



Administrative Report

J.1., File # PC22-3799

Meeting Date: 3/3/2022

To: PLANNING COMMISSION

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

PUBLIC HEARING TO CONSIDER ADOPTION OF A RESOLUTION RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 6 BUSINESSES, PROFESSIONS, AND TRADES, TITLE 10 CHAPTER 2 ZONING AND LAND USE, AND TITLE 10 CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE OF THE REDONDO BEACH MUNICIPAL CODE PERTAINING TO CANNABIS REGULATIONS AND CONSIDER ADOPTION OF CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS

RECOMMENDATION:

1. Open Public Hearing, take testimony from staff and other interested parties, and deliberate;
2. Close Public Hearing; and
3. Adopt a resolution by title only subject to the findings contained therein:

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCES AMENDING TITLE 6 BUSINESSES, PROFESSIONS, AND TRADES, TITLE 10 CHAPTER 2 ZONING AND LAND USE, AND TITLE 10 CHAPTER 5 COASTAL LAND USE PLAN IMPLEMENTING ORDINANCE PERTAINING TO CANNABIS REGULATIONS AND RECOMMENDING THAT THE CITY COUNCIL ADOPT CATEGORICAL EXEMPTIONS FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR THE AMENDMENTS

EXECUTIVE SUMMARY

When the Medical Marijuana Regulation and Safety Act (MMRSA), regulating the use of marijuana for medical purposes, took effect January 1, 2016 the City of Redondo Beach adopted Ordinance 3152 to implement local MMRSA regulations. On November 8, 2016, Proposition 64, known as the Adult Use of Marijuana Act (AUMA), was approved by state voters. The AUMA regulates, among other items, the use of marijuana for personal and commercial purposes, including the recreational use of marijuana by adults over 21 years of age.

Proposition 64 stipulated that if a city did not enact local commercial licensing restrictions or a ban by January 1, 2018, a valid state license would be the only thing needed to open and operate a commercial marijuana business in any commercial zone in the city. Therefore, out of caution and until local regulations and interests could be analyzed and identified for implementation, the City of Redondo Beach adopted ordinances to regulate the personal use and cultivation of cannabis and

restrict commercial cannabis activities in the City.

In order to analyze and identify the cannabis regulations appropriate for Redondo Beach, a steering committee was appointed by the City Manager comprised of representatives from the law enforcement community, RBUSD, BCHD, and other outside interest groups familiar with common best practices for commercial use regulations of cannabis including storefront siting, taxation, delivery, and development agreement options.

The Steering Committee met multiple times over several years, and on October 5, 2021 presented their work and recommendations to the City Council. After considering the presentation, the City Council asked staff to prepare an ordinance based on the recommendations of the CSC, and directed that the Galleria site be included as a permitted location and that the taxation level or developer fee rate be set at 5%. Additionally, Council asked staff to return with maps that identified the storefront siting parameters recommended by the CSC, and include buffers for alcohol sales sites and “safe routes to schools” pathways.

On January 18, 2022 City Council reviewed the maps and gave additional direction on the critical provisions and siting parameters to be included in the City’s Ordinance.

Following Council direction, staff prepared the draft ordinances for Planning Commission review and input.

BACKGROUND

California’s history of cannabis law spans nearly 25 years of propositions and regulatory actions (see attached). More recently, the Medical Marijuana Regulation and Safety Act (MMRSA) that took effect January 1, 2016 regulated the use of marijuana for medical purposes. The City of Redondo Beach adopted Ordinance 3152 which promulgated local regulations in accordance with MMRSA, effective May 5, 2016.

On November 8, 2016, Proposition 64 was adopted by CA voters, titled the Adult Use of Marijuana Act (AUMA). The AUMA regulates the use of marijuana for personal and commercial purposes, including the recreational use of marijuana by adults over 21 years of age, thus expanding the permissions provided by MMRSA. The AUMA permits cities to “reasonably regulate” without completely prohibiting cultivation of marijuana inside a private residence or inside an accessory structure to a private residence, within the limits allowed by the State for personal cultivation.

In Redondo Beach, 65% of the voters were in favor of Proposition 64. Although Proposition 64 represented the interest of whether to allow the Adult Use of Marijuana Act, it did not specify how an individual municipality would regulate the commercial aspects of marijuana sales. The State’s commercial provisions of AUMA were to take effect on January 1, 2018, requiring a city to disallow commercial marijuana activities in order to ensure that local regulations are promulgated and local control maintained. If a local governing body did not enact such a commercial ban by January 1, 2018, a valid State license would be the only requirement to open and operate a commercial marijuana business in any commercial zone in that city. Therefore, out of caution, and until local regulations and interests could be analyzed, the City of Redondo Beach adopted ordinances to

regulate the personal use and cultivation of cannabis, as well as restrict commercial cannabis activities in the City of Redondo Beach. This was an interim measure to prohibit cannabis businesses until the City could better evaluate what types of businesses and regulations to put in place.

One of the prior objectives included in the City Council's adopted Strategic Plan included the City Manager's appointment of a Cannabis Steering Committee (CSC) comprised of law enforcement, RBUSD, BCHD, and outside interest groups to review best practices for commercial use regulations of cannabis, including storefront siting, taxation, delivery, and development agreement options, and to prepare a report for Planning Commission and City Council consideration. Members of the Redondo Beach Police Department, Fire Department, Community Development Department, and the City Treasurer's Office met jointly in support of the work of the CSC.

The CSC met a total of 12 times from November 2018 through October 2021, with their final recommendations presented to City Council on October 5, 2021. After discussion of the CSC's work and recommendations, City Council directed staff to draft an ordinance based on the recommendations of the CSC for regulating cannabis licenses in Redondo Beach. Additionally, the Council directed that the Galleria site be included as a permitted location and the taxation or ultimate developer's fee rate be set at 5%. The Council also directed staff to prepare maps with the siting parameters recommended by the CSC, and that the maps include buffers for alcohol sales sites and safe routes to schools.

At the January 18, 2022 meeting, City Council reviewed the potential buffer maps and provided additional direction for Planning Commission review. The Council asked that the ordinances, maps, and commercial licensee selection process, once drafted, be reviewed by the Planning Commission for recommendations to the City Council and that a community outreach process also be conducted.

The draft ordinances were prepared by the Community Development Department and City Attorney's Office, and are before the Planning Commission for review and recommendation to City Council. The key provisions incorporated in the draft ordinances, including the recommendations from the CSC that City Council agreed to, are as follows:

- **Personal Cultivation.** Continue to allow for outdoor personal cultivation as currently regulated for a maximum of 6 plants allowed indoors and in yard area if secured and not visible from surrounding sites.
- **Allow Licensed Activity.** Permit licensed cannabis businesses with recommended restrictions (see remaining items in the list below).
- **License Types.** Allow only storefront retailer licenses (Type 10) and non-storefront retailer delivery licenses (Type 9) or a combination of the two on one site. Prohibit delivery services that originate from other cities if a non-storefront delivery license is issued in Redondo Beach.
- **Zoning Provisions.** Limit cannabis license sites to commercial and industrial zones. Prohibit licenses in coastal commercial, residential, and public/institutional zones. (CSC had initially recommended prohibiting in regional commercial zone where Galleria is located, but City Council directed staff to add that as an acceptable zone). Require discretionary Conditional Use Permit (CUP) approval.

- **Buffers.** Maintain a 600-foot radius from elementary schools, day cares, and youth centers (per State's mandate). Increase the buffer zone to a 1500-foot radius from high schools and middle schools. School buffers to include private schools. City Council requested that Planning Commission consider implications of buffer around residential.
- **Number and Location of Licenses.** Allow up to two (2) sites within the City, with a maximum of one site per district. Establish a 1000-foot buffer between cannabis licensed sites.
- **Hours of Operation.** The State allows retail activities between the hours of 6 a.m. and 10 p.m. Local jurisdictions can be more restrictive. Limit hours to the following:
 - Storefront Retail Sales - 9 a.m. to 10 p.m.
 - Non-storefront Delivery - 6 a.m. to 10 p.m.
- **Security.** In addition to State security requirements, include the following security measures:
 - All security personnel to be vetted through the Redondo Beach Police Department (RBPd) or a certified 3rd party.
 - Regarding surveillance, the licensee must provide real time direct access to all surveillance.
 - Alarm systems to be set to send real time immediate messages to RBPd.
 - Regarding safety, requirements to better define "secure storage of cannabis and cannabis products" as well as onsite revenue.
 - The licensee to provide measures to ensure a minor doesn't enter, requiring ID checks and providing appropriate signage.
 - For delivery, licensee to provide a signature for receipt and that those records be maintained on file for auditing purposes.
- **Enforcement.** The CSC recommends the City implement the Cannabis Compliance and Enforcement Program. The Los Angeles County Department of Public Health has created a relatively new program entitled the Cannabis Compliance and Enforcement Program, where the County contracts with cities that allow for cannabis activities. The program aims to further protect public health but has the additional benefit of being an effective enforcement tool against illegal operators who are unable to apply for the permit and subsequently violate Public Health Department Codes.
- **Tax or Fees.** Establish a Developer Agreement with developer fees and consider sunsetting it with an eventual tax measure.
- **Tax or Fee Rate.** Set fee at 5%. (CSC had initially recommended reviewing neighboring jurisdictions, which the City Council did and selected 5%).
- **Tax or Fee Revenue Location.** General Fund.
- **Property Requirement.** Do not require applicant to secure property prior to the application process.
- **Selection Process.** City Council to determine the licensee solicitation and selection process at a future date separate from the Ordinance. (This may come back to Planning Commission for input if City Council continues with that direction).
- **Transfer of Ownership.** Limit transferability of a developer agreement and/or license for a set period of time.
- **Adoption of Regulations.** Adopt ordinances to effectuate decisions.

Attached to the report is the buffer map with the 600' and 1500' restrictions. Planning Commission can utilize these maps to see the proximity to residential to determine if there might be an effective way to buffer residential.

Included in the agenda packet is a resolution to recommend the draft ordinance revisions that incorporate the CSC's recommendations and City Council's direction. This agenda item is for the Planning Commission to consider adoption of resolutions recommending that the City Council adopt ordinances amending Title 6 Businesses, Professions, and Trades, Title 10 Chapter 2 Zoning and Land Use, and Title 10 Chapter 5 Coastal Land Use Plan Implementing Ordinance of the Redondo Beach Municipal Code and consider adoption of categorical exemptions from the California Environmental Quality Act (CEQA).

COORDINATION

This agenda item and draft regulations were prepared by the Community Development Department in coordination with the City Attorney's Office.

ATTACHMENTS

Draft Resolution

Text of Amendments

Administrative Report on Cannabis Steering Committee Update from October 5, 2021 City Council Meeting

Presentation on Cannabis Steering Committee Update from October 5, 2021 City Council Meeting
Cannabis Map Final-Buffers 2022-01-12