1	\$6,228,954	\$498,316	\$124,579	19.5%	\$62,290
Year 2	\$6,914,139	\$553,131	\$138,283	21.6%	\$69,141
Year 3	\$8,918,086	\$713,447	\$178,362	27.9%	\$89,181
Year 4	\$9,720,714	\$777,657	\$194,414	30.4%	\$97,207
Year 5	\$10,595,579	\$847,646	\$211,912	33.1%	\$100,596

The general fund would receive the City Retail Fee and Sales Tax. To put in context, the City’s general fund is currently \$3.2M a year. City revenues are generally growing at about 2 - 3% a year (Sales tax, hotel tax, property tax), while expenses are growing at 5 - 10 % a year including inflation.

If the applicant generates sales as they forecast, this would become the single largest source of income to the city, increasing the general fund by 20% in the first full year of operation. These funds will be used for public safety, roads, infrastructure, and all of the things that the City needs. We anticipate being able to fund an additional law enforcement officer if the revenue materializes and it is approved by the Council.

The Community Benefit fund will be used partially to fund Youth education about drugs and alcohol, and if the Council approves, Cameras that will enable better law enforcement throughout Sutter Creek with Cameras around Main street and the major entrances into the City. A Community Benefit board will determine how to allocate additional funds.

Sensitivity Analysis

The above numbers are based on the applicants pro-forma numbers. The applicant is investing nearly \$2M to open a dispensary, and an additional \$3M in working capital, so they appear to have faith in their forecast. It is also clear that Amador county residents are purchasing multi-million dollar amounts of cannabis products annually today either via delivery into the county or by driving to one of the ten dispensaries close by. If we reduce their forecast by 50%, to \$3.1M in gross revenue, the amount of funds to the city is still significant, representing a 10% increase in the general fund.

Revenue Generation Outside the City

The County would receive 1.25% of the Sales Tax, The Fire District would receive 0.5% of the sales tax and the State would receive 6% of the sales tax. In addition, the State collects a 15% Cannabis Excise Tax and State Income Tax. After the state pays the fixed cost of operating the State's Cannabis regulating agencies, 60% of those taxes go to Youth education and prevention, 20% goes to environmental protection and 20% goes to State and Local Law Enforcement, including the California Highway Patrol.

California law dictates that 60% of the state's available cannabis tax revenue goes into a single fund: the Youth Education, Prevention, Early Intervention and Treatment Account (YEPEITA).

Instead of cutting checks directly to the 58 counties, the state divides that account among various state agencies. Those agencies then create specific grant programs that local entities must apply for. Local bans on dispensaries have no impact on eligibility for these state grants though counties must actively apply for grants.

Because it is a competitive process, a county whose agencies and local non-profits actively submit strong proposals will secure more youth funding than a county that does not engage with the grant system. Staff is not aware of Amador County itself applying for a grant but organizations operating within Amador County have successfully applied for and won competitive state funds.

For example, through the Elevate Youth California program (the largest grant funded by the state's cannabis tax revenue), Amador County has received direct investment. The Buena Vista Rancheria of Me-Wuk Indians, located in Amador County, was awarded a \$600,000 grant. The funding is specifically earmarked to improve behavioral health outcomes for Native American youth leaders in the county through youth-led civic engagement, increasing cultural awareness, and building protective factors against substance use.

PUBLIC NOTICING:

Public notice of this public hearing and the Planning Commission's consideration of the proposed Development Agreement, Zoning Ordinance Amendment, Site Plan Permit, and Conditional Use Permit was provided in accordance with California Government Code Section 65867 and Sutter Creek Municipal Code Section 18.06.050. Notice was published and distributed in the manner prescribed by law to inform interested parties of the date, time, place, and purpose of the hearing.

RECOMMENDATION:

Staff recommends the Planning Commission do the following:

Zoning Ordinance Amendment and Development Agreement Recommendations:

1. Conduct a public hearing and receive public input, and
2. Find, that the Zoning Ordinance Amendment and Development Agreement are Categorically Exempt under Section 15301 Class 1, Existing Facilities, from CEQA and instruct staff to file a Notice of Exemption after council action;

3. Recommend that the City Council:
 - c. Adopt a Zoning Ordinance Amendment to allow exactly one (1) retail cannabis business within the City, subject to conditions of a development agreement and CUP;
 - d. Approve the Development Agreement with Sutter Creek Responsible and Compliant Retail, LLC DBA Embarc.

Site Plan Permit, Conditional Use Permit, Sign Permit Approvals:

4. Conduct a public hearing and receive public input, and
5. Find, that the project is Categorical Exempt under Section 15301 Class 1, Existing Facilities, from CEQA and instruct staff to file a Notice of Exemption after council action on zoning ordinance and development agreement;
6. Adopt resolution to Approve, with conditions, a Site Plan Permit, Conditional Use Permit, and Sign Permit for Sutter Creek Responsible and Compliant Retail LLC DBA Embarc, 11 Ridge Road, for one retail and delivery cannabis business. These approvals are contingent on Council action.

Attachments:

1. Resolution
 - a. Resolution of the Planning Commission, recommending the City Council amend Title 10 and Title 18 of the Sutter Creek Municipal Code and enter into a Development Agreement with Embarc
 - b. Resolution of the Planning Commission approving a CUP, Site Plan, and Sign Permit for 11 Ridge Road
2. Notice of Exemption
3. Public Hearing Notice
4. Development Agreement
5. Conditional Use Permit Application
6. Site Permit Application
7. Sign Permit Application
8. Applicant Cover letter, exec summary and qualifications
9. Business plan and Pro Forma
10. Labor and Employment plan
11. Neighborhood Compatibility plan
12. Community Benefits Plan
13. Location Plan
14. California Cannabis Health and Safety Code
15. California Cannabis Regulations
16. County Letter (with links)
17. ACTC Letter
18. Owner Authorization