"Placerville, a Unique Historical Past Forging into a Golden Future"



CITY OF PLACERVILLE PLANNING COMMISSION STAFF REPORT

MEETING DATE: December 4, 2018

PREPARED BY: Pierre Rivas, Development Services Director

SUBJECT: ZONE CHANGE (ZC) 18-01 – Cannabis Business Overlay Zone

RECOMMENDATION: (1) That the Planning Commission hold a public hearing and consider staff's zoning ordinance amendments relating to the Cannabis Business Overlay Zone and Zoning Map Amendments; and (2) that the Planning Commission forward a recommendation that the City Council approve an Ordinance amending the Placerville City Code (Attachment 1) adding Section 10-5-28 *Cannabis Business Overlay Zone* to Chapter 5 *General Regulations* to allow and regulate the establishment of commercial cannabis business activities within the City of Placerville, and amend the Placerville Zoning Map adding the Cannabis Business Overlay Zone to select parcels as shown in Exhibit A (West Map) and Exhibit B (East Map) of Attachment 1.

BACKGROUND/DISCUSSION: On October 9, 2018, the City Council adopted Ordinance 1693 repealing Title 5 (Business Regulations), Chapter 25, and Title 10 (Zoning Ordinance), Chapter 10, Sections 1 through 5 of the Placerville Municipal Code; and added Title 5 (Business Regulations) Chapter 28.

The referenced repealed City Codes that prohibited the cultivation, distribution and dispensing of medical marijuana in the City of Placerville and prohibited medical marijuana dispensaries from locating in the City of Placerville (Ord. 1677, 12-8-2015).

Title 5, Chapter 28 allows commercial cannabis business activities including the cultivation, manufacture, processing, laboratory testing, transportation, dispensing, distribution, or sale of cannabis or cannabis products with a valid commercial cannabis business permit and Business License from the City of Placerville, and a valid State of California Seller's Permit. Section 5.28.250 (Location and Design of Cannabis Businesses) requires that a permitted cannabis business be located in specified commercial zones and that minimum distances be maintained from specified "sensitive" uses as defined in the California Business & Professions Code (Section 26054(b)) and the California Health & Safety Code (Section 11362.768).

The City Council convened a committee ("Cannabis Regulating Committee") that prepared a draft Cannabis Business Overlay Zone Map meeting zoning and required location distance from sensitive uses criteria for consideration by the Planning Commission for recommendation to the City Council. Lastly, on November 13, 2018, the City Council adopted a resolution limiting the number of cannabis retailers to no more than three (3) and the number of testing laboratories to no more than three (3).

Staff has prepared a draft "Cannabis Business Overlay Zone District" adding Section 10-5-25 CBO, Cannabis Business Overlay Zone to Chapter 5 Zone Regulations of the Zoning Ordinance, also to be considered by the Planning Commission for recommendation to the City Council.

ENVIRONMENTAL REVIEW: This ordinance and zoning map amendment is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) because the project is covered by the general rule that CEQA applies only to projects that may cause a significant effect on the physical environment and that the permitting of commercial cannabis businesses in the selected commercial zones are similar in nature to those commercial activities currently allowed by-right Commercial (C) and Highway Commercial (HWC) Zone Districts; which include retail sales and service, eating and drinking establishments, restaurants, grocery stores, pharmacies, compounding pharmacies, bakeries, micro breweries, etc.

ATTACHMENTS:

1: <u>Draft Cannabis Business Overlay Zone Ordinance</u> (with Exhibits <u>A</u> and <u>B</u>)

- 2: City Code Title 5, Chapter 28 Commercial Cannabis Activity (Ordinance No. 1693)
- 3: <u>Public Comments</u>