

**DATE:** May 8, 2018

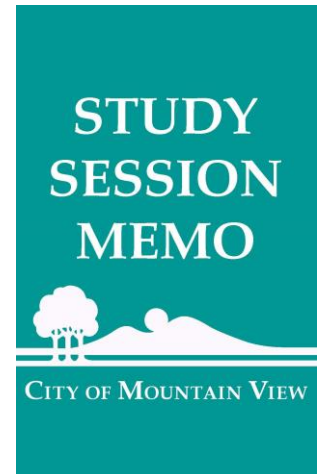
**TO:** Honorable Mayor and City Council

**FROM:** Clarissa Burke, Associate Planner  
Randal Tsuda, Community Development  
Director  
Jannie L. Quinn, City Attorney

**VIA:** Daniel H. Rich, City Manager

**TITLE:** **Study Session on the Development of  
Commercial Cannabis Regulations**

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## **PURPOSE**

The purpose of this Study Session is to provide the City Council with an update and request direction on the development of commercial cannabis regulations in Mountain View.

## **BACKGROUND**

In 2010, Mountain View adopted an ordinance prohibiting medical cannabis dispensaries and associated business from operating in the City (Sections 9.90 through 9.92 of the City Code). Personal use and possession of medical cannabis has been legal pursuant to State law.

Recreational cannabis activity was legalized in California by voters (Proposition 64) in November 2016. While personal recreational cannabis activities were made immediately legal upon the passage of Proposition 64, commercial cannabis activity (including the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, or sale of cannabis and cannabis products) requires a State license, which became available January 1, 2018.

The possession of cannabis (medical and adult-use) remains illegal under the Federal Controlled Substances Act.

### **Local Regulatory Authority**

Proposition 64 and subsequent legislation allow local jurisdictions the following:

- Adopt business or land use regulations prohibiting or regulating commercial cannabis businesses (cultivation, processing, laboratory testing, deliveries, and sale);
- Adopt regulations banning or regulating personal outdoor cultivation; and
- Adopt regulations reasonably regulating personal indoor cultivation.

State licensing authorities are prohibited from approving an application for commercial cannabis activity in violation of a local ordinance. However, the State may unilaterally issue a license for a business to operate in any jurisdiction without a Zoning Ordinance expressly regulating or prohibiting commercial cannabis activity.

### **Public Hearing and Meetings**

#### *City Council*

In December 2017, the City Council unanimously adopted an interim urgency ordinance prohibiting all commercial cannabis activity in Mountain View. Council adopted the interim urgency ordinance to provide time for staff to develop regulations allowing commercial cannabis activity and to prevent a regulatory gap in anticipation of the State's licensing of commercial cannabis activity beginning January 1, 2018.

On January 16, 2018, the Council extended the temporary moratorium for 10 months and 15 days (until December 1, 2018). Deliveries from businesses licensed by other jurisdictions into the City of Mountain View were exempted from the extension of the temporary moratorium.

Council unanimously directed staff to develop regulation of retail uses by the fall of 2018. The two types of retail uses being considered are:

1. **Retailer (Storefront):** "Storefront retail" refers to a traditional storefront retail business at which cannabis goods are sold to customers. A retailer must have a licensed physical location (premises) where commercial cannabis activities are conducted. Storefront retail businesses are often referred to as "dispensaries."

2. **Retail (Nonstorefront):** “Nonstorefront retail” refers to a business location from which cannabis goods are stored and delivered to customers. A retailer must have a licensed physical location (premises) where commercial cannabis activities are conducted. The location is closed to the public and functions much like a distribution center.

Council expressed no interest in allowing any commercial cannabis uses other than retail in the City at this time. As such, all other commercial cannabis uses will be prohibited. The uses to be prohibited include:

- Cultivation
- Manufacturing
- Distribution
- Laboratory testing
- Microbusinesses

Council directed staff to study a cannabis tax as one of three possible revenue measures to be placed on the November 2018 ballot. Development of the cannabis tax is being studied as a separate work item and, as such, is not discussed in this report.

#### *Environmental Planning Commission (EPC)*

On March 21, 2018, the EPC made recommendations to the City Council on key issues at a Study Session. The EPC’s recommendations are discussed below.

#### *Downtown Committee*

On April 3, 2018, staff presented information and survey results regarding development of commercial cannabis regulations to the Downtown Committee and responded to questions. The Downtown Committee asked clarifying questions regarding existing and possible future regulations.

#### **Community Outreach**

Staff employed several community outreach methods to receive community input early in the development of commercial cannabis regulations in Mountain View. The summary of community outreach efforts is described in each topic area of the *Discussion* section below.

### *Survey*

A survey was conducted through the City website during the month of February. This survey included seven questions and an opportunity for additional comment. A total of 1,595 people responded to the survey. Out of the 619 respondents who registered and provided demographic information with their survey, approximately 96 percent live or work in Mountain View.

Results of the survey are summarized in the *Discussion* section and full results are located in Attachment 1.

### *Community Outreach Meeting*

Nearly 100 people attended the community outreach meeting held on the evening of February 15, 2018 in the Council Chambers. The meeting included a staff presentation on key issues concerning commercial cannabis activity, a question-and-answer panel with Planning Division, City Attorney's Office, and Police Department staff, an activity to answer four key questions, and the opportunity to share thoughts on the issue through comment cards.

The comments received and results of the question activity are located in Attachment 2.

### *Website*

A Cannabis Regulation webpage was created to provide accurate information regarding general questions about commercial cannabis activity and up-to-date information regarding the development of regulations in Mountain View. Staff contact information is available on the website to allow residents and interested stakeholders to provide input and ask specific questions.

Thirty-three (33) people have contacted staff directly to ask questions and give input on the development of commercial cannabis regulations in Mountain View. Of those who called or e-mailed staff, 5 people were in favor of allowing commercial cannabis and 20 were opposed. One person expressed support of allowing only medical commercial cannabis. The others asked questions regarding cannabis or the process of developing regulations.

E-mails sent to staff to provide community input on commercial cannabis can be found in Attachment 3.

**DISCUSSION**

The following section will discuss and request direction on key issues in the development of commercial cannabis regulations.

**Concentration of Businesses**

The State does not regulate commercial cannabis businesses’ proximity to one another except that they cannot be located on the same premises. Some local jurisdictions are adopting regulations to do so.

*Survey Results*

The survey asked respondents if the City should study separating commercial cannabis businesses or concentrating them near each other. The results are listed below.

**5. Should cannabis retail businesses be concentrated near each other OR should consideration be given to separating their locations?**

		%	Count
Concentrated near each other		18.2%	290
Consider separating the business locations		40.3%	642
Do not study regulations regarding this aspect of potential cannabis business locations		41.6%	663

By a small margin of 1.3 points, respondents indicated that staff should not study regulations regarding this aspect of potential cannabis business locations. Over 40 percent of respondents indicated that consideration should be given to separating the business locations, while a much smaller proportion of respondents (18.2 percent) indicated they would like businesses concentrated near each other.

*Analysis*

Ordinances can limit the proximity of businesses to each other in several ways:

1. Quantitative Buffer. An ordinance could require business sites be located a predetermined distance apart or require that commercial cannabis businesses not be permitted to be on the same site or directly adjacent sites.
2. Semiquantitative Buffer. An ordinance could limit the number of businesses permitted in a given area. For example, if a total of five businesses are permitted

in a city, and there are three zoning districts where the businesses could be allowed, an ordinance could establish that two businesses are permitted in the industrial zoning district, two businesses are permitted in the commercial zoning district, and one business is permitted in the downtown area. This avoids a concentration of businesses in one area of the City without setting strict buffers.

3. Qualitative Buffer. An ordinance could require that proximity of a cannabis business to other similar businesses be analyzed for possible negative impacts through the permit review process without an explicit buffer.

Adoption of language limiting proximity of cannabis businesses could serve a similar purpose as regulation of concentration of alcohol licenses from the California Department of Alcoholic Beverage Control (ABC). The ABC requires additional review over applications for alcohol licenses when an area is considered “saturated”; that is, a high concentration of licenses are located within a given area.

Staff does not recommend encouraging businesses to locate near one another due to the low selection of this option by survey respondents.

Staff requests Council direction on if and how a local cannabis ordinance should address proximity of businesses to one another.

#### *EPC Recommendation*

The EPC recommended a qualitative buffer to discourage a concentration of commercial cannabis businesses by including language in the ordinance requiring analysis of the impact of locating a business within proximity to another through the permit review process.

***Question 1: Does the Council support EPC’s recommendation to address the proximity of potential cannabis business locations to one another?***

#### **Buffers**

##### *School/Child-Care Buffers*

The State establishes a 600’ buffer between commercial cannabis businesses and schools, child-care centers, and day-care facilities. The map in Attachment 4 indicates a 600’ buffer around existing schools, child-care centers, and day-care facilities in Mountain View.

Local jurisdictions may adjust this buffer if desired. For example, the City of Pacifica maintained the 600’ buffer for schools but decreased the buffer from child-care centers and day-care facilities to 200’.

Survey Results

When asked if the City should maintain, decrease, or increase the 600’ buffer from child-oriented uses, respondents gave the following answers.

**Cities are able to adjust the buffer if desired. In your opinion, the City should:**

		%	Count
Maintain the minimum 600-foot buffer.		41.1%	655
Decrease the buffer to less than 600 feet.		10.5%	168
Increase the buffer to be greater than 600 feet.		48.4%	772

Over 48 percent of respondents request the buffer be increased to greater than 600’. Selection of this option was 7.3 points higher than selection of the option to maintain the minimum 600’ buffer (41.1 percent). Only 10.5 percent of respondents are in favor of decreasing the buffer.

Increasing the buffer would create fewer opportunities for commercial cannabis uses to locate in the City. Please see the map in Attachment 5, which indicates 750’ and 1,000’ buffers around existing schools, child-care centers, and day-care facilities.

Analysis

The City’s ordinance can adjust the minimum buffer between commercial cannabis businesses and schools, child-care centers, and day-care facilities. Options for the City Council to consider include:

1. Increase the buffer. This option could result in substantially fewer opportunities for cannabis uses to locate in the City and possibly limit them to North Bayshore and East Whisman Precise Plan areas.
2. Increase the buffer from schools, but maintain the 600’ buffer from child-care centers and day-care facilities. Child-care centers and day-care facilities exist in most zoning districts, including all residential districts and most commercial areas.

In general, child-care centers and day-care facilities have much fewer students than schools. This option allows an increased buffer from locations where the greatest number of children will be, while maintaining the State-established buffer from smaller facilities.

3. Maintain the 600' buffer. This adheres to the State-established standard and allows commercial cannabis businesses the ability to locate in more areas.
4. Maintain the 600' buffer from schools, but decrease the buffer from child-care centers and day-care facilities. This adheres to the State-established buffer from locations where the greatest number of children will be, while decreasing the buffer from smaller facilities, thus allowing commercial cannabis businesses more areas to locate. Schools are differentiated from child-care centers and day-care facilities in the maps in Attachments 4 through 6.
5. Decrease the 600' buffer. This would allow for the possibility of more cannabis businesses in the City. Decreased buffers from schools, child-care centers, and day-care facilities are illustrated in Attachment 6.
6. Qualitative buffer: Rather than increasing the distance requirement around schools, child-care centers, and day-care facilities, the ordinance could include language requiring consideration of how a potential cannabis business location could impact children. This would maintain the 600' buffer but require additional analysis of potential impacts to children.

Consideration should be given to the effect of the buffer radius on the total area and zoning districts where commercial cannabis businesses could locate and on the areas where future schools, child-care centers, and day-care facilities could locate.

Rather than increasing the quantitative buffer requirement, language could be added to the ordinance that requires consideration of how a potential cannabis business location could impact children. The potential adverse impacts and/or mitigation of them would be analyzed by Planning staff on a case-by-case basis through permit application review.

Regulation of significant tobacco retailers (Section 36.30.20) provides an example in the existing Mountain View Zoning Code of the combination of quantitative and qualitative language concerning a buffer from child-oriented uses. If a significant tobacco retailer submits a Conditional Use Permit application to locate within 1,000' of a child-oriented use, the Zoning Code requires analysis of conditions that can be imposed to mitigate



adverse impacts to children or consideration of other locations that will have fewer adverse impacts.

For comparison of State laws regarding school buffers from adult-use cannabis businesses, please see Attachment 7.

#### *EPC Recommendation*

The EPC recommends maintaining the 600' buffer from child-care centers and day-care facilities and increasing the buffer to 750' from schools. The 750' buffer is depicted on the zoning map in Attachment 5.

***Question 2: Does the Council support EPC's recommendation regarding the buffer from schools, child-care centers, and day-care facilities in the City Ordinance? If not, what buffer(s) should be used?***

#### *Residential Buffers*

Some members of the public have expressed an interest in establishing buffers from residential land uses. State law does not establish a residential buffer. Residential land uses occupy most of the City and the majority of Precise Plan areas permit residential uses. Any type of residential buffer would likely create a scenario in which commercial cannabis uses are not allowed in Mountain View.

Staff recommends consideration be given to cannabis businesses' proximity to residential land uses in the permit application review on a case-by-case basis, rather than establishing a distance radius.

#### *EPC Recommendation*

The EPC supported staff's recommendation to consider proximity to residential land uses in the permit review process and did not support a quantitative buffer from residential uses.

***Question 3: Does the Council support EPC's recommendation to consider proximity to residential land uses in the permit review process?***

#### **Location of Retail Businesses**

The Mountain View Zoning Code permits, conditionally permits, and prohibits uses in each zoning district. Each zoning district (residential, commercial, industrial, and precise plan) has a land use table that specifies which uses are permitted, conditionally

permitted, or prohibited. Most Zoning Code interpretations rely on “permissive zoning”; the established concept that if a use is not specifically stated as allowed in the Zoning Code, it is prohibited. The wording of Proposition 64 and subsequent legislation does not allow cities to rely on permissive zoning. Prohibition or regulation of commercial cannabis uses must be explicitly stated in the Zoning Code.

To draft a commercial cannabis ordinance permitting storefront retail and/or non-storefront retail businesses as directed by the City Council, staff requests direction on where such businesses should be conditionally permitted or prohibited in each of the zoning districts. The proposed permitting process is discussed in detail later in the report.

#### *Storefront Retail Businesses*

“Storefront retail” refers to a traditional storefront retail business at which cannabis goods are sold to customers.

#### Survey Results

Staff requested the public’s input based on development type rather than zoning district because many of the zoning districts and precise plans have a variety of development types in common (i.e., office development in industrial zoning districts, commercial zoning districts, and precise plan areas is common).

When asked, “If storefront retail businesses are allowed, where should they be located in Mountain View?” respondents gave the following answers. Please note respondents were requested to choose all responses that apply without restriction.

**If storefront retail businesses are allowed, where should they be located in Mountain View? (Choose all that apply)**

		%	Count
Near offices		30.3%	483
Near retail or neighborhood services		39.2%	625
In small neighborhood retail centers		37.9%	605
In large retail centers		43.9%	701
Near manufacturing, warehouse or auto-oriented services		37.0%	590
In downtown Mountain View		41.8%	666
Nowhere. Cannabis storefront retail should not be allowed in Mountain View		35.7%	569

Respondents are most comfortable with storefront retail businesses in large retail centers (43.9 percent), in downtown (41.8 percent), and near retail or neighborhood services (39.2 percent). Nearly 36 percent of respondents do not want storefront retail permitted in the City.

Analysis

Some considerations specific to locating storefront retail businesses include:

- Typical existing uses in each district.
- Typical existing uses surrounding each district.
- Parking supply.
- Convenient access for clients.

Zoning districts that currently contain the top three development types (per the survey) are listed in the table below.

**Table 1: Potential Storefront Retail Locations**

Large Retail Centers	Downtown	Retail and Neighborhood Services
MM (General Industrial) P-27 (Grant-Phyllis) <sup>1, 2</sup> P-38 (El Camino Real) <sup>1, 2</sup> P-40 (San Antonio) <sup>1</sup>	P-19 (Downtown) <sup>1, 2</sup>	CN (Commercial-Neighborhood) <sup>1</sup> CRA (Commercial-Residential-Arterial) <sup>1, 2</sup> Future East Whisman Precise Plan P-38 (El Camino Real) <sup>1, 2</sup> P-39 (North Bayshore) <sup>1</sup>

<sup>1</sup> Liquor stores are permitted or conditionally permitted.

<sup>2</sup> Significant tobacco retailers are conditionally permitted.

Retail uses (nong cannabis) are currently permitted or conditionally permitted in each of these districts.

*EPC Recommendation*

The EPC recommended studying storefront retail business locations in the zoning districts listed as containing large retail centers and retail and neighborhood services, but not in the downtown.

**Question 4: Does the Council support EPC’s recommendation regarding in which zoning districts (listed in Table 1) staff should study conditionally permitting storefront retail businesses?**

*Nonstorefront Retail Businesses*

“Nonstorefront retail” refers to a business location from where cannabis goods are stored and delivered to customers.

Survey Results

As with the storefront retail question, staff requested the public’s direction based on development type rather than zoning district.

When asked, “If nonstorefront retail businesses are allowed, where should they be located in Mountain View?” respondents gave the following answers. Please note respondents were requested to choose all responses that apply without any restriction based on previous answers.

**If non-storefront retail businesses are allowed, where should they be located in Mountain View?  
(Choose all that apply)**



Slightly fewer respondents are opposed to locating nonstorefront retail businesses in Mountain View as compared to storefront-retail businesses with about 32 percent indicating they do not want nonstorefront retail in the City. By a large margin, respondents are most comfortable with locating this use near manufacturing, warehouse, or auto-oriented services (63.8 percent). The other two development types respondents were most likely to select are near offices (39.4 percent) and in larger retail centers (32.1 percent). Respondents are least comfortable with permitting nonstorefront retail near retail or neighborhood services (30.4 percent).

Analysis

Some considerations specific to locating storefront retail businesses include:

- Typical existing uses in each district.
- Typical existing uses surrounding each district.

- Delivery access for trucks from distributors/suppliers.
- Delivery vehicle storage.
- Delivery vehicle traffic patterns.

Zoning districts that currently contain the top three development types (per the survey) are listed in the table below.

*Table 2: Potential Nonstorefront Retail Locations*

<b>Manufacturing, Warehouse, or Auto-Oriented Services</b>	<b>Offices</b>	<b>Large Retail Centers</b>
CS (Commercial Services)	CO (Commercial-Office)	P-27 (Grant-Phyllis)
MM (General Industrial)	Future East Whisman Precise Plan	P-38 (El Camino Real)
P-38 (El Camino Real)		P-40 (San Antonio)
P-39 (North Bayshore)	ML (Limited Industrial)	
	MM (General Industrial)	
	P-39 (North Bayshore)	
	P-40 (San Antonio)	

Distribution and warehouse uses (noncannabis) are currently permitted or conditionally permitted in the following districts: CS (Community Services), ML (Limited Industrial), MM (General Industrial), and P-39 (North Bayshore).

*EPC Recommendation*

The EPC recommended studying nonstorefront retail business locations in the zoning districts listed as containing manufacturing, warehouse, or auto-oriented services, but not in those listed as containing office or large retail centers.

*Question 5: Does the Council support EPC's recommendation regarding in which zoning districts (listed in Table 2) staff should study conditionally permitting nonstorefront retail businesses?*






**Number of Businesses Permitted**

Other jurisdictions that have adopted ordinances permitting commercial cannabis businesses have established a maximum number of businesses allowed in the City. It is possible that as the industry and regulatory frameworks change, a maximum can increase or go away altogether.

*Survey Results*

When asked if the City should limit the number of initial cannabis retail businesses permitted, respondents gave the following answers.

**Should Mountain View limit the number of initial retail businesses?**

		%	Count
Yes, there should be 1-2 businesses permitted (up to 1 for every 38,000 residents).		16.7%	267
Yes, there should be 3-4 businesses permitted (up to 1 for every 19,000 residents).		13.0%	208
Yes, there should be 5-6 businesses permitted (up to 1 for every 13,000 residents).		8.7%	138
No limit. The City should not regulate the number of retail businesses in the City.		29.0%	462
Cannabis retail should not be allowed in Mountain View.		32.6%	520

Approximately 38 percent of respondents want some limit on the number of retail businesses initially permitted. Twenty-nine (29) percent think there should be no limit, and approximately 33 percent do not want *any* cannabis retail in the City.

Note the survey question does not differentiate between the two types of retail uses and represents the total number of businesses respondents believe should be permitted in the City.

*Analysis*

The cumulative community outreach indicates that of respondents in favor of allowing cannabis retail businesses, the majority support limits on the initial maximum number of cannabis retail businesses. This is consistent with current practices in the development of commercial cannabis regulations.

Other jurisdictions that have legalized and regulated commercial adult-use/recreational cannabis have experienced an extremely high number of permit applications. For example, the City of Santa Ana received about 600 applications, and the City of Pacifica received 34 applications. These jurisdictions permit a maximum of 30 and 6 businesses, respectively. The greatest factor in the number of applications received seems to be the

number of sites available. The potential for such a high number of interested businesses presents the possibility of unknown impacts on other business types in the City, magnifies potential negative impacts from the businesses, and makes permitting and monitoring of the businesses unrealistic given staff resources.

The only other city in Santa Clara County that has, to this point, permitted commercial cannabis businesses is San Jose. The City of San Jose has a total of 16 cannabis retail facilities, approximately one per every 64,000 residents.

Staff requests the Council provide feedback on the number of both storefront and nonstorefront retail businesses that should be permitted in Mountain View.

#### *EPC Recommendation*

The EPC recommends limiting the initial number of businesses to one to two.

***Question 6: Does the Council support EPC's recommendation to limit the number of cannabis storefront and nonstorefront retail businesses? If not, how many of each should the City initially permit?***

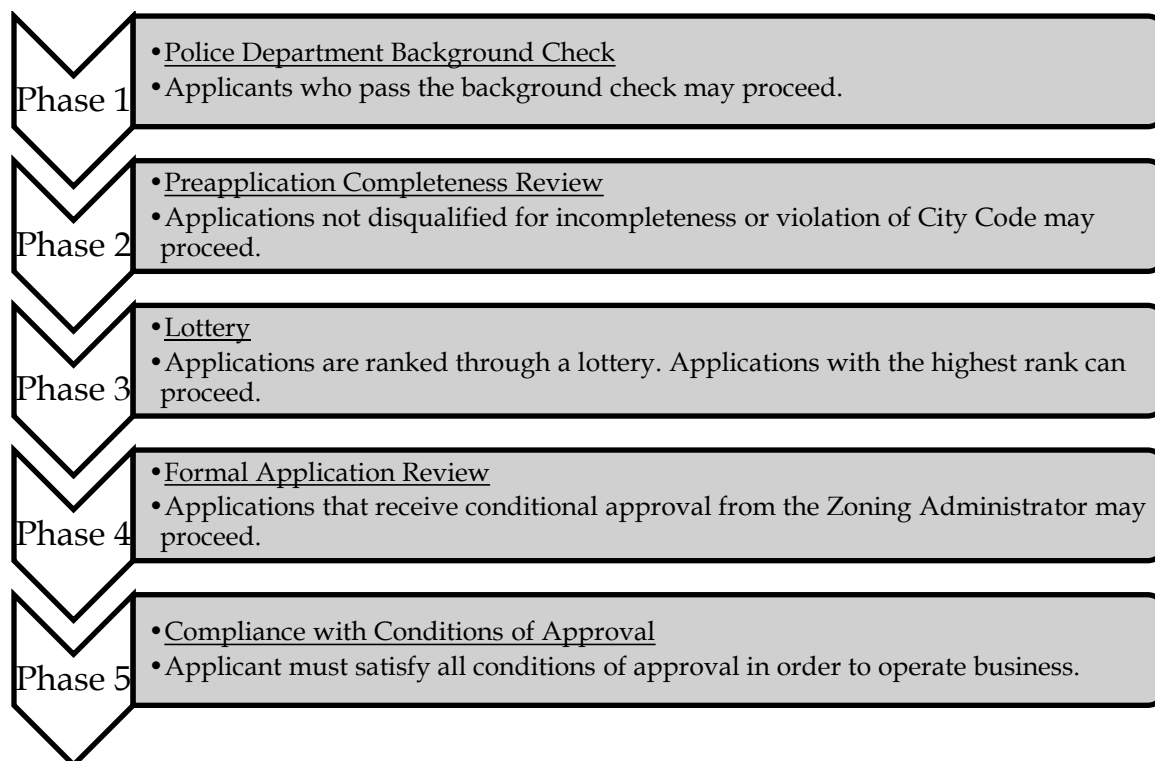
#### **Permitting Process**

Best practice in development and implementation of local commercial cannabis regulations requires clearly prescribed and specific requirements, zoning permit requirements, and Police Department permit requirements. Based on other jurisdictions' recent experiences, staff believes it is also important to have a reasonable selection process capable of handling a substantial number of applications.

Based on review of other jurisdictions' permitting processes and existing permitting context in Mountain View, staff requests Council input on the following draft permit review process framework for commercial cannabis businesses. The graphic below represents the proposed phased permitting framework staff recommends to process commercial cannabis permit applications. Further details of each phase are stipulated below the graphic.

Note any permitting process will be cost-recovery.





*Phase 1: Police Department Background Check*

- State regulations require disclosure of prior convictions in the application process. Many local jurisdictions have requirements that applicants and owners of commercial cannabis businesses cannot have felony convictions. Staff proposes to prohibit persons convicted of certain felonies from applying or owning commercial cannabis businesses in the City.

*Phase 2: Preapplication Completeness Review*

- The preapplication completeness review will provide Planning staff with the opportunity to preliminarily review applications to make sure they are viable candidates for further review before ranking the applications.

*Phase 3: Lottery*

- Staff recommends a lottery system be used to rank applications for review to effectively limit the applications that proceed to further review in an objective way.

*Phase 4: Formal Application Review*

- In this phase, the applicant will submit a formal planning application. This application will require the applicant to provide additional information as compared to previous phases. The application will be reviewed through the normal planning application review process for conformance with the City Code by all relevant City departments.
- Approval of conditional use permits (and other associated Planning permits) is discretionary.
- Typically, the Zoning Administrator reviews and makes decisions on conditional use permits at an Administrative Zoning Hearing. To remain consistent with existing treatment of all other Conditional Use Permits, staff recommends the Zoning Administrator be given the authority to approve/deny Conditional Use Permits associated with cannabis uses.

*Phase 5: Compliance with Conditions of Approval*

- All discretionary planning permits have conditions of approval that applicants must fulfill and follow to operate.
- The applicant must fulfill all conditions of approval, including Building Permit (standard in nearly all Planning applications), Police Department Permit (for ongoing monitoring of businesses), and a State License (required per State regulations) before the business is permitted to operate.

*EPC Recommendation*

The EPC supported staff's recommended permitting framework and expressed particular support of the lottery system.

***Question 7: Does the Council agree with EPC's recommendation regarding the permitting framework and each of the five proposed phases?***

**Additional Concerns**

Mountain View's ordinance will address many aspects of commercial cannabis regulation that have not been addressed through other questions in this report. A list of these issues is provided below.

## Survey Results

Respondents were asked to rank their greatest concerns regarding commercial cannabis in Mountain View from a list of concerns. The following results indicate respondents' priorities.

**6. What, if any concerns, do you have regarding commercial cannabis in Mountain View? Click on an item in the following concern list to place in order of priority with MOST concerned at the TOP and LEAST concerned at the BOTTOM. If you have "No Concerns," place it at the top of the list.**

### **Average Priorities**

Safety.  
Location of dispensaries.  
Too many dispensaries.  
Taxing cannabis.  
No Concerns.  
Other Concern.  
Too few dispensaries.

The top three concerns of respondents are safety, location of dispensaries, and too many dispensaries. Respondents were given the opportunity to rank one "other concern" that was not listed as an option. Four hundred-sixty-four (464) respondents (equivalent to 29 percent of respondents) provided additional concerns in their answers. Common concerns included influence of cannabis businesses on children, increased crime, smoking in public, breathing secondhand smoke, offensive odors, and unsafe driving while high. Those in support of commercial cannabis expressed concerns about too much regulation and too few dispensaries.

These results are similar to concerns people expressed in the comment section of the survey and at the community meeting (see Attachments 1 and 2).

## Analysis

The following is a comprehensive list of components that can be included in Mountain View's ordinance. The list was compiled through review of other local ordinances, research of impacts associated with commercial cannabis businesses, and community input.

- Security of facility
- Air quality at businesses
- Smoking in public places
- Smoking in residential areas
- Nuisance odor control
- Secure transportation of goods
- Appearance of facilities
- Advertising/signage
- Parking demand
- Hours of operation
- Transfer of businesses
- Size of business
- Lighting standards
- Business operating standards
- Requirements on business operator
- Review of use permits
- Monitoring of businesses by the Police Department
- Cost-recovery fees and staffing demand
- Fines and penalties

Staff requests the Council provide input on the list and ways it should be specifically modified.

### *EPC Recommendation*

The EPC supported the list of additional concerns to be analyzed.

***Question 8: Does the Council support EPC's recommendation regarding the list of additional concerns to be analyzed and addressed in the ordinance?***

## **RECOMMENDATION**

That the City Council provide direction on the development of commercial cannabis regulations in Mountain View.

**Question 1:** Does the Council support EPC's recommendation to address the proximity of potential cannabis business locations to one another?

**Question 2:** Does the Council support EPC's recommendation regarding the buffer from schools, child-care centers, and day-care facilities in the City Ordinance? If not, what buffer(s) should be used?

Question 3: Does the Council support EPC's recommendation to consider proximity to residential land uses in the permit review process?

Question 4: Does the Council support EPC's recommendation regarding in which zoning districts (listed in Table 1) staff should study conditionally permitting storefront retail businesses?

Question 5: Does the Council support EPC's recommendation regarding in which zoning districts (listed in Table 2) staff should study conditionally permitting nonstorefront retail businesses?

Question 6: Does the Council support EPC's recommendation to limit the number of cannabis storefront and nonstorefront retail businesses? If not, how many of each should the City initially permit?

Question 7: Does the Council agree with EPC's recommendation regarding the permitting framework and each of the five proposed phases?

Question 8: Does the Council support EPC's recommendation regarding the list of additional concerns to be analyzed and addressed in the ordinance?

### **NEXT STEPS**

Following this City Council Study Session, regulations will be drafted and brought to the Environmental Planning Commission and City Council for adoption in fall 2018.

### **PUBLIC NOTICING**

Notice was published in a newspaper of general circulation in accordance with Government Code 65090. Notice of the May 8, 2018 Study Session was also included in the standard City Council agenda notice and posting procedures. Interested stakeholders were notified of this hearing through mailed notices, e-mails, and the Cannabis Regulations webpage.

CB-RT-JLQ/2/CAM

891-05-08-18SS-E

- Attachments:
1. Community Survey Results
  2. Community Outreach Meeting Results (February 15, 2018)
  3. Written Public Comment
  4. Zoning Map with 600' School/Child-Care Buffer
  5. Zoning Map with Increased School/Child-Care Buffer
  6. Zoning Map with Decreased School/Child-Care Buffer
  7. Comparison of School/Child-Care Buffer Requirements by State