



MEMORANDUM

Date: January 15, 2016

To: Mayor Sawyer and Members of the City Council

Copies: Sean P. McGlynn, City Manager
Charles J. Regalia, Assistant City Manager
Caroline Fowler, City Attorney
David M. Guhin, Interim Director

From: Clare Hartman, Deputy Director-Planning

**Subject: UPDATE Item No. 15.1 - January 19, 2016 - Temporary Placeholder
Ban on Commercial Cultivation of Medical Cannabis**

The purpose of this memorandum is to inform the City Council of recent events and information related to Item No. 15.1 on the January 19, 2016 agenda.

On January 11, 2016, the City's Medical Marijuana Policy Subcommittee met to discuss the Medical Marijuana Regulation and Safety Act (MMRSA). Councilmembers Carlstrom, Olivares, and Wysocky serve this subcommittee. At the meeting, the subcommittee was briefed by City staff on the MMRSA; briefed by Assemblymember Woods office about AB 21 and its effort to remove the March 1, 2016 deadline; discussed options available to the City Council on January 19, 2016; and heard from the public in attendance.

Following discussion, the subcommittee unanimously supported a new option for consideration by the City Council on January 19, 2016:

- *New* OPTION 1 – Adopt an urgency ordinance that permits Commercial Cultivation of Medical Cannabis with a Conditional Use Permit in the General Commercial, Light Industrial, and General Industrial Zoning Districts.

As a result, the options available were re-numbered in the attached document, "Options to be Presented to the City Council on January 19, 2016." This list of available options supersedes the list of options identified in the Council staff report. In addition, a representative of Assemblyman Wood's office presented a written update on AB 21, also attached.

Attachment 3

On January 14, 2016, the Planning Commission held a public hearing on the temporary placeholder ban amendment. Due to the late addition of the new Option 1 and legal noticing requirements, the Commission was advised to consider the new option, but refrain from taking any formal action. Following a summary by staff of the MMRSA, AB 21 effort, subcommittee direction, list of options (renumbered), and public hearing, the Planning Commission discussed the issues related to each option.

In conclusion, the Commission rejected (6-0-0) the adoption of a temporary placeholder ban and motioned (6-0-0) to recommend Council initiation of a comprehensive medical cannabis policy amendment. The Commission encouraged the Council to pursue the comprehensive policy expeditiously.

In addition, Commissioners individually forwarded comments to the Council on the new Option 1. While the Commission supported the concept of a permissive placeholder amendment, several expressed caution about setting up a situation where an cultivation operator obtains a use permit in the interim, only to be subsequently rendered inconsistent with a more comprehensive policy adopted later. A more comprehensive policy may result in different permitting requirements, development standards or locational requirements, which if more restrictive than Option 1, may give an advantage to these early applicants as legal non-conforming uses. A suggestion was to consider this issue in either the refinement of Option 1 or as part of the comprehensive policy effort.

Should the City Council support the new Option 1 on January 19th, a draft amendment expressing the Option would return to the Planning Commission for a formal recommendation before being acted on by the City Council.

Memo Attachment 1 - Options to be presented to the City Council on January 19, 2016
Memo Attachment 2 - Assembly Bill 21 – Assemblymember Jim Wood