



## **Legislation Details**

File #: 17-0593 Version: 1 Name: Urgency Ordinance to remove LIL from list of

eligible districst for Cannabis

Type: CC- Report Status: Agenda Ready

File created: 5/31/2017 In control: City Council

On agenda: 6/13/2017 Final action:

Title: REPORT - URGENCY ORDINANCE TO IMPOSE A TEMPORARY MORATORIUM ON THE ELIGIBILITY OF THE LIMITED LIGHT INDUSTRIAL (-LIL) COMBINING DISTRICT FOR MEDICAL

CANNABIS COMMERCIAL CULTIVATION

BACKGROUND: Over the past year, the Council's Cannabis Policy Subcommittee has been working with staff and with cannabis industry stakeholders to develop comprehensive policies to regulate medical cannabis businesses within the city limits. On May 25, 2017, the City Council Cannabis Policy Subcommittee directed staff to bring forward to the City Council an Urgency Ordinance to temporarily remove the Limited Light Industrial (-LIL) Combining District from the list of eligible districts for medical cannabis commercial cultivation, pending further study of the appropriateness of cannabis cultivation within that District.

Since the City's interim medical cannabis cultivation ordinance (City Code Chapter 20-46 Medical Cannabis Cultivation) went into effect in April 2016, the City has been accepting Conditional Use Permit applications for commercial medical cannabis cultivation in the Light Industrial (IL), General Industrial (IG) and LIL zoning districts. This has resulted in increased demand for properties in these zones. The current vacancy rate for industrial property is 5%, adding to the pressure on potential business operators to move quickly to purchase or lease facilities that comply with the City's Interim Cannabis Regulations.

In contrast to the two other eligible zoning districts, the LIL Combining District is an interim combining district that overlays an area identified and zoned for future high density transit oriented housing development. Concerns have been raised regarding the appropriateness of permitting cannabis cultivation in that Combining District. While the matter is further considered, the temporary suspension of the LIL zone from list of eligible districts for medial cannabis commercial cultivation will avoid unwarranted business expenditures and will provide timely, clear and direct guidance to those looking to purchase or lease property in this zone.

The proposed moratorium is an urgency ordinance under Government Code section 65858 that would go into effect immediately upon enactment and last for an initial period of 45 days. If, after the initial period of 45 days, additional time is necessary for the issue to be studied and regulations finalized, Council may adopt a subsequent urgency ordinance to maintain the moratorium in effect for up to an additional 10 months and 15 days. Under the City Charter, five affirmative votes are necessary to adopt an urgency ordinance.

RECOMMENDATION: It is recommended by the Planning and Economic Development Department that the Council (1) adopt an urgency ordinance to impose a temporary moratorium on the eligibility of the Limited Light Industrial (-LIL) Combining District for medical cannabis commercial cultivation, and (2) direct staff to return to the Council on July 11, 2017 to present, for Council's consideration, a written report describing the measures taken to alleviate the condition leading to the adoption of the urgency ordinance and to provide Council an opportunity to determine whether to extend the temporary moratorium on the eligibility of the LIL Combining District for medical cannabis commercial cultivation for an additional 10 months and 15 days to allow additional time for study and finalization of appropriate regulations.

**Sponsors:** Planning and Economic Development

File #: 17-0593, Version: 1

Indexes: Exempt Project

Code sections: 15305 - Minor Alterations in Land Use Limitations

**Attachments:** 1. Staff Report, 2. Ordinance, 3. Presentation

Date	Ver.	Action By	Action	Result
6/13/2017	1	City Council	to waive reading of the text and adopt	Pass