

CALIFORNIA COASTAL COMMISSION

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Prepared January 22, 2018 for February 7, 2018 Hearing

To: Commissioners and Interested Persons

From: Susan Craig, Central Coast District Manager
Ryan Moroney, Supervising Coastal Planner

Subject: De Minimis Amendment Determination for City of Santa Cruz LCP Amendment Number LCP-3-STC-17-0073-2 (Cannabis Ordinance)

City of Santa Cruz's Proposed Amendment

The City of Santa Cruz proposes to modify several sections of the Local Coastal Program (LCP) Implementation Plan (IP) to address statewide legalization of adult-use (recreational) cannabis. The proposed ordinance addresses cultivation, manufacturing, testing, distribution, and retail sales of both medical and adult-use cannabis. All uses would be allowed in the City's industrial zoning districts, and retail uses would also be allowed in limited commercial districts. See **Exhibit 1** for the proposed amendment.

De Minimis LCP Amendment Determination

Pursuant to Coastal Act Section 30514(d), the Executive Director may determine that a proposed LCP amendment is "de minimis." In order to qualify as a de minimis amendment, the amendment must meet the following three criteria:

1. The Executive Director determines that the proposed amendment would have no impact, either individually or cumulatively, on coastal resources, and that it is consistent with the policies of Chapter 3;
2. The local government provides public notice of the proposed amendment at least 21 days prior to submitting the amendment to the Commission, by one of the following methods: posting on-site and off-site in the affected area, newspaper publication, or direct mailing to owners and occupants of contiguous property; and
3. The amendment does not propose any change in use of land or water or allowable use of property.

If the Executive Director determines that an amendment is de minimis, that determination must be reported to the Commission. If three or more Commissioners object to the de minimis LCP amendment determination, then the amendment shall be set for a future public hearing; if three or

more Commissioners do not object to the de minimis determination, then the amendment is deemed approved, and it becomes a certified part of the LCP ten days after the date of the Commission meeting (in this case, on February 17, 2018).

The purpose of this notice is to advise interested parties of the Executive Director's determination that the proposed LCP amendment is de minimis. Each of the de minimis criteria is discussed briefly below:

- 1. No impact to coastal resources and consistency with Chapter 3 of the Coastal Act:** The proposed amendment would add retail sale of both medical and adult-use cannabis as an allowable use (with an administrative use permit) in the Community Commercial (CC) and Thoroughfare Commercial (C-T) zone districts. These districts already allow similar retail uses (e.g. general retail merchandise). The amendment would also allow cultivation, manufacturing, testing, distribution, and retail sales of both medical and adult-use cannabis in the General Industrial District and General Industrial/Performance District (IG and IG-PER-2). Again, these districts already allow similar uses (e.g. food and beverage preparation, medical/health laboratories, other manufacturing/processing industries, etc.). Thus, the proposed amendment will not adversely affect coastal resources, and it is consistent with the policies of Chapter 3 of the Coastal Act.
- 2. Provision of public notice:** The City provided public notice in advance of the Planning Commission hearing (held on October 19, 2017) and the City Council hearings (held on November 22, 2016, September 12, 2017, and November 14, 2017) where the proposed amendment was considered. For the Planning Commission hearing, a newspaper advertisement notice was printed on September 30, 2017. For the City Council hearings, a newspaper advertisement notice was printed on November 5, 2016, and October 28, 2017. In addition, the proposed text was made available at the City Clerk's office and on the City's website for public inspection, all in advance of the City's hearings. The amendment submittal was subsequently received by the Commission on December 13, 2017 (and filed as complete on December 21, 2017), and therefore, the 21-day noticing requirement has been satisfied.
- 3. No change in use of land or allowable use of property:** No change in use is proposed by this amendment.

California Environmental Quality Act (CEQA)

The Coastal Commission's review and development process for LCPs and LCP amendments has been certified by the Secretary of Resources as being the functional equivalent of the environmental review required by CEQA. The City exempted the proposed amendment from environmental review under CEQA. This report has discussed the relevant coastal resource issues with the proposal, and has concluded that the proposed LCP amendment is not expected to result in any significant adverse impact on the environment. Thus, it is unnecessary for the Commission to suggest modifications to the proposed amendment to address adverse environmental impacts because the proposed amendment, as submitted, will not result in any significant environmental effects for which feasible mitigation measures would be required.

Coastal Commission Concurrence

The Executive Director will report this de minimis LCP amendment determination, and any comments received on it, to the Coastal Commission at its February 7, 2018 meeting at the Cambria Pines Lodge in Cambria. If you have any questions or need additional information regarding the proposed amendment or the method under which it is being processed, please contact Ryan Moroney at the Central Coast District Office in Santa Cruz. If you wish to comment on and/or object to the proposed de minimis LCP amendment determination, please do so by February 2, 2018.

Procedural Note - LCP Amendment Action Deadline

This proposed LCP amendment was filed as complete on December 21, 2017. It amends the IP only and the 60-day action deadline is February 19, 2018. (*See* Pub. Res. Code Sections 30513, 30514(b).) Thus, unless the Commission extends the action deadline (it may be extended by up to one year per Pub. Res. Code Section 30517), the Commission has until February 19, 2018 to take a final action on this LCP amendment.

Exhibits

Exhibit 1: Proposed IP Amendments (in strikethrough and underline)