

Responses to Council Questions and Comments

6/17/2024

Item #10: Introduction (First Reading) of an Ordinance Making Findings of Exemption under CEQA and Amending Table 4.4 and Chapter 28 "Glossary" of the Petaluma Implementing Zoning Ordinance to Permit On-Site Retail Cannabis Sales in up to Three Locations in Business Park and Industrial Zones, and Introduction (First Reading) of an Ordinance Amending the Petaluma Municipal Code to Relocate the City's Cannabis Regulations to a New Chapter 6.10 Entitled "Cannabis" and to Permit On Site Retail Cannabis Sales in Accordance with the Implementing Zoning Ordinance, and Adoption of a Resolution Updating the City's Commercial Cannabis Permit Regulations

- Question: The goal is 3 retail stores. Have we gotten statements from the two stores in our area for interest?
 - Response: We understand the local cannabis retailers have expressed interest in potentially becoming authorized, on-site cannabis retailers in Petaluma.
- Question: What are the consequences if 3 sites within City limits are selected and another business begins operating near in the urban growth boundary, but outside City limits?
 - Response: Exercise of the City's police power is limited by the City's geographic boundaries. Cannabis businesses located outside City limits in the unincorporated County would be subject to the County's General Plan, zoning code and rules and regulations regarding cannabis commercial activity. The City cannot approve or disapprove or regulate commercial cannabis activity outside the City. Note, however, that the retail cannabis sales regulations being presented to the City Council permit, but do not require, approval of up to three storefront cannabis retail sales locations in Petaluma. The granting of permits to operate onsite retail cannabis sales in the City will be discretionary in accordance with the City's selection process.
- Question: How will potential businesses be evaluated for selection?
 - Response: Staff are still working on the application grading rubric. It will be based on the prior application evaluation process for cannabis delivery and updated as appropriate to implement the review and potential approval of applications to operate up to three storefront retail cannabis sales locations. It will continue to be the case that commercial cannabis applicants will be subject to review of their business proposal, background checks and safety and security requirements. The Economic Development and Open Government Department, Community Development Department, Police Department and City Attorney's Office will all be involved in finalizing the selection process requirements and procedures.
- Question: Should there be a discussion about sales volumes and security requirements prior to approval?
 - Response: Security plans are required under the City's cannabis administrative regulations and will be part of the City's evaluation of business applications. The current security requirements are included as part of Attachment 3 to the staff report for the Cannabis item, Agenda Item 10.