

Cannabis – New and Expanded Structures

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Direction

- Cannabis Committee
 - Prepare an ordinance for consideration by the Board prior to July 1, 2021
 - Allow expansion of greenhouses on properties that already contain a greenhouse
 - Maintain Zoning limitations including the 50% lot coverage limits in the Farmland zones
- Agricultural Advisory Committee
 - Recommended approval of greenhouse expansion in the Farmland Zone
- Planning Commission
 - Recommended Board Decline to Adopt the Ordinance
 - Inconsistent with purpose
 - Does not include adequate equity considerations

Existing Regulations – 21.67.050 (Cultivation)

- Farmlands (F zone)
 - Cultivation limited to greenhouses and industrial buildings legally established prior to January 1, 2016
- Industrial (Light, Heavy, and Agricultural Industrial zones)
 - Cultivation limited to industrial buildings legally established prior to January 1, 2016
- Outdoor grows prohibited except personal cultivation

Proposed Ordinance

- Clean-up Item - Delete language prohibiting outdoor cannabis cultivation and instead refer to Outdoor cultivation pilot program
- Amend language for cultivation in the Farmland Zoning District to allow expansion of greenhouses on properties that have a greenhouse legally established prior to Jan. 2016
 - Maintain underlying permitting and development standards (i.e. 50% coverage)
- Amend language for cultivation in the Industrial zones to allow cultivation
 - Unrestricted to existing structures
 - Allow medium cultivation in Light Industrial Zones

Analysis

- Limited to Inland areas (non-coastal)
 - Strong regulatory policies in Coastal regarding development on Agricultural lands
 - Very few industrial zones
- Farmland Zones – Theoretical Maximum of 7.5 million additional sq ft
 - 62 properties in the inland Farmland zoning designations
 - 27 with the potential to expand (within 50% lot coverage)
 - 35 at or over 50% coverage
 - 4 properties account for nearly half of the theoretical max (3.2 million sq ft)
- Industrial Zones – Minimal increases in indoor cultivation
 - Very few undeveloped properties in unincorporated areas
 - No need to protect these lands from development of new buildings

Finance and Timing

- Estimate 2 million square feet of added cultivation area
 - Theoretical maximum unlikely to be fully realized
 - Lot sizes
 - Regulatory considerations and
 - Market factors
 - Tax at \$5 per square foot would mean \$10 million
 - Minimal costs projected for increased inspections and permitting
- July 1 CEQA exemption
 - Ordinance Exempt prior to July 1 with CEQA to be performed on individual permits
 - May require revisions to previously adopted Multi-Site IS/MND
 - CEQA review required for consideration of ordinance after July 1
 - Cost and time for environmental review upfront

Recommendation

- Find the ordinance statutorily exempt from CEQA (expires July 1, 2021); and
- Adopt the ordinance cleaning up outdoor cultivation references, allowing expansion of greenhouses in the Farmland Zone, and removing the existing structure requirements in the Industrial zones