## The City of San Leandro Planning Commission

Resolution No. PC 2016-007, Recommending that the City Council Adopt an Ordinance Amending Zoning Code Article 3, Definitions; Article 6, Commercial and Professional Districts; Article 7, Industrial Districts; Related to Medical Cannabis Dispensaries and the Manufacturing and Testing of Cannabis Products.

Resolution recommending that the City Council Adopt an Ordinance Amending Zoning Code Article 3, Definitions; Article 6, Commercial and Professional Districts; Article 7, Industrial Districts; Related to Medical Cannabis Dispensaries and the Manufacturing and Testing of Cannabis Products.

WHEREAS, California's Medical Cannabis Regulation and Safety Act established a comprehensive state licensing system for the commercial cultivation, manufacture, retail sale, testing, and distribution of cannabis and cannabis products; and

WHEREAS, the State of California enables local governments the authority to adopt new ordinances to regulate local cannabis-related businesses in preparation for State licensing; and

WHEREAS, in 2016, the City of San Leandro adopted a new General Plan, which states that "[t]he San Leandro General Plan aspires to reshape the industrial areas of West and Central San Leandro to meet the demands of the new economy." Furthermore, the General Plan states that "[t]he guiding objectives in the City's large business districts are to promote business retention and diversification"; and to "locate the most intensive industrial uses in the areas that are furthest away from residential neighborhoods"; and

WHEREAS, the General Plan establishes policies to "[e]nsure that industrial zoning regulations are flexible enough to achieve the vision of San Leandro's industrial area as an 'innovation ecosystem', where new methods of production, operations, and design are supported"; and

WHEREAS, the General Plan directs the City to "[r]egularly review the Zoning Code to respond to real estate market and development trends, as well as changes in technology," and directs that "[t]he City shall routinely review the lists of permitted and conditionally permitted uses in industrial areas to ensure that desired and potentially compatible uses are not excluded"; and

WHEREAS, the proposed Amendments are in accord with the policies of the General Plan in that the Amendments will "encourage business development that improves the City's ability to provide the public with high-quality services and which minimizes increases in the tax burden for existing businesses and residents"; and

**WHEREAS**, in December 2013, the City Council of the City of San Leandro adopted Ordinance 2013-020, which allowed for the establishment of a Medical Marijuana Dispensary, subject to selection and performance standards, which became effective on January 13, 2014; and

**WHEREAS**, the terms "marijuana" and "cannabis" are used interchangeably herein for purposes of description; and

**WHEREAS**, in September 2016, the City Council of the City of San Leandro adopted Ordinance 2016-013, establishing a third Medical Marijuana Dispensary, which became effective on November 3, 2016; and

**WHEREAS**, the City of San Leandro's Planning Services Division has been tasked with periodic updates to the Zoning Code for conformance with General Plan policy and State law; and

**WHEREAS**, the proposed Amendments to the Zoning Code will update and modernize existing regulations pertaining to medical cannabis dispensaries and enable new regulations for those industries which support them in accord with General Plan policy; and

**WHEREAS,** the proposed Amendments are intended to make the provisions of the Zoning Code consistent with those found in the Municipal Code; and

**WHEREAS**, the proposed Amendments to the Zoning Code will replace the term "marijuana" with "cannabis" for consistency between the Municipal Code, the Zoning Code, and state law; and

WHEREAS, the Planning Commission has reviewed the staff report and exhibits and finds that the proposed Amendments to the Zoning Code are exempt from environmental review under Section 15061(b)(3) of the California Environmental Quality Act Guidelines, as they constitute minor amendments to the Zoning Code necessary for consistency with the Municipal Code and state law, and that any potential project enabled under the amendments will be further subject to review under CEQA. The general exemption applies in this instance because it can be seen with certainty that there is no possibility that the proposed amendments could have a significant effect on the environment and thus are not subject to CEQA; and

WHEREAS, proposed Amendments to the Zoning Code text are set forth in attached Exhibits A through C, incorporated herein by reference; and

**WHEREAS**, the Planning Commission reviewed the staff report and the proposed Zoning Code Amendments at a duly noticed public hearing on November 17, 2016, at which time all interested parties had the opportunity to be heard. In addition to legally required notice, the City also sent courtesy notices to interested parties; and

**WHEREAS,** the General Plan and the Zoning Code are incorporated herein by reference, and are available for review at City Hall during normal business hours.

**NOW, THEREFORE, BE IT RESOLVED** that the foregoing recitals are true and correct and made part of this resolution.

**BE IT FURTHER RESOLVED** that the Planning Commission recommends that the City Council adopt an ordinance to amend the Zoning Code text as shown in **Exhibits A through C**, attached hereto and incorporated herein by reference, based on the following findings:

- 1. The Amendments to the Zoning Code are exempt from environmental review under subsections (b)(3) of Section 15061 of the CEQA Guidelines, as they constitute a minor amendment to the Zoning Code for the purpose of updating and modernizing existing land use definitions and the proposed new land uses enabled by the Amendments will be evaluated for their environmental impacts on a case-by-case basis. The general exemption applies in this instance because it can be seen with certainty that there is no possibility that the proposed amendments could have a significant effect on the environment and thus are not subject to CEQA. As a result, the recommended Amendments will not have a significant effect on the environment.
- The Amendments will bring the Zoning Code into consistency with the State of California Medical Cannabis Regulation and Safety Act and with Title 4, Chapter 4-33 of the San Leandro Municipal Code, in accord with Government Code section 65855 and sections 5-2708 and 5-2712 of the Zoning Code.
- 3. The Amendments consist of legal and procedural safeguards necessary to evaluate and mitigate the potential effects of Cannabis-related industries on public health and safety.

**PASSED, APPROVED AND ADOPTED** this 17<sup>th</sup> day of November, 2016 by the following vote:

AYES-

NOES-

ABSENT-

ABSTENTION-

Ed Hernandez, Planning Commission Chairperson

## ATTEST:

Tom Liao, Secretary to the Planning Commission