



City of Culver City

Staff Report

File #: 18-0291, Version: 1

Item #: A-7.

CC - (1) Discussion of Potential Regulations for Commercial Cannabis Businesses Regarding Storefront Retail Cannabis Businesses, Distancing Requirements, and Multiple Permits Per Location; and (2) Direction to the City Manager as Deemed Appropriate

Meeting Date: September 25, 2017

Contact Person/Dept: Jesse Mays / Assistant to the City Manager

Phone Number: (310) 253-6000

Fiscal Impact: Yes No

General Fund: Yes No

Public Hearing: **Action Item:** **Attachments:**

Commission Action Required: Yes No **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (09/20/17); Marijuana GovDelivery e-mail list (09/21/17)

Department Approval: John Nachbar, City Manager (09/19/17)

RECOMMENDATION

Staff recommends the City Council (1) discuss potential cannabis regulations regarding storefront retail cannabis businesses, distancing requirements, and multiple permits per location; and (2) provide direction to the City Manager as deemed appropriate.

Specifically, staff is seeking direction with regard to:

1. Whether to permit storefront (on-site) retail cannabis businesses;
2. If permitted, what distancing requirements to impose for storefront retail cannabis businesses;
3. Whether to allow businesses to receive a permit in more than one category at the same location, if permitted by the zoning; and
4. Other direction as deemed appropriate.

BACKGROUND

On September 11, 2017, the City Council considered recommendations from the City's Marijuana

Task Force to permit commercial cannabis activity in Culver City, and directed staff to return with proposed zoning and regulatory ordinances, along with associated regulations, that would:

1. Allow the following medicinal and adult-use cannabis businesses in industrial zones within Culver City:
 - Delivery Only Retail (“Home Delivery”)
 - Manufacturing
 - Distribution
 - Testing
 - Indoor commercial cultivation (within specific areas identified by the City Council Subcommittee).

2. Provide that applications for the above-listed commercial cannabis business types should be reviewed and approved through a ministerial permit process. Since these uses would be limited to industrial zones, no additional buffer zones should be required.

3. Prohibit the following medicinal and adult-use cannabis businesses within Culver City:
 - Commercial outdoor cultivation
 - Commercial mixed-light cultivation

4. Limit the maximum number of cannabis businesses permitted in Culver City by business type, as follows: delivery-only retail (10), inclusive of any storefront retailers that also provide delivery; manufacturing (6); distribution (6); cultivation (indoors) (3); and testing laboratories (4).

The City Council also directed staff to return with updated City maps showing locations where storefront (on-site) retail cannabis businesses (that may also offer delivery) may be eligible to locate, given the following buffer zones:

- 600 feet from state identified sensitive receptors, plus 600 feet from parks & playgrounds; and
- 600 feet from state identified sensitive receptors, 600 feet from parks & playgrounds, plus a 100 foot buffer from residential zones.

State identified sensitive receptors are identified in the California Business and Professions Code, Section 26054. They are as follows:

- Schools providing instruction in kindergarten or grades 1 through 12

- Day Care Centers (defined in California Health & Safety Code Section 1596.76)
 - Any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school age child care centers.
- Youth Centers (defined in California Health & Safety Code Section 11353.1)
 - Any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

City Council also requested to see the impact on eligible sites for potential storefront retail businesses if a 600-foot buffer was instituted between the storefront retailers.

DISCUSSION

Storefront Retail Cannabis Businesses

Staff requests that the City Council provide direction as to (1) whether storefront retail commercial cannabis businesses should be allowed in the City and included as a permitted use in the proposed commercial cannabis regulatory and zoning ordinances, and (2) if so, what buffers and distancing restrictions should be placed on storefront retail businesses.

Pursuant to Council's direction, two new maps are attached: Distances are measured as specified in the California Health and Safety Code Section 11362.768(c), that is, parcel boundary to parcel boundary, inclusive of the entire parcel.*

- A. 600 feet from state identified sensitive receptors, plus 600 feet from parks & playgrounds (Attachment 1);
- B. 600 feet from state identified sensitive receptors, 600 feet from parks & playgrounds, plus a 100 foot buffer from residential zones (Attachment 2).

In addition, each map also recognizes sensitive receptors and residential zones adjacent to Culver City (in the City and County of Los Angeles).

*The City Council may also consider, as it deems appropriate, lesser or greater buffers than those previously discussed.

If City Council permits storefront retail cannabis businesses, the City Council would later adopt via resolution the application process and the manner in which the decision will ultimately be made regarding the issuance of permits, including a set of objective review criteria. The process would be merit based, with the applicants submitting information such as a business plan, security plan, neighborhood compatibility plan, air quality plan, labor and employment plan, as well as background checks for owners and managers. Applicants would undergo several phases of a vetting process, which may include an interview with a selection panel. The application and selection process would also involve notification of surrounding properties and one or more public meetings. City Council would make the final decision on which storefront retail cannabis businesses receive permits.

Co-location of businesses

Staff requests that City Council also provide direction on whether the proposed cannabis regulations should allow businesses to receive multiple permits in different categories at the same location, if allowed by state law. For example, a business could be permitted to conduct cultivation and manufacturing at the same location, if it was in the eligible zone and met all the regulatory requirements for each business type.

FISCAL ANALYSIS

There is no fiscal impact associated with this discussion item.

ATTACHMENTS

1. 2017-09-25 - ATT 600 Foot Buffers
2. 2017-09-25 - ATT 600 Foot Buffers Plus 100 Foot Residential Buffer

MOTION

That the City Council:

1. Provide direction to the City Manager to return with proposed commercial cannabis regulatory and zoning ordinances, along with associated resolutions, that:
 - A. Permit storefront retail cannabis businesses; or
 - B. Do not permit storefront retail cannabis businesses; and
 - C. If (A), then provide direction to the City Manager on buffer zones and distancing requirements for storefront retail cannabis businesses.
2. Provide direction to the City Manager to return with commercial cannabis regulations that:
 - A. Allow businesses to receive a commercial cannabis permit in more than one business category at the same location; or
 - B. Do not allow commercial cannabis businesses to receive a commercial cannabis permit in more than one category at the same location; and
3. Provide other direction to the City Manager as deemed appropriate.