MEMORANDUM

TO: Town of Bowling Green Planning Commission

FROM: Darla Odom Orr, Deputy Zoning Administrator

COPY: Jeff Gore, Town Attorney; John Anivino, Interim Town Manager

DATE: November 19, 2026

RE: **PUBLIC HEARING – AN ORDINANCE TO ADOPT AMENDMENTS TO THE ZONING ORDINANCE TO ADD RETAIL, CULTIVATION, PROCESSING, AND TESTING FACILITY USES FOR CANNABIS TO CHAPTER 10 OF THE TOWN OF BOWLING GREEN MUNICIPAL CODE.**

Summary

Town Council initiated proposed zoning text amendments governing cannabis businesses and referred the item to the Planning Commission for consideration and a public hearing at the Commission's November 19, 2026, meeting. The Commission's recommendation would then return to Council for its own public hearing and final action.

Background

On June 29, 2026, the General Assembly enacted the 2026–2028 biennial budget (HB 30), which establishes a complete framework for a regulated adult-use retail cannabis market in Virginia, administered by the Virginia Cannabis Control Authority (CCA). Adult possession has been legal since 2021; the new law adds licensed commercial cultivation, processing, testing, transport, delivery, and retail sales. Key points for the Town:

- **Timeline.** The CCA must adopt regulations by February 1, 2027, and may begin accepting license applications on that date. The CCA released draft regulations on September 9, 2026. No retail sales may occur before July 1, 2027. Up to 350 retail store licenses may be issued statewide before January 1, 2028.
- **No local opt-out.** Unlike earlier proposals, the enacted framework does not allow localities to ban cannabis businesses or put the question to a local referendum.
- **Retained local authority.** Localities keep control over where and how these businesses operate through zoning, business licensing, hours of sale, and ordinances on public consumption. State law sets a 1,000-foot minimum separation between retail stores and schools and certain other sensitive uses.
- **Local review of sites.** A selected applicant must secure a compliant property and satisfy local zoning and land-use rules. The local governing body is notified of the proposed site and has 30 days to object.
- **Local tax.** A local cannabis sales tax of 1% to 3.5% applies in addition to the 6% state tax (rising to 8% on July 1, 2029) and the existing sales tax.
- **Hemp.** Regulation of retail hemp products has moved to the CCA, and the 25:1 CBD-to-THC exemption ended August 15, 2026.

Discussion

Because localities cannot prohibit these uses, staff has prepared amendments to the current zoning ordinance to regulate their location and operation, in addition to state regulations. These amendments include defined terms, use categories and standards to be met by applicants seeking to locate cannabis related uses in Bowling Green. This will allow the Town to be prepared for applicants who may begin seeking approval from the state in February 2027.

Staff has prepared draft ordinance amendments for the Planning Commission and Town Council to consider using the following scope:

1. **Definitions and classification** for each state license type (retail store, microbusiness, cultivation, processing, testing, transporter, and delivery operator)
2. **Districts and approval type:** where each use may be permitted, consistent with state law barring local prohibition.
3. **Separation standards** consistent with the state 1,000-foot minimum.
4. **Site and operational standards:** hours of operation, signage and advertising, odor control, security and lighting, parking, and building and floor-area limits (state law caps retail floor space at 2,500 square feet).

There are items, such as adopting a tax on these businesses that fall to Council rather than the Commission and will be brought forward separately by the Town Administrator such as whether to adopt the local cannabis sales tax, an ordinance on public consumption in parks and on sidewalks, and any business license provisions. It is recommended that a locality enact a local marijuana tax ordinance no later than May 1, 2027 since approved establishments may begin to sell marijuana products on July 1, 2027.

Recommendation

Staff recommends that the Planning Commission vote to recommend approval of this ordinance to adopt amendments to the zoning ordinance to add retail, cultivation, processing, and testing facility uses for cannabis to Chapter 10 of the Town of Bowling Green Municipal Code.