

ORDINANCE CC-17-258

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHASTA LAKE
AMENDING THE CITY OF SHASTA LAKE MUNICIPAL CODE TO ADD
CHAPTER 17.10 TO ESTABLISH ZONING FOR THE CULTIVATION,
DISTRIBUTION ,DISPENSARY, MANUFACTURING, NURSERY, TESTING
AND TRANSPORT OF COMMERCIAL CANNABIS WITHIN THE CITY OF
SHASTA LAKE**

WHEREAS, in 1996, the California electorate approved Proposition 215, the Compassionate Use Act of 1996, which allows a patient, with a doctor's recommendation, to use cannabis for medical purposes without the fear of prosecution or arrest; and

WHEREAS, in 2003, the California legislature passed Senate Bill 420 (Medical Marijuana Program Act) which amended the Health and Safety Code to permit the establishment of medical cannabis dispensaries for the distribution of cannabis for medical purposes; and

WHEREAS, in 2005 the California Board of Equalization began issuing seller's permits for sales consisting only of medical cannabis; and

WHEREAS, in 2008 the California Attorney General issued guidelines for the security and non-diversion of cannabis grown for medical use; and

WHEREAS, on October 11, 2015, the Governor signed into law Senate Bill 643, Assembly Bill 266, and Assembly Bill 243, collectively referred to as the Medical Marijuana Regulation and Safety Act ("MMRSA") further amended on June 27, 2016 as the Medical Cannabis Regulation and Safety Act ("MCRSA"), which established regulations and a state licensing system for medical cannabis cultivation, manufacturing, delivery, and dispensing; and

WHEREAS, the voters of the State of California approved and passed Proposition 64 also known as the Adult Use of Marijuana Act ("AUMA"); and

WHEREAS, Health & Safety Code Section 11362.83 provides that cities are free to adopt and enforce local ordinances that regulate the location, operation, or establishment of medical cannabis dispensaries and cultivation; and

WHEREAS, the City Council of the City of Shasta Lake intends that nothing in this Ordinance shall be deemed to conflict with federal law as contained in the Controlled Substances Act, nor to otherwise permit any activity that is prohibited under that Act or other applicable law; and

WHEREAS, after holding a public hearing, and reviewing the legal status of cannabis under applicable law, the City Council finds that the regulation of cannabis with respect to commercial, medical and recreational uses in dispensaries, distribution, indoor cultivation and nursery facilities, manufacturing facilities, testing facilities, and transportation facilities is necessary to protect the public

health, safety, and welfare by mitigating the adverse secondary effects from the operations of these uses on other land uses within the City; and

WHEREAS, the City of Shasta Lake has a compelling interest in ensuring that cannabis is not distributed in an illicit manner, in protecting the public health, safety and welfare of its residents, visitors and business owners, in preserving the peace and quiet of the neighborhoods in which these uses may operate, and in providing access to cannabis to residents; and

WHEREAS, the proposed Ordinance has been reviewed by City staff in accordance with the Environmental Checklist Form (Appendix G of the CEQA Guidelines) to determine if there would be any possibility that the proposed ordinance would create any significant environmental impacts, and City staff has determined that the establishment of regulations for indoor cannabis cultivation, dispensing, distribution, manufacturing, testing, and transportation and businesses does not meet any of the thresholds contained in the Checklist that would trigger a significant environmental impact, and thus according to the “general rule exemption” (Section 15061(b)(3) of the CEQA Guidelines, projects which have no potential for causing a significant effect on the environment are not subject to CEQA, no further environmental analysis is required for this ordinance; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHASTA LAKE DOES ORDAIN AS FOLLOWS:

SECTION 1: Adopts Text Amendment Z-17-01 amending Title 17 of the Shasta Lake Municipal Code by adding Chapter 17.10 entitled “Cannabis Business Land Use” to read as follows:

CHAPTER 17.10 CANNABIS BUSINESS LAND USE

Sections

17.10.010 - Purpose.

The purpose of this Chapter is to define where cannabis business as a land use can be located within the identified zoning districts as called out in the Land Use Table in Section 17.10.20. For zoning districts not called out in the table it shall be presumed that the business is expressly not permitted or allowed within that zoning district.

17.10.15 - Intent

The intent of this section shall be to insure that cannabis businesses are operated in such a manner as to insure the public health and safety of the residents and businesses of the City of Shasta Lake.

17.10.020 – Land Use Table

The Land Use Table shall be used to determine whether a cannabis business is permitted (P), not permitted (NP), or permitted with a Conditional Use Permit (CUP). If a

Zoning District in Title 17 is not listed in the Land Use Table in this section hen the use is expressly not permitted.

City of Shasta Lake Municipal Code – Zoning Chapter 17.10.20							
Use Type	Land Use Class.	Permit Required					
		R	VC /C-2	CM	ML	M	SGIP-PD/DR
Cultivator	Greenhouse, commercial - A	NP	NP	CUP	P	P	P
Cultivator	Greenhouse, commercial - B	NP	NP	CUP	P	P	P
Cultivator	Greenhouse, commercial - C	NP	NP	CUP	P	P	P
Dispensary	Retail/pharmaceutical	NP	P ¹	NP	NP	NP	NP
Distributor	Warehouse/distributor	NP	P ²	CUP	P	P	P
Manufacturer	Manufacturing/processing (volatile)	NP	NP	NP	NP	NP	NP
Manufacturer	Manufacturing/processing (non-volatile)	NP	NP	CUP	CUP	P	P
Nursery	In Building (Retail)	NP	NP	P/CUP ³	CUP	NP	NP
Testing	Laboratory (No Retail)	NP	CUP	CUP	P	P	P
Transporter	Freight / transport	NP	NP	CUP ⁴	P	P	P

Footnotes

- 1 - Three total dispensaries are permitted; each must be located on Shasta Dam Boulevard or in a previously established location housing an existing dispensary in operation at the time this Ordinance is adopted.
- 2 - Permitted use for distribution only. Must be less than 2000 sq. ft. and have no separate warehouse structure.
- 3 - Permitted use for buildings under 2,000 sq. ft. subject to CUP for buildings over 2000 sq. ft.
- 4 - CUP/for use on parcels no less than 2 acres

Land Use Classifications:

- Greenhouse, commercial A - permitted cultivation area: 0 to 5,000 square feet
- Greenhouse, commercial B – permitted cultivation area: 5,001 to 10,000 square feet
- Greenhouse, commercial C – permitted cultivation area: 10,000 to 22,000 square feet

ZONING DISTRICTS	
R	Residential Zoning Districts
VC	Village Commercial
C-2	Community Commercial
CM	Commercial – Light Industrial
DR	Design Review
ML	Light Industrial
M	Industrial
SGIP-PD	Shasta Gateway Industrial Park – Planned Development

17.10.030 - Definitions.

The definitions listed here are applicable throughout the Municipal Code where cannabis is referenced. All definitions are intended to comply with those in the Shasta Lake Municipal Code, State regulations, Business and Professions Code, and in the California Health and Safety Code, and as they may be amended.

- A. **Accessory Building** means a detached building subordinate to and located on the same parcel as a residence, the use of which is incidental to that of the residence. Accessory building does not include any tent, trailer, recreational vehicle, or other vehicle, or any building designed or used for human habitation.
- B. **Applicant** shall mean a person who is required to file an application for a permit or license under this chapter.
- C. **Cannabis** "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. For purposes of this Section the terms Cannabis and Marijuana shall have the same meaning.
- D. **Cannabis Dispensary** – means a premise where cannabis, cannabis products, or devices for the use of non-medical cannabis or medical cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers, pursuant to Section 19340, cannabis and cannabis products as part of a retail sale.
- E. **Cannabis Manufacturing Site** – means the premises that produces, prepares, propagates, or compounds manufactured cannabis or cannabis products, directly or indirectly, by non-volatile extraction methods, and is owned and operated by a licensee for these activities.
- F. **Cannabis Testing Facility** means a public or private laboratory licensed and certified, or approved by the Bureau of Cannabis Regulation or any other regulatory body controlling testing facilities, to conduct research and analyze cannabis, cannabis products, and cannabis concentrate for contaminants and potency.
- G. **Canopy** means the total combined canopy area for all locations on a property where cannabis is being cultivated, including indoor areas, outdoor areas, or a combination of both, as measured by the horizontal extent of the plant or combination of plants at the widest point and measured in a straight line.
- H. **Commercial Cannabis Business** includes cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, delivery, or sale of cannabis, medical cannabis or a cannabis or medical cannabis product, except as related Business and Professions Code Section 19319, and as it may be amended or Health and Safety Code Sections 11362.1 through 11362.45 and as they may be amended.

- I. **Cultivation and/or Cultivate** shall mean the planting, growing, harvesting, drying, processing, or storage of one or more cannabis plants or any part thereof.
- J. **Delivery** means the commercial transfer of cannabis or cannabis products to a customer. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer, or independently licensed, that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of cannabis or cannabis products.
- K. **Distribution** means the procurement, sale, and transport of cannabis and cannabis products between licensed entities.
- L. **Distributor** means a person licensed to engage in the business of purchasing cannabis from a licensed cultivator, or cannabis products from a licensed manufacturer, for sale to a licensed dispensary.
- M. **Employee** shall mean any person (whether paid or unpaid) who provides regular labor or regular services for a cannabis business, including but not limited to the location of a cannabis dispensary business.
- N. **Indoor Cultivation Facility** shall mean a facility which is licensed by the City of Shasta Lake and the State of California for the growing of cannabis within an enclosed building for the purposes of wholesale of cannabis to cannabis manufacturing facilities or cannabis dispensaries.
- O. **Manager** shall mean an employee responsible for management and/or supervision of a cannabis dispensary business.
- P. **Mixed Light Cultivation Facility** cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold in a permanent facility in compliance with the State Building Code as determined by the State licensing authority.
- Q. **Non-climbable Fence** means a fence with a smooth exterior surface that is not equipped with steps or other provisions for climbing.
- R. **Nursery** "Nursery" means a commercial cannabis licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.
- S. **Primary Caregiver** shall have the same meaning as set forth in Health and Safety Code section 11362.7(f).
- T. **Qualified Patient** shall have the same meaning as set forth in the Health and Safety Code section 11362.7(f).
- U. **School** means any public or private school providing instruction in kindergarten or grades 1 to 12, inclusive, but does not include any private school in which education is primarily conducted in private homes.

V. **Transporter** means a person who holds a license by the Bureau of Cannabis Regulation to transport cannabis or cannabis products in an amount above a threshold determined by the bureau between licensees that have been issued a license pursuant to this chapter.

17.10.040 – Development Standards

Commercial cannabis businesses shall meet all of the standards for the Zoning District in which they are allowed and located. They shall meet the other development requirements as referenced in that zoning district and found elsewhere in the Municipal Code

17.10.050 - Permits

All commercial cannabis business allowed as shown in Section 17.10.20 are required to obtain a Business License as required by Title 5 - Business License and a Regulatory License as required by Chapter 8.06 - Commercial Cannabis Licenses and Standards.

SECTION 3: Severability: If any provision of this ordinance or the applications thereof to any person or circumstances is held invalid, the remainder of the ordinance and the applications of such provision will remain in effect to the extent permitted by law.

SECTION 3: Effective Date: This ordinance shall be effective thirty (30) days following its second reading and posting as provided for by City Code.

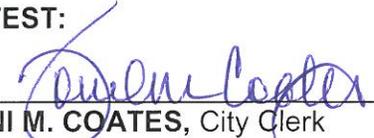
I HEREBY CERTIFY that the foregoing Ordinance was introduced and read at a regular meeting of the City Council of the City of Shasta Lake held on the 18th day of April 18, 2017 and was passed upon second reading at a regular meeting of the City Council of the City of Shasta Lake held on the 2nd day of May, 2017.

PASSED, APPROVED, AND ADOPTED this 2nd day of May, 2017 by the following vote:

AYES: FARR, MORGAN, POWELL, WATKINS, KERN
NOES: NONE
ABSENT: NONE



RICHARD KERN, Mayor

ATTEST:


TONI M. COATES, City Clerk