



## City of Colusa California

### STAFF REPORT

**DATE:** September 6<sup>th</sup>, 2022  
**TO:** Mayor and Members of the City Council  
**FROM:** Jesse Cain City Manager

#### **AGENDA ITEM:**

Subject: Public Hearing for a proposed first reading of an Ordinance approving a development agreement, and a Resolution for a Cannabis Business Regulatory Permit and a Cannabis Business Special Use Permit in support of cannabis manufacturing uses at 2959 Davison court.

**Recommendation:** . Council to Open the public hearing, and introduce, read by title only, and waive the full first reading of the proposed Ordinance:

FIRST READING BY TITLE ONLY AND SET FOR SECOND READING AN ORDINANCE OF THE CITY COUNCIL APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF COLUSA AND XO CANNABIS/ ORGANIC CROP SOLUTIONS LLC RELATIVE TO THE OPERATION OF A CANNABIS MANUFACTURING FACILITY LOCATED AT 2959 DAVISON COURT IN COLUSA

**Recommendation:** Council to adopt the following Resolution:

A RESOLUTION OF THE CITY COUNCIL APPROVING A SPECIAL USE PERMIT AND A REGULATORY USE PERMIT, RELATIVE TO THE ESTABLISHMENT AND OPERATION OF A CANNABIS MANUFACTURING / BUSINESS FACILITY LOCATED AT 2959 DAVISON COURT. IN COLUSA

#### **BACKGROUND ANALYSIS:**

XO Cannabis/ Organic Crop Solutions LLC is located at 2959 Davison Court, in the City of Colusa. They would be moving into an existing metal building at 2,400 sq ft. The project consents of cultivation drying and packaging. The applicants are aware that they must have a smell mitigation plan and that smell is a major concern. This project will generate 1-3 jobs as this is a small project. The proposed location business type and activities conforms with ordinance 519.

**BUDGET IMPACT:** The terms of the Development Agreement would generate revenues for the City based on a production fee where the applicant pays the City 3% of gross sales from operations.

**STAFF RECOMMENDATION:**

Staff recommends that the City Council consider the analysis, project staff report, and public testimony. Should the City Council support such analysis and the proposed project, staff recommends that the City Council approve the following:

1. FIRST READING BY TITLE ONLY AND SET FOR SECOND READING AN ORDINANCE OF THE CITY COUNCIL APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF COLUSA AND XO CANNABIS/ORGANIC CROP SOLUTIONS LLC RELATIVE TO THE OPERATION OF A CANNABIS MANUFACTURING FACILITY LOCATED AT 2959 DAVISON COURT IN COLUSA
2. A RESOLUTION OF THE CITY COUNCIL APPROVING A SPECIAL USE PERMIT AND A REGULATORY USE PERMIT, RELATIVE TO THE ESTABLISHMENT AND OPERATION OF A CANNABIS MANUFACTURING / BUSINESS FACILITY LOCATED AT 2959 DAVISON COURT. IN COLUSA

**ATTACHMENT:**

Ordinance No \_\_\_\_ approving Development Agreement

Resolution No \_\_\_\_ for Cannabis Business Regulatory Permit and a Cannabis Business Special Use Permit

Development Agreement