

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

**City Manager's Report**  
**October 9, 2018, City Council Meeting**  
**Prepared by: Cleve Morris, City Manager**  
**Item #: 10.2**



**Subject:** Waive the Second Reading and Adopt an Ordinance repealing Title 5, Chapter 25, Title 10 Chapter 10 Sections 1-5 of the Placerville Municipal Code and Ordinance 1683 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:**

At the City Council Meeting on September 11, 2018, the Council waived the first reading and introduced the attached ordinance regulating cannabis business activity in the City of Placerville. On September 25, 2018 the Council made minor clerical corrections and continued the item to the October 9, 2018 Council Meeting.

**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. Minor additions and changes were made at the meeting on September 11, 2018 prior to introduction and minor clerical corrections were made on September 25, 2018. In addition, staff has done final proof reading and corrected minor clerical errors since the last meeting. All recommended comments and additions have now been addressed in the proposed ordinance.

On adoption, the ordinance will take effect following a mandatory 30 day waiting period. Staff will then begin finalizing other items that are necessary to begin the application process. These are as follows:

1. Adopt a Cannabis Business Overlay Zone Ordinance to identify those areas where Cannabis Businesses may potentially operate. This is currently planned to go to the Planning Commission in October and will come back to the City Council in November or December.
2. Adopt by Resolution the number of Cannabis Businesses allowed in the City as required by this Ordinance Section 5.28.080. The Ad-Hoc Committee will review this item and make a recommendation to the Council in October.

3. Approve the application and application process. Staff will begin working with HdL on this process and application. It is anticipated the application process will start in January.

Staff is recommending waiving the second reading and adopting the proposed ordinance.

**Options:**

1. Adopt the ordinance as recommended.
2. Make amendments to the ordinance and re-introduce.
3. Direct staff to make additional changes and bring back the ordinance for re-introduction. Note that this could put the City in jeopardy of having the State authorize a cannabis business prior to the City adopting regulations.
4. Do not adopt the ordinance at this time and provide further direction to staff.

**Cost:** There is only minimal cost at this time associated 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:** Waive the Second Reading and Adopt an Ordinance repealing Title 5, Chapter 25, Title 10 Chapter 10 Sections 1-5 of the Placerville Municipal Code and Ordinance 1683 and adopting Title 5 Chapter 28 relating to business regulation of Cannabis.



M. Cleve Morris, City Manager

*Attachments:*

1. *Proposed Ordinance*