



AGENCY:City of Fort BraggMEETING DATE:May 3, 2021DEPARTMENT:Community DevelopmentPRESENTED BY:H. GurewitzEMAIL ADDRESS: hgurewitz@fortbragg.com

AGENDA ITEM SUMMARY

<u>TITLE</u>:

Receive Report and Provide Direction on a Cannabis Cultivation Policy

ISSUE:

The Fort Bragg City Council has indicated to staff that they would like to allow cannabis cultivation in the City of Fort Bragg. The Cannabis Cultivation Ordinance will provide the regulations and requirements for cultivation.

ANALYSIS:

A commercial cannabis cultivation would be subject to the regulations for Cannabis Businesses in Municipal Code Chapter 9.30 and CEQA. The purpose of establishing Municipal Code Chapter 9.32 would be to provide regulation and guidance for the cultivation of cannabis inside City Limits.

A cultivation ordinance will likely include the following provisions:

- Definitions for cannabis cultivation (e.g. fully enclosed and secure structure)
- Prohibitions (e.g. commercial cultivation on residential properties)
- Requirements (e.g. state licenses, a Cannabis Business Permit, and any conditional use permits, etc.)

An ordinance should also include any provisions that will address the following:

- Allowable types of cultivations (e.g. outdoor, mixed light, and/or indoor)
- Water conservation measures or restrictions
- Energy efficiency requirements
- Other required or recommended practices

Types of Cultivation

Previous direction from Council indicated that only indoor cultivations should be allowed. Staff is seeking confirmation from Council that it does not want to allow outdoor cultivation of cannabis within City limits and direction on whether a greenhouse meeting the definition of a fully enclosed and secure structure would be allowable. Below are examples of text that the Council may wish to include in Chapter 9.32 to clarify allowable types of cultivation.

SAMPLE: Outdoor cultivation. It is hereby declared to be unlawful for the outdoor cultivation of cannabis plants within the City limits.

SAMPLE: Commercial Cannabis shall be cultivated in a fully enclosed and secured structure (FESS) and may include a greenhouse if it meets the criteria for a FESS and is not visible from any public right of way.

<u>Water</u>

During the majority of the year the City has ample potable water available. However, during the dry summer months, the supply is less predictable. In some years, the City has had to impose water restrictions on businesses and residents in order to maintain an adequate supply.

Even though the City's potable water may be limited at certain times of year, there are other options. The City could include requirements for cultivators to provide their own source of water via a well or require a developer to pay for a water reclamation system. The Wastewater Treatment Facility currently releases upwards of 400,000 gallons of treated water per day and more than twice as much in the winter months. Additional infrastructure would be required to utilize this water, but would be well suited to cultivation.

While each application for cultivation will have to be reviewed for impacts on the City's water as part of the CEQA review, the City Council may wish to include specific provisions in Chapter 9.32. These may include some version of one or more of the following:

SAMPLE: Cannabis cultivations [should/shall] not create a burden on the City's water, wastewater systems, or electrical grid.

SAMPLE: Commercial cannabis cultivations planning to utilize City water [should/shall] use industry best practices to minimize water usage to the greatest extent possible.

SAMPLE: Commercial Cannabis Cultivations over X,000 square feet [may be required to/should/shall] provide their own source of agricultural water either through the development of a well or by covering the cost of developing water reclamation infrastructure from the City's Wastewater Treatment Facility.

Electricity

Indoor cultivation requires lighting and climate control that can be very intensive on the electrical grid, and water recycling units can be even more so. Estimates of the energy consumption for an indoor cannabis cultivation range from 100 kilowatt hours (kwh) to 150 kwh per square foot (sf) per year. The table below shows a comparison of building uses and estimated energy consumption by use type.

Average kwh/sf/yr.
6.8
11.7
14.0
14.2
14.2
16.0
48.7
55.3
125.0

Sources:

Kolwey, Neil. "A building Opportunity: Energy Efficiency Best Practices for Cannabis Grow Operations." Southwest Energy Efficiency Project, 1997. Durkay, Jocelyn and Duranya Freeman. "Electricity Use in Marijuana Production."

National Conference of State Legislatures, Vol 24. No 31. August 2016.

US Energy Information Administration. "Table C21. Electricity Consumption and Conditional Energy Intensity by Building Size, 2012." Released May 2016. <u>https://www.eia.gov/consumption/commercial/data/2012/c&e/cfm/c21.php</u>

Because indoor cultivation can be intensive on the electrical grid, the Council may decide to include some version of one of the following sample provisions:

SAMPLE: Commercial cannabis cultivations should minimize their impact on the energy grid as much as possible.

SAMPLE: Commercial cannabis cultivations [should/shall] utilize natural lighting as much as possible.

SAMPLE: Commercial cannabis cultivations [should/shall] utilize energy-efficient LED lighting.

SAMPLE: Commercial cannabis cultivations over X,000 square feet [should/shall] install solar panels as part of the project development.

SAMPLE: Commercial cannabis cultivations over X,000 square feet [may be required to/should/shall] use a combination of natural lighting, LED lighting, energy efficient equipment, and solar panels to reduce the planned energy usage to [no more than XX kwh hours/square foot / comparable levels of other allowable uses in the zone where it is located]. Note: more specific energy requirements by zone can be included in zoning requirements by zone in the specific land use standards.

Other options:

The Council may also opt to provide a more flexible provision that can be interpreted as projects are brought forward. An example of this might be:

SAMPLE: Commercial Cannabis cultivations [should/shall] use the most environmentally friendly practices possible including Integrative Pest Management, waste reduction, water conservation, and energy conservation.

RECOMMENDED ACTION:

Provide direction to staff on the elements to include in a cannabis cultivation ordinance.

ALTERNATIVE ACTION(S):

Provide other direction to staff.

FISCAL IMPACT:

If Council decides to tax cannabis cultivation, there may be a positive fiscal impact in the future, but the current recommended action has no fiscal impact.

GREENHOUSE GAS EMISSIONS IMPACT:

The direction provided by Council will ultimately have a potential future impact on Greenhouse Gas Emissions (GHGs) however, the impact depends on the provisions the Council decides to put in place, and the actual projects that are developed and approved once the regulation is passed.

CONSISTENCY:

Staff is seeking direction from Council on an ordinance that is consistent with the relevant City of Fort Bragg 2014 Inland General Plan Goals, Policies, and Programs:

Land Use Goal LU-4: Promote the economic vitality of the City's existing commercial areas.

Land Use Goal LU-5: Support industrial development which is consistent with the protection, enhancement, and restoration of natural and scenic resources.

Land Policy LU-5.2 Industrial Land Use Standards: Require that industrial development avoid or minimize creating substantial pollution, noise, glare, dust, odor, or other significant adverse impacts.

Public Facilities Policy PF-1.1 Ensure Adequate Services and Infrastructure for New Development: Review new development proposals to ensure that the development can be served with adequate potable water; wastewater collection, treatment, and disposal; storm drainage; fire and emergency medical response; police protection; transportation; schools; and solid waste collection and disposal.

Public Facilities Program PF-2.2.5 Continue to encourage water conservation techniques and water conserving fixtures in all new development projects.

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Public Facilities Program PF-2.2.6 Develop a program to encourage and allow the safe use of graywater and rainwater capture and reuse.

Sustainability Goal S-2 Encourage development that minimizes the demand for non-renewable energy and reduces Green House Gas (GHG) emissions.

Policy S-2.1 Passive Solar Design Strategies: All building and site design shall use passive solar design strategies for space heating and lighting to reduce energy demand to the extent feasible.

Policy S-2.2 Alternative Energy: Encourage the development and use of alternative sources of energy such as wind, solar, and biomass to meet Fort Bragg's energy needs.

Policy S-3.1 Reduce Water Use: Minimize the use of potable water in new and existing development.

IMPLEMENTATION/TIMEFRAMES:

Zone specific recommendations will be presented to the Planning Commission for recommendations and then a draft ordinance will be brought to City Council. If passed, the ordinance will take effect 30 days after adoption.

ATTACHMENTS: 1. Staff Power Point Presentation

NOTIFICATION: 1. Cannabis Notify Me subscriber list