

# Commercial Cannabis Community Outreach and Consideration of Draft Ordinance

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City Council

July 7, 2020



# Recent Chronology

- Jun. 2016** ● **June 21** – City Council considered approval of an ordinance and associated ballot measure to allow and tax cannabis. Voted unanimously to continue any action until after the results of Proposition 64 were known
- Nov. 2016** ● **November 8** – Proposition 64 passes statewide. Also passed at County and City levels
- Nov. 2017** ● **November 21** – City Council adopts an ordinance to prohibit all cannabis related uses and/or activities in the City except what is permitted under state law (personal cultivation and consumption)
- Sep. 2019** ● **September 17** – Mayor Silva directs staff to agendize cannabis for the October 15<sup>th</sup> City Council meeting to review a draft regulatory framework and Resolution of Intention.
- Sep. 2019** ● **September 30** – City Council informational briefings with City staff and HdL to provide
- Oct. 2019** ● **October 15** – City Council directs staff to conduct additional community outreach
- Feb. 2020** ● **February 13** – 1<sup>st</sup> Community outreach meeting held
- Mar. 2020** ● **March 4** – 2<sup>nd</sup> Community outreach meeting held
- May 2020** ● **May 14** – 3<sup>rd</sup> Community outreach meeting held



# Current Status

- All commercial cannabis related uses and/or activities occurring in the City are operating illegally
- Code Enforcement action once a location is identified (4-6 illegal locations)
- Cannot prohibit cannabis deliveries, which originate outside of Fullerton, from delivering to destinations in Fullerton
- Due process requirements, limited City resources and the transitory nature of illegal cannabis activities increases enforcement challenges



# Draft Ordinance

- Based on HdL provided “best practices” ordinance
- Further customized for Fullerton based on community outreach and continued research into other cities regulatory practices
- Additional review by the City and attorney’s office is required

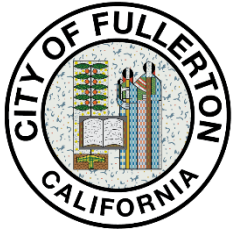




# Key Components

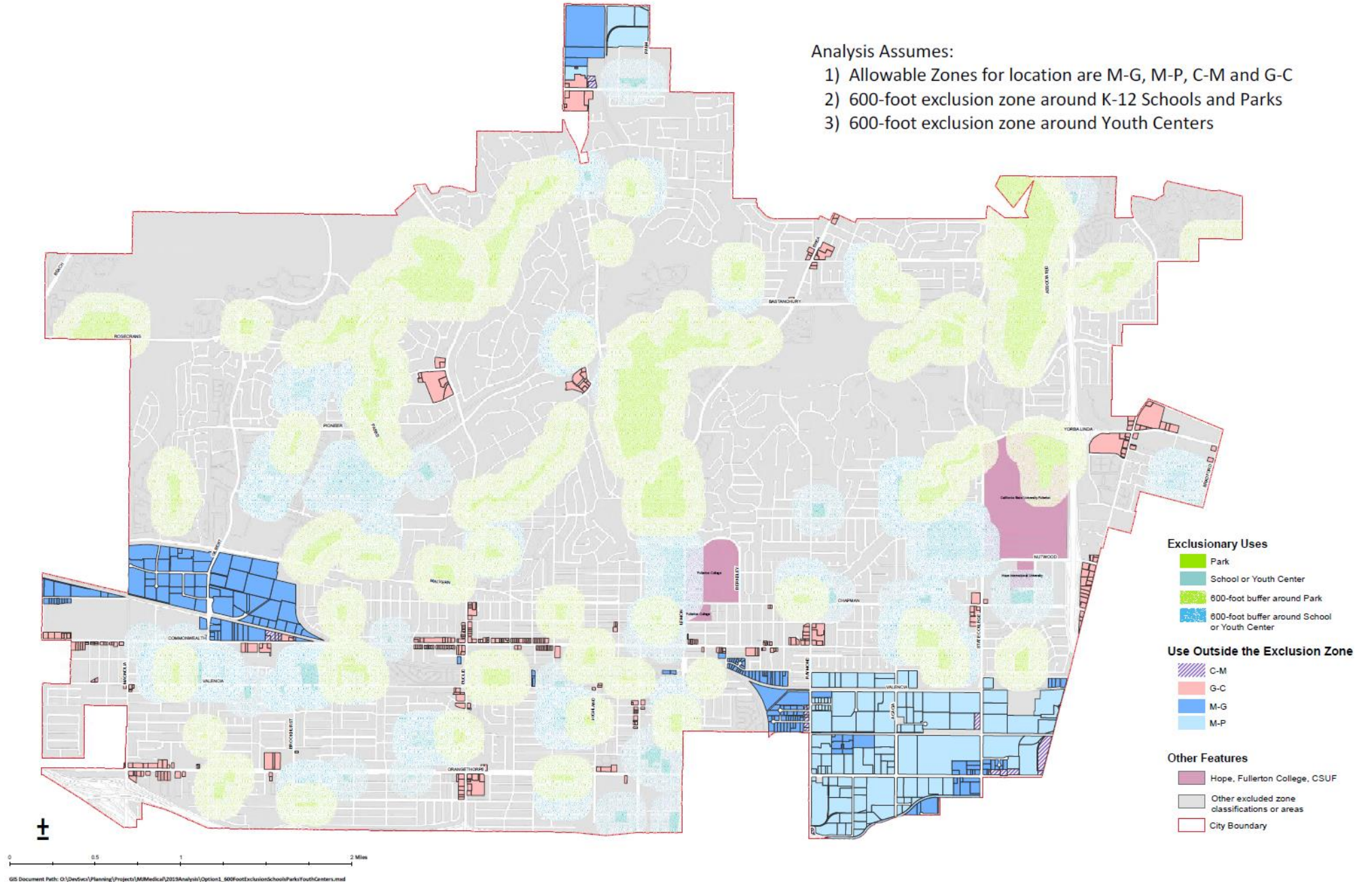
- Allows **retail** (storefront and non-storefront), **manufacturing** (non-volatile solvents), **cultivation** (indoor), **transportation/distribution** and **testing** facilities in certain zones.
- **Retail** cannabis (storefront and non-storefront) would be permitted in:
  - General Commercial (G-C)
  - Commercial Manufacturing (C-M)
  - Manufacturing Park (M-P)
  - Manufacturing, General (M-G)
- **Cannabis Manufacturing, Distribution/Transportation, Cultivation (indoor), Microbusinesses and Testing** would be permitted in:
  - Manufacturing Park (M-P)
  - Manufacturing, General (M-G) zones.





#### Analysis Assumes:

- 1) Allowable Zones for location are M-G, M-P, C-M and G-C
- 2) 600-foot exclusion zone around K-12 Schools and Parks
- 3) 600-foot exclusion zone around Youth Centers





# Key Components

- Limit the number of Commercial Cannabis Business Permits by category type as follows:
  - Maximum of five (5) retail cannabis facilities (storefront and non-storefront)
  - Maximum of five (5) manufacturing facilities (non-volatile solvents)
  - Maximum of five (5) distribution/transportation facilities
  - Maximum of five (5) cultivation facilities (indoor only)
  - Unlimited number of cannabis testing facilities



# Key Components

- Separation (buffer) requirements of 600-feet from:
  - School
  - Daycare
  - Youth Center which includes:
    - Youth organizations or club facilities (e.g. Boys and Girls Club, Boy/Girl Scouts, etc.)
    - Social service teenage club facilities for minors (under 18 years of age)
    - Parks, playgrounds or recreational areas specifically designed to be used by children/teens which has play equipment installed, including grounds designed for athletic activities on either public or private property.
    - Tutoring center for minors (under 18 years of age).
    - City Community Centers or Libraries.
- 1,000-feet between retail cannabis locations





# Key Components

- Selection through a merit-based point system based on objective standards.
- Reviewed and scored by an independent panel with experience in the cannabis industry, government, law, public safety or health.
- Review Panel scores averaged and the top scoring applicants in each license type will be selected to move forward.
- City Council will certify the selection process and the top candidates list.
- The top applicants will have 12-months to secure a location, obtain a permit from the State based on their license type and submit plans for any permits (Building, OC Health, etc.).
- Commercial Cannabis Business Permits must be renewed annually.



# Key Considerations

- Community benefits component required as part of selection process
- Local hiring requirements
- Social equity requirements
- Labor peace agreement
- Development Agreement requirement regarding charges and fees
- Extensive security requirements/standards
- Community relations representative for ongoing outreach / education



## Recommended Action

Provide direction to City Staff and the Planning Commission on the proposed Ordinance to regulate commercial cannabis activity in the City.

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