

REPORT TO THE CITY COUNCIL



DATE: June 30, 2020

TITLE: Proposed Ordinance of the Desert Hot Springs City Council Amending Chapter 17.180 allowing Light Distribution Uses for Marijuana Storefront Retail Facilities.

Prepared by: Doria Wilms, Assistant City Manager

RECOMMENDATION

Discuss and provide staff direction on proposed Ordinance amending Chapter 17.180 allowing Light Distribution Uses for Marijuana Storefront Retail Facilities.

DISCUSSION

The City of Desert Hot Springs ("City") is a charter city organized pursuant to Article XI of the California Constitution. Chapter 5.50 "Medical Marijuana Facilities Regulatory Permit," of the Desert Hot Springs Municipal Code ("DHSMC") establishes standards for granting permits to Marijuana Facilities within the City. Chapter 17.180, of the DHSMC establishes zoning regulations and development standards for Marijuana Facilities, as that term is defined, within the City. Currently, the DHSMC only allows cannabis retail sales within the Commercial Districts of the City and refers to such establishments as "Storefront Retail Facilities. Per the DHSMC, Storefront Retail Facilities are allowed in Commercial Zones with a Conditional Use Permit and a Regulatory Permit.

Currently Storefront Retail Facilities are permitted to conduct cannabis retail operations, deliver cannabis products to an end user consumer, conduct light manufacturing, and cultivate up to 99 mature flowering plants.

The City has been contacted by owners of Storefront Retail Facilities to request that light distribution be added as an allowable use to the Storefront Retail Facility Permit.

Light Distribution means the procurement, sale, or transport of cannabis or cannabis products either within the City limits, or to and from the City from a place outside the City limits, from a City-permitted and licensed Storefront Retail Facility to a permitted business location of another licensed entity, subject to State laws and regulations set forth in the DHSMC.

Adding light distribution to the Storefront Retail Facility Permit would allow Storefront Retailers to transfer excess cannabis product that has been cultivated onsite to be sold and distributed to another licensee. This allowance would encourage the safe sale and transfer of excess cultivated cannabis products to responsible licensees rather than running the risk of the excess cannabis product being pushed out into the black market.

Should the City Council direct staff to bring forth this item as drafted to the Planning Commission and ultimately the City Council for action, approved Storefront Retail Facilities with a City approved Conditional Use Permit and in compliance with all local and State laws may, at their discretion, add a light distribution use to their current Storefront Retail Facility so long as they comply with all of the following;

1. A maximum number of one (1) unmarked vehicle shall be used to distribute products.
2. The vehicle mentioned above must have a designated and marked parking space.
3. All State and local laws and regulations must be complied with at all times.

FISCAL IMPACT

Unknown at this time.

EXHIBIT(S)

1. Proposed Ordinance