

TOBACCO RETAILING Code Amendments

City Council November 3, 2025



Background

Tobacco Retailing Complaints

Temporary Zoning Moratorium

Code Amendments
Prepared

Additional Stakeholder Engagement

- Complaints received about the proliferation of unpermitted smoke shops
- Some retailers initially comply with zoning limitations, but later illegally expand
- June 2024: City Council adopted Zoning Moratorium
- July 2024: Moratorium extended to June 2026
- Temporarily prohibited the sale of tobaccorelated products in new locations
- Temporarily prohibited the establishment of new Tobacconists / Cigarette Stores
- Provided time for staff to prepare updated regulations

Purpose of amendments:

- Establish reasonable limits
- Facilitate effective enforcement
- Improve clarity

July 2025: City Council requested additional engagement with stakeholders prior to taking action

Stakeholder Engagement



August 5, 2025: Online Meeting

- 11 participants
- Clarified new zoning limitations would apply to new retailers
- Participants advocated for tobacco sales as an accessory use for new Convenience Stores



August 20, 2025: Office Hours

- One participant
- Provided clarifying information



August 28, 2025: In Person Meeting

- Four participants
- Similar discussion as August 5th meeting

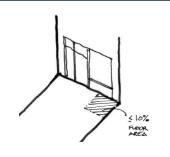
Revision to Proposed Amendments:

- Allow tobacco sales as an accessory use for Convenience Stores
- Amend the B-TOD Zoning District to require a CUP for Convenience Stores (to be consistent with requirements for other zones)
- Increase maximum display area from 10 to 15 linear feet

Planning Commission Action:

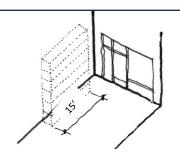
- Voted 7-0 to recommend adoption
- Letter submitted from CA Fuels + Convenience Alliance with a neutral position
- No public speakers

Proposed Zoning Code Amendments (Revised)



Max 10% Gross Floor Area

No more than 10% gross floor area for sale, marketing, display, and storage



Max 15 Linear Feet of Display

No more than 15 linear feet of display area for sale, marketing, display, or storage

Gross Receipts



Max 25% of Gross Receipts

No more than 25% of gross receipts



No Display/Signage Visible from Exterior

No tobacco display or signage visible from exterior of the store

Tobacco Retailing as an Accessory Use

Tobacco retailing limited to an accessory use to the following uses:

- Drugstore
- Liquor Store
- Beer and Wine Store
- Supermarket greater than 20,000 sf
- Convenience Stores

Premium Cigar Retailers

Permitted in zoning districts where Tobacconists/Cigarette stores are currently conditionally permitted (CC, SA-1, SA-3)

Drug Paraphernalia Stores

Drug Paraphernalia Stores (stores where drug paraphernalia is displayed, advertised or promoted for sale) expressly prohibited

CUP Required for Convenience Stores in B-TOD

B-TOD Zone amended to require a Conditional Use Permit for Convenience Stores to create consistency with other zones

Recommendation

Staff recommends the City Council:

- 1) Introduce an Ordinance Amending the Zoning Code to Modify Regulations Pertaining to the Sale of Tobacco-Related Products and E-Cigarette-Related Products within City Limits
- 2) Adopt an Ordinance terminating the Temporary Zoning Moratorium on the effective date of the code amendments