HAYWARD CITY COUNCIL

RESOLUTION NO 17-

Introduced by Council Member	Introduced	by Council	Member
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RESOLUTION ADOPTING FINDINGS SUPPORTING AMENDMENTS TO THE CITY OF HAYWARD MUNICIPAL CODE ESTABLISHING REGULATIONS FOR PERSONAL CANNABIS CULTIVATION AND THE ESTABLISHMENT OF COMMERICAL CANNABIS LAND USE REGULATIONS

WHEREAS, at the direction of the City Council, staff prepared amendments to the City's Municipal Code to establish regulations related to the placement and enforcement of personal cannabis cultivation and the placement, maintenance and enforcement of Commercial Cannabis land uses to implement the proposed regulatory framework for commercial cannabis businesses in the City of Hayward (the "Project"); and

WHEREAS, the City Council independently finds and determines that this action is exempt from CEQA pursuant to Business and Professions Code section 26055(h) for the adoption of an ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity where the discretionary review in any such law, ordinance, rule, or regulation includes any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code; and, under Section 15061(b)(3) of the CEQA Guidelines, as an activity that is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The general exemption applies in this instance because it can be seen with certainty that there is no possibility that the proposed amendments could have a significant effect on the environment, and thus are not subject to CEQA. Thus, it can be seen with certainty that the proposed project would not have a significant effect on the environment; and

WHEREAS, the Planning Commission considered the Project at a public hearing held on September 14, 2017, and where the motion passed (6-0-0), that the City Council approve the proposed text amendments (Application No. 201705042) to Chapter 10 of the Hayward Municipal Code, including the establishment of regulations governing Personal Cannabis Cultivation and Commercial Cannabis Land Uses; and

WHEREAS, notice of the hearing was published in the manner required by law and the hearing was duly held by the City Council on October 17, 2017.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds and determines as follows:

CALIFORNIA ENVIRONMENTAL QUALITY ACT

A. The proposed land use ordinance and text amendments are exempt from CEQA pursuant to Business and Professions Code section 26055(h) for the adoption of an ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity where the discretionary review in any such law, ordinance, rule, or regulation includes any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code; and, under Section 15061(b)(3) of the CEQA Guidelines, as an activity that is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The general exemption applies in this instance because it can be seen with certainty that there is no possibility that the proposed amendments could have a significant effect on the environment, and thus are not subject to CEQA. Thus, it can be seen with certainty that the proposed project would not have a significant effect on the environment.

AMENDMENTS TO THE MUNICIPAL CODE RELATED TO PERSONAL CULTIVATION AND COMMERICAL CANNABIS LAND USES (REFERRED TO AS THE "TEXT AMENDMENTS")

A. Substantial proof exists that the proposed change will promote the public health, safety, convenience, and general welfare of the residents of Hayward.

The proposed text amendments and land use ordinance will promote the public health, safety, convenience, and general welfare of the residents of Hayward by providing additional employment and business opportunities with the allowance of commercial cannabis businesses in Hayward. Additionally, the proposed changes will result in land uses in the commercially and industrially zoned areas that are compatible with existing and future uses and will not be detrimental to the public interest, health, safety, convenience, or welfare of the City. As proposed, the land use regulations will ensure that any cannabis business will operate in such a manner to minimize public safety and public nuisance impacts while incorporating appropriate measures to mitigate possible environmental impacts associated with business activities. The State, through the passage of the MAUCRSA, has found substantial evidence that cannabis has medicinal value for many health conditions that otherwise would result in a compromised quality of life for residents.

B. The proposed change is in conformance with all applicable, officially adopted policies and plans.

The proposed zoning amendments contained herein are consistent with the goals and policies of all elements of the *Hayward 2040 General Plan*, and any applicable specific plan in that the amendments will direct commercial cannabis businesses to appropriate commercial and industrial districts designated to support such uses. The proposed zoning amendments are internally consistent with other applicable provisions of Chapter 10 of the Municipal Code in that the entirety of the Code will apply to cannabis as a new land use classification, such as identifying where the use is allowed, under what permit authority development and parking

standards and processes. The proposed recommendations within land use ordinance are consistent with the following policies and actions of the Hayward 2040 General Plan:

- <u>LU-5.2 Flexible Land Use Regulations</u>. The City shall maintain flexible land use regulations that allow the establishment of economically productive uses in regional and community centers.
- <u>LU-5.6</u> Adaptive Reuse, Renovation or Redevelopment. The City shall support the adaptive reuse, renovation or redevelopment of community and regional shopping centers that are no longer viable due to changing market conditions, demographics, or retail trends. The City shall consider alternative land uses if market conditions limit the feasibility of commercial uses.
- <u>LU-6.1 Land Uses</u>. The City shall encourage employee-intensive uses, such as professional office, corporate campuses, research and development, traditional and specialized manufacturing, throughout the Industrial Technology and Innovation Corridor.
- <u>ED-1.6 Advances and Specialized Manufacturing</u>. The City shall encourage the establishment and expansion of advanced and specialized manufacturing businesses to counter declining employment trends in traditional industrial manufacturing.
- <u>ED-1.11 Local Serving Retail</u>. The City shall encourage the establishment and expansion of commercial businesses that increase local spending within Hayward and provide needed goods and services to local residents and businesses.
- <u>ED-3.2 Fast Growing Industries</u>. The City shall monitor industry and market trends to identify fast-growing industries, and coordinate with local businesses within those industries to proactively assist with potential business expansion plans.
- <u>ED-6.2 Land Use Certainty</u>. The City shall strive to enhance land use certainty for businesses by identifying and removing unnecessary regulatory barriers that discourage private-sector investment.
- <u>HLQ-4.1 Adequate Health Care Facilities</u>. The City shall encourage the development and maintenance of a full range of health care facilities, including hospitals, acute care facilities, neighborhood health portals/clinics, and mental health facilities, to meet the needs of all residents.
- <u>HQL-10.6 Parks as Buffers</u>. The City shall consider the use of parks and recreational corridor as buffers between incompatible land uses.

C. Streets and public facilities existing or proposed are adequate to serve all uses permitted when the property is reclassified; and

The streets and public facilities that currently serve the City are not expected to be significantly impacted with additional cannabis land uses. Much of the proposed land use activities associated with cannabis are consistent and compatible with the other land uses that are

currently permitted or conditionally permitted in the zoning districts. No properties are proposed to be reclassified or rezoned with the proposed text amendment. As such, the streets and public facilities, both existing and proposed, would be adequate to serve the potential development of new cannabis and cannabis-related businesses in the City.

D. All uses permitted when property is reclassified will be compatible with present and potential future uses, and, further, a beneficial effect will be achieved which is not obtainable under existing regulations.

No properties are proposed to be reclassified with the proposed text amendment and land use regulations pertaining to cannabis. A beneficial effect will be achieved with the proposed revision to the HMC, as it will allow for additional land uses and create additional business and employment opportunities in Hayward that would not be obtainable under the City's exclusionary Zoning Ordinance. As conditioned, the proposed regulations with special findings and operational requirements, will ensure that any proposed cannabis business will operate in a manner which is compatible with present and potential future land uses

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward, based on the foregoing findings, hereby adopts the findings in support of Zoning Text Amendment Application 201705042 and Proposed Adoption of New Land Use Regulations pertaining to Medical and Adult Use Cannabis within the City of Hayward, subject to the adoption of the companion ordinances.

IN COUNCIL	L, HAYWARD, CALIFORNIA	
ADOPTED E	BY THE FOLLOWING VOTE:	
AYES:	COUNCIL MEMBERS: MAYOR:	
NOES:	COUNCIL MEMBERS:	
ABSTAIN:	COUNCIL MEMBERS:	
ABSENT:	COUNCIL MEMBERS:	
APPROVED	AS TO FORM:	ATTEST: City Clerk of the City of Hayward
City Attorney	of the City of Hayward	