

DISCUSSION AND POSSIBLE ACTION REGARDING DRAFT ORDINANCES AMENDING TITLE 6 BUSINESSES, PROFESSIONS, AND TRADES, TITLE 10, CHAPTER 2, ZONING AND LAND USE AND TITLE 10, CHAPTER 5 COASTAL LAND USE PERTAINING TO CANNABIS REGULATIONS AND RECOMMENDING THAT THE CITY COUNCIL ADOPT CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS

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REDONDO BEACH CITY COUNCIL MEETING

MAY 10, 2022

AGENDA ITEM N.2.

# Cannabis Regulatory Background

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## **California's Cannabis Law**

- Medical Marijuana Regulation and Safety Act - Effective January 1, 2016
- Proposition 64 for Adult Use of Marijuana Act - Approved November 8, 2016

## **City of Redondo Beach Actions**

- Adopted ordinance initially to address Medical Marijuana Regulations
- Adopted ordinance to address Adult Use – interim measure
- Strategic Planning Objective 2018 for Cannabis Steering Committee
- Cannabis Steering Committee recommendations presented – October 5, 2021
- Council direction on ordinance preparation – January 18, 2022
- Current Strategic Planning Objective – finalize cannabis ordinance by July 1, 2022
- Planning Commission review of ordinances – March 3, 2022
- Community Survey April/May 2022
- Discussion on draft ordinances – May 10, 2022

# Cannabis Ordinances – Draft Provisions

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**Personal Cultivation.** Continue to allow outdoor personal cultivation.

**License Types.** Storefront retail (Type 10), non-storefront delivery (Type 9) or a combination.

**Zoning Provisions.**

- Commercial and industrial zones.
- Prohibit licenses in coastal commercial, residential, and public/institutional zones.
- Require discretionary Conditional Use Permit (CUP) approval.

**Buffers.**

- 600-foot radius from elementary schools, day cares, and youth centers (per State's mandate).
- 1500-foot radius from high schools and middle schools.

**Number and Location of Licenses.**

- Two (2) sites total within the City, with a maximum of one site per district.
- 1000-foot buffer between cannabis licensed sites.

# Cannabis Ordinances – Draft Provisions (continued)

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## **Hours of Operation.**

- Storefront Retail Sales - 9 a.m. to 10 p.m.
- Non-storefront Delivery - 6 a.m. to 10 p.m.

## **Security & Enforcement.**

- In addition to State security requirements, City added additional security measures.
- Implement County's Cannabis Compliance and Enforcement Program.

## **Tax or Fees.**

- Developer Agreement with developer fees, sunset with tax measure.
- Set fee at 5% - revenues to go into General Fund.

**Property Requirement.** Do not require applicant to secure property prior to application.

**Selection Process.** Council to decide solicitation/selection process separate from Ordinance.

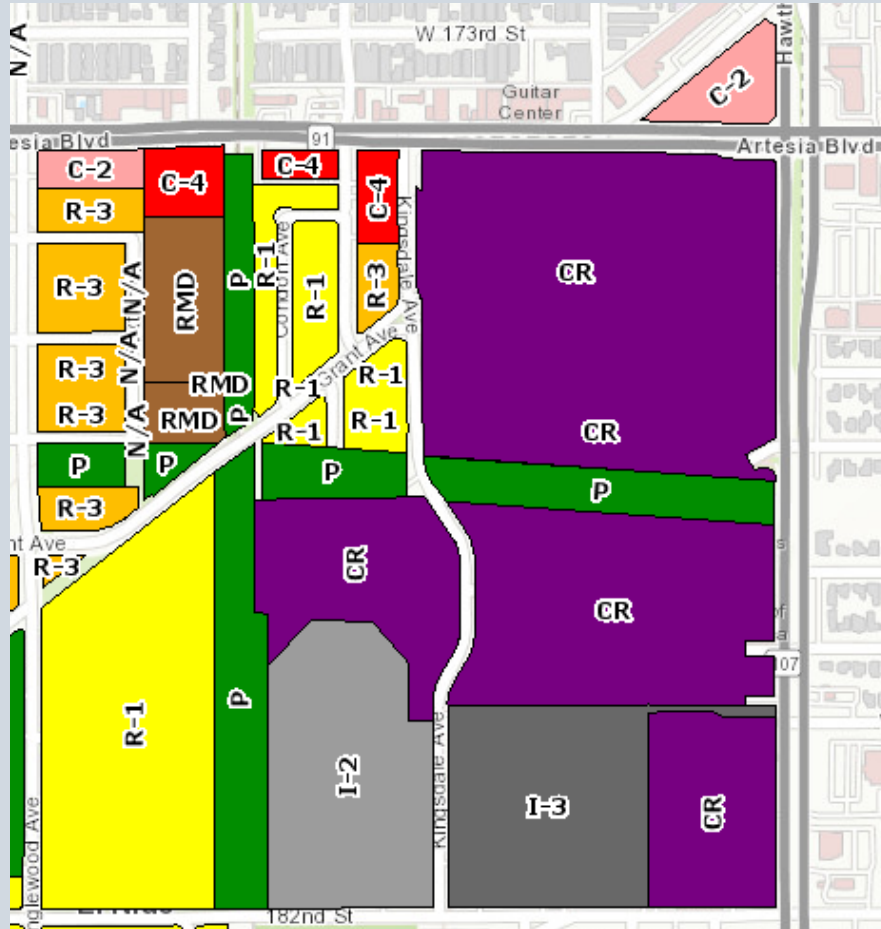
**Transfer of Ownership.** Limit transferability developer agreement/license for a set period of time.

# Cannabis Ordinances – Planning Commission Recommendations

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- Regarding limiting transferring ownership, under Subsection 6-2.06 remove reference to 3 years from start of operation, as well as transfer of ownership language.
- Limit CUPs with a condition that the CUP is only permitted while there is an operator that has a commercial cannabis retailer permit.
- Prohibit the two permits from having the same or common ownership.
- Revise Section 6-2.05(c)(5) to address and not inadvertently prohibit delivery.
- Concern with real time surveillance being an invasion of privacy. Return the video surveillance requirements to be limited to the State requirements, so police are not surveilling the cannabis site.
- Regarding buffering residential zones, prohibit entrances and exits and driveways associated with cannabis retailers on streets where adjacent to residential zone where residential shares that road within the same block.

# Cannabis Ordinances – Planning Commission Recommendations (continued)

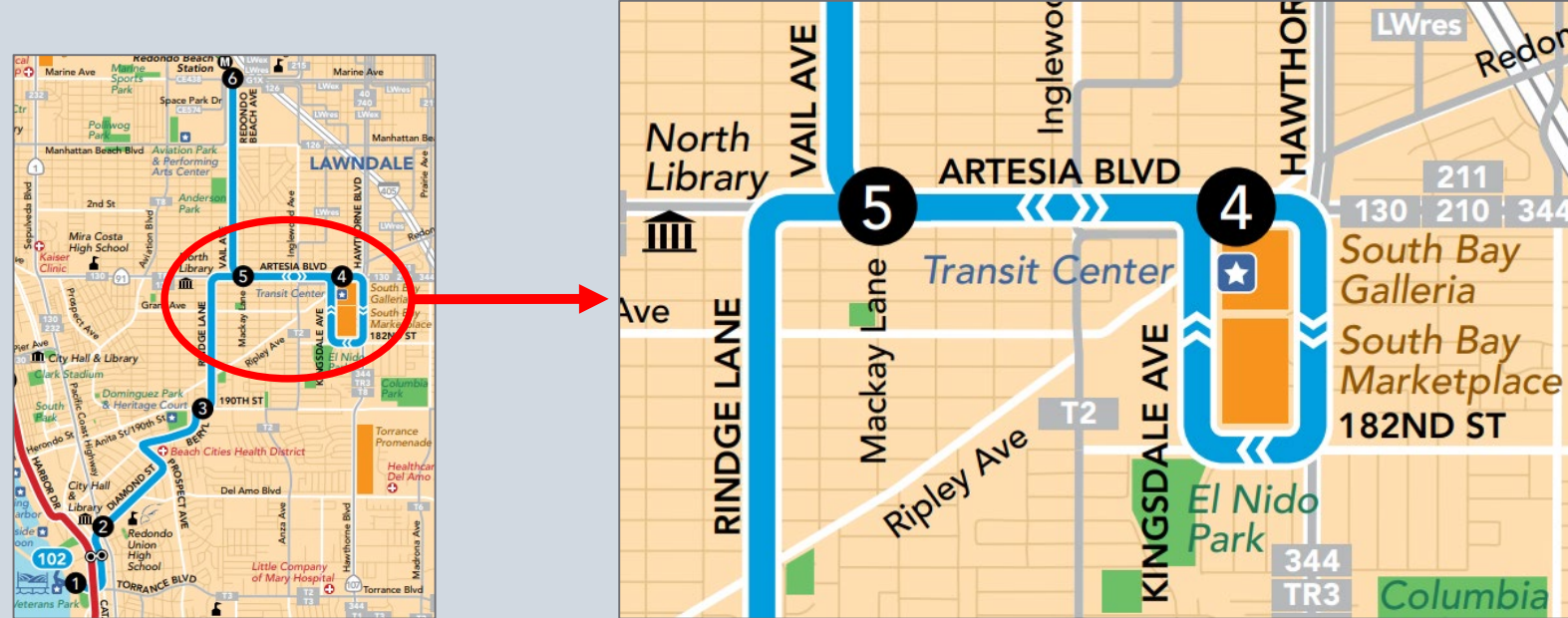


- Add restriction that no more than cannabis retail site per street.
- Recommend that Council add supplemental appearance requirements per 6-2.05(c)(9) in the development agreement.
- Remove the CR zone that includes the Galleria site as an allowed zone for cannabis retailer permits.

# Cannabis Ordinances – Planning Commission Recommendations (continued)

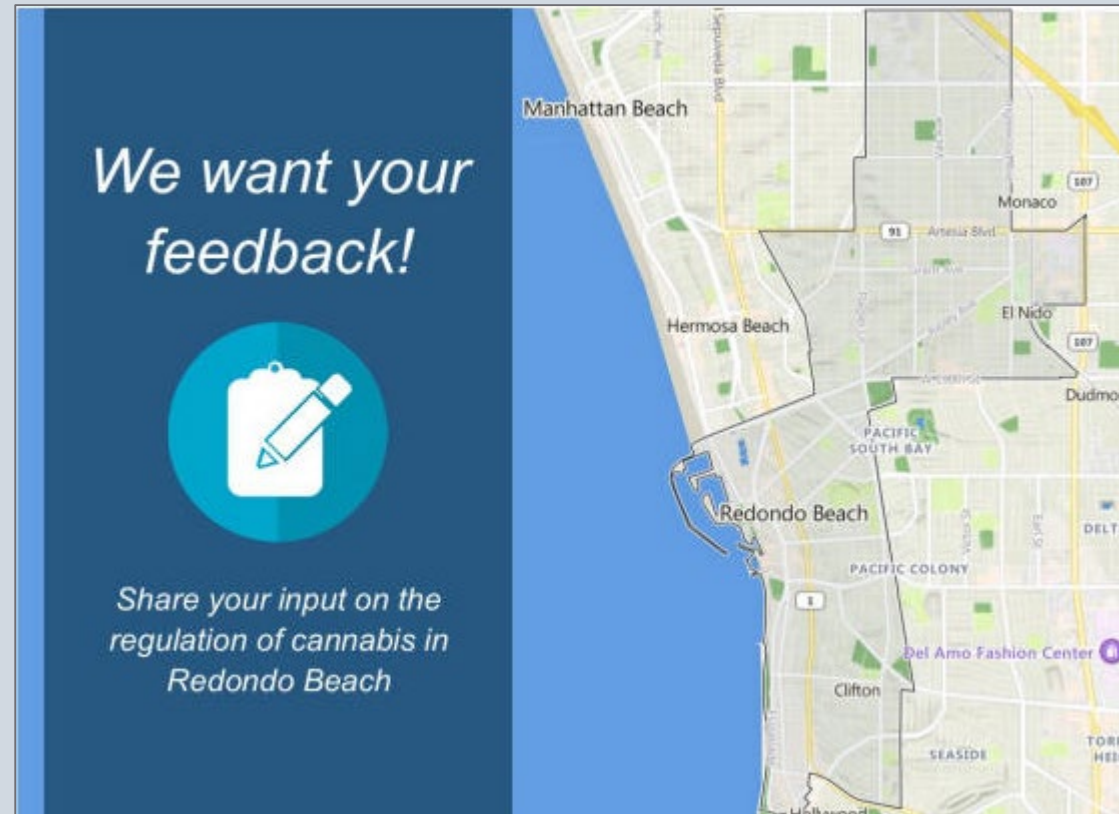
- Recommend removing the commercial sites along Artesia Boulevard between Rindge Lane and Hawthorne Boulevard from consideration for cannabis retailer permits.

BCT Route 102



# Cannabis Ordinances – Community Survey Results

- City released a Community Survey regarding cannabis regulation on April 21, open for two (2) weeks
- 173 responses total
- Community was fairly evenly split on broader regulation options such as number and location of licenses
- Community leaned toward certain preferences on questions related to Planning Commission recommendations

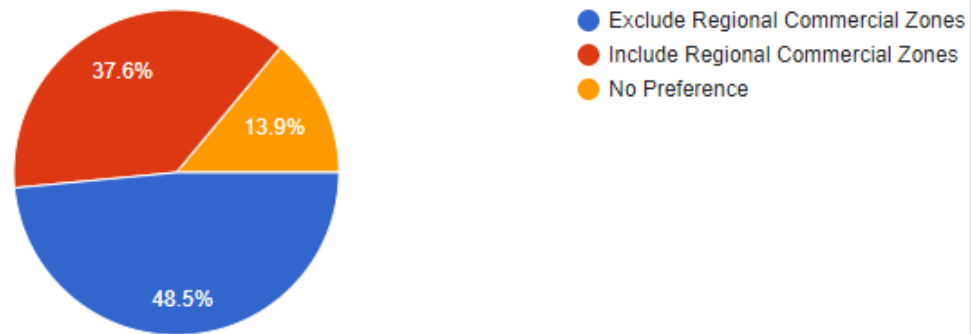


# Cannabis Ordinances – Community Survey Results

## Survey Questions Pertaining to Planning Commission Recommendations

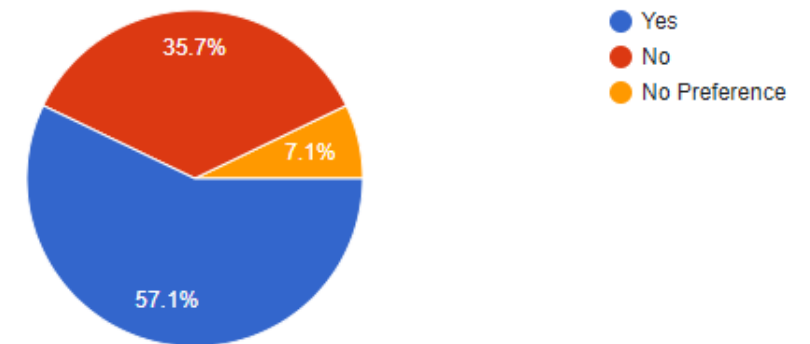
Pertaining to which Zoning Provisions, the Draft Cannabis Ordinance limits cannabis license sites to commercial and industrial zones. It specifically prohibits licenses in coastal commercial, residential, and public/institutional zones. The Planning Commission recommended the prohibition of licenses within Regional Commercial zones, which include the South Bay Galleria and waterfront areas. The City Council recommended the inclusion of Regional Commercial Zones. Which policy would you like to see the City move forward with?

165 responses



Considering that Beach Cities Transit Route 102 is a main bus line for Redondo Beach High School students to take to school, with two bus stops on Artesia Boulevard between Ridge Lane and Hawthorne Boulevard, the Planning Commission recommended removing the commercial sites along Artesia Boulevard between Ridge Lane and Hawthorne Boulevard from consideration for cannabis retailer licenses. Should the vicinity around those two bus stops be omitted?

168 responses



# Cannabis Ordinances – Possible Consultant Services

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**Planning Commission Recommendation:** “Consider engaging a thoroughly vetted and referenced consultant with experience evaluating the cannabis industry to evaluate the ordinance in its entirety.”

## **Potential Consultant Services:**

- Review of cannabis ordinances
- Preparation of tax ordinance/initiative
- Comparatively analyze ordinances and the separate initiative
- Develop solicitation and selection procedures
- Incorporate cost recovery in process to fund the potential services

**HdL Companies Contract Could Be Expanded for Cannabis Services**

# Recommendation

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## **City Council discussion on ordinances and direction to staff:**

- Direction on finalizing ordinances, incorporating any modifications
- Direction on engaging HdL on various services, including:
  - Review of cannabis ordinances
  - Preparation of tax ordinance
  - Comparatively analyzing ordinances and the initiative
  - Creating solicitation and selection procedures
  - Incorporating cost
- Determination on timing for a tax initiative