

# SAN LEANDRO – CANNABIS ORIENTED BUSINESSES ZONING CODE AMENDMENTS

December 19, 2016

**SAN LEANDRO CITY COUNCIL**

# Cannabis Regulations Update

**The purpose of the proposed changes are to:**

**1) Bring existing provisions of the Zoning Code into alignment with the Municipal Code (code consistency).**

**2) Enable two new conditionally-permitted land uses specific to the manufacturing and testing of cannabis products:**

- Industry, Cannabis Product Manufacturing**
- Laboratories, Cannabis Testing Facilities**

# Rapidly Changing Regulatory Environment

- **Assembly Bills 243 and 266, and Senate Bill 643 established a new licensing and regulatory framework as well as the new California Bureau of Medical Cannabis Regulation.**
- **With the passage of Proposition 64, the Bureau will also assume responsibility for recreational cannabis regulation. Regulatory framework will be similar to Alcoholic Beverage Control (ABC).**

# Rapidly Changing Regulatory Environment

- **Measure NN was approved by San Leandro voters**
  - ▣ **Levies an ongoing tax of up to 10% of gross receipts of cannabis (marijuana) businesses in the city**
- **Very few California cities currently enable the industrial manufacturing of cannabis products.**

# Proposed Code Consistency Updates

- **Bring the Zoning Code into alignment with the Municipal Code with consistent terminology by replacing the term “marijuana” with “cannabis”**
- **Eliminate the 1000 foot distance requirement between medical cannabis dispensaries, as currently codified in the Municipal Code.**

# Laboratories, Cannabis Testing Facilities

- “Laboratories, Cannabis Testing Facilities. Laboratories conducting safety, quality control, and analytical testing services of cannabis and products derived from cannabis as a service to cannabis dispensaries, medical facilities, government agencies, cannabis product manufacturers, or other entities as allowed by state law. This definition does not include the cloning, planting or cultivation of cannabis plants or the direct sales, distribution, delivery, or dispensing of cannabis and cannabis products to the public.”
- Allowed in Community Commercial (CC), Industrial General (IG), Industrial General - Assembly Use (IG-AU), and Industrial Park (IP) zoning districts with an approved Conditional Use Permit (same zoning as medical dispensaries).

# Industry, Cannabis Product Manufacturing

- “Industry, Cannabis Product Manufacturing. Manufacturing, processing, and packaging of products derived from or infused with cannabis, including edibles, concentrates and extracts for wholesale or retail trade to cannabis dispensaries or other cannabis product distributors and manufacturers as allowed by state law. This definition does not include the cloning, planting or cultivation of cannabis plants or the direct sales, distribution, delivery, or dispensing of manufactured cannabis products to the public.”
- Allowed in the Industrial General (IG), Industrial General - Assembly Use (IG-AU), and Industrial Park (IP) zoning districts with a Conditional Use Permit.

# Cannabis-Oriented Land Uses

- **Proposed uses are not anticipated to have an impact different from other types of laboratories or manufacturing facilities**
- **No direct sales from cannabis product manufacturers allowed**
- **Each proposed facility required to be evaluated by the Board of Zoning Adjustments at a public hearing**
- **Conditional Use Permits can be conditioned, revoked or amended at the City's discretion**

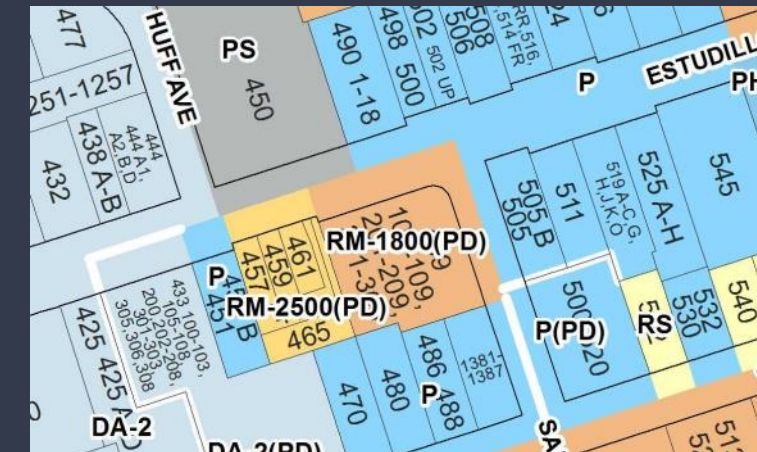
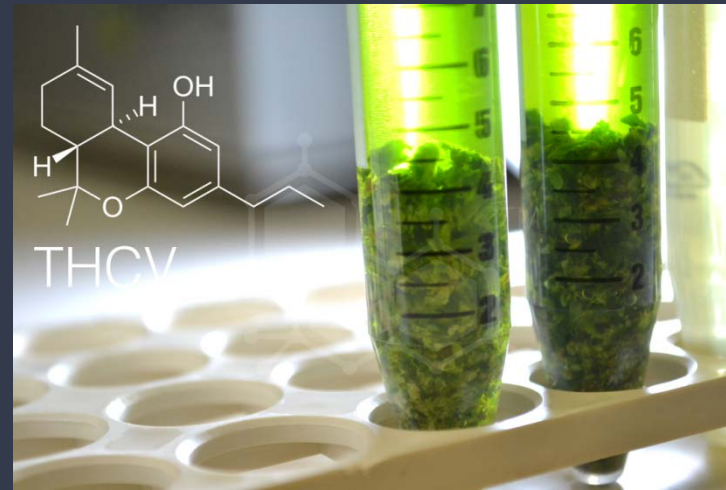
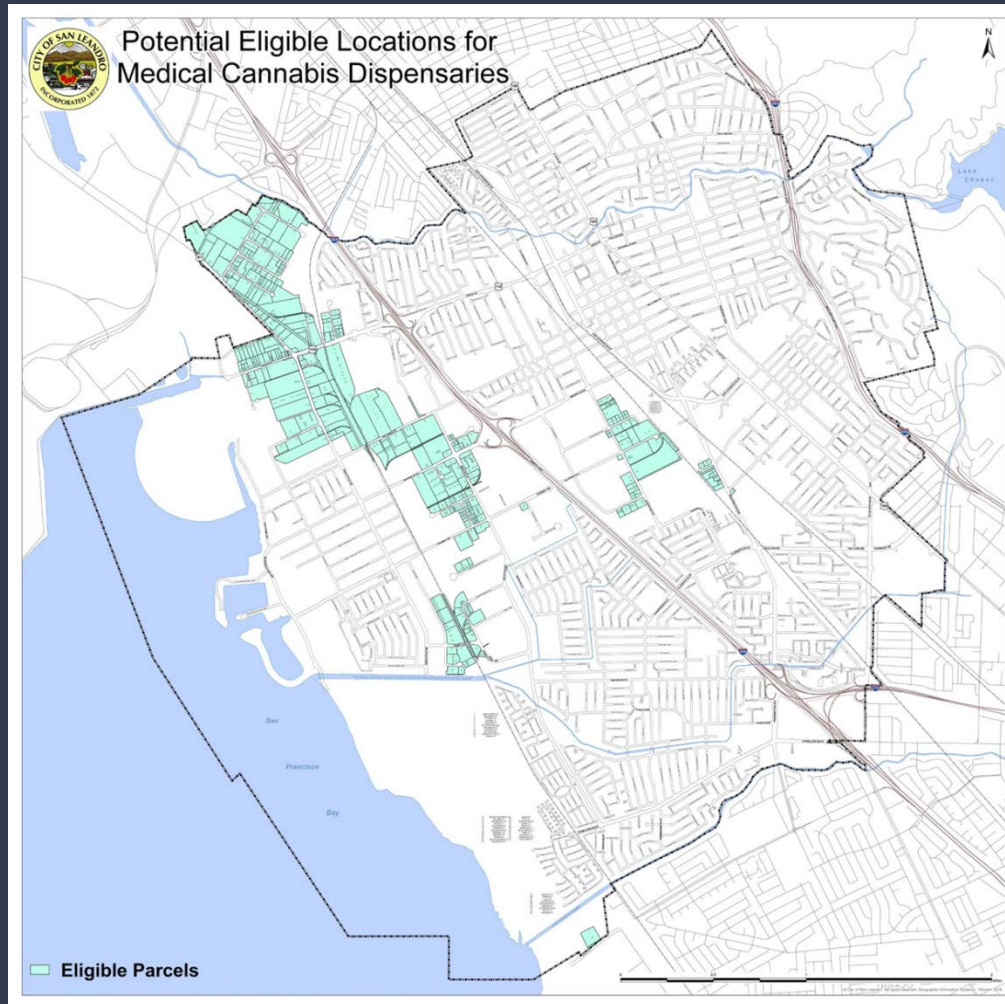


# Cannabis-Oriented Land Uses

- **Proposed changes will enable manufacturers to consider locating their operations in San Leandro.**
- **With the recent establishment of the California Bureau of Medical Cannabis Regulation, cannabis laboratories and manufacturing businesses will be required to comply with both local and state regulations, while providing a source of revenue and employment for the City.**

# Recommendation

- **The Planning Commission unanimously recommended City Council adoption of the proposed Ordinance at their November 17<sup>th</sup> meeting.**
- **No public comments were presented at the Planning Commission meeting and no comments have been received to date regarding this item.**



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