



# Cathedral City

## Legislation Details (With Text)

**File #:** 2016-516      **Version:** 1      **Name:**  
**Type:** Resolution      **Status:** Agenda Ready  
**File created:** 11/22/2016      **In control:** Planning Commission  
**On agenda:** 12/7/2016      **Final action:**  
**Title:** CASE NO. Zoning Ordinance Amendment No. 16-003

APPLICANT: City of Cathedral City

LOCATION: Citywide

REQUEST: Adopt a resolution recommending that the City Council approve an ordinance permitting medical cannabis testing laboratories and transportation and distribution, and making other revisions to the medical cannabis business zoning regulations.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Attachment 1 - Resolution, 2. Exhibit A - Proposed Ordinance, 3. Attachment 2 - Public Hearing Notice

Date	Ver.	Action By	Action	Result
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***Planning Commission***

**MEETING DATE:** 12/7/2016

**CASE NO.** Zoning Ordinance Amendment No. 16-003

**APPLICANT:** City of Cathedral City

**LOCATION:** Citywide

**REQUEST:** Adopt a resolution recommending that the City Council approve an ordinance permitting medical cannabis testing laboratories and transportation and distribution, and making other revisions to the medical cannabis business zoning regulations.

**STAFF PLANNER:**

Pat Milos, Community Development Director

**RECOMMENDATION:**

**APPROVE** an exemption to the California Environmental Quality Act (CEQA) based on the finding that the project is exempt pursuant to Section 15303(c), as it would only permit projects consisting of a limited number of new, small facilities; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor

modifications are made in the exterior of the structure.

**ADOPT A RESOLUTION RECOMMENDING THAT THE CITY COUNCIL APPROVE** an ordinance permitting medical cannabis testing laboratories and transportation and distribution, and making other revisions to the medical cannabis business zoning regulations.

**FINDINGS:**

(a) This Zoning Ordinance Amendment is consistent with the intent of the Zoning Ordinance. The Zoning Ordinance is “intended to protect the public health, safety and general welfare of the residents and to provide economic and social benefits from an orderly planned use of land resources.” This Zoning Ordinance Amendment is consistent with this intent in that it ensures that medical cannabis businesses are appropriately regulated and located within the City.

(b) This Zoning Ordinance Amendment is consistent with the established goals, policies and objectives of the General Plan. The General Plan aims to achieve “a land use plan and pattern that preserves and enhances the integrity of neighborhoods, districts and corridors, while optimizing the community’s natural assets, regional transportation systems, and opportunities for housing, employment and economic base-building.” This Zoning Ordinance Amendment will further that purpose by allowing medical cannabis businesses in appropriate locations and subject to regulations.

**BACKGROUND:**

At its meeting on August 24, 2016, the City Council held a work study session on further amendments to the City’s ordinances regulating Medical Cannabis Businesses, including the Zoning Ordinance. Specifically, the Council considered whether to allow medical cannabis testing laboratories and medical cannabis transportation and distribution sites. The direction from the City Council was to allow testing laboratories by right (i.e. without a Conditional Use Permit) in those zones where similar laboratories are permitted. The direction from the City Council as to transportation and distribution sites was to allow those uses with a Conditional Use Permit from the Planning Commission in similar zones to where cultivation and manufacturing are currently conditionally permitted. In addition, the City Council has given direction to amend the CBP-2 zone to include Manufacturing Sites as conditionally permitted in that zone.

The City’s special legal counsel with respect to medical cannabis issues, Vicente Sederberg, prepared the proposed ordinance implementing the direction received from the City Council.

**ANALYSIS:**

The proposed ordinance amends the Zoning Code to allow “testing laboratories” by right in the PPO (Planned Professional Office), PLC (Planned Limited Commercial), and NBP (Neighborhood Business Park) Districts. These zones allow medical and dental laboratories and/or clinics by right. A testing laboratory is defined in the Ordinance by reference to the definition in the State Law, which defines a testing laboratory as “the premises where tests are performed on medical cannabis or medical cannabis products and that holds a valid certificate of accreditation.” The certificate of

accreditation must come from a nonprofit organization that requires conformance to ISO/IEC 17025 requirements and is a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement for Testing.

The proposed ordinance also amends the Zoning Ordinance to allow "distribution sites" and "transportation sites" with a conditional use permit in the I-1 (Light Industrial), CBP-2 (Commercial Business Park), and PCC (Planned Community Commercial) Districts. Distribution and Transportation Sites will be subject to the same setback requirements from residential, East Palm Canyon, and youth centers, day cares and schools as apply to cultivation and manufacturing sites.

A "distribution site" is a facility where medical cannabis is stored or inspected by a "distributor" (a person licensed to engage in the business of purchasing medical cannabis from a licensed cultivator, or medical cannabis products from a licensed manufacturer, for sale to a licensed dispensary) for the purposes of "distribution" (the procurement, sale, and transport of medical cannabis and medical cannabis products between licensed entities). In essence, a distribution site is a warehouse where items purchased at wholesale by the distributor are held prior to delivery to the dispensary that will sell the items at retail.

A "transportation site" is a facility where a "transporter" conducts business while not engaged in transport, or a facility where equipment used in transport is stored when not in use. A "transporter" is defined in the State law as a person who holds a license to transport medical cannabis or medical cannabis products about a certain amount (TBD) between licensees. Thus, a transportation site is a place where vehicles and other equipment are kept when not in use transporting medical cannabis. Neither the State nor the City Council have set an amount of medical cannabis that may be transported by a person or other licensed medical cannabis business without being considered a "transporter." Those amounts will be set through revisions to the licensing regulations.

In addition, the proposed ordinance adds manufacturing sites to the list of conditionally permitted uses in the CBP-2 zone and makes other clean up revisions to the Zoning Code. In particular, the ordinance changes all references to the Medical Marijuana Regulation and Safety Act, or MMRSA, to the Medical Cannabis Regulation and Safety Act, or MCRSA, consistent with revisions to State law that occurred after the adoption of the City's medical cannabis ordinances. Also, many of the citations to the MCRSA in the definitions needed to be revised to reflect renumbering that occurred after the City adopted its ordinances.

Finally, many of the Planning Commissioners and members of the public have expressed concerns with the influx of medical cannabis businesses into the community and have suggested that the City may need to consider amendments to its Zoning Ordinance to address concerns regarding the volume and siting of such businesses. The Planning Commission may discuss additional changes to the Zoning Ordinance related to medical cannabis and make a recommendation regarding additional changes it would like the City Council to incorporate into the final ordinance that is adopted.

### **ENVIRONMENTAL ANALYSIS:**

The ordinance is Categorically Exempt from the California Environmental Quality Act (CEQA)

pursuant to Section 15303, as it would only permit projects consisting of a limited number of new, small facilities; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure.

**PUBLIC NOTIFICATION:**

A public hearing notice was published in accordance with State law requirements. A copy of the notice is attached.

**ATTACHMENTS:**

Resolution No. \_\_\_\_\_

Exhibit "A": Proposed Ordinance

Public Hearing Notice