



CITY OF FORT BRAGG

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COUNCIL COMMITTEE ITEM SUMMARY REPORT

MEETING DATE: September 22, 2020
TO: Community Development Committee
FROM: Sarah McCormick, Housing & Economic Development
AGENDA ITEM TITLE: Provide direction on Exhibit B of a Request for Proposals to contact services for preparation of a commercial cannabis cultivation ordinance for the City of Fort Bragg

ISSUE/SUMMARY:

On June 24, 2019 City Council received a report and provided direction to staff regarding the possible introduction of a commercial cannabis cultivation ordinance. After much discussion, the Council provided the following direction:

- Proceed with development of a cannabis cultivation ordinance;
- Allow cultivation in industrial zoned parcels north of Pudding Creek and limit cultivation south of Pudding Creek to an accessory use of dispensary;
- Explore ways to allow Municipal water for irrigation without negatively impacting the water system;
- Consider commercial cannabis cultivation as a Cannabis Business, pursuant to Fort Bragg Municipal Code Chapter 9.30 – Cannabis Businesses; and
- Allow 0.8 FAR and increased FAR with use permit approval (currently industrial zoning allows 0.4 FAR).

The City is preparing a Request for Proposals (RFP) to select a consultant for the development of a commercial cannabis cultivation ordinance, and the associated environmental review pursuant to California Environmental Quality Act (CEQA). Since over a year has passed since Council provided the direction listed above, staff is seeking input from the Community Development Committee to ensure the ordinance is aligned with Council objectives. The draft RFP (Attachment 4), including the Community Development Committee's recommended Exhibit B (Attachment 5), will be brought before Council for further consideration at the regularly scheduled meeting of October 13, 2020.

To assist Community Development Committee discussion of this issue, the following topics are provided:

Cannabis Retail. At the time Council provided feedback regarding commercial cultivation of cannabis, the City had not yet adopted retail cannabis regulations. This is an important

consideration because the land use “Cannabis Retail” includes provisions for cultivation within a cannabis microbusiness model. Cannabis microbusinesses are facilities that engage in a combination of retail, distribution, manufacturing **and/or cultivation**. “Commercial Cannabis Cultivation” is defined by the Municipal Code as “the planting, growing or harvesting of cannabis plants that are intended to be transported, processed, distributed, dispensed, delivered or sold.

The retail component (aka dispensaries) provide economic value in terms of services and sales tax, while the “accessory uses” are an important tool for businesses competing in this industry. “Accessory” is defined by the Inland Land Use & Development Code (ILUDC) as “a use customarily incidental to, related and clearly subordinate to a primary use on the same parcel, which does not alter the primary use”. Community Development Committee may choose to discuss whether or not the City’s current regulations, which allow cultivation as an accessory use, already meet the City’s need for commercial cannabis cultivation. The cannabis microbusiness model is allowed in the Central Business District, General Commercial, and Highway Visitor Commercial zoning districts, with minor use permit approval.

Zoning. Current direction from Council is to allow commercial cannabis cultivation on industrial zoned parcels located north of Pudding Creek. Indeed, industrial zoned land is an appropriate zoning designation for those businesses primarily engaged in commercial cannabis cultivation. That said, the industrial land north of Pudding Creek has insufficient infrastructure to support growth. New development in this area would need to invest in costly improvements to serve sites with Municipal water/sewer services. Community Development Committee may choose to discuss including all parcels designated Light/Heavy Industrial.

Furthermore, committee members may wish to discuss including commercial cannabis cultivation or cannabis retail in more zoning districts. For instance, the land use “crop production, horticulture, orchard, vineyard” is permitted in all zoning districts throughout the City. Council may wish to expand areas where these land uses can occur, and possibly create specific regulations for specific zoning districts. Attachment 3 is provided to aid this discussion.

RECOMMENDATION:

Provide feedback on draft Exhibit B – Council Direction, to be brought forward as a recommendation for City Council consideration.

ATTACHMENTS:

1. FBMC Chapter 9.30 – Cannabis Businesses
2. ILUDC Section 18.42.057 – Cannabis Retail
3. General Plan - Land Use Designations
4. Draft RFP
5. Draft Exhibit B - Council Direction