

City of Merced
**ZONING
ORDINANCE**



Prepared By:
City of Merced Development Services Department:
Kim Espinosa, Planning Manager
David B. Gonzalves, Director of Development Services

With the Assistance of:
The Planning Center/DC&E ["Placeworks"] (Berkeley, CA):
Ben Noble, Associate Principal
Kelly Cha, Planner

Recommended for Adoption by the Merced Planning Commission—July 6, 2016
Introduced for Adoption by the Merced City Council—September 6, 2016
Effective Date—October 19, 2016

Zoning Ordinance Amendment #19-01

PUBLIC HEARING: FEBRUARY 19, 2019

Synopsis

Zoning Ordinance Amendment #19-01

- Updates and fixes to issues that have been made apparent since the passage of Ordinance #2480
- Spelling, grammar, and formatting throughout Section 20.44.170
- Addition of a 5th retail sales dispensary license





Additional Dispensary Permit

- Raises number of allowable permits for retail sales dispensaries from 4 to 5
- New licenses were contemplated by 20.44.170(L)(1)(g) of the ordinance
- Public Hearing would be heard at the Planning Commission after proposed ordinance amendments take effect
- Selection Committee would recommend the next-highest-ranking Application from existing ranked list

Ranking of Applications

Circulated 8/30/2018

The scores and rankings are as follows:

<u>Commercial Cannabis Business Permit Applications for Dispensaries</u>	<u>TOTAL SCORE</u>	<u>AVERAGE SCORE</u>	<u>RANKING</u>
CCBP #18-06R ("Blue Fire") at 1975 W Olive Ave	295	98.333	1
CCBP #18-10R ("Green Door") at 811 W Main St	292	97.333	2
CCBP #18-17R ("Manzanita") at 1594 W 18 th St	289	96.333	3
CCBP #18-14R ("Harvest of Merced") at 863 W 15 th St	285	95.000	4
CCBP #18-21R ("Medallion Wellness") at 808 W 16th St	269	89.667	5
CCBP #18-30R ("Jiva Life") at 1020 W Main St	255	85.000	6
CCBP #18-22R ("7 Fingers Cannabissary") at 1220-30 Martin Luther King Jr Wy	254	84.667	7
CCBP #18-11R ("Merced Pharms Market") at 1112 W 16th St	246	82.000	8
CCBP #18-29R ("Nourish Health Merced") at 221 W Main St	244	81.333	9
CCBP #18-08R ("Bang Mingo") at 1850 Yosemite Pkwy	240	80.000	10 (Tie)
CCBP #18-05R ("Elev8 Wellness") at 235 W Main St	240	80.000	10 (Tie)
CCBP #18-13R ("Empire Health & Wellness") at 245 W 16th St	224	74.667	12
CCBP #18-09R ("Natural Supplements") at 127 W El Portal Dr	216	72.000	13
CCBP #18-07R ("Gateway Wellness") at 145 Riggs, Ste A	213	71.000	14
CCBP #18-25R ("Valley Pure") at 1180 Olivewood Ave	202	67.333	15
CCBP #18-26R ("Tamcu Investments") at 227 W Main St	201	67.000	16
CCBP #18-23R ("Kings Valley Wellness") at 850 W Main, Ste A	199	66.333	17
CCBP #18-12R ("Merced Healing Center") at 948 W 15 th St	187	62.333	18
CCBP #18-24R ("Earth Source Healing") at 1035 W 14 th St	179	59.667	19
CCBP #18-16R ("Sierra Gold Cannabis Co.") at 35 W 23 rd St	168	56.000	20
CCBP #18-20R ("Veteran Medication 22") at 3317 M St	157	52.333	21 (Tie)
CCBP #18-18R ("Merced Pain Relief") at 946 W Main St	157	52.333	21 (Tie)



Definitions

New Key Terms Defined

- New definitions
 - Greenhouse
 - Inclusive of facilities using solely artificial light and facilities using mixed-light.
 - Selection Panel





Definitions

Updated Key Terms

- Updated definitions
 - School
 - Removes circular definition, adds ‘full-time’ to prevent edge cases
 - Owner/Ownership Interest
 - Adds ‘entity’ as possible owner, notes that those with financial interest in an entity owner are considered an owner of the cannabis business

Process Updates

Best Practices

- **Permits issued on or after Oct. 1 valid until Dec. 31 of the next year**
 - Eliminates duplication of fees and removes disincentive to apply at end of year
- **Permittees must notify City within 10 days of receipt of State license**
 - Previously was within 10 days of application for a State License
- **Sensitive Use Review now occurs at time of Application**
 - Was previously at time of issuance of the CCBP
- **Zoning Clearance from Phase I now Provisional**
 - Subject to Planning Commission final approval

Process Updates

Best Practices

- **Director of Development Services has 30 days to notify applicants of deficiencies during Phase I review**
 - Brings in line with other City policies, was previously 21 days
- **Director of Development Services can grant fencing exceptions**
 - Consistent with conditions of awarded permits
- **Chief of Police can disqualify applicants for discovering in background checks:**
 - Dishonesty (fraud, embezzlement, theft, breach of fiduciary duties, etc.)
 - Outstanding liens or judgments for unpaid taxes
 - Material misrepresentation in the application
- **Planning Commission required to review applications recommended by Selection Panel**
 - Was previously 'all' applications

Ranking Process

Clarified and Refined

- Codifies ranking methodology
- Existing list maintained until September 20, 2019 in event of additional permits
- If a permit becomes available after September 20, 2019 a new application period would open
- Future ranked Qualified Application Lists would expire after 180 days

Modifications to Applications/Permits

Application or Approved Permit

- Minor Modifications may be made at the discretion of the Director of Development Services
 - Name
 - Organizational structure
 - Ownership (with background checks if >5%)
 - Elevation, floor, or site plans
 - Operating/Security procedures
 - Parcel modifications that do not render the parcel nonconforming to underlying zoning

Approved Permit Only

- Change in location with the approval of the Planning Commission at a Public Hearing



City Council Action

After the public hearing,
the City Council should:

- Approve/Disapprove/Modify
 - Environmental Review #19-01 (Categorical Exemption)
 - Zoning Ordinance Amendment #19-01
- The Planning Commission voted to recommend ZOA #19-01 to the City Council by a vote of 5-2.



Questions?

