

*"Placerville, a unique historical past forging into a golden future."*

**City Manager's Report**  
**September 11, 2018, City Council Meeting**  
**Prepared by: Cleve Morris, City Manager**  
**Item #: 10.1**



**Subject:** Introduce an Ordinance repealing Title 5, Chapters 25, Title 10 Chapter 10 Sections 1-5 of the Placerville Municipal Code and Ordinance 1683 effective October 25, 2018 and adopting Title 5 Chapter 28 relating to business regulation of Cannabis.

**Purpose:** The purpose of this ordinance is to regulate cannabis business activity in the City of Placerville. The ordinance would allow certain cannabis business activities to occur within the City limits.

**Background:**

Over the past several months, the City has held various meetings with the public as well as formal City Council Meetings to consider the regulation of Cannabis in the City of Placerville. The City currently prohibits all cannabis business activity based on a temporary prohibition adopted by the City Council on October 10, 2017, which is effective through October 27, 2018. The purpose of the interim ordinance was to give the state time to adopt regulations and to allow the City to further study the issue and consider allowing cannabis businesses within the City of Placerville. At the City Council Meetings on August 14 and August 28, 2018, the Council reviewed the draft ordinance and provided input and took comments from the public. Based on those reviews, the recommended ordinance has been prepared as attached.

**Discussion:**

The attached draft ordinance has been prepared by the Council appointed committee in conjunction with our Consultant, HDL, and with input from the Council and the public. It is staff's belief that all recommendations of the Committee and Council have now been incorporated in the ordinance. Since the last review only one change has been made. The following language has been added to section 5.28.030 and section 5.28.390 regarding Personal Cultivation.

*Persons who cultivate cannabis for their sole personal use, or qualified primary caregivers who cultivate medical cannabis on behalf of their qualified patient(s) may do so in quantities authorized by state law and in accordance with all state and local regulations without submitting any application or permit. It is hereby declared to be unlawful and a public nuisance may also be deemed to exist if such activity is determined to be related to the cultivation of cannabis and produces:*

## 10.1

1. *Odors which are disturbing to people residing or present on adjacent or nearby property or areas open to the public.*
2. *Repeated responses to the property from law enforcement or other code enforcement officers (more than three (3) times in a one-year period).*
3. *Repeated disruption to the free passage of persons or vehicles in the neighborhood (more than three (3) times in a one-year period) as reported to law enforcement officers or the city code enforcement officer.*
4. *Any other impact which adversely impacts the health, safety or general welfare of people on adjacent or nearby property or areas open to the public.*

*Nothing in this chapter shall be construed as a limitation on the city's authority to abate any nuisance which may exist from the planting, growing, harvesting, drying, processing or storage of cannabis plants or any part thereof from any location.*

*All cannabis cultivation shall be subject to chapter 1.4, 4a and 4b (Public Nuisance) and the state housing code (California Health and Safety Code) and other applicable provisions of local and state law.*

If there are any other changes Council should make those recommendations and incorporate them into this draft ordinance as part of the introduction of the ordinance. The second reading and adoption would then take place on the regular City Council Meeting on September 25, 2018. As is required for every ordinance adoption, there is a 30 day waiting period following adoption prior to the ordinance taking affect.

At the last City Council Meeting on August 28, 2018, the Council asked the Planning Commission to prepare a cannabis business overlay zone which will overlay certain areas within the Commercial (C), Heavy Commercial (HC), Central Business District (CBD) and Highway Commercial (HWC). Prior to accepting applications, the proposed amendment to the zoning ordinance creating the cannabis business overlay zone will need to be recommended by the Planning Commission and approved by the City Council.

In addition, Section 5.28.080, requires the Council to adopt a resolution approving the number of Cannabis Businesses allowed in the City. Staff will prepare that resolution following a recommendation by the Cannabis Review Committee, and bring back a recommendation to the City Council.

At this time staff recommends the Council Waive the first reading and introduce the cannabis business regulation ordinance.

### **Options:**

1. Introduce the ordinance as recommended
2. Make amendments to the ordinance and introduce if minor.

3. Direct staff to make additional change and bring back the ordinance for introduction. Note that this could put the City in jeopardy of having the State authorize a cannabis business prior to the City adopting regulations.

**Cost:** There is only minimal cost at this time with preparing the ordinance.

**Budget Impact:** None. Any budget impacts will be discussed at mid year if necessary after we begin the application process.

**Recommendation:** Introduce an Ordinance repealing Title 5, Chapters 25, Title 10 Chapter 10 Sections 1-5 of the Placerville Municipal Code and Ordinance 1683 effective October 25, 2018 and adopting Title 5 Chapter 28 relating to business regulation of Cannabis.



M. Cleve Morris, City Manager

*Attachments:*

1. *Markup of Ordinance*
2. *Clean Copy of Ordinance*