

City of Merced ZONING ORDINANCE



Prepared By:

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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 Pharmers 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?

