# E.1 CANNABIS LAND USE ORDINANCE

CITY OF

City Council June 19, 2018

Presentation by:

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# Hearing Agenda

- Presentation by staff
- City Council follow-up questions
- Public comment
- City Council take action on CEQA document and conduct first reading of Ordinance



## Background – State and Local Regulation

- Prop. 64 2016
- Medicinal and Adult-Use Cannabis Regulation and Safety Act - 2017
- City Currently:
  - Prohibits all cannabis businesses
  - Allows for personal cultivation
  - Allows for deliveries in Goleta
  - Recognizes three legal, nonconforming medicinal dispensaries





# Background

- Aug. 21, 2017 Public Workshop
- September 7, 2017 City Council Ordinance Initiation
- Oct. 23 and 30, 2017 Planning
   Commission Workshops (land use regulations)
- Nov. 2017- April 2018 Draft Ordinance Preparation, Agency Consultation
- April 23, 2018 City Council Ordinance Review Standing Committee Review of Draft Ordinance
- April 26, 2018 Joint City Council/Planning Commission Workshop
- June 11, 2018 Planning Commission Recommendation Hearing

#### Goleta Planning Panel Weighs Recreational and Commercial Marijuana Growth

Commissioners debate whether to allow people to grow pot outdoors



- Definitions and Use Classifications
- Personal Cultivation
- Allowed Cannabis Uses
- Accessory Uses
- Specific Use Standards
- Permit Procedures
- Inspection, Revocation, and Enforcement



# Existing Legal Non-Conforming Uses

- Santa Barbara Care Center (5814 Gaviota St.)
  - CG Land Use Designation
  - Permitted Uses: Distribution, Non-Storefront Retail,
     Storefront Retail (with a CUP)
  - Allowed Accessory Uses: Cultivation, Manufacturing
- Organic Greens Collective, Inc. (5902 Daley St.) and Cal Green Medical (164 Aero Camino)
  - IG Land Use Designation
  - Permitted Uses: Cultivation, Distribution, Manufacturing, Testing (as a stand-alone use), Non-Storefront Retail
  - Allowed Accessory Uses: Storefront Retail (with a CUP)

# Direction from April 26 Workshop

- 1. Does the City support outdoor cultivation of up to three plants per lot?
  - No. Limit personal cultivation to indoor cultivation.
- 2. Does the City support the size limitation (1,000 square feet) on accessory uses?
  - No. No quantitative standard for size of accessory uses.
- 3. Does the City support the prohibitions of storefront retail and volatile solvent manufacturing as accessory uses?
  - No. Storefront retail allowed as accessory uses. When storefront retail is an accessory use, the permit required if it was a primary use (Minor or Major CUP depending on location) would be required. For volatile manufacturing, limited to industrial land use designations.
- 4. What uses should be included as "sensitive receptors" which are provided a buffer from cannabis uses?
  - Only schools included as sensitive receptors. If a site is within the school buffer, there is not on outright prohibition, but heightened review.

# Direction from April 26 Workshop

- 5. Does the City support a 600-foot buffer from sensitive receptors for all cannabis business or does the City want to employ variable buffers depending on the cannabis use or sensitive receptor?
  - The 600-foot buffer only applies to storefront retail. If within the buffer, storefront retail would need a Major CUP.
- 6. Does the City support a 100-foot separation requirement between all cannabis uses and a 600-foot separation between storefront retailers?
  - No. The 100-foot separation requirement removed. Storefront retail separation requirement reduced to 300-foot.
- 7. Does the City want to impose a hard cap on the number of storefront retail establishments? If so, how does the City want to manage the cap?
  - No.
- 8. Does the City support the requirement of a Major CUP for storefront retailers?
  - No. Changed to Minor Conditional Use Permit.



# Direction from April 26 Workshop

- 9. Does this City support a prohibition on outdoor and mixed-light commercial cultivation?
  - Yes. No change.
- 10. Does this City want to limit the canopy size for indoor cultivation uses or require more stringent energy standard for larger cultivation activities?
  - Yes, limit to 5,000 square feet.
- 11. Does the City support the requirement of an LUP or CDP for all cannabis uses except storefront retail?
  - Yes. No change.
- 12. Does the City support the requirement for a Major CUP if the cannabis use is within 100-feet of a residential land use?
  - Not generally. Only apply the Major CUP requirement to storefront retail.



# Staff Changes Since April 26

- Additional language to address odor abatement and energy use
- Added requirements for personal indoor cultivation
- Minor revisions based on legal review
- Updated terms based on changes in State law
- Change in allowable land use designations for Volatile Solvent Manufacturing to include Service Industrial (I-S) and Business Park (BP) to reflect the comparable use in the General Plan of General Manufacturing – No Noxious Impacts



# Planning Commission Hearing Recommendations

- Approve CEQA Addendum
- Adopt Ordinance with Three Revisions:
  - Require notice to residents and tenants in addition to property owners (see Section 5(J)(2) of Attachment 3).
  - Limit indoor cultivation to one use of up to 5,000 square feet of canopy per building (see Section 5(I)(4)(f) of Attachment 3).
  - Include a limit of fifteen (15) Storefront Retailers allowed within the City, including accessory retail uses (see Section 5(I)(2)(e) of Attachment 3).



## Additional Change Since Packet Release

- Primary caregiver cultivation treated like commercial cultivation if beyond personal use cultivation allowance.
  - Changes to Ordinance Sections 5(D)(7) and 5(E)(1):
    - 7. "Personal Use Cultivation". The cultivation, harvest, drying, or processing of plants with the intent to possess, smoke, or ingest cannabis or cannabis products for their one's own individual use <u>pursuant to Health and Safety Code section 11362.1(a)</u>, as amended, and for medicinal use <u>pursuant to Health and Safety Code section 11362.77</u>, as amended, but who does not provide, sell or distribute cannabis to any other person except as provided by Health & Safety Code section 11362.1(a), as amended.
  - E. Personal Use Cultivation. Personal Use Cultivation, consistent with the requirements of this Section, is allowed in all Zoning Districts, and a land use permit is not required.
    - Cultivation is limited to six plants per private residence for adult use pursuant to
       Health and Safety Code section 11362.2, as amended. Cultivation is limited to the
       number of plants allowable under State Cannabis Laws for one qualified patient
       per private residence. Cultivation of more than the number of plants for one
       qualified patient must be consistent with Section 5(F) unless otherwise allowed by
       State law.

#### **CEQA**

- Addendum to the City's General Plan/Coastal Land Use Plan 2006 Final EIR, 2009 Supplemental EIR, and subsequent addenda
- No new impacts not identified in the previous CEQA documents

#### Cannabis Land Use Ordinance

Addendum to the Goleta General Plan/Coastal Land Use Plan Final Environmental Impact Report



City of Goleta

130 Cremona Drive, Suite B
Goleta. CA 93117

June 2018



#### Staff Recommendations

- A. Adopt Resolution No. 18-\_\_, entitled "A Resolution of the City Council of the City of Goleta, California, Approving the Cannabis Land Use Ordinance CEQA Addendum to the Goleta General Plan/Coastal Land Use Plan Final Environmental Impact Report (SCH#2005031151)" (Attachment 1); and either
- B. Introduce and conduct the first reading (by title only) and waive further reading, of Ordinance No. 18-\_\_, entitled "An Ordinance of the City Council of the City of Goleta, California, Repealing Definitions and Regulations from the Inland and Coastal Zoning Ordinances and Establishing Regulations for Various Cannabis Uses within the City" Consistent with Direction Received from the Joint Planning Commission / City Council Workshop on April 26, 2018 (Attachment 2)\*; or
- C. Introduce and conduct the first reading (by title only) and waive further reading, of Ordinance No. 18-\_\_, entitled "An Ordinance of the City Council of the City of Goleta, California, Repealing Definitions and Regulations from the Inland and Coastal Zoning Ordinances and Establishing Regulations for Various Cannabis Uses within the City" Consistent with the Planning Commission Recommendation on June 11, 2018 (Attachment 3)\*.

\*Ordinance repeals existing cannabis regulations including: existing definitions in the Coastal and Inland Zoning Ordinances related to cannabis; the prohibition against cannabis businesses in the Coastal and Inland Zoning Ordinances; and the prohibition against commercial cultivation and regulations regarding personal cultivation in the Goleta Municipal Code (See Section 4 of the Ordinance)

# ORDINANCE SECTIONS

- <u>Definitions and Use Classifications</u> (Section 5(B,C), Beginning on Big Page (BP) 87)
  - Intent is to closely mirror the definitions and uses as identified in state law in order to avoid confusion











- Personal Cultivation (Section 5(E), BP 92)
  - State law requires the City to allow personal cultivation
  - Limited to Indoor Cultivation





"P" - Land Use Permit or Coastal Development

#### Land Use Ordinance

- Allowed Cannabis
   Uses (Section 5(F),
   BP 93)
  - Mirrors Comparable uses in General Plan (<u>See</u> <u>Attachment 4 to</u> <u>Staff Report</u>)

TABLE 1: ALLOWER CANNABIS USES B USE DESIGNATION	Permit is Required  "MU" Minor Conditional Use Permit Required  "-" - Use Not allowed										
Uses	I and Use Designations										
	CR	CC	ОТ	CG	BP	OI	IS	IG			
Cannabis Cultivation	See Subclassifications below.										
Indoor Cultivation	-	-	-	-	Р	-	Р	Р			
Nursery	-	-	-	-	Р	-	Р	Р			
Processor	-	-	-	-	Р	-	Р	Р			
Cannabis Distribution	-	-	-	Р	-	-	Р	Р			
Cannabis Manufacturing	See Subclassifications below.										
Non-Volatile Solvent Manufacturing	-	-	-	-	Р	-	Р	Р			
Volatile Solvent Manufacturing	-	-	-	-	Р	-	Р	Р			
Infusions	-	-	-	-	Р	-	Р	Р			
Packaging and Labeling	-	-	-	-	Р	-	Р	Р			
Cannabis	Allowed based on allowance for primary use if secondary uses are consistent with										
Microbusiness	the Accessory Uses standards below.										
Cannabis Testing	-	-	-	-	Р	Р	-	Р			
Cannabis Retailer	See Subclassifications below.										
Storefront	MU <sup>1</sup>	MU <sup>1</sup>	MU <sup>1</sup>	MU <sup>1</sup>	-	-	-	-			
Non-Storefront	-	-	-	Р	-	-	Р	Р			

A Major Conditional Use Permit is required within 600 feet of a school or 100 feet or a residential land

- Accessory Uses (Section 5(G), BP94)
  - Allows for multiple cannabis uses at one location as long as the primary use(s) is allowed in that land use designation
  - Storefront retail allowed
  - No Volatile Solvent Manufacturing except in industrial land uses



- Specific Use Standards (Section 5(I), BP 94)
  - Sensitive Receptors No Prohibitive Buffers
  - Separation Requirements
    - 300 feet between storefront retail
  - Major CUP for Storefront Retail if within 100 feet of residential land use or 600 feet of a school
  - No on-site consumption
  - Odor, Lighting, Energy (indoor cultivation)



- Permit Procedures
  - Land Use Permit/Coastal Development Permit
  - Storefront Retail Minor CUP
- Inspection, Revocation, and Enforcement



Attachment 4 - General Plan Land Use Designations - Cannabis Uses Consistency Matrix

State License Type	CR	СС	ОТ	VS	CI	CG	BP	OI	IS	IG	AG	Comparable General Plan Land Use	
Cultivation													
Specialty Cottage (outdoor)					-	-	-		-		Х	Specialty Agriculture and Floriculture	
Specialty Cottage (indoor)	-	-	-	-	-	-	Х	-	Х	Х	-	General Manufacturing – No Noxious Impacts	
Specialty Cottage (mixed-light)	-			-		-	-			×I	Х	Specialty Agriculture and Floriculture	
Specialty Outdoor	-	-	-			-	-	-			Х	Specialty Agriculture and Floriculture	
Specialty Indoor	1-1				-	-	Х		Х	Х		General Manufacturing – No Noxious Impacts	
Specialty Mixed-Light		-	- 61				-			-0.	Х	Specialty Agriculture and Floriculture	
Small Outdoor											Х	Specialty Agriculture and Floriculture	
Small Indoor	-		-	-	-	-	Х	-	Х	Х	-	General Manufacturing – No Noxious Impacts	
Small Mixed-Light					-	-	-				Х	Specialty Agriculture and Floriculture	
Medium Outdoor	-	-	-	-0.	-51			- 61	-	- 0	Х	Specialty Agriculture and Floriculture	
Medium Indoor			1-1		1-1		Х		Х	Х	1-1	General Manufacturing – No Noxious Impacts	
Medium Mixed-Light	-	-		-	- 60			- 00	- 0.	- 0	Х	Specialty Agriculture and Floriculture	
Nursery					-	-	Х		Х	Х		General Manufacturing – No Noxious Impacts	
Large Outdoor (not until 2023)	- 61		- 61	-01	- 60	-51		æ.	e.	- 61	Х	Specialty Agriculture and Floriculture	
Large Indoor (not until 2023)				~	-	-	Х		Х	Х		General Manufacturing – No Noxious Impacts	
Large Mixed-Light (not until 2023)	-	-	-	-	-	-	-	-	-	-	Х	Specialty Agriculture and Floriculture	
Processor	-	-	-	w	~	w	Х	-	Х	Х	-	General Manufacturing – No Noxious Impacts	
Manufacturing													
Non-Volatile Solvents	v		~	~	~	~	Х	~	Х	Х		General Manufacturing – No Noxious Impacts	
Volatile Solvents	-	-	-		-	-	Х	-	Х	Х	-	General Manufacturing – No Noxious Impacts	
Infusions	-	-	-	-	-	-	Х	_	Х	Х	-	General Manufacturing – No Noxious Impacts	
Packaging and Labeling	-		-	-	-	-	Х	-	Х	Х		General Manufacturing – No Noxious Impacts	
Testing Laboratory	H)	H	H	H	H)	<del>(4</del> )	Х	Х	H	Х	H	Research and Development	
Retail													
Storefront	Х	Х	Х	-	-	Х	-	-	-	-	-	General Merchandise; Apparel and Specialty Stores	
Non-Storefront	-	-	-	-	-	Х	-	-	Х	Х	-	General Wholesale Trade	
Distributor						Х	150	-	Х	Х		General Wholesale Trade	
Microbusiness		-	121		-	-			-		141	No direct comparison.	



# CANNABIS BUSINESS TYPES

# The Big Three of the Cannabis Industry

Retail and Delivery



Manufacturing





Cultivation





# ...and the Supporting Activities



**Testing** 

Distribution



# Inhalation: Smoking







Inhalation: Vaping









Oral: Edibles and Drinks



Oral: Tinctures and Ingestible Oils





# Topicals:





## Retail

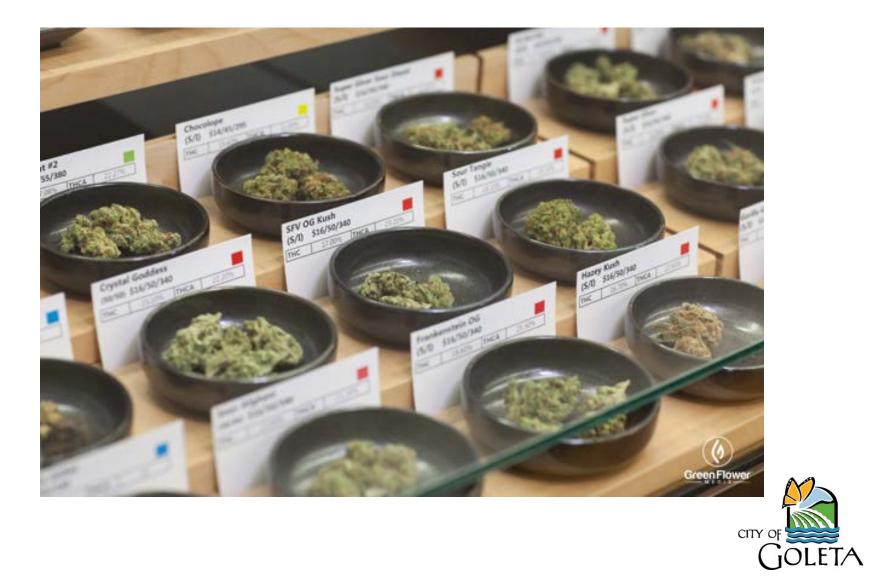




# Retail



# Retail



# Cultivation





CITY OF

# Manufacturing







