



DATE: November 14, 2017

TO: Mayor and City Council

FROM: City Attorney and Interim Development Services Director

SUBJECT Re-Introduction of Ordinance of the Council of the City of Hayward Enacting Comprehensive Regulations for Personal Cannabis Cultivation and Commercial Cannabis Land Uses through the Amendment of Hayward Municipal Code, Chapter 10, Article 1(Zoning Ordinance).

RECOMMENDATION

That the City Council re-introduces the ordinance (Attachment II).

SUMMARY

The purpose of this item is to re-introduce the ordinance, as amended by the Council during the October 30, 2017 City Council meeting. Re-introduction is necessary because the City Charter requires any ordinance that is altered after its introduction to be adopted at a meeting at least one week after the alteration. Since the ordinance was introduced on October 17 subject to amendments made during that meeting, and subsequently amended at the meeting where it was scheduled for adoption on October 30, staff recommends that this item be re-introduced to comply with the requirements of the City Charter.

BACKGROUND AND DISCUSSION

During the October 17, 2017 City Council meeting, the City Council considered Comprehensive Regulations for Personal Cannabis Cultivation and Commercial Cannabis Land Uses through the Amendment of Hayward Municipal Code, Chapter 10, Article 1(Zoning Ordinance), for introduction. The Council voted to introduce the ordinance subject to the following amendments: 1) amend the ordinance to remove hours of operation and have these specified in the Conditional Use Permit process, and align delivery hours with alcohol regulations; 2) modify the ordinance by removing the word “armed” from the security guard language; 3) include language about workers’ compensation and labor agreements in the Request for Proposal (RFP) scoring process; 4) adopt a resolution to limit the number of commercial cannabis retail dispensaries to three; 5) evaluate modifying the language in the ordinance to remove all cannabis related uses from the Form-Based Code and Neighborhood Commercial-Residential districts; 6) review language to allow a business application to move forward absent a permanent/temporary State license but not allow it to open until it has a provisional/permanent State license; and 7) add youth education as a community benefit component in the RFP.

The ordinance incorporating the amendments from the October 17 meeting was placed on the agenda for the October 30, 2017 City Council meeting for adoption. The item was pulled from the consent calendar for additional discussion regarding further amendments. The Council voted to further amend the ordinance by removing cannabis uses (delivery and retail) from the Neighborhood Commercial zoning district.

The City Council action to approve the ordinance with the additional amendment during the October 30 meeting was not sufficient to adopt the ordinance at that meeting. Pursuant to Section 617 of the City Charter, if an ordinance is altered after its introduction (except for the correction of typographical or clerical errors), it shall be adopted at a meeting held at least one week after the date of such alteration. The purpose of this item is to re-introduce the ordinance with the amendment made by the Council during the October 30 City Council meeting to comply with the requirements of the City Charter.

ECONOMIC IMPACT

Potential economic impact of issuing conditional use permits to commercial cannabis businesses has been discussed in other related agenda items from March 2017 to present.

FISCAL IMPACT

The fiscal impact of this item has been discussed and addressed in prior related agenda items, including an amendment to the Master Fee Schedule imposing fees related to the City's commercial cannabis program.

STRATEGIC INITIATIVES

Relationship of this item to strategic initiatives has been discussed in prior related agenda items.

PUBLIC CONTACT

Public notice of the re-introduction of the ordinance was published on November 3, 2017 in the Daily Review-Bay Area News Group.

NEXT STEPS

Upon re-introduction by the Council, this item will be placed on the agenda for adoption during the November 28, 2017 City Council meeting. It will become effective immediately upon adoption.

Prepared by: Michael Vigilia, Senior Assistant City Attorney
Jeremy Lochirco, Principal Planner

Recommended by: Michael Lawson, City Attorney
Stacey Bristow, Interim Development Services Director

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', written in a cursive style.

Kelly McAdoo, City Manager