

Cannabis Community Workshop

City of Encinitas
December 1, 2021

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BACKGROUND

Ordinance No. 2020-18 – Measure H

- Voter initiative to allow cannabis-related uses

Ordinance No. 2021-04 – Implementation of Measure H

- Coastal Commission hearing on December 17, 2021

Resolution No. 2021-94 – Fee Schedule

- Business registration, application, and other regulatory fees

Future Tax Measure

- To be voted upon in 2022



RETAIL – ALLOWABLE ZONES

RETAILERS (DISPENSARIES) – ALLOWABLE ZONES

General Commercial (GC)

Downtown Encinitas Specific Plan Commercial Mixed-Use (D-CM-1 & D-CM-2)

North 101 Corridor Specific Plan Commercial Mixed-Use (N-CM-1, N-CM-2 & N-CM-3)

Encinitas Ranch Specific Plan Commercial (ER-C) and Mixed-Use (ER-MU1 & ER-MU2)

Cardiff-by-the-Sea Specific Plan General Commercial (C-GC1 & C-GC2)



RETAIL - STANDARDS

GC, D-CM-1, D-CM-2, N-CM-1, N-CM-2, N-CM-3, ER-C, ER-MU1, ER-MU2, C-GC1, and C-GC2 Zones

- 4 licenses through tiered lottery
- 1,000-foot separation from sensitive uses
- Off-site delivery allowed
- Security cameras, alarms, and security guard (24/7)
- Signs shall contain only business name and 2 colors
- Shall operate between 7am and 9pm
- Must conform to State licensing requirements



NON-RETAIL – ALLOWABLE ZONES

PRODUCT MANUFACTURING	CANNABIS KITCHEN	DISTRIBUTION	COMMERCIAL CULTIVATION	INDUSTRIAL HEMP
Business Park (BP)	Business Park (BP)	Business Park (BP)	Agriculture (ERSP – AG)	Agriculture (ERSP – AG)
Light Industrial (LI)	Light Industrial (LI)	Light Industrial (LI)		
Agriculture (ERSP-AG)	General Commercial (GC)			



PRODUCT MANUFACTURING STANDARDS

Business Park (BP), Light Industrial (LI) & Agriculture (ERSP – AG) Zones

- Use of volatile solvents prohibited
- Security cameras, alarms, and security guard
- No external signage
- No public access or sales
- Must conform to State licensing requirements



CANNABIS KITCHENS STANDARDS

Business Park (BP), Light Industrial (LI), and General Commercial (GC) Zones

- Premise where edible cannabis products are produced
- Security cameras, alarms, and security guard
- No external signage
- No public access or sales
- Must conform to State licensing requirements



DISTRIBUTION STANDARDS

Business Park (BP) and Light Industrial (LI) Zones

- Security cameras, alarms, and security guard
- No external signage
- No public access or sales
- Must conform to State licensing requirements



COMMERCIAL CULTIVATION STANDARDS

Agriculture (ERSP – AG) Zone

- Must occur inside a building or greenhouse
- Security cameras, alarms, and security guard
- No visual evidence or external signage
- No public access or sales
- Cannot cause public nuisance (dust, glare, heat, noise, odor)
- Must conform to State licensing requirements



INDUSTRIAL HEMP STANDARDS

Agriculture (ERSP – AG) Zone

- Cannot cause public nuisance (dust, glare, heat, noise, odor)
- Must conform to State licensing requirements
- [California Industrial Hemp Program website](#) (includes FAQs)



PERMITTING PROCESS



REGISTRATION PROCESS (PHASE I)

- Submittal of materials by applicants
- City performs completeness review
- If missing minor requirements, given 5 days to submit (retail only)
- Verification of compliance with zoning and sensitive-use requirements (retail only)
- Background check of owners and representatives



LOTTERY (RETAIL ONLY)

Total Lottery Winners – 4 (minimum)

Preference Criteria

- 12 months as cannabis business owner
- 36 months as pharmaceutical business owner
- 18 months as local (Encinitas) business owner

Tiered Lottery

- Applicants that meet all criteria qualify for top tier
- Will be live streamed and recorded



APPLICATION PROCESS (PHASE II)

- Site plan review
- New buildings may require discretionary review, CDP, etc.
- Building & Fire Dept. plan check
- Construction and inspection
- Final pre-license inspection
- Business license issued
- Winning retail applicants have 18 months to complete process



FEE SCHEDULE

CITY OF ENCINITAS - CANNABIS FEE SCHEDULE		
Fee Title	Fee	Unit
Phase 1 - Registration Fee	\$ 6,527.83	Registration
Phase 2 - Application Fee	\$ 4,712.38	Application
Phase 3 - Annual Regulatory Fee	\$ 12,157.82	Licensee
Appeal Process Fee	\$ 3,544.05	Appeal
Initial Owner Background Investigation Fee	\$ 300.00	Owner/Manager
Owner Background Investigation Renewal Fee	\$ 100.00	Owner/Manager
Initial Employee Background Investigation Fee	\$ 100.00	Employee
Employee Background Investigation Renewal Fee	\$ 75.00	Employee
Financial Audit Fee	\$ 7,500.00	Audit
Compliance Inspection Fee	\$ 1,250.00	Inspection



CODE ENFORCEMENT

Suspension/Revocation of License

- Measure H allows for suspension/revocation for significant loitering, smell, or noise complaints

Filing Complaints

- City Code Enforcement Division
- State Agencies (Department of Cannabis Control)



IMPLEMENTATION

CA Elections Code Process

- Measure H was placed on the ballot exactly as it was written
- City is legally unable to make changes – limited policy clarifications

Measure H Specifies:

- “Shall only be amended by a vote of the people”
- After 3 years, City Council can modify ordinance “to relax the zoning or regulatory burdens on the City and/ or Cannabis Businesses”



POLICY CLARIFICATIONS

Legal Memo

- Available on website and [here](#)
- City cannot establish rules more restrictive than State Cannabis Laws
- Transfer of ownership
- Merchandising



WEBPAGE

Project Webpage

- encinitasca.gov/cannabis
- Links, background, current status, additional State resources
- FAQs
- Legal Memo

Online Mapping Tool

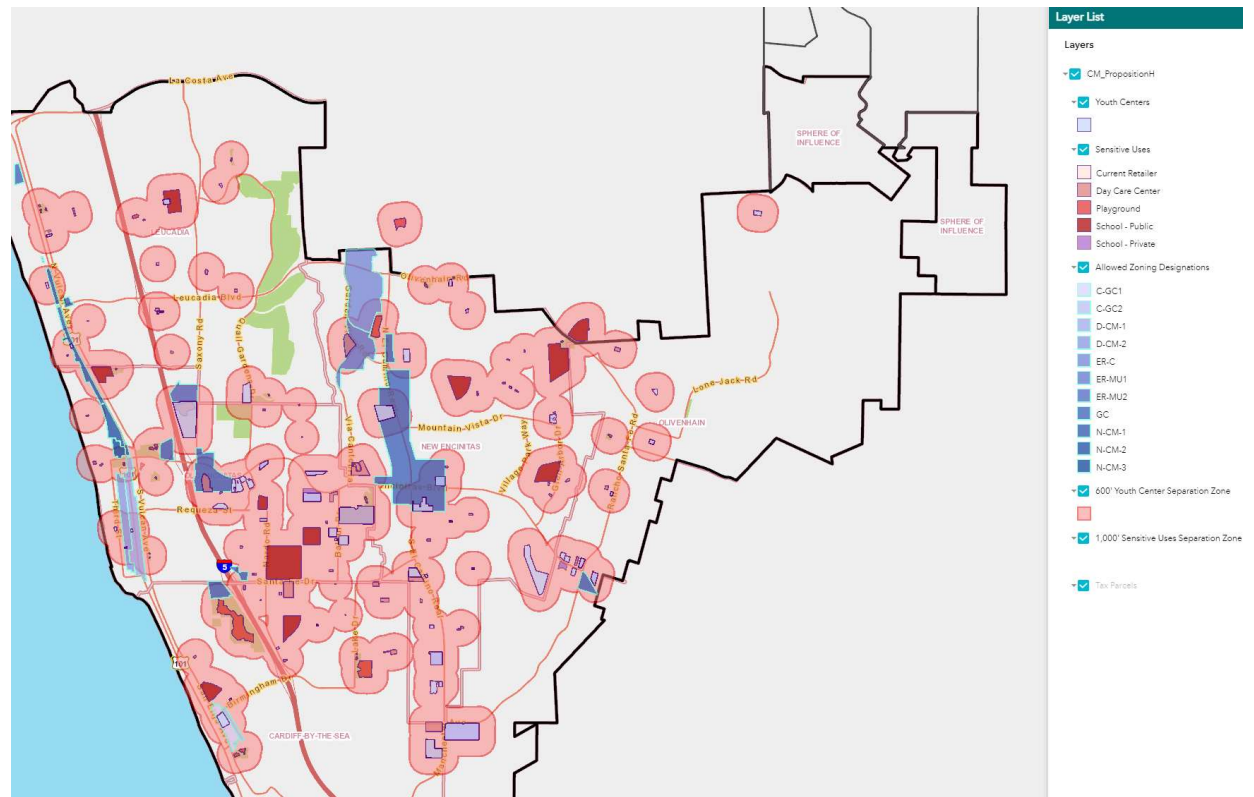
- Currently available for public review
- Two (2) separate maps – Retail and Non-retail



ONLINE MAPPING TOOL

Public Comment & Question Period

- [Map Link](#)
- Email ejedynak@encinitasca.gov with comments
- Review ends December 15



DISCUSSION

Thank you for participating!

- Q & A Session

Questions and Comments

- Email ejedynak@encinitasca.gov

