



City of Colusa California

STAFF REPORT

DATE: May 17, 2022

TO: Mayor Reische and Members of the City Council

FROM: Bryan Stice, Community Development Manager through Jesse Cain, City Manager

AGENDA ITEM:

Subject: Public Hearing for an Ordinance to amend the City of Colusa City Code, including Appendix A (Zoning), to update cannabis regulations within the City

Recommendation: Conduct second reading of the amended draft Ordinance: An Ordinance of the City Council of the City of Colusa, California Amending Article 4, Article 21.5, and Article 33 of the City Zoning Code and repealing Section 32.11 of Article 32 of the City Zoning Code regarding Cannabis Business Uses and Regulatory Permits.

[This amended draft Ordinance reflects City Council's direction (following their May 3, 2022 public hearing) to allow cannabis dispensaries within the include the C-G General Commercial District in addition to the M-1 Light Industrial District.]

BACKGROUND ANALYSIS:

In 2017, the City Council adopted Ordinance 519, which established regulations applicable to the City's review and potential approval of cannabis business applications in Colusa. Since that time, State cannabis laws, market conditions, and City Council requests necessitate an update and potential adoption of new cannabis regulations.

Draft cannabis regulations were prepared by the City Attorney's office with three primary objectives:

1. To achieve consistency with State cannabis laws.
2. To update application procedures and requirements based to reflect local conditions.
3. To consider allowing cannabis storefront dispensaries.

The City Planning Commission began reviewing the draft cannabis ordinance during a public hearing on September 8, 2021. Several additional public hearings were held by the Planning Commission, where testimony was shared by both opponents and proponents of various cannabis regulations, and where individual code provisions were reviewed. At their public hearing on January 26, 2022, City Planning Commission concluded their review of the draft

ordinance and voted 3-0-2 (passing Resolution 2022-01) to recommend City Council approval of the attached, draft ordinance.

As originally drafted, the ordinance included “storefront” cannabis dispensaries as conditionally allowed uses within commercial (C-G and C-H) zoning districts. As recommended for approval by the Planning Commission, the ordinance reflects limiting “storefront” cannabis dispensaries to only the industrial (M-1, M-2, & M-L) zoning districts excluding those limited industrial districts that are within the City’s “Riverfront District” located downtown.

BUDGET IMPACT:

Revenues from cannabis related business are steadily increasing with each year since 2017. Revenues associated with potential “storefront” cannabis dispensaries would represent an additional source of cannabis revenues to the City not collected currently, if such uses were approved.

STAFF RECOMMENDATION:

Staff recommends that the City Council consider the draft ordinance as recommended by the Planning Commission, testimony from the public, and which (if any) ordinance sections should be modified and/or approved.

ATTACHMENT:

Draft Ordinance No. _____ (as amended following the May 3, 2022 public hearing)

Exhibit A – Zoning Code Article 21.5

Exhibit B – Zoning Code Article 33

September 27, 2021, letter from City merchants and business in opposition to marijuana dispensaries.