



Cannabis

CITY COUNCIL MEETING

OCTOBER 16, 2018

Cannabis Fee Study, and Regulatory and Land Use Ordinance Changes

- ▶ Background: At City Council's July 24, 2018 Meeting, Council directed staff to return as soon as possible with a number of changes to the zoning and regulatory ordinances.

Cannabis Fee Study

The Study was
prepared by SCI
Consulting Group

Cannabis Fee Study

- ▶ Establishes cannabis business regulatory permit fees for:
 - ▶ Letter of Intent – flat fee
 - ▶ Request for Proposals – flat fee
 - ▶ Application – deposit-based fee
 - ▶ Annual Renewal – deposit-based fee
 - ▶ Annual Regulatory Program fee – deposit-based fee

Cannabis Fee Study

- ▶ Annual Regulatory Program fees include a cost recovery fee that is applied to the cost incurred to-date
- ▶ Costs-to-date are \$222,411
- ▶ Repayment is over 10 years

Zoning Code Amendments

- ▶ C-1 Neighborhood Business
- ▶ C-M Commercial Manufacturing

Zoning Code Amendments

City Council directed staff to:

- ▶ Expand the cannabis zoning districts to include:
 - ▶ C-1 (Neighborhood Business)
 - ▶ C-M (Commercial Manufacturing)
- ▶ Contact C-M business district owners for feedback

Zoning Code Amendments

- ▶ Planning Board recommended adoption of the ordinance expanding cannabis zoning to the C-M and C-1 districts

Zoning Code Amendments

- ▶ Planning Board recommended the following:
 - ▶ Remove the one mile dispersion requirement from the land use ordinance (Included in draft ordinance)
 - ▶ Require delivery-only dispensaries to meet manufacturing parking requirements rather than retail
 - ▶ Consider using California Department of Alcohol Beverage Control ("ABC") buffer zones

Regulatory Ordinance



Regulatory Ordinance

- ▶ Dispersion requirement has been added to draft regulatory ordinance
- ▶ Dispersion requirement would not apply to delivery-only dispensaries

Regulatory Ordinance

- ▶ Maintain the buffer zone of 1,000 feet from public and private K-12 schools for dispensaries and cultivation uses and reduce the buffer zone to 600 feet for all other sensitive uses

Regulatory Ordinance

- ▶ Amend ordinance language to clarify that certain uses do not qualify as a “school,” including providing a definition for tutoring centers
- ▶ “ ‘Tutoring Center’ means any enterprise, whether or not for profit, that operates in a commercial building or structure the principal use of which is to offer instruction of any kind to support academic instruction of K-12 students.”

Regulatory Ordinance

- ▶ Eliminate the cap on the number of testing laboratories allowed, but maintain the cap for retail dispensaries
- ▶ Add two (2) delivery-only dispensaries
- ▶ Allow adult use (recreational) cannabis to be sold in Alameda

Regulatory Ordinance

- ▶ Add clean-up amendments to the Regulatory Ordinance
 - ▶ False Statements/Representations
 - ▶ Withdrawal of Application
 - ▶ Permit-Specific Conditions
 - ▶ Implementing Regulations
 - ▶ Revise Definition of Cultivation

Request for Proposals



Request for Proposals

- ▶ Confirm continued use of the RFP process, including the following changes:
- ▶ Proposers would need to notify neighbors in the C-1 district within 300 feet of the proposed establishment

Request for Proposals


- ▶ The feedback would be used to inform the score for the following rubric categories
 - ▶ Has the proposer described what methods and means it will take to ensure that the business is integrated into the community? (5 points)
 - ▶ Has the proposer adequately described its overall approach to operational safety as it relates to employees, customers, businesses, and the community? (5 points)

Request for Proposals

- ▶ Incorporate any changes needed as a result of adopting the Regulatory Ordinance
- ▶ Proposers submitting a LOI for the same location could qualify for a fee credit

Recommendations

- Adopt a resolution amending Master Fee Resolution
- Hold a public hearing to consider amending the Alameda Municipal Code Section 30-10 (Cannabis)
- Introduce an ordinance amending Article XVI (Cannabis Businesses)
- Confirm Continued Use of RFP Process

- 
- ❖ Fee Study – Approve resolution to amend the Master Fee Schedule to include Cannabis

 - ❖ Hold a public hearing to consider introducing an ordinance to amend the AMC Section 30-10 (Cannabis) to:
 - ❖ Add cannabis retail businesses as conditionally permitted uses in the C-1, and C-M zoning districts
 - ❖ Add delivery-only cannabis retail businesses as a conditionally permitted use in the C-M zoning district
 - ❖ Amend certain portions of the zoning code to enable cannabis retail businesses to dispense non-medicinal or “Adult Use” cannabis

❖ Introduce an ordinance amending Article XVI (Cannabis Businesses) of AMC to:

❖ Eliminate the cap on testing laboratories


❖ Add two delivery-only dispensaries

❖ Allow adult Use

❖ Create a Two-Tier Buffer Zone from Sensitive Uses for
Dispensaries and Cultivation Businesses

❖ Make Other Clean-Up Revisions



- 
- ❖ Confirm continued use of RFP process
 - ❖ Proposers would need to notify neighbors in the C-1 district within 300 feet of the proposed establishment
 - ❖ The feedback would be used to inform the score for two existing rubric categories
 - ❖ Incorporate any changes as a result of amendments to the zoning and cannabis business regulatory ordinances
 - ❖ Provide a credit to Proposers submitting the same location as the first RFP