


STAFF REPORT
MEETING
DATE: November 12, 2019

TO: City Council

FROM: Theresa Brown, Assistant City Clerk

SUBJECT: COMMERCIAL CANNABIS LICENSING AND PERMITTING
REQUEST

Adopt two ordinances amending the Novato Municipal Code (NMC) to (1) establish commercial cannabis licensing allowances and requirements and (2) designate zoning areas where the activities can occur; and make findings that said actions are exempt from the California Environmental Quality Act (CEQA) under Bus. & Prof. Code section 26055(H), among other provisions of the law.

DISCUSSION

These ordinances were introduced by Community Development Director, Vicki Parker, at a public hearing held at the City Council meeting of October 22, 2019. During this meeting Council assessed each of the Planning Commission’s comments and recommendations and made the following changes to the Cannabis Zoning Ordinance, Cannabis License ordinance, and the Cannabis process resolution.

Summary of City Council Comments & Changes

Item	Outcome	Vote
Timeline to Revisit Storefront Retail	Too early; go through process once and then decide	No Vote
Caps	Increase Microbusinesses to 3 and Eliminate all caps on Non-Storefront Retail	4 – 0 (passed)
Eliminate Inventory Cap	Eliminated	3 – 1 (passed)
Time Limits	<ul style="list-style-type: none"> ▪ CC’s extended to 2 years ▪ CCBPs extended to 2 years ▪ Labs extend to 3 years 	4 – 0 (passed) 3 – 1 (passed) 2 – 2 (failed)
Remove all references to “annual”	Motion to remove all references to “annual” throughout the three documents.	4 – 0 (passed)
Incorporate a preference for Novato residents	To be addressed during subsequent ranking of criteria discussion	4 – 0 (passed)
24-hour Security	Removed requirement and left to discretion of City Manager	4 – 0 (passed)

Modifications to Resolution	Motion to approve all modifications to resolution necessitated by modifications to ordinances	4 – 0 (passed)
CBA's	Bring back template CBA's, together with some idea for floor and ceiling of costs when we bring back ranking criteria; needs to be published in RFP	Direction to Staff
Delivery Hours	Modify delivery hours from 8:00 am – 8:00 pm, to 8:00 am – 10:00 pm	4 – 0 (passed)
Non-Storefront Retail Zones	Zones allowing Non-Storefront Retail expanded to also include BPO	4 – 0 (passed)
Evidence of License or Renewal	Inserted language to require Owner of Commercial Cannabis Business to provide City with evidence of license or license renewal.	Direction to Staff

Once the ordinances are adopted, they will go into effect thirty days after the date of their passage and adoption.

FISCAL IMPACT

None.

RECOMMENDATION

Adopt the ordinances.

ALTERNATIVE

Do not adopt the ordinances.

ATTACHMENTS

1. Cannabis License - Draft Ordinance October 22, 2019 Redline
2. Cannabis Zoning - Draft Ordinance October 22, 2019 Redline
3. Cannabis License - Amended Draft Ordinance “Clean Version”
4. Cannabis Zoning - Amended Draft Ordinance “Clean Version”