SEAL OF

Contra Costa County

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: May 21, 2019

Subject: Cannabis Exclusion (-CE) Zoning Text Amendment and Rezoning to Include Blackhawk and Bollinger

Canyon Areas into Exclusion District

### **RECOMMENDATION(S):**

- 1. OPEN the public hearing on Ordinance No. 2019-14 and Ordinance No. 2019-15, RECEIVE testimony, and CLOSE the public hearing.
- 2. DETERMINE that adoption of Ordinance No. 2019-14 and Ordinance No. 2019-15 is exempt from environmental review under the California Environmental Quality Act (CEQA) under Business and Professions Code Section 26055(h) (commercial cannabis activities) and CEQA Guidelines section 15061(b)(3) ("common sense" exemption).
- 3. ADOPT Ordinance No. 2019-15, applying the Cannabis Exclusion (-CE) Combining District to the Blackhawk and Bollinger Canyon areas.
- 4. ADOPT Ordinance No. 2019-14, rezoning land to exclude commercial cannabis activities from specified areas in Alamo, Bethel Island, Contra Costa Centre, Sandmound Slough, Saranap, Blackhawk, and Bollinger Canyon.
- 5. DIRECT the Director of Conservation and Development, or designee, to file the CEQA Notice of Exemption with the County Clerk-Recorder.

APPROVE	OTHER
▼ RECOMMENDATION OF CN     ADMINISTRATOR	RECOMMENDATION OF BOARD COMMITTEE
Action of Board On: <b>05/21/2019</b>	✓ APPROVED AS RECOMMENDED ☐ OTHER
Clerks Notes:	
VOTE OF SUPERVISORS	
AYE: John Gioia, District I Supervisor Candace Andersen, District II Supervisor Diane Burgis, District III Supervisor Karen Mitchoff, District IV Supervisor Federal D. Glover, District V Supervisor	I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.  ATTESTED: May 21, 2019  David Twa, County Administrator and Clerk of the Board of Supervisors
	By: Jami Napier, Deputy

Contact: Ruben Hernandez, 925-674-7785

### FISCAL IMPACT:

There are no direct fiscal impacts associated with the adoption of Ordinance No. 2019-14 and Ordinance No. 2019-15. County costs in staff time and materials for development of County zoning ordinances related to the regulation of cannabis, including the proposed zoning text amendment and rezoning, are included in the department budget. According to the preliminary analysis prepared for the new County cannabis tax approved by the voters in November 2018, the potential annual general fund revenues from the cannabis tax could be in the \$1.7-\$4.4 million range.

### BACKGROUND:

This is a County initiated zoning text amendment and rezoning to apply the cannabis exclusion (-CE) combining district (Chapter 84-86) to the Blackhawk and Bollinger Canyon areas, and to rezone land to exclude commercial cannabis activities from specified areas in Alamo, Bethel Island, Contra Costa Centre, Sandmound Slough, Saranap, Blackhawk, and Bollinger Canyon. Commercial cannabis activities will be excluded from these areas by applying the –CE combining district to parcels where commercial cannabis uses would otherwise be allowed.

Ordinance No. 2019-15 would apply the –CE combining district to the Blackhawk and Bollinger Canyon areas. The -CE combining district is an overlay zone. An overlay zone is a zone that is superimposed on an existing use zone. An overlay zone establishes additional regulations that either reduce or increase the number of allowed uses in the underlying zoning district. The –CE combining district prohibits the establishment of any commercial cannabis activity on any parcel with a –CE combining district land use designation. The –CE combining district currently includes Acalanes Ridge, Alamo, Bethel Island, Contra Costa Centre, Knightsen, Sandmound Slough, and Saranap.

Ordinance No. 2019-14 would rezone land to exclude commercial cannabis activities from specified areas in Alamo, Bethel Island, Contra Costa Centre, Sandmound Slough, Saranap, Blackhawk, and Bollinger Canyon. Commercial cannabis activities are already excluded from parcels in these areas that have an underlying zoning designation of commercial (C) or retail business (R-B) and a –CE combining district designation. Without a –CE combining district designation, commercial cannabis activities could be allowed on parcels in the Alamo, Bethel Island, Contra Costa Centre, Sandmound Slough, Saranap, Blackhawk, or Bollinger Canyon areas with a controlled manufacturing (C-M) or non-residential planned unit (P-1) zoning designation. Applying the –CE combining district to all properties currently zoned commercial (C), retail-business (R-B), controlled manufacturing (C-M), or non-residential planned unit (P-1, P-1 –FH) will prohibit the establishment of any commercial cannabis activity on the rezoned parcels in Alamo, Bethel Island, Contra Costa Centre, Sandmound Slough, Saranap, Blackhawk, and Bollinger Canyon.

The Board of Supervisors adopted the County's commercial cannabis ordinance (Chapter 88-28) and cannabis exclusion (-CE) combining district (Chapter 84-86) on June 26,

2018. The ordinance and –CE combining district became operable in December of 2018, upon certification of the County's cannabis tax measure (Measure R). The commercial cannabis ordinance regulates the establishment and operation of various commercial cannabis activities within the unincorporated areas of the County.

The commercial cannabis ordinance and the –CE combining district were adopted to implement the "Framework for Regulating Cannabis in the Unincorporated Area of Contra Costa County," approved by the Board on April 24, 2018. The intent of the framework is to restrict eligible commercial cannabis activities to areas within 4 miles Highway 4 and Interstate 80. These transit corridors serve areas targeted by the County for the development of new industries. The adoption of Ordinance Nos. 2019-15 and 2019-14 will further implement the cannabis regulation framework.

# **COUNTY PLANNING COMMISSION HEARING**

The County Planning Commission held a public hearing on the proposed zoning text amendment and rezoning on April 24, 2019. Two individuals, both associated with the property located at 18120/18121 Bollinger Canyon Way, provided testimony objecting to the rezoning of that property. Staff responded that the proposed zoning text amendment and rezoning are consistent with the intent of the cannabis regulation framework to restrict commercial cannabis uses to eligible commercial and industrial zoning district within four miles of Highway 4 and Interstate 80.

After closing the public hearing and deliberating on the proposed zoning text amendment and rezoning, the Planning Commission voted 3-2 to recommend that the Board of Supervisors approve the zoning text amendment and rezoning.

# **CONSEQUENCE OF NEGATIVE ACTION:**

If Ordinance No. 2019-15 is not approved, the -CE combining district will not be applied to the Blackhawk and Bollinger Canyon areas. If Ordinance No. 2019-14 is not approved, specified areas in Alamo, Bethel Island, Contra Costa Centre, Sandmound Slough, Saranap, Blackhawk, and Bollinger Canyon will not be rezoned to exclude commercial cannabis activities.

### **CLERK'S ADDENDUM**

Public speakers: Dan Clancy, William Fleishhacker (letter attached)

Opened the public hearing on Ordinance No. 2019-14 and Ordinance No. 2019-15, received testimony, and closed the public hearing.

Determined that adoption of Ordinance No. 2019-14 and Ordinance No. 2019-15 is exempt from environmental review under the California Environmental Quality Act (CEQA) under Business and Professions Code Section 26055(h) (commercial cannabis activities) and CEQA Guidelines section 15061(b)(3) ("common sense" exemption).

Adopted Ordinance No. 2019-15, applying the Cannabis Exclusion (-CE) Combining

District to the Blackhawk and Bollinger Canyon areas.

Adopted Ordinance No. 2019-14, rezoning land to exclude commercial cannabis activities from specified areas in Alamo, Bethel Island, Contra Costa Centre, Sandmound Slough, Saranap, Blackhawk, and Bollinger Canyon. Directed the Director of Conservation and Development, or designee, to file the CEQA Notice of Exemption with the County Clerk-Recorder.

## **ATTACHMENTS**

Ordinance 2019-14 Maps
Ordinance 2019-15 Zoning Text
Findings Maps
RZ19-3248 Power Point
Approved Cannabis Framework April 24, 2018