

CITY OF WILLIAMS
City Council Special Meeting Agenda

810 E Street/P.O. Box 310, Williams, CA 95987

CITY COUNCIL
COUNCIL CHAMBERS
WEDNESDAY, JULY 5, 2017
6:00 P.M.

- A. CALL TO ORDER
- B. ROLL CALL
- C. PLEDGE OF ALLEGIANCE
- D. PUBLIC COMMENT

This is an opportunity for the public to speak to the Council on any item listed on the agenda of this Special Meeting.

- E. NEW BUSINESS

1. Introduce and waive the First Reading of Ordinance 219-17, An Ordinance of the City Council of the City of Williams, California Amending Section 17.01.030 and Table 17.01.030.6, 17.01.030.8, 17.01.030.10 of the Williams Municipal Code Creating a Cannabis Overlay Zone to allow the Establishment of Commercial Cannabis Uses for the Cultivation, Manufacturing, Transportation, Distribution and Testing of Cannabis Products.

- F. ADJOURNMENT

I, Mariana Pineda, City Clerk for the City of Williams, declare that the foregoing Notice of the July 5, 2017 Special Meeting of the Williams City Council was posted on June 30, 2017 at the office of the City of Williams, 810 E Street, Williams, California, 95987 and was available for public review at that location.

Dated: June 30, 2017


Mariana Pineda, City Clerk

In compliance with the Americans with Disabilities Act, persons needing a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, may contact City Clerk Mariana Pineda, at (530) 473-2955, by fax at (530) 473-2445 or by email to mpineda@cityofwilliams.org at least 48 hours prior to the meeting.

2017 CITY COUNCIL MEETING SCHEDULE

January 18, 2017	April 19, 2017	July 19, 2017	October 18, 2017
February 15, 2017	May 17, 2017	August 16, 2017	November 15, 2017
March 15, 2017	June 21, 2017	September 20, 2017	December 20, 2017

DEPARTMENT TELEPHONE NUMBERS

Building	(530) 473-5389	Police	(530) 473-2661
Code Enforcement	(530) 473-2533	Public Works	(530) 473-2519
Finance	(530) 473-2982	Swimming Pool	(530) 473-2603
Planning	(530) 473-2955	Utility Billing	(530) 473-5380

Compliance with Government Code Section 54957.5

Public records, including writings related to an agenda item for an open session of a regular meeting of the City Council of the City of Williams that are distributed less than 72 hours before the meeting, are available for public inspection during normal business hours at Williams City Hall located at 810 E Street, Williams, California 95987.

CITY OF WILLIAMS

City Council Agenda Report

DATE: July 5, 2017

ITEM: 1.

CATEGORY: New Business

**SUBJECT: PROPOSED ORDINANCE TO REGULATE COMMERCIAL CANNABIS
ACTIVITY & USES**

BACKGROUND

The Municipal Code currently prohibits all medical and commercial cannabis activities in the City. On April 19, 2017, the City Council directed staff to start working on a draft ordinance that would regulate commercial cannabis activity and create an overlay zone where commercial cannabis activity would be allowed. At this this meeting, staff received direction on framing the major components of the draft ordinance, including what uses would be permitted and the location of where the proposed uses would be allowed.

On May 17, 2017 City Staff presented a draft ordinance to the City Council to confirm staff's understanding of Council's direction and seek clarification on any outstanding items prior to staff's completion of the draft ordinance for review and a recommendation by the Planning Commission and consideration and adoption by Council. At this meeting the Council directed staff to establish an overlay zone to conditionally allow all commercial cannabis uses subject to a conditional use permit (CUP), except dispensaries and delivery services.

On May 22, 2017, the Planning Commission received and reviewed the draft ordinance to form an overlay zone where cannabis businesses could potentially be allowed to operate. Comments received related to the limitations on signage and the safety measures that are in place for Level 2 manufacturing which involves the use of volatiles solvents.

The Planning Commission reviewed the draft ordinance and held a public hearing on June 26, 2017. At this meeting City Staff addressed the Planning Commission's concerns regarding signage and level 2 manufacturing. The Planning Commission unanimously voted to recommend that the City Council adopt the draft zoning ordinance to establish an overlay zone and regulate commercial cannabis activity and uses.

DISCUSSION

The draft ordinance will include requirements for commercial cannabis activities which includes uses for manufacturing, warehousing/distribution, laboratory testing, cultivation, and transportation.

Manufacturing, Warehousing/Distribution, Laboratory Testing

Location: These uses would be allowed subject to a Conditional Use Permit in the Business Park area located South of State Route 20 between Margurite Street and Husted Rd as part of an Overlay Zone (reference Overlay Zone Map).

Limitation on Use:

Currently the attached draft ordinance does not identify any maximum limit on square footage, the number of businesses, or minimum distance between manufacturing uses. However, these limitations could be added to table 17.01.030.10 or as currently drafted, and recommended by City Council, these uses would be allowed by approval of a Conditional Use Permit and those limitations can be evaluated during that process on a case by case basis.

Type of Manufacturing: The State defines Level 1 manufacturing as being without the use of volatile solvents and Level 2 as being with the use of volatile solvents such as butane, propane, acetone, ethanol, isopropanol, and heptane which are considered to be hazardous materials. The use of volatile solvents allow for a more efficient extraction process than using water and enhance the concentration of the manufactured product (e.g., oils).

The attached ordinance as drafted allows Level 1 and Level 2 manufacturing with the approval of a Conditional Use Permit.

At the May 17, 2017 City Council meeting the Council determined to allow both Level 1 and Level 2 manufacturing subject to a conditional use permit.

Commercial Cultivation

The City Council supported cultivation within a building (i.e., indoors) but was opposed to outdoor cultivation. Council also supported mixed-light grow facilities that allow for a combination of artificial and natural light. Table 17.01.030.10 of the draft ordinance lists all indoor or mixed-light proposed cultivation uses.

Location: These uses would be allowed in the Business Park area located south of State Route 20 between Margurite Street and Husted Rd as part of an Overlay Zone (reference attachments).

Limitation on Use: Currently the attached draft ordinance does not identify any maximum square footage amounts on cultivation (except those limits imposed by State law per premise), the number of cultivation businesses, or minimum distance between indoor cultivation uses. However, these limitations could be added to table 17.01.030.10 or as currently drafted, and recommended by the City Council, these uses would be allowed by approval of a Conditional Use Permit and those limitations can be evaluated during that process on a case by case basis. On a related issue, the draft ordinance proposes a development standard which requires all cultivation uses to prepare a Water Recycling Management Plan that demonstrates that irrigation water is recycled to the maximum extent feasible using best management practices.

Dispensaries

The City Council was opposed to allowing dispensaries. This use has not been included in Table 17.01.030.10 of the proposed draft ordinance.

Development Permit Process

At the May 17, 2017 City Council meeting the City Council chose to allow the uses in table 17.01.030.10 subject to a Conditional Use Permit. The Council also determined that they would be designated as the Review Authority for Conditional Use Permit applications related to Commercial Cannabis Activities and Uses.

ENVIRONMENTAL REVIEW

Staff is recommending that the Planning Commission determine that the Ordinance amendment is an activity that is exempt from California Environmental Act (CEQA) in accordance with Section 15061 (b) (3) of the CEQA Guidelines (General Rule). The proposed Ordinance amendment is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) due to the fact that future consideration of project proposal shall be subject to independent environmental review, the scope of which is unknown at this time. Therefore, no environmental assessment is required or necessary.

PUBLIC NOTICE

This public hearing has been noticed in accordance with the requirements of the California Planning and Zoning Law, Title 7, Chapter 65000 of the Government Code, as amended.

RECOMMENDED ACTION

It is recommended that the City Council:

1. Waive the First Reading and Introducing Ordinance

Attachments: Draft Ordinance
Proposed Overlay Zone Map

ORDINANCE NO. 219-17

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLIAMS, CALIFORNIA AMENDING SECTION 17.01.030 AND TABLE 17.01.030.6, 17.01.030.8, 17.01.030.10 OF THE WILLIAMS MUNICIPAL CODE CREATING A CANNABIS OVERLAY ZONE TO ALLOW THE ESTABLISHMENT OF COMMERCIAL CANNABIS USES FOR THE CULTIVATION, MANUFACTURING, TRANSPORTATION, DISTRIBUTION AND TESTING OF CANNABIS PRODUCTS

The City Council of the City of Williams does ordain as follows:

SECTION 1. Purpose. The purpose of this ordinance is to amend the City’s Zoning Ordinance, Title 17, Chapter 17.01, Section 17.01.030, table 17.01.030.6, 17.01.030.8, and 17.01.030.10. . The proposed ordinance would create an overlay zone to allow the establishment of commercial cannabis uses and activity which will involve the cultivation, manufacturing, transportation, distribution, and testing of cannabis products. This ordinance is adopted pursuant to California Constitution article 11, section 7, Government Code section 65850, and other applicable law.

SECTION 2. Amendments. Williams Municipal Code section 17.01.030 table 17.01.030.6 is hereby amended:

Table 17.01.030.6 Industrial, Agricultural, Communications, and Transportation										
Land Use	Zoning Districts									
	Residential				Business & Commercial		Mixed Use	Industrial		Agriculture & Open Space
	R-E	R-S	R-U; R-U HD	NC	C-S	C	C-D	BP	IN	AR
Industrial Uses										
Broadcasting Center / Satellite Farm / Server Farm / Switching Facility	-	-	-	-	-	-	-	L	P	-
Commercial Cannabis Activity & Uses; See Subsection 17.01.030.10, Commercial Cannabis Activity Overlay Zone	-	-	-	-	-	-	-	-	-	-
Composting Facility	-	-	-	-	-	-	-	C	P	-

**Table 17.01.030.6
Industrial, Agricultural, Communications, and Transportation**

Land Use	Zoning Districts									
	Residential				Business & Commercial		Mixed Use	Industrial		Agriculture & Open Space
	R-E	R-S	R-U; R-U HD	NC	C-S	C	C-D	BP	IN	AR
Disposal	-	-	-	-	-	-	-	-	-	C
Extraction	-	-	-	-	-	-	-	-	C	C
Heavy Industry	-	-	-	-	-	-	-	-	P	-
Heavy Retail, Lumberyards and Equipment	-	-	-	-	-	-	-	-	C	-
Light Industry	-	-	-	-	-	-	-	P	P	-
Power Generation, Fossil Fuel	-	-	-	-	-	-	-	-	L	-
Power Generation, Renewable Fuel	-	-	-	-	L	L	-	P	P	P
Recycling Drop off Collection Facility	-	-	-	-	-	-	-	C	P	-
Research / Testing Laboratory	-	-	-	-	-	-	-	P	P	-
Salvage Yard	-	-	-	-	-	-	-	C	P	-
Storage Yard	-	-	-	-	-	-	-	L	P	-
Trucking	-	-	-	-	-	-	-	L	P	-
Waste Transfer Station	-	-	-	-	-	-	-	C	P	-
Agricultural Uses										
Agriculture, Concentrated Animal Feeding Operation / Aquaculture	-	-	-	-	-	-	-	-	-	C
Agriculture, Crops or Silviculture	-	-	-	-	-	-	-	-	-	P
Agriculture, Livestock (non-Concentrated Animal Feeding Operation)	-	-	-	-	-	-	-	-	-	P
Agriculture, Support / Rural Services	-	-	-	-	-	-	-	-	P	P
Animal Boarding Facilities	-	-	-	-	L	P	-	P	-	P
Commercial Stables	-	-	-	-	-	-	-	P	-	P
Farmworker Housing	-	-	-	-	-	-	-	-	-	L
Farm Product Warehousing, Processing, and Storage	-	-	-	-	-	-	-	-	P	P
Grain Milling and Storage	-	-	-	-	-	-	-	-	P	P
Large Animal Veterinarian	-	-	-	-	-	-	-	P	-	P
Nursery or Greenhouse, Wholesale or Retail	-	-	-	-	L	P	-	-	P	P
Transportation and Storage Uses										

**Table 17.01.030.6
Industrial, Agricultural, Communications, and Transportation**

Land Use	Zoning Districts									
	Residential				Business & Commercial		Mixed Use	Industrial		Agriculture & Open Space
	R-E	R-S	R-U; R-U HD	NC	C-S	C	C-D	BP	IN	AR
Airport	-	-	-	-	-	-	-	-	C	C
Bus Depot	-	-	-	-	-	C	-	-	-	-
Heliport	-	-	-	-	-	-	-	-	C	C
Helistop	-	-	-	-	-	-	-	-	C	C
Impound Yard	-	-	-	-	P	P	-	P	P	P
Rail Yard	-	-	-	-	-	-	-	-	P	C
Self-Storage	-	-	-	-	L	-	-	-	P	-
Warehousing and Logistics / Distribution Centers	-	-	-	-	-	-	-	P	P	-
Wireless Telecommunications Facilities										
Attached Facilities	-	-	-	-	L	L	L	P	P	P
Non-Stealth Freestanding Facilities	-	-	-	-	-	C	-	C	C	C
Stealth Freestanding Facilities	-	-	-	-	L	L	-	L	L	L

SECTION 3. Amendment. Williams Municipal Code section 17.01.030.8 is hereby amended to read in full as follows:

17.01.030.8 Unlisted uses.

A. If a proposed use is not listed in this section, and the director has made a determination that the use is either a subcategory of a permitted, limited, or conditional use, or a use that is functionally similar to a permitted, limited, or conditional use, the director will authorize a proposed use. If the director determines that a proposed use is not a subcategory of, or functionally similar to, a permitted, limited, or conditional use, then the use is a prohibited use. The director may refer a proposed use to the planning commission for determination.

B. The following uses are specifically prohibited in the City of Williams:

1. Mobile homes that were constructed more than ten years from the date of proposed installation.

2. Cannabis uses. Cannabis dispensaries cannabis and cannabis delivery, as defined herein, shall be considered prohibited uses in all zoning districts of the City. No use permit, variance, building permit, or any other entitlement or permit, whether administrative or discretionary, shall be

approved or issued for the establishment or operation of a dispensary, or cannabis delivery of cannabis as defined herein in any zoning district, and no person shall otherwise establish such businesses or operations in any zoning district.

3. Cannabis cultivation regulated.

(a) **Outdoor Cultivation.** A person may not plant, cultivate, harvest, dry, or process cannabis plants outdoors in any zoning district of the City. No use permit, building permit, variance, or any other permit or entitlement, whether administrative or discretionary, shall be approved or issued for any such use or activity.

(b) Indoor Cultivation.

(i) A person may not plant, cultivate, harvest, dry, or process cannabis plants indoors in any zoning district of the City, except as provided for in Section 17.01.030.10 Commercial Cannabis Activity Overlay Zone and in a private residence or inside an accessory structure to a private residence located upon the grounds of a private residence. No use permit, building permit, variance, or any other permit or entitlement, whether administrative or discretionary, shall be approved or issued for any such use or activity.

(ii) A person may not plant, cultivate, harvest, dry, or process more than six cannabis plants for his or her personal use inside a private residence or inside an accessory structure to a private residence located upon the grounds of a private residence. The plants themselves, and any cannabis produced by the plants in excess of 28.5 grams must be kept in a locked space, and must not be visible by normal unaided vision from a public place.

(iii) Not more than six living plants may be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence, at one time.

SECTION. 4. Amendment. Williams Municipal Code section 17.01.030.8.5 is hereby amended to read in full as follows:

17.01.030.8.5 Overlay districts

- A. This Chapter regulates new and existing structures and land uses in the overlay zoning districts established by Section 17.01.020.01 (Zoning Districts). The provisions of this Chapter provide guidance for development in addition to the standards and regulations of the base zoning districts, where important site, environmental, safety, compatibility, or design issues require particular attention in project planning.
- B. Mapping of overlay districts. The applicability of any overlay zoning district to a specific site is shown by the overlay Zoning Map symbol established by Section 17.01.020.01 (Zoning Districts), being appended as a suffix to the symbol for the primary zoning district on the Zoning Map (for example, IN-H for Industrial with Highway Overlay).
- C. Allowed land uses, permit requirements, development standards. Except as may be otherwise provided by this Chapter for a specific overlay district:
 - 1. Any land use allowed in the applicable base zoning district may be allowed within an overlay district, subject to any additional requirements of the overlay district;

2. Development and new land uses within an overlay district shall obtain the land use permits required by the base zoning district; and
3. Development and new land uses within an overlay district shall comply with all applicable development standards of the base zoning district.
4. Any requirements or standards established by an adopted specific plan, policy plan, or a special standards overlay district, shall supersede the standards of the applicable zoning district and the provisions of this chapter.

D. **Conflicting provisions.** The provisions of this Chapter apply to proposed land uses and development in addition to all other applicable requirements of this Zoning Code. In the event of any perceived conflict between the provisions of this Chapter and any other provision of this Zoning Code, the most restrictive shall control.

17.01.030.8.7 Highway Zoning

- A. In addition to the general purposes of this article and the purposes of the base district, the specific purpose of the Highway (H) overlay district is to allow for the establishment of a businesses located along Highway I-5 to allow greater flexibility for design of signs in combination with other zoning districts as referenced in Section 17.11.080 of this Chapter.
- B. The provisions of this chapter shall apply to certain specific areas designated “H” on the official zoning map of the city, and shall be combined with the applicable underlying base district.

17.01.030.9 Adult-oriented business zoning. The adult-oriented overlay zone that was established by Ord. 134-04 section 4(part), 2004, to govern the location of adult-oriented businesses in order to avoid adverse secondary effects that may result from the operation of such businesses, as set forth in more detail in the ordinance that adopted the overlay zone and associated ordinance provisions, remains in full force and effect. See Chapter 5.17 for definitions and restrictions.

17.01.030.10 Commercial Cannabis Activity Overlay Zone

A. **Purpose.** This Section provides standards for Commercial Cannabis Activity and Uses within the Commercial Cannabis Overlay Zone as shown in Figure A. Commercial Cannabis Activity and Uses shall include:

Table 17.01.030.10		
Commercial Cannabis Activity Overlay Zone Allowed Uses		
Land Use	Maximum Cultivation Area Per Parcel (square feet)	Special Use Regulations
Commercial Cultivation		
Cultivation; Specialty indoor; Small	501-5,000	C
Cultivation; Specialty mixed light; Small	2,501-5,000	C

Cultivation; Indoor; Small	5,001-10,000	C
Cultivation; Mixed Light; Small	5,001-10,000	C
Cultivation; Indoor; Medium	10,001-22,000	C
Cultivation; Mixed Light; Medium	10,001-22,000	C
Commercial Manufacturing		
Level 1- nonvolatile solvents	Per Conditional Use Permit	C
Level 2- volatile solvents	Per Conditional Use Permit	C
Commercial Testing/Laboratories	Per Conditional Use Permit	C
Distributor	Per Conditional Use Permit	C
Transporter	Per Conditional Use Permit	C



Figure A. (Commercial Cannabis Activity Overlay Zone.

B. Review Authority. The Council is authorized to approve Conditional Use Permits for commercial cannabis activity and uses. The Planning Commission shall make a recommendation to the Council.

C. Permit requirements. Prior to initiating any commercial cannabis activity, the legal representative of the person(s) wishing to conduct the activity shall obtain and maintain a validly issued Conditional Use Permit approved by the City Council. A Conditional Use Permit shall be approved by the Council to ensure compliance with this Section. Conditional Use Permits shall not be issued until either the City Council approves a development agreement for the site, or until after the effective date of an approve ballot measure authorizing the taxation of commercial cannabis activity in the city.

D. Development Standards. Commercial Cannabis Activity and Uses shall comply with the following standards:

1. All Commercial Cannabis Activity and Uses shall be located within the boundaries of the Commercial Cannabis Activity Overlay Zone as depicted in figure A..

3. All loading/unloading areas shall be conducted within an enclosed and secure building area.

4. Odor control devices and techniques shall be incorporated to ensure that cannabis odors are not detectable from the property boundary and public right-of-way. In multi-tenant buildings cannabis odors shall not be detectable from the building exterior, or from exterior and/or interior common areas such as walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business. Odor control systems shall include, but are not limited to, ventilation and exhaust system that provide sufficient odor absorbing to meet the above requirements.

5. Cultivation uses shall prepare a Water Recycling Management Plan that demonstrates that irrigation water is recycled to the maximum extent feasible using best management practices. A separate water meter shall be installed for irrigation uses.

6. All cultivation uses shall be within an enclosed building. Cultivation uses are prohibited outdoors and within greenhouses.

7. Cultivation uses may use mixed-light buildings when issued a local license consistent with state licensing that allows for mixed-light buildings when no light is visible through the roof and windows of grow areas from dusk to dawn.

E. Signs. No exterior signage shall be allowed for commercial cannabis activity and uses except as follows: Commercial cannabis activity and uses shall be limited to one building mounted sign not to exceed 10 square feet that identifies the business name only. No offsite signs shall be permitted. Signs shall not be illuminated nor shall they contain logos, graphics, or list products or services offered. In addition, all signage shall conform to Chapter 17.11 Signs.

SECTION 4. . Amendment. Williams Municipal Code section 17.06.320 is hereby amended:

Cannabis Uses. For purposes of this code, cannabis uses include the following:

- A. “Commercial Cannabis Activity” includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, and distribution of cannabis products.

SECTION 5. Authority. The City Council enacts this ordinance under the authority granted to cities by Article XI, Section 7 of the California Constitution.

SECTION 6. CEQA. Adoption of this Ordinance is exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3) of the CEQA Guidelines (14 CCR 15061(b)(3)) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The ordinance conditionally permits cannabis businesses that will have no impacts that are different than the farming, manufacturing, distribution, laboratory, activities already authorized within the proposed City zone.

Furthermore, the ordinance contains requirements that prevent any potential impacts on the environment that may be unique to businesses involving cannabis. For example, the ordinance establishes prohibitions on nuisance odors, glare, excess water usage, and establishes safety protections to prevent crime or deterioration of the business area. Further, there is no possibility that this ordinance would create impact that are significant because this ordinance does not authorize a total number of businesses in the city, rather it allows cannabis uses subject to a conditional use permit which at application submittal will be required to comply with CEQA. It does not authorize construction or other related activities. CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. It is therefore found and declared that the adoption of the regulations in this Ordinance will not have a significant effect on the environment.

SECTION 7. Severability. If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. This City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance be enforced.

SECTION 8. Effective Date and Publication. The City Clerk shall certify to the adoption of this Ordinance, and the City Clerk shall cause this Ordinance to be posted or published as prescribed by law. This Ordinance shall take effect thirty (30) days following its adoption.

PASSED AND ADOPTED by the City Council of the City of Williams, this _____ day of _____, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

Alfred Sellers, Jr, Mayor

ATTEST:

Mariana Pineda, City Clerk

Williams



Legend

