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AGENDA
OXNARD CITY COUNCIL
HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE
Council Chambers, 305 West Third Street
October 22, 2019
Regular Meeting - 4:30 to 5:45 PM

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of fifteen minutes. A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker cards will not be accepted after the beginning of the general public comment period. Based on the number of speaker cards submitted, the presiding officer may impose time limits per speaker. Typically, speakers are limited to two minutes, but shorter time may be established as deemed necessary. A person not able to address the legislative body at this time because the fifteen minutes expires may do so just prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager for administrative action or scheduled on a subsequent agenda for discussion.

C. CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Minutes.

RECOMMENDATION: That the Housing and Economic Development Committee approve the minutes of the September 24, 2019 regular meeting as presented.

Contact: Michelle Ascencion, (805) 385-7805

D. REPORTS

1. Community Development Department

SUBJECT: Planning and Zoning Permit No. 19-580-05 (Zoning Text Amendment) – Amendment to the Oxnard City Code to Create Regulations for Cannabis Retail Dispensaries. (10/10/10)

RECOMMENDATION: That the Housing and Economic Development Committee recommend City Council approval of Planning and Zoning Permit No. 19-580-05 (Zoning Text Amendment) for the regulation of cannabis retail dispensaries within the City of Oxnard.

Contact: Jeffrey Lambert, (805) 385-7882

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

Agenda Item time estimates: (Staff Presentation / Committee Discussion / Public Comment)

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT

MINUTES
OXNARD CITY COUNCIL
HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE
Regular Meeting
September 24, 2019

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 4:31 p.m., Chair Madrigal called to order the regular meeting of the Oxnard City Council Housing and Economic Development Committee in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Member Tim Flynn and Chair Oscar Madrigal were present; Member Vianey Lopez was absent.

Staff members present were Ashley Golden, Assistant City Manager; Kenneth Rozell, Chief Assistant City Attorney; Jeffrey Lambert, Community Development Director; Paul McClaren, Associate Planner; and Michelle Ascencion, City Clerk.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA (None received.)

C. CONSENT AGENDA

City Clerk Department

1. SUBJECT: Approval of Minutes.

RECOMMENDATION: That the Housing and Economic Development Committee approve the minutes of the September 10, 2019 regular meeting as presented.

It was moved by Member Flynn, seconded by Chair Madrigal, to approve the minutes as presented.
VOTE: Flynn and Madrigal voted in favor; the motion carried 2-0.

D. REPORTS

Community Development Department

1. SUBJECT: Short Term Rental Ordinance – Article XI of Chapter 16 and Section 17-53 of Chapter 17.

RECOMMENDATION: That the Housing and Economic Development Committee receive a report on Planning Commission recommendation on the Short Term Rentals (STRs) ordinance and provide input on the recommendations.

The Community Development Director gave some introductory remarks and introduced the Associate Planner, who gave a report.

Public comments were received from Gerald Mitchell, Rita Weiss, Jill Van Zeebroeck, Walter Hagedohm, Bob Murphy, Diane Delaney, Ben Di Benedetto, Carol Hagedohm, Karen Brooks, Angie Slaff, Julie Pena, Robert Dushane, Deirdre Frank, Charles Boyd, Nancy Lindholm, Christine Munro, Ira Green, Steve Guerrero, Kathy Guerrero, Leslie Druss, Rachel Douglas, Pat Brown, and Barbara Macri-Ortiz.

Written comments were received from Max Ghenis, Walter Hagedohm, Carol Hagedohm, Diane Delaney, Ben Di Benedetto, Gerald Mitchell, and Jill Van Zeebroeck.

Discussion ensued among the Committee and staff. Committee members provided their recommendations on the various staff recommendations: distance between STRs, caps per General Plan neighborhood, caps on number of days per year, allowable distance of the property manager/owner, outdoor amplified music, off-street parking, fines for violations, and the possibility of amending the ordinance to exclude The Colony at Mandalay Beach. No formal action was required.

E. ITEMS FOR FUTURE AGENDAS (No requests were made.)

F. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Madrigal adjourned the meeting at 5:54 p.m.

MICHELLE ASCENCION, CMC
City Clerk

OSCAR MADRIGAL
Chair



HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE AGENDA REPORT

REPORTS AGENDA ITEM NO. D.1.

DATE: October 22, 2019

TO: Housing and Economic Development Committee

FROM: Jeffrey Lambert, Community Development Director, (805) 385-7882,
jeffrey.lambert@oxnard.org

SUBJECT: Planning and Zoning Permit No. 19-580-05 (Zoning Text Amendment) – Amendment to the Oxnard City Code to Create Regulations for Cannabis Retail Dispensaries. (10/10/10)

RECOMMENDATION

That the Housing and Economic Development Committee recommend City Council approval of Planning and Zoning Permit No. 19-580-05 (Zoning Text Amendment) for the regulation of cannabis retail dispensaries within the City of Oxnard.

BACKGROUND

On June 26, 2018, the City Council conducted a study session to evaluate the types of cannabis related uses that may be permitted in the City. Background information provided to the City Council for its consideration at the study session included the “Fiscal Analysis and Feasibility Study of the Commercial Cannabis Industry” prepared by the City’s cannabis consultant, HdL. At this meeting, the City Council directed staff to proceed with evaluating the siting and land use regulations associated with the following cannabis uses: 1) Retail (medical and non-medical); 2) Manufacturing; 3) Distribution; 4) Testing Laboratories; and 5) Cultivation (herein collectively referred to as “types of cannabis operations”).

On October 2, 2018, the City Council received a presentation regarding land use and siting (location) options associated with types of cannabis operations in zoning designations throughout the City of Oxnard. Council provided direction to implement the state buffer requirement of 600 feet and utilize the State definition of sensitive use which is defined as: K-12 schools (including private and charter schools), day care centers, youth centers, and public parks. (Business and Professions Code Section 26054, subd. (b); California Code of Regulations, Title 16, Section 5026.) State law mandates that the 600-foot distance be calculated, parcel to parcel (boundary line to boundary line). (Health and Safety Code Section 11362.768, subd. (a).) This means if 600 feet touches any part of a legal parcel, the entire area cannot contain cannabis related uses. State law does not define a sensitive use as a residential land use.

At a City Council meeting on July 30, 2019, Council directed staff to prepare a cannabis social equity program (Oxnard Cannabis Equity). Additionally, Council gave conceptual approval to withhold three (3) of the eight (8) manufacturing permits and to withhold two (2) of the eight (8) retail dispensaries through year 2. Guidelines pertaining to who would be permitted to secure these permits will be developed as part of the Oxnard Cannabis Equity Program.

On October 2, 2019, staff held a social equity community meeting with members of the public and business community regarding elements of the Oxnard Cannabis Equity Program. Due to publishing deadlines meeting outcome cannot be summarized in this staff report but will be communicated at the HEDC meeting.

ANALYSIS/DISCUSSION

On August 15, 2019, the Planning Commission recommended 4:3 that the draft retail cannabis ordinance be modified to require a residential buffer from dispensaries, that retail dispensaries be permitted in the downtown, and that sale of product that resembles candy and “child like” flavors be prohibited in dispensaries. As the vote indicates, the Commission was not unified on their recommendation to the City Council. Those in favor of the added restrictions felt it protected the public health and welfare and reflected a “go slow” approach. Those against the added regulations felt the change had not been studied to fully determine the land use and siting implication.

Staff’s input pertaining to these recommendations is contained in italics following the Commission input:

1. Residential land uses should be considered a sensitive use and retail cannabis operations should be no closer than six hundred (600) feet from any residentially zoned property or any residentially used parcel as of the date of the cannabis business permit is issued.

Implementing a 600 foot residential buffer from potential retail dispensary locations results in retail cannabis parcel availability changing from 673 to approximately 146 potentially available parcels. Imposition of this buffer requirement without imposing the same regulation on alcohol establishments does not seem reasonable. Further, restricting or buffering this use from residential uses does not acknowledge the legal nature of the product, does not normalize the use and can potentially push these uses to a less desirable area. Lastly, through imposition of best practices public health and safety will be protected and ensured. Retail dispensaries are proposed to be permitted through a Special Use Permit (SUP). (* - this number does not include potential downtown zones; see item 2, below). The City of Thousand Oaks imposes a residential buffer but only allows medical dispensaries (no personal use). The City of Port Hueneme does not impose a residential buffer requirements. Staff’s research indicates that imposition of a residential buffer is not common.*

2. Retail cannabis uses should be permitted in the newly created downtown and downtown core as identified in the City’s Downtown Development Code which will be effective on September 1, 2019.

Staff is in support of this inclusion. The downtown zoning districts became effective on Sept. 1st as part of the City’s Downtown Development Code. This Code created three new zoning districts which were not in effect at the time the draft retail ordinance was presented to the Planning Commission (Aug. 15th). Staff recommends that retail dispensaries be permitted in two of the three new downtown zones; these would be: Downtown General (DT-G), and Downtown Core (DT-C). Staff doesn’t recommend allowing retail dispensaries in the Downtown Edge (DT-E) zoning district to provide a transition between the uses. Should the HEDC concur, the proposed zoning text amendment will be amended to reflect this direction. Best practices and standards to protect the public health, safety and welfare will continue to be imposed regardless of location (see Attachment A - Conceptual Downtown Locations). The addition of the two downtown zoning districts results in the addition of approximately 132 addition retail parcels.

3. To the extent feasible by law, candy like products packaged to market to children shall be prohibited; flavored vaping products shall also be prohibited from being sold within retail cannabis uses within the City of Oxnard.

Some Planning Commissioners expressed concern with packaging of cannabis product along with allowance of flavored vape products. Regulation of packaging and flavored additives are currently addressed by State laws. Packaging laws and serving sizes are now more closely regulated and addressed pursuant to State provisions.

Potential Retail Locations

Potential dispensary locations are located throughout the City, and can be located within large commercial shopping centers or on smaller “strip” commercial parcels. (see Attachment B – Conceptual Retail Dispensary Locations). The attached conceptual maps are generally consistent with the maps presented to the City Council on Oct. 28, 2018. These areas are generally located within the Neighborhood Shopping Center (C-1), General Commercial (C-2), and Commercial Planned Development zoning districts. Additionally, a few Specific Plan areas allow both manufacturing, testing, and distribution as well as retail dispensaries; these include the Rose Santa Clara Corridor Specific Plan, and a portion of the Sakioka Farms Specific Plan area. The attached maps should be considered “conceptual locations”. The precise locations will be determined through discussions with the Planning Department and as part of the Cannabis Business Permit review process.

The maps within Attachments A and B should be considered Overlay Maps. An overlay is a procedure that estimates the attributes of one or more features (potential locations and buffer areas) by superimposing them over other features (zoning). Best practices will be imposed for retail dispensaries regardless of location. As shown on the maps, cannabis dispensaries are currently identified within the coastal zone (Northwest and Southwest corners of Harbor Blvd. and Wooley Rd.). However, an amendment to the City’s Coastal Zoning Ordinance (Chapter 17 of the Oxnard City Code) will be required to permit these uses in this location. Retail dispensaries in the coastal zone are not proposed at this time.

Cannabis Best Practice Considerations

Best practices are identified in the Draft Ordinance and/or will be made conditions of approval on the dispensary permit (See Attachment C - Draft Retail Ordinance). Operational standards are contained in Sections 11-445 of the attached draft ordinance. The standards have been designed to protect the public health safety and welfare by implementing regulations to address concerns regarding: odor, noise, safety, security, lighting, water usage, and community benefits.

ENVIRONMENTAL IMPACT

In accordance with the California Public Resources Code Sections 21000 et seq. and State California Environmental Quality Act (CEQA) Guidelines (Sections 15000 et seq.), Planning staff have determined that the proposed zoning text amendment is exempt from CEQA pursuant to Sections 15061 and 15305 of Title 14, Division 6, Chapter 3 of the California Code of Regulations.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to strengthen and stabilize the organizational foundation of the City in the areas of

Finance, Information Technology, and Human Resources, and to improve workforce quality while increasing transparency to the public. This item supports the following goals and objectives:

Goal 1. To help foster a healthy and accountable corporate foundation by strengthening the support functions of the organization, which include Finance, Information Technology and Human Resources.

Goal 2. Increase transparency with Council, community and staff related to the City's budget and financial management processes.

FINANCIAL IMPACT

On July 30, 2019 City Council adopted a fee schedule to collect all fees associated with cannabis permitting. The proposed cannabis permit fee will fully cover the cost of service provided by City staff and various departments along with Phase 1 and 2 HdL contract expenditures. This will ensure that all past and anticipated permitting fees and contract expenses are recovered through the cannabis permit fee.

In November 2018, the voters authorized a new cannabis tax which set a sliding scale of tax rates over time by cannabis operations. As part of the FY 2019-20 Adopted Budget, the City did not anticipate any potential revenue. However, beginning in FY 2020-21 tax revenue is likely. Based upon the market, in staff's opinion it is too early to project anticipated revenue from cannabis operations. On July 30, 2019 City Council adopted a fee schedule to collect all fees associated with cannabis permitting. The proposed cannabis permit fee will fully cover the cost of service provided by City staff and various departments along with Phase 1 and 2 HdL contract expenditures. This will ensure that all past and anticipated permitting fees and contract expenses are recovered through the cannabis permit fee.

In November 2018, the voters authorized a new cannabis tax which set a sliding scale of tax rates over time by cannabis operations. As part of the FY 2019-20 Adopted Budget, the City did not anticipate any potential revenue. However, beginning in FY 2020-21 new tax revenue is likely. Based upon the market, in staff's opinion it is too early to project anticipated revenue from cannabis operations. In subsequent years, the tax rate will increase along with the number of businesses permitted in the City.

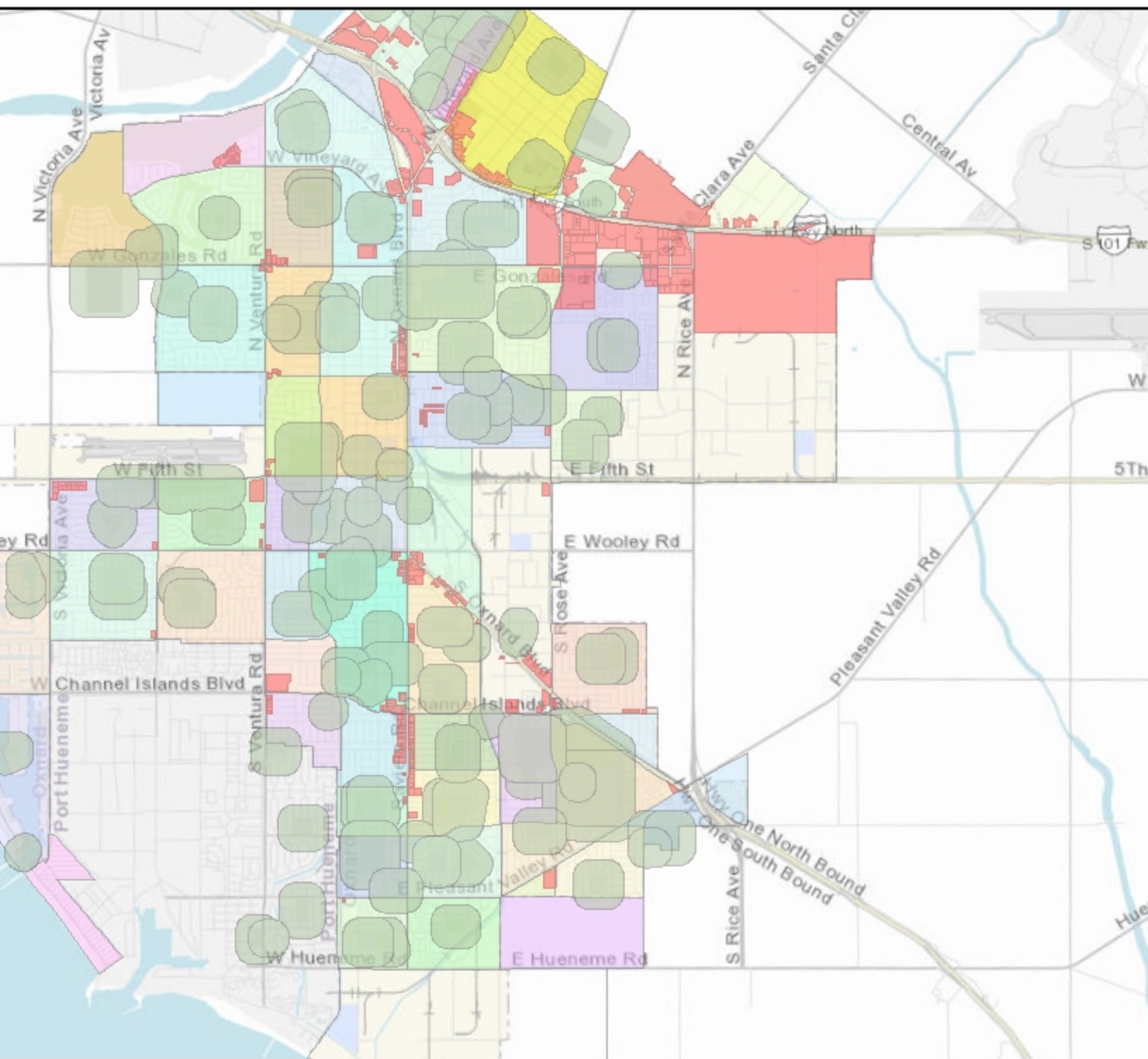
Prepared by: Kathleen Mallory, Planning & Sustainability Manager

ATTACHMENTS

1. Attachment A - Conceptual Retail Dispensary Locations
2. Attachment B - Conceptual Downtown Retail Dispensary Locations
3. Attachment C - Draft Retail Cannabis Ordinance
4. HEDC 10_22_19 Retail Cannabis Presentation

RETAIL MAP

CONC



600 ft Buffer Retail Area

4,200 0

Information, which is developed and operated solely for the convenience of the City. The City does not make any representations or warranties regarding the use, accuracy, reliability, and/or completeness of this map and no decision involving a risk of economic loss or physical injury.

**THIS IS A
CONCEPTUAL MAP ONLY**



ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING SPECIFIC SECTIONS OF ARTICLE XVI, CHAPTER 11 AND CHAPTER 16 OF THE OXNARD CITY CODE REGARDING COMMERCIAL CANNABIS ACTIVITIES AND ADDING NEW REGULATIONS TO ALLOW RETAIL CANNABIS USES IN SPECIFIC LOCATIONS BY AMENDING SECTION 11-416(A), SECTION 11-433(B), SECTION 11-445, SECTION 11-446, AND SECTION 11-447; REPEALING SECTION 16-124(H) REGARDING THE PROHIBITION OF CANNABIS USES IN THE C-1 NEIGHBORHOOD SHOPPING CENTER ZONE; REPEALING SECTION 16-143 REGARDING PROHIBITING CANNABIS USES IN THE C-2 GENERAL COMMERCIAL ZONE; ADDING SECTION 16-131 REGARDING RETAIL CANNABIS USES IN THE C-1 NEIGHBORHOOD SHOPPING CENTER ZONE; ADDING SECTION 16-136(A)(25) REGARDING RETAIL CANNABIS USES IN THE C-2 GENERAL COMMERCIAL ZONE; AMENDING SECTION 16-173(B) REGARDING RETAIL CANNABIS USES IN THE BRP BUSINESS AND RESEARCH PARK; AMENDING SECTION 16-173(C) REGARDING RETAIL CANNABIS USES IN THE PLANNED DEVELOPMENT (ADDITIVE) ZONE; AND AMENDING 4.2.2 B. (BUSINESS PARK), 4.2.3., B (RETAIL COMMERCIAL), AND 4.2.4. B. (COMMERCIAL MANUFACTURING) OF THE ROSE SANTA CLARA CORRIDOR SPECIFIC PLAN SUBJECT TO THE REQUIREMENTS STIPULATED IN ARTICLE XVI OF CHAPTER 11,

The City Council of the City of Oxnard does hereby ordain as follows:

Section 1. Section 11-416(a) of the Oxnard City Code is amended to read as follows:

“(a) The number of each type of commercial cannabis business that shall be permitted to operate in the City at any one time shall be as follows:

- (1) Cannabis Manufacturing - Maximum of eight (8) at any one time
- (2) Cannabis Testing Lab - Maximum of one (1) at any one time
- (3) Cannabis Distributor - Maximum of three (3) at any one time
- (4) Cannabis Retail – Maximum of sixteen (16) at any one time

Section 2. Section 11-433(b) of the Oxnard City Code is amended to read as follows:

“(b) All cannabis retail dispensary businesses have been conceptually identified on land use maps, with actual siting subject to land use siting criteria and buffer requirements as stipulated in this ordinance. Retail dispensaries are conceptually permitted in property zoned Neighborhood Shopping Center (C-1), Neighborhood Shopping Center Planned Development (C-1-PD), General Commercial (C-2), or General Commercial, Planned Development (C-2-PD), and Commercial Planned Development (CPD), Business Park, Retail Commercial, and Commercial Manufacturing zones within the Rose Santa Clara Corridor Specific Plan. Retail dispensaries may also be located in the following Specific Plan areas subject to relevant Specific Plan requirements, and input from the Business Park Association (if operational): RiverPark -

commercial office, commercial convention, and commercial regional, Sakioka Farms, and Camino Real Business Park.”

Section 3. Section 11-445 of the Oxnard City Code is amended to read as follows:

“Section 11-445. Operating Requirements for Store Front/Retail Facilities

(a) No more than the number of cannabis retailers authorized by Section 11-416 shall operate within the City of Oxnard at any one time.

(b) Approval of retail dispensaries shall be through approval of a Special Use Permit to be issued by the Planning Commission

(c) Retailers shall verify the age and all necessary documentation of each individual to ensure the customer is not under the age of eighteen (18) years. If the potential customer is 18 to 20 years old, retailer shall confirm the customer’s possession of a valid doctor’s recommendation and/or Health and Safety Code Section 11362.71 identification card (Medical Marijuana Card). Persons 18 to 20 years old who are unable to produce either form of medical documentation cannot purchase cannabis legally and are to be denied admittance to the retail facility. For adult-use purchases, retailers shall verify that all customers are 21 years of age or older for the purchase of cannabis or cannabis products.

(d) Entrances into the retailer shall be locked at all times with entry strictly controlled. A "buzz-in" electronic/mechanical entry system shall be utilized to limit access to and entry to the retail area to separate it from the reception/lobby area. Individuals must show their government-issued identification, and, in the case of medical cannabis facilities, their physician’s recommendation, or a cannabis card issued pursuant to Health and Safety Code Section 11362.71 in order to gain access into the retailer. The government-issued identification and, if applicable, doctor’s recommendation or cannabis card must also be shown at the point of sale station at the time of purchase. Doctor recommendations are not to be obtained or provided at the retail location.

(e) Uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities. Security personnel may be allowed to carry firearms if authorized by the Chief of Police.

(f) Retailers may have only that quantity of cannabis and cannabis products to meet the daily demand readily available for sale on-site in the retail sales area of the retailer. Additional product may be stored in a secured, locked area to which customers, vendors, and visitors shall not have access.

(g) All restroom facilities shall remain locked and under the control of management.

(h) Retailers authorized to conduct retail activities shall only serve customers who are within the licensed premises, or at a delivery address that meets the requirements of this division.

(1) The sale and delivery of cannabis goods shall not occur through a pass-through window or a slide-out tray to the exterior of the premises.

(2) Retailers shall not operate as or with a drive-in or drive-through at which cannabis goods are sold to persons within or about a motor vehicle.

(3) No cannabis goods shall be sold and/or delivered by any means or method to any person within a motor vehicle.

(4) All cannabis goods sold by a retail business shall be contained in child-resistant packaging.

(5) Retailers shall record point-of-sale areas and areas where cannabis goods are displayed for sale on the video surveillance system. At each point-of-sale location, camera placement must allow for the recording of the facial features of any person purchasing or selling cannabis goods, or any person in the retail area, with sufficient clarity to determine identity.

(6) A retail licensee who is engaged in retail sale shall hire or contract for security personnel who are at least 21 years of age to provide security services for the licensed retail premises. All security personnel hired or contracted for by the licensee shall be licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code.

(i) Access to Retailer Premises.

(1) Access to the premises of a retail licensee/permittee shall be limited to individuals who are at least 21 years of age.

(2) Notwithstanding Section 11-445(i)(1), individuals who are at least 18 years of age and in possession of a valid physician's recommendation shall be granted access to the premises of a retail licensee/permittee for the sole purpose of purchasing medicinal cannabis consistent with the physician's recommendation.

(j) Authorized Sales. A retailer shall only sell adult-use cannabis and adult-use cannabis products to individuals who are at least 21 years of age. A retailer shall only sell medicinal cannabis or medicinal cannabis products to individuals who are at least 18 years of age, but not yet 21, if those individuals are in possession of a valid physician's recommendation. Medicinal cannabis sales to individuals 21 years of age and older are unrestricted.

(k) Limited Access Areas. A retailer shall establish limited-access areas and permit only authorized individuals to enter the limited-access areas. Authorized individuals include individuals employed by the retailer as well as any outside vendors, contractors, or other individuals conducting business that requires access to the limited access area. All individuals granted access to the limited access area shall be at least 21 years of age, and if not employed by the retailer, shall be escorted at all times by an employee of the licensee/permittee. A retailer shall maintain a log of all individuals who are not employees who are granted access to the limited access area. These logs shall be made available to the Chief of Police or the Development Services Director upon request.

(l) Operating hours of the Store Front Retailer License shall be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week or a reduced duration as stipulated through the discretionary permit.

(l) Parking requirements shall be in accordance with Chapter 16, Article X of the Oxnard City Code – 1 parking space per 250 sq. ft. or as stipulated in a City Traffic Engineer approved parking study.

(m) Store Front/Retail Security Requirements. All security measures required by Section 11-437 (Operational Standards) are directly applicable to and binding on all commercial cannabis businesses, including all Store Front/Retail businesses.”

Section 4. Section 11-446 is amended to read as follows:

“Section 11-446. Operating Requirements for Non-Store Front Retailer.

(a) Non-Store Front Retailer (Delivery) License Owners and Operators are required to verify the age and the necessary documentation of each medical customer to ensure the customer is not under the age of eighteen (18) years, and to verify that the potential customer has a valid doctor’s recommendation. Doctor recommendations are not to be obtained or provided at the retail location. The age verification requirement applies to both the customer and any person accepting delivery on behalf of the customer. If the latter, the individual must be at least 21 years of age.

(b) All Store Front Retailers, Non-Store Front Retailers (delivery) that conduct deliveries into or within the City of Oxnard shall be required to obtain a permit from the City of Oxnard in order to conduct retail sales regardless if they are located in the City or another local jurisdiction.

(c) Operating hours of the Non-Store Front Retailer License shall be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week or a reduced duration as stipulated through the discretionary permit.

(d) The commercial Non-Store Front Retailer shall only sell cannabis or cannabis products to a natural person 21 years of age or older, or a natural person 18 years of age or older who possesses a physician’s recommendation for cannabis medical use only, or a cannabis card issued pursuant to Health and Safety Code Section 11362.71.

(e) The commercial cannabis Non-Store Front Retailer may only have on-site that quantity of cannabis and cannabis products reasonably anticipated to meet the weekly demand for which they may need to be readily available for sale.”

Section 5. Section 11-447 is amended to read as follows:

“Section 11-447. Non-Store Front Retailer Vehicle Requirements.

Prior to commencing operations, a cannabis Non-Store Front Retailer shall provide the following information to the City.

- (a) Proof of ownership of the vehicle or a valid lease for any and all vehicles that will be used to deliver cannabis or cannabis products.
- (b) The year, make, model, color, license plate number, and Vehicle Identification Number (VIN) for any and all vehicles that will be used to deliver cannabis goods.
- (c) Proof of insurance as required in Section 11-434(b) for any and all vehicles being used to deliver cannabis goods.
- (d) The licensee shall provide the City with the information required by this section in writing for any new vehicle that will be used to deliver cannabis goods prior to using the vehicle to deliver cannabis goods.
- (e) The licensee shall provide the City with any changes to the information required by this section in writing within thirty (30) calendar days.”

Section 6. Section 16-124(H) regarding prohibition of cannabis related uses in the C-1 Zone is hereby repealed.

Section 7. Section 16-131 is hereby added to read as follows:

“Section 16-131 Retail Cannabis Uses

Retail cannabis uses may be permitted in the C-1 Zone, provided that the owner has first obtained a commercial cannabis business permit pursuant to Article XVI, Chapter 11 of the Oxnard City Code and a Special Use Permit. Commercial cannabis businesses not specifically authorized by this section are prohibited in the C-1 Zone.”

Section 8. Section 16-136(A)(25) is hereby added to read as follows:

“(25). Retail cannabis uses, provided that the owner has first obtained a commercial cannabis business permit pursuant to Article XVI, Chapter 11 of the Oxnard City Code.”

Section 9. Section 16-143 regarding the prohibition of cannabis-related uses in the C-2 Zone is hereby repealed.

Section 10. Section 16-173(B) is amended to read as follows:

“B. A commercial cannabis business for retail uses may be permitted in the BRP Business and Research Park Zone, provided that the owner has first obtained a commercial cannabis business permit pursuant to Article XVI, Chapter 11 of the Oxnard City Code and a Special Use Permit.

Section 11. Section 16-273(c) is amended to read as follows:

“C. A commercial cannabis business for retail uses may be permitted in the Planned Development (Additive) Zone, provided that the owner has first obtained a commercial cannabis business permit pursuant to Article XVI, Chapter 11 of the Oxnard City Code and a Special Use Permit. A commercial cannabis business for manufacturing, testing and/or distribution of cannabis may be permitted in the Planned Development (Additive) Zone, provided that the

owner has first obtained a commercial cannabis business permit pursuant to Article XVI, Chapter 11 of the Oxnard City Code and a Development Design Review (DDR) Permit.”

Section 12. Section 4.2.2., B (Business Park) of the Rose Santa Clara Corridor Specific Plan is hereby amended to read as follows:

“5. Commercial Cannabis and cannabis retailer uses, subject to the requirement of Oxnard City Code, Chapter 11, Article XVI.”

Section 13. Section 4.2.3., B (Retail Commercial) of the Rose Santa Clara Corridor Specific Plan is hereby amended to read as follows:

“5. Commercial Cannabis and cannabis retailer uses, subject to the requirement of Oxnard City Code, Chapter 11, Article XVI.”

Section 14. Section 4.2.4, B., (Commercial Manufacturing) of the Rose Santa Clara Corridor Specific Plan is hereby amended to read as follows:

“5. Commercial Cannabis and cannabis retailer uses, subject to the requirement of Oxnard City Code, Chapter 11, Article XVI.”

Section 15. If any section, subsection, phrase, or clause of this Ordinance is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrases, or clauses be declared unconstitutional.

Section 16. Within 15 days after passage, the City Clerk shall cause a summary of this ordinance to be published one time in a newspaper of general circulation published and circulated in the City. Ordinance No. _____ was first read on _____, 2019, and finally adopted on A _____, 2019, to become effective thirty (30) days thereafter.

Section 17. This ordinance shall become effective thirty (30) days after it is finally adopted. The foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Oxnard, State of California, held on the _____ day of _____, _____, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Tim Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

Michelle Ascencion, City Clerk

Stephen M. Fischer, City Attorney

Draft Ordinance Regulating Retail Cannabis

Jeffrey Lambert, Community Development Director
Kathleen Mallory, Planning & Sustainability Manager

October 22, 2019
Housing & Economic Development Committee



BACKGROUND

- Council approved Manufacturing, Testing, and Distribution Ord. effective July 19th
 - Allowed up to 8 distribution facilities, 5 manufacturing, and 1 testing lab
 - Manufacturing, Testing, and Distribution application window has closed.
- July 30, 2019 – City Council adopted cannabis permit fees and supported the number of dispensaries to be up to 18
- Local equity component
 - 2 dispensaries (of 8 in the first round)
 - 3 manufacturing (of 5 in the first round)
- Today we are focused on the Retail/Dispensary Regulations

SITING CRITERIA

- Per State regulations, any cannabis use cannot be located closer than 600-feet (“buffer”) from a sensitive use.
 - *Sensitive use is a public/private or charter K-12 school, commercial day care center (not family day care), youth center, or public park*
- Measurement is parcel line to parcel line
- Jurisdiction can reduce and expand buffer if codified in a local ordinance
- Per State law a “buffer” from a residential use to a “cannabis use” is NOT required

PLANNING COMMISSION INPUT

August 15th Commission recommended:

- Add residential as a sensitive use and buffer of 600 feet.
 - Results in large reduction in parcel availability.
 - Reduction in number of parcels from 673 to 146
 - Not consistent with most other jurisdictions
 - Council input in Nov. 2018 didn't include residential as a sensitive use
- No flavored vaping products should be sold in retail dispensaries
 - Already regulated by State
 - Could include prohibition through condition of approval process; continue to monitor legal implication

PLANNING COMMISSION INPUT

August 15th Commission recommended, continued:

- Include new downtown zones - Downtown General (DT-G), and Downtown Core (DT-C).
 - Inclusion of two new downtown zones is supported by Staff and results in the addition of 132 additional potential parcels

OVERVIEW OF MAPS

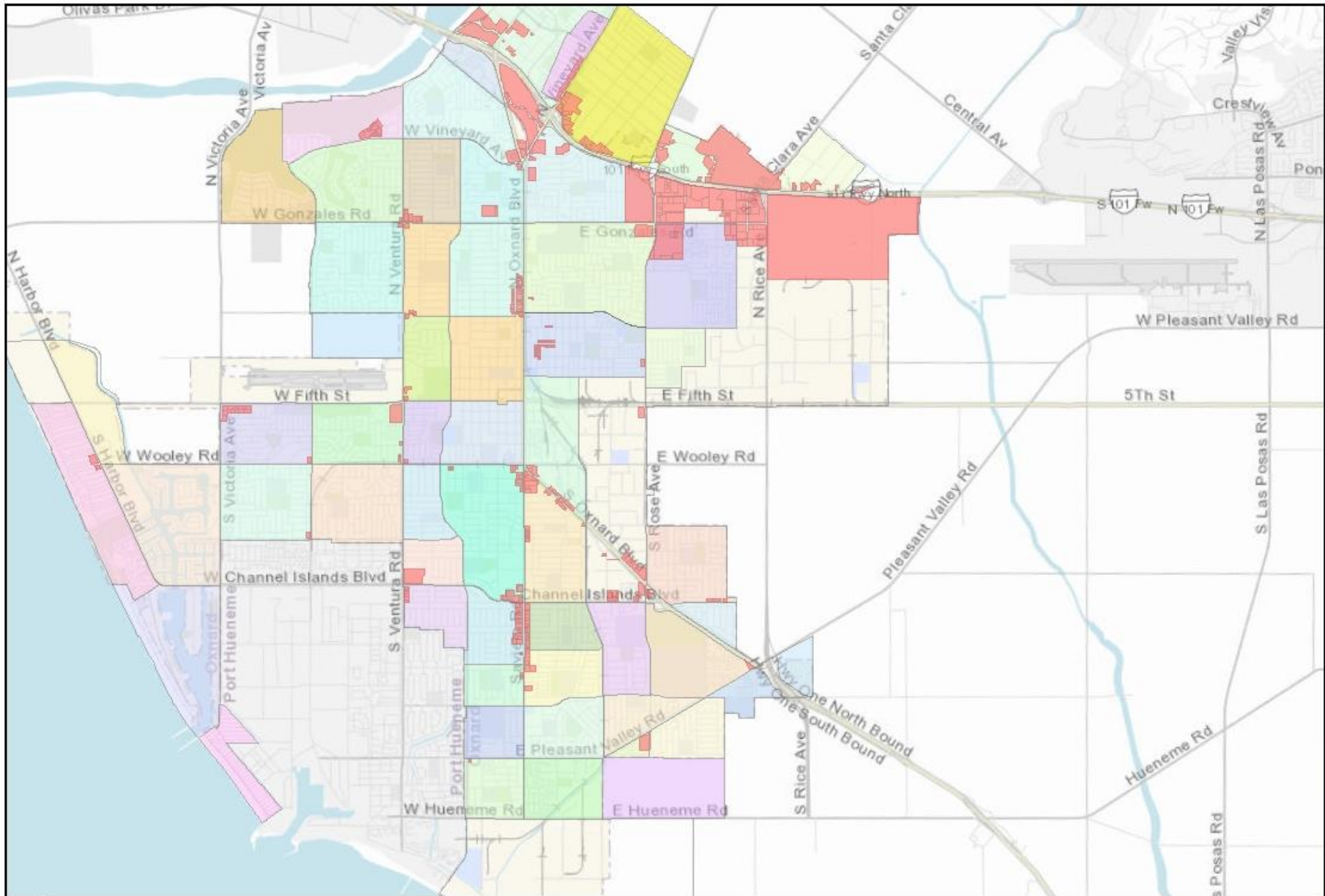
- Maps on the following slides identify potential cannabis locations; implements 600-foot State buffer requirement - does not consider residential a sensitive use
- Identify retail locations by shopping center and stand alone commercial parcels which meet the definition of feasible commercial parcels
- Conceptual locations, pending evaluation and analysis of location, proposal, and use

THIS IS A
CONCEPTUAL MAP ONLY



RETAIL MAP

THIS IS A
CONCEPTUAL MAP ONLY



Retail Area

4,200 0 4,200 8,400
Foot

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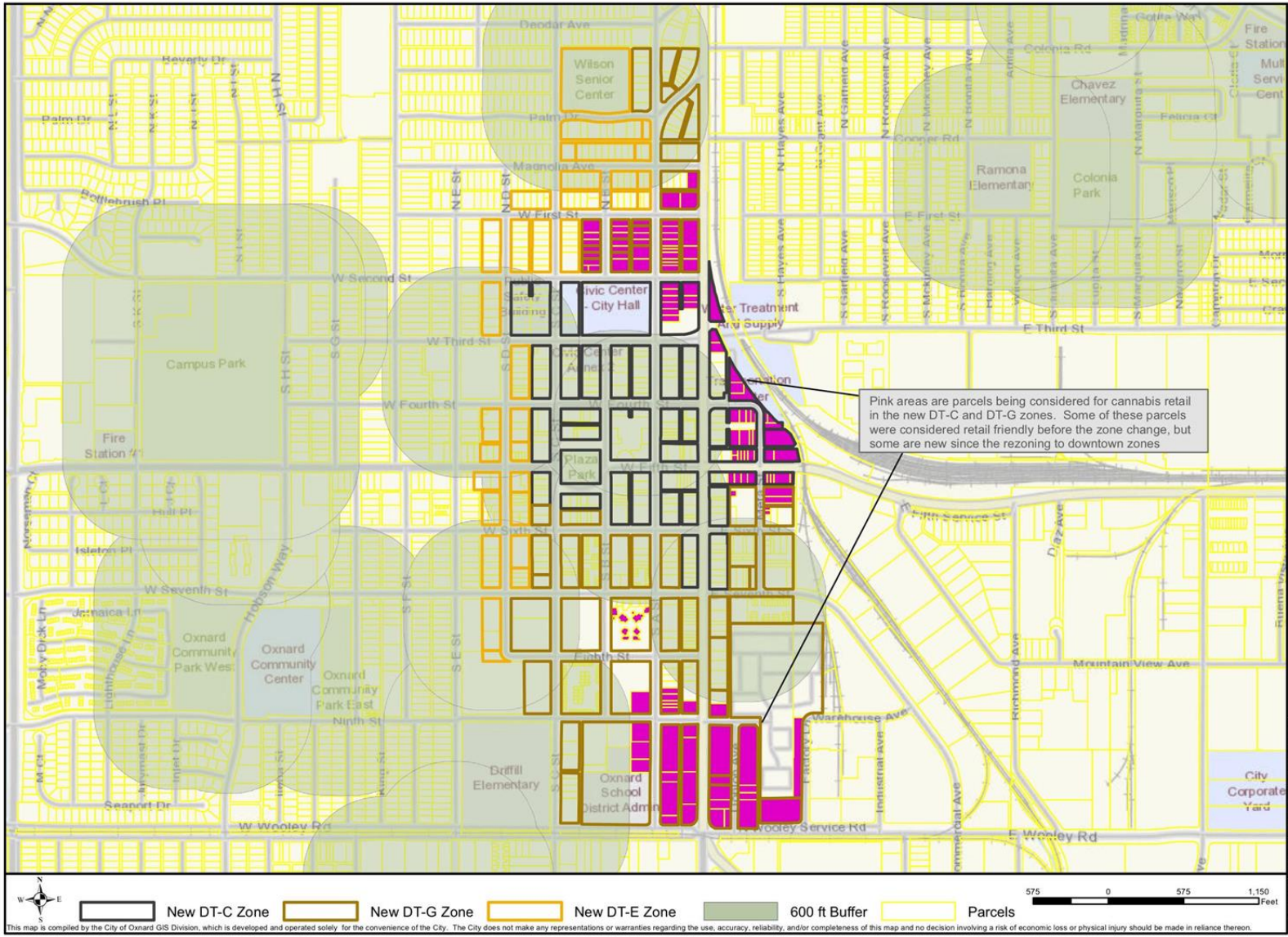
8
Created by: City of Oxnard GIS Division, August 2018



RETAIL IN DOWNTOWN

RETAIL MAP - CLOSE UP

THIS IS A
CONCEPTUAL MAP ONLY



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PROPOSED RETAIL ORD

- All retail dispensaries require Special Use Permit
- Some Specific Plan areas permit retail dispensaries, and other cannabis uses (Rose Santa Clara, Sakioka, Wagon Wheel)
- Permitted in Commercial zones with SUP in C-1, C-2, CPD; not permitted in coastal zone at this time
- Create operating requirement for storefront/retail and non-storefront retail facilities
- Create non-store front retailer vehicle requirements
- All ord requirements based upon collaboration with Fire and Police Depts., City Manager and City Attys offices, and meetings with Finance Dept. and HdL

BEST PRACTICES

- On-site security personnel required
- Emergency response plan required (fires, robberies, evacuations)
- Alarm system and yearly inspections required
- First responder access (emergency access)
- Cash handling plan required
 - Cameras for surveillance; collaboration with Police Dept.
 - Buzz to enter; development of system requirements and protocols with Police Dept.

BEST PRACTICES (continued)

- Submittal of verification data (track and trace)
- Inventory control to include regular checks
- Surveillance cameras (monitor entire site)
- Inventory secured when business is closed
- Ongoing training for all employees
- Limited inventory on display
- Employees subject to background check
- All inventory and sales reconciled each day
- Consideration to neighborhood compatibility – noise, traffic/parking

PERMIT REVIEW STEPS

1. Secure Zoning Verification Letter (“ZVC”) from the Oxnard Planning Division. Complete request for Live Scan/Background check through the Oxnard Police Department
2. Submit application and determination of eligibility (submit City issued ZV and proof of payment of Live Scan/Background check) (Phase 1)
3. Application evaluation and initial ranking (Phase 2)
4. Interviews and second ranking (Phase 3)
5. Authorization to file an application seeking a commercial cannabis business permit (Phase 4) (either a DDR or SUP)

CANNABIS PROCESSING STEPS

- Permit process the same regardless of type of cannabis business (DDR vs. SUP)
- Requirements and vetting of applications through a competitive multi-step process
- Ensures City received most viable and desirable cannabis businesses
- Applications and fee payments required for each step in the permitting process; must receive favorable recommendation to advance through the permit process

COUNCIL INPUT - JULY 2018

Retail Dispensaries and Manufacturers (Year 1)

- Permit six (6) retail dispensaries regardless of residency or income status. Hold back two (2) retail dispensaries for the application of the Oxnard Cannabis Equity Program/local merit based system.
- Allow five (5) manufacturers to be permitted regardless of residency or income status. Hold back three (3) manufacturer permits for application of the Oxnard Cannabis Equity Program/local merit based system.

Distributors (Year 1)

- Allow up to three (3)

COUNCIL INPUT - JULY 2018, continued:

Merit Based Cannabis Permitting (Year 2)

- Issue two retail dispensary permits and three (3) manufacturing licenses to local residents.

Permit Additional Retail Dispensaries (Year 3-5)

- Evaluate experience in Years 1 and 2 and seek Council input before further licenses are considered

BENEFITS TO CITY

- Require community benefits agreement. Program being developed. Concepts:
 - Require local hiring preference (min. 50% of local residents) for retail dispensaries and manufacturing businesses
 - Application and workshops for local residents and merit based applicants
 - Require a yearly donation of funds to assist local organizations and nonprofits (1% of gross revenues). Donations to be approved by City Manager and Police Chief, directed by applicant/business owner.

BENEFITS TO CITY (continued)

- Require one time donation of \$25,000 per manufacturer and dispensary into Cannabis Community Reinvestment Fund. Funds to be used for incubator purposes.

STATUS AND NEXT STEPS

- Local Equity meeting on Oct. 2nd
 - program development on going;
 - to be presented to City Council in Winter 2020
- Manufacturing, testing, and distribution application window closed on Oct. 10th

RECOMMENDATION

That the City Council approve the first reading by title only of an Ordinance to regulate retail cannabis within Chapters 11 and 16 of the Oxnard City Code pertaining to permitting and siting of cannabis dispensaries.