



## Agenda Report

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**Item #: 24-058**

**Meeting Date: 03/19/2024**

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**TITLE: CITY COUNCIL FIRST READING OF ORDINANCES TO AMEND TITLE 13 (PLANNING, ZONING AND DEVELOPMENT) AND TITLE 9 (LICENSES AND BUSINESS REGULATIONS) OF THE COSTA MESA MUNICIPAL CODE TO MODIFY THE CITY'S RETAIL CANNABIS PROVISIONS AND FIND THIS PROJECT TO BE CATEGORICALLY EXEMPT FROM CEQA**

**DEPARTMENT: ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT/PLANNING DIVISION**

**PRESENTED BY: MICHELLE HALLIGAN, SENIOR PLANNER**

**CONTACT INFORMATION: MICHELLE HALLIGAN, SENIOR PLANNER, 714-754-5608**

### **RECOMMENDATION:**

Staff recommends the City Council:

1. Find that the project is categorically exempt from the California Environmental Quality Act (CEQA), Section 15061(b)(3) ("General Rule").
2. Introduce for first reading, by title only, Ordinance No. 2024-XX amending Title 13 (Planning, Zoning and Development) and Ordinance No. 2024-XX amending Title 9 (Licenses and Business Regulations) of the Costa Mesa Municipal Code to modify the City's retail cannabis provisions.

### **BACKGROUND:**

In 2020, Costa Mesa voters approved Ballot Measure Q to allow for the City Council to adopt ordinances in order to authorize cannabis retail storefronts and cannabis delivery in the City. The ballot measure specifically allowed storefronts to be permitted in the City's commercial zones, and cannabis delivery businesses in the commercial and "green" zones. The measure included language for "minimum safety requirements", "1,000-foot separation from sensitive uses", "compliance with State and local laws", and to be taxed on "gross receipts". As authorized by Measure Q, the City adopted two ordinances, Ordinance No. 2021-08 (Title 9, Licenses and Business Regulations) and Ordinance No. 2021-09 (Title 13, Planning, Zoning and Development) to establish regulations for legal cannabis storefront and non-storefront (delivery). Since then, the City has approved 22 Conditional Use Permits (CUPs) for cannabis retail storefronts, three CUPs for standalone cannabis delivery businesses, and seven Minor Conditional Use Permits to add non-storefront retail delivery to existing cannabis manufacturing and/or distribution facilities located in the City's Measure X "green zone". Ten cannabis storefronts, one standalone delivery business, and seven delivery businesses that are part of existing manufacturing and/or distribution cannabis businesses in the "green zone" have obtained Cannabis Business Permits (CBPs). There are 31 other cannabis storefront applications that are in various stages of application review.

At the July 18, 2023 City Council meeting, a request was made for the City Council to discuss the possibility of exploring amendments to the City's cannabis ordinances to address community member concerns regarding potential business displacement and cannabis storefront overconcentration. The item was agendaized for the August 1, 2023 City Council meeting and was continued to the regular meeting of September 5, 2023 without discussion.

At the September 5, 2023 City Council meeting, the City Council discussed the status of the City's cannabis retail regulations and current retail operations. Specifically, the City Council discussed issues regarding unanticipated business displacement and overconcentration of retail cannabis businesses, and several other topics related to the City's retail cannabis storefront program. Members of the public provided written and spoken comment describing concerns regarding overconcentration of cannabis storefronts, lack of a limit on the number of cannabis storefronts, the need for a minimum separation between cannabis storefronts and residential uses, decreased residential property values, traffic impacts, increased criminal activity, and impacts on youth. At the conclusion of the public hearing and after considering public testimony, the City Council directed the Planning Commission to make a recommendation to the City Council regarding potential Code amendments on the following topics:

- Increasing the minimum separation between cannabis storefronts and "youth centers", as defined in the Municipal Code, from 600 feet to 1,000 feet to be consistent with other sensitive use separation requirements;
- Establishing a minimum separation between cannabis storefronts and properties zoned for residential use;
- Establishing a minimum separation between cannabis storefronts;
- Establishing a maximum number of retail cannabis storefronts;
- Allowing the word "cannabis" on cannabis storefront signage;
- Adding limitations to prohibit the advertising and marketing of cannabis and cannabis products to youth;
- Strengthening of labor peace agreement requirements for cannabis storefronts; and
- Establishing provisions for notification and relocation assistance for existing businesses that would be displaced by retail cannabis uses.

September 5, 2023 City Council Report (also provided as Attachment 8):

<https://costamesa.legistar.com/View.ashx?M=F&ID=12260993&GUID=E37753BF-0ED2-43B6-882D-531ED2C7864D>

Minutes: <https://costamesa.legistar.com/View.ashx?M=M&ID=1110314&GUID=F3D375C6-0846-49A8-B1B5-50D9C735B8DA>

Video:

[https://costamesa.granicus.com/player/clip/4028?view\\_id=14&redirect=true&h=9535abc0f348d2f126a0f61bef83a977](https://costamesa.granicus.com/player/clip/4028?view_id=14&redirect=true&h=9535abc0f348d2f126a0f61bef83a977)

### ***Planning Commission Recommendation***

At the November 27, 2023 Planning Commission meeting, the Planning Commission discussed potential modifications regarding the first four topics listed above and continued the item to December 11, 2023.

**November 27, 2023 Planning Commission Report:**

<https://costamesa.legistar.com/LegislationDetail.aspx?ID=6430260&GUID=090DEB19-B248-42BE-83E0-41EB6003490B>

Minutes: <https://costamesa.legistar.com/View.ashx?M=M&ID=1140539&GUID=8E7DDAD3-212C-4ADA-BD75-859EA1736B77>

**Video:**

[https://costamesa.granicus.com/player/clip/4065?view\\_id=14&redirect=true&h=73613c84a6f01a923ffea75485cf99ab](https://costamesa.granicus.com/player/clip/4065?view_id=14&redirect=true&h=73613c84a6f01a923ffea75485cf99ab)

At the December 11, 2023, Planning Commission meeting, the Planning Commission discussed the four remaining topics, and directed staff to prepare Draft Ordinance revisions based on their discussions at the November 27th and December 11<sup>th</sup> meetings, to be reviewed by the Planning Commission at a regularly scheduled meeting on January 22, 2024.

**December 11, 2023 Planning Commission Report:**

<https://costamesa.legistar.com/LegislationDetail.aspx?ID=6448844&GUID=30956049-B12A-48D4-824D-6A17822168CF>

**Minutes:**

<https://costamesa.legistar.com/View.ashx?M=M&ID=1145138&GUID=D27058F5-3E1C-458F-BC71-819FE295D4F8>

**Video:**

[https://costamesa.granicus.com/player/clip/4071?view\\_id=14&redirect=true&h=3afc5737bfd6e2094027c9beb28f56c](https://costamesa.granicus.com/player/clip/4071?view_id=14&redirect=true&h=3afc5737bfd6e2094027c9beb28f56c)

At the January 22, 2024 Planning Commission meeting, staff presented the Planning Commission's Draft Ordinance revisions to modify the Costa Mesa Municipal Code (CMMC) retail cannabis provisions for a recommendation to the City Council. After considering staff's presentation and public comments, the Planning Commission deliberated and voted 5-0 to recommend that the City Council give first reading to an Ordinance amending Title 13 (Planning, Zoning and Development) and an Ordinance amending Title 9 (Licenses and Business Regulations) to modify the City's retail cannabis provisions. The Planning Commission resolutions are provided as Attachments 10 and 11, and the January 22, 2024 Planning Commission minutes are provided as Attachment 12 to this report.

**January 22, 2024 Planning Commission Staff Report (also provided as Attachment 9):**

<https://costamesa.legistar.com/View.ashx?M=F&ID=12598952&GUID=E2129FE0-1E84-4B2B-AFFD-6F3B13ACF939>

**Minutes:**

<https://costamesa.legistar.com/View.ashx?M=M&ID=1165913&GUID=0FB1692D-132C-406F-BE53-FA647FC171B9>

**Video:**

[https://costamesa.granicus.com/player/clip/4080?view\\_id=14&redirect=true&h=6a23b54522861be87ef34b9b38b45534](https://costamesa.granicus.com/player/clip/4080?view_id=14&redirect=true&h=6a23b54522861be87ef34b9b38b45534)

**ANALYSIS:**

The following analysis describes the Planning Commission's recommended modifications to the City's retail cannabis storefront program. The proposed amended cannabis sections of Title 13 and Title 9 of the CMMC are reflected in draft City Council Ordinances contained in Attachments 3 and 4, respectively. The proposed amendments are distinctly shown in "track changes" versions, where added text is identified by an underline and text removal is shown in ~~strikethrough~~ format in Attachments 5 (Title 13) and 6 (Title 9).

**Separation between Cannabis Storefronts and Youth Centers**

The adopted minimum separation between youth centers and cannabis storefronts is 600 feet in accordance with the State's minimum requirement (California Business and Professions Code Section 26054(b)). The Planning Commission reviewed separation requirements adopted by several other cannabis permitting jurisdictions, considered local cannabis storefront land use compatibility and the potential constraints to the City's retail cannabis operations. Ultimately, the Planning Commission decided to recommend that the City Council increase the separation requirement between cannabis storefronts and youth centers from 600 feet to 1,000 feet, consistent with the City's buffers between cannabis storefronts and schools and other specific sensitive uses, as adopted.

Pursuant to CMMC Section 9-485, a "youth center" is defined as "any public or private facility that is primarily used to host recreation or social activities for minors, specifically private youth membership organizations or clubs, social services teenage club facilities, video arcades where 10 or more games or game machines or devices are operated or similar amusement park facilities, but does not include dance studios, tutoring, martial arts studios or similar type of uses". There are four facilities in Costa Mesa that meet the CMMC definition of a "youth center". Based on a Geographic Information System (GIS) assessment of all retail cannabis storefront applications, including open storefronts, none of the applications would be impacted by extending the youth center buffer to 1,000 feet. The proposed text change regarding separation from youth centers is provided in Section 13-200.93(f) in Attachment 5.

**Separation Between Cannabis Storefronts and Residential Zones**

The CMMC conditionally allows cannabis storefronts in commercial zones without a separation from residential zones. Most commercial corridors in Costa Mesa are located in close proximity to residential zones. As directed by the City Council, the Planning Commission considered minimum separations between cannabis storefronts and residential zones. Staff presented examples from other jurisdictions. Ultimately, the Planning Commission determined that a 100-foot separation between cannabis storefronts and a property zoned for residential use would be an appropriate minimum distance for land use compatibility.

A preliminary GIS analysis identified the number of applications within 100 feet of a residential zone:

- Five of 22 approved CUPs
- Two of 9 pending CUPs
- One of 4 pending CBPs
- Six of 17 pre-applications/wait list applications

As proposed, the residential separation requirement would not apply to approved CUPs and applications in the CBP and CUP application phases because the locations are considered to have lawfully met separation requirements at the time of the submission of a cannabis business permit application. If the 100-foot cannabis storefront separation from properties zoned for residential use is adopted, storefronts in locations that do not meet the new separation requirement would be considered legal nonconforming with the new separation standards and be allowed to continue to operate per the City's nonconforming provisions contained in Chapter X of the CMMC.

As proposed, if the cannabis storefront use is discontinued or abandoned for more than 180 days, or when the cannabis use is fully or partially replaced by another use for any period of time, on a property that does not meet the amended separations, the CUP shall be null and void. If requested, and pursuant to the CMMC, an applicant or property owner would have the right to request a hearing of the City's "null and void" determination before the issuing officer.

The proposed residential separation amendment to Section 13-200.93(f) is provided in "track changes" format in Attachment 5.

### **Separation Between Cannabis Storefronts**

The adopted CMMC does not establish a minimum separation between cannabis storefronts. The Planning Commission reviewed examples of minimum separation requirements from several Southern California jurisdictions with cannabis ordinances ranging from no separation to a 1,000-foot minimum separation, which included further analysis regarding their population sizes. The Planning Commission ultimately decided to recommend that a minimum separation of 500 feet between storefronts to address cannabis storefront overconcentration. As described in Section 13-200.93(f)(2), the proposed amendment would establish a minimum separation of 500 feet between cannabis storefronts, measured from licensed premise to proposed licensed premise.

A preliminary GIS analysis identified the following:

- Ten of 22 approved CUPs are located within 500 feet of another approved site, including nine operating storefronts
- Twenty three of 31 pending applications are within 500 feet of an approved or proposed storefront

Any approved retail cannabis storefront CUP location that does not conform to the separation requirements as amended, but which lawfully met separation requirements at the time of the submission of a CBP application for the subject property, would be considered a legal nonconforming use, and may continue to operate. However, if the cannabis use is discontinued or abandoned for more than 180 days or is fully or partially replaced for any period of time, the CUP shall be null and void, subject to a right to notice and hearing. Similar provisions apply to non-operational or abandoned CBPs. Those that fail to commence operations within 180 days of issuance, or thereafter become non-operational or abandoned for 90 days or more, would be considered null and void. Following notice, an applicant or property owner would have the right to request a hearing of the City's "null and void" CBP determination before the issuing officer.

The proposed minimum separation between storefronts is provided in Section 13-200.93(f) of Attachment 5. The provisions governing non-operational CBPs are found in Section 9-495(h)(16) of Attachment 6.

### **Limit on Cannabis Storefronts**

Pursuant to CMMC Title 9, Section 9-489(d), the City Council may by resolution limit and/or restrict the number of cannabis retail permits available for issuance and/or renewal. In response to City Council direction pertaining to community concerns requesting a limit on the total number of cannabis storefronts allowed in the City, the Planning Commission recommended a “cap”. As recommended by the Planning Commission, the City would suspend processing cannabis storefront applications following the City’s approval of 30 cannabis storefront CUPs. The Planning Commission further recommended that once 30 cannabis storefront CUPs have been approved, no additional CUPs for cannabis storefronts would be processed and/or approved until such time that the total number of existing cannabis storefronts and/or approved CUPs falls below 15. As recommended, once the total number of existing CUPs for cannabis storefronts falls below 15, the City may then consider/approve additional cannabis storefront CUPs not to exceed a total of 15.

For consideration of the Planning Commission's recommendation for potential limitation of cannabis storefronts, the Commission was provided comparisons of “cap” requirements from other local jurisdictions. The following examples were provided:

- **Santa Ana** - (population: 308,200): Limit (cap) of 30 licenses (currently 27 storefront licenses);
- **Long Beach** - (population: 451,300): Limit (cap) of 40 licenses (32 storefront licenses);
- **La Habra** - (population: 62,000): Limit (cap) of four retail non-storefront (delivery) licenses;
- **Palm Springs** - (population: 45,223): no cap (currently 27 storefront licenses);
- **City of San Diego** - (population: 1.4 million): Limit (cap) of 36 licenses (four per council district with nine total districts; currently 36 storefront licenses);
- **Vista** – (population: 98,000): Limit (cap) of one storefront per 10,000 residents (currently 11 storefront licenses).

As of March 1, 2024, the City has approved 22 CUPs for cannabis storefronts. The Planning Commission’s proposed cap of 30 would allow the approval of eight additional cannabis storefront CUPs. As of the writing of this report there are 31 pending applications as follows:

- Nine CUPs in progress
- Four CBPs in progress
- Seventeen pre-applications/wait list

Based on the Planning Commission's recommendation, after eight more storefronts are approved, the remaining applications would not be processed until a future time in which there are fewer than 15 storefront approvals operating in the city.

### **Allowing the word “Cannabis” on Storefront Signage**

As adopted, CMMC Section 9-495(g)(6) contains provisions for signage and notices at cannabis storefronts to limit cannabis signage to what is necessary for identification only. For example, operators shall post a notice at entrances prohibiting onsite smoking, ingestion, and so on. Additionally, retail cannabis storefronts have also been subject to a condition of approval limiting cannabis business signage and symbols to ensure cannabis dispensaries maintain a high-quality aesthetic and limit cannabis advertising in the City to persons under 21 years of age. The Planning Commission determined that instead of allowing the word cannabis on business identification signage, it would be more appropriate to allow the word “cannabis” on the notice to be posted only at entrances of cannabis businesses in a manner that is generally not visible from public rights-of-way. Pursuant to Planning Commission direction, Staff drafted the amendment to specifically allow the word cannabis to be included up to two times, with a maximum letter height of one inch, on a notice posted at the cannabis business entrance to help people identify that the facility is a cannabis storefront prior to entering. A “track changes” version of the proposed modification to Section 9-495(g)(6b) is provided in Attachment 6.

### **Advertising and Marketing Restrictions Related to Youths**

Pursuant to City Council direction, the Planning Commission also considered potential code amendments to restrict cannabis marketing to youth beyond State regulations. The proposed amendment would specify that advertising and marketing materials shall not encourage persons under 21 years of age to consume cannabis or cannabis products (a reiteration of State law for emphasis) and shall not depict or suggest the consumption of cannabis or cannabis products. The proposed modification to Title 9-495(g)(6e) is provided in Attachment 6.

### **Strengthening Labor Peace Agreement (LPA) Regulations**

The City Council directed the Planning Commission to explore whether the City should modify the CMMC to strengthen policies pertaining to LPAs. Currently, the State requires cannabis applicants/licensees with 20 or more employees to enter into an LPA, and beginning July 1, 2024, the State requirement will apply to applicants/licensees with ten or more employees. The CMMC [Section 9-495(h)(18)] is more restrictive than the State in that a retail CBP applicant with “two or more employees” must provide a notarized statement that the applicant will enter into, or demonstrate that it has already entered into, and abide by the terms of a labor peace agreement (LPA). Labor organizations as well as current or former employees can submit complaints regarding a licensee to the California Department of Cannabis Control (DCC). When an organization has been determined to not be a bona fide labor organization, the DCC will contact cities and counties throughout the State. The Planning Commission did not recommend proposing modifications to the CMMC pertaining to cannabis LPAs, citing that the appropriate agency for collecting complaints and investigating cannabis LPA issues would be the DCC.

## **Establishing Business Displacement Regulations**

The City Council, Planning Commission and staff have previously heard comments that a few existing tenants to be replaced by cannabis storefronts have been assisted financially by either the landlord or by the proposed new cannabis tenant. However, there have also been several commercial tenants on month-to-month leases where leases were terminated or otherwise ended with minimal notice and without assistance.

Although the Planning Commission expressed concern for the businesses that have been or would be displaced by cannabis retailers, amendments are not proposed regarding displacement notification and relocation assistance provisions given that tenants and property owners have entered into private lease agreements and would conduct business, including terminating occupancy, according to those agreements.

## **Other Cannabis Topics for Consideration**

Although outside the City Council's direction to explore specific topics, during the Planning Commission's deliberations, the Planning Commission requested that staff identify the following topics to the City Council pertaining to the City's retail cannabis provisions for City Council consideration for potential Code modifications:

- Updating the City's definition of a "youth center";
- Changing the process for evaluating existing nonconforming uses during conditional use permit application review;
- Establishing separation requirements between cannabis storefronts and youth-centric businesses, group/recovery homes, and parks (beyond playground equipment); and
- Requiring health warnings to be provided at cannabis storefronts.

## **Other Text Modifications for Clarity**

Additional text, primarily within Title 9, are proposed to clarify existing and proposed law and intent and to address state law changes, and are summarized in Attachment 7. The most significant of these recommendations are:

- Modifications to CMMC Section 13-200.93(7) to include provisions for terminating CUPs at locations where the cannabis retail storefront use is discontinued and/or replaced;
- Modifications to CMMC Section 9-488(a) and (b) to clarify the existing requirements that a cannabis business permit holder's use, and application for CBP renewal, must be compliant with the City's Municipal Code and adopted administrative regulations, and timely fees must be paid for renewal; and
- Modifications to CMMC Section 9-493 to clarify the pre-existing requirement that cannabis businesses must hold a valid business license.

The proposed "track changes" versions of these modifications are provided in Attachments 5 and 6.



These recommended changes do not relate to the proposed cap on CUPs or CBPs, but are being made to clarify issues that have come up with proposed and existing businesses. Having the maximum clarity in the municipal code benefits the businesses so they know exactly what is expected of them. In addition, adding language allowing for termination of a cannabis CUP which is not being used (i.e., no cannabis business is operating there) will allow for another potential cannabis business at another location if there is any cap adopted.

### **Cannabis Industry Meeting**

On February 22, 2024, Mayor Stephens, Mayor Pro Tem Harlan, and Councilmember Gameros held a Zoom meeting for retail cannabis applicants/property owners to discuss their questions or comments regarding the Planning Commission's recommendations. The following is a summary of comments received at the meeting:

- Allowing the word cannabis on an entryway notice is too discreet to communicate to the public what is being sold from the location.
- It would be burdensome on the industry to follow separate State and local advertising and marketing regulations.
- New minimum separations should not apply to existing applications.
- Limiting the number of permits that could be issued feels unfair to applicants that are still in the permitting process.
- Concern regarding the ability to sell a retail cannabis business in the future if the City is not issuing more cannabis business permits or the location does not meet the amended separation requirements.
- Reconsider the requirement and cost for employee background checks and city-issued badges.
- Improve transparency in the process and provide updated timeframes.

### **Employee Background Check/Badge Fee**

Although outside of the Planning Commission's recommendations, the cannabis industry and operators have requested the City Council reconsider the \$631 fee for employee background checks and badges, citing that the fee is higher than other jurisdictions. Staff recently surveyed nine Southern California cities and found three general approaches to the fee:

- Operators have background check results sent to the jurisdiction and the jurisdiction charges a nominal fee;
- Jurisdiction estimates employee background check costs and builds that into a broad fee, understanding that some operations may have needs beyond the estimated cost; and
- Jurisdiction charges per employee for a partial or full cost recovery.

Of the cities surveyed, only Costa Mesa appears to receive a full cost recovery for employee background checks and badges. The current fee was established in 2021, following a ClearSource Financial Consulting study of the cost of providing a variety of services to cannabis businesses in Costa Mesa. At that time, the fee for a cannabis employee background check and badge was \$341. The study found that the true cost of providing the service was \$631, and thus the fee was increased to enable the City to be paid in full for services rendered. Information on the fee analysis and information provided to the City Council along with the final fee resolution can be found via the links below.

City Council Agenda Report June 1, 2021 City Council Public Hearing on Cannabis Fees PH-3.pdf ([costamesaca.gov](https://costamesaca.gov))

PowerPoint

Microsoft PowerPoint - Cannabis Permit Fee FY 2122 - DRAFT - As of 05-24-21 [Read-Only] ([costamesaca.gov](https://costamesaca.gov))

Fee Resolution

2021-20 - Measure Q Fees ([costamesaca.gov](https://costamesaca.gov))

**ENVIRONMENTAL DETERMINATION:**

The proposed Ordinances are exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) ("General Rule") in that the updates to the City's Municipal Code provisions for retail cannabis storefronts will not have a significant impact on the environment.

**ALTERNATIVES:**

The City Council has the following alternatives:

1. Give first reading. The City Council may give first reading to the draft Ordinances.
2. Give first reading with modifications. The City Council may modify the draft Ordinances and give first reading.
3. Not adopt the changes to the City's retail cannabis provisions. The City Council may choose to not adopt the proposed Code amendments.
4. Continue the Ordinances review to a date certain. The City Council may continue the item to a date certain with direction for staff to return with additional information, changes and/or clarifications.

**FISCAL REVIEW:**

The adoption of the proposed Ordinances will not have any fiscal impact on the City's budget.

**LEGAL REVIEW:**

The draft Ordinances and staff report have been prepared in conjunction with and reviewed by the City Attorney's Office.

**CITY COUNCIL GOALS AND PRIORITIES:**

This item supports the following City Council Goal:

- Strengthen the public's safety and improve the quality of life.

**CONCLUSION:**

Since November of 2022, when the first cannabis retail storefront operator opened for business, there have been few formal complaints from the public regarding storefront operations, and the City has not been requested to respond to any unsafe operating conditions or issues of general welfare of residents and/or the public. Therefore, staff believes that the City's cannabis programs, regulations and property specific conditions of approval are adequately regulating cannabis retail storefront operations. Further, many of these retail storefronts have remodeled and invested significant capital in updating several commercial properties in the City that had been subject to issues of deferred maintenance. However, the City Council directed the Planning Commission to consider potential amendments to the City's retail cannabis provisions. After extensive discussion and considering community input at three public meetings, the Planning Commission recommends the following amendments to the City's cannabis provisions to be considered by the City Council:

- Increase the minimum separation between cannabis storefronts and youth centers from 600 feet to 1,000 feet;
- Establish a minimum separation of 100 feet between cannabis storefronts and properties zoned for residential use;
- Establish a minimum separation of 500 feet between cannabis storefronts;
- Establish a maximum number of 30 retail cannabis storefront applications to be approved, then discontinuing processing cannabis storefront applications until the number of open cannabis storefronts in the City is below 15;
- Allow the word "cannabis" to be utilized twice on a notice to be located at cannabis storefront entrances, subject to design standards; and
- Prohibit advertising and marketing materials from encouraging persons under 21 years of age to consume cannabis or cannabis products and prohibiting cannabis advertising and marketing materials from depicting or suggesting the consumption of cannabis or cannabis products.

In its consideration of the proposed amendments to the City's cannabis provisions, the City Council has the authority to propose changes, request more information and/or direct staff to make revisions, or choose to not adopt the proposed amendments.