BOARD of SUPERVISORS



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November 22, 2016

File No. 161241

Lisa Gibson
Acting Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On November 15, 2016, Mayor Lee introduced the following proposed legislation:

File No. 161241

Resolution creating interim zoning controls to require conditional use authorization for indoor agriculture uses, as defined in Planning Code, Section 102, and other indoor agriculture uses in Production, Distribution, and Repair zoning districts; making findings of consistency with the eight priority policies of Planning Code, Section 101.1; and affirming the Planning Department's determination under the California Environmental Quality Act.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

Alisa Somera, Legislative Deputy Director Land Use and Transportation Committee

Attachment

c: Joy Navarrete, Environmental Planning Jeanie Poling, Environmental Planning Not defined as a project under CEQA
Guildelines Sections 15378 and 15060(c)
(2) because it does not result in a
physical change in the environment.

Joy Navarrete 12/02/16

[Interim Zoning Controls - Indoor Agriculture]

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Resolution creating interim zoning controls to require conditional use authorization for indoor agriculture uses, as defined in Planning Code, Section 102, and other indoor agriculture uses in Production, Distribution, and Repair zoning districts; making findings of consistency with the eight priority policies of Planning Code, Section 101.1; and affirming the Planning Department's determination under the California **Environmental Quality Act.**

WHEREAS, Planning Code, Section 306.7 provides for the imposition of interim zoning controls to accomplish several objectives, including preservation of residential and mixed residential and commercial areas in order to preserve the existing character of such neighborhoods and areas, and development and conservation of the commerce and industry of the City in order to maintain the economic vitality of the City, to provide its citizens with adequate iobs and business opportunities, and to maintain adequate services for its residents, visitors, businesses and institutions; and

WHEREAS, Policy 2 of the eight priority policies of the City's General Plan and of Planning Code, Section 101.1 establishes a policy "That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;" and

WHEREAS, Indoor Agricultural uses, as defined in Planning Code, Section 102, and other indoor agriculture uses frequently involve cultivation of medical cannabis; and

WHEREAS, California's Proposition 64, the Adult Use of Marijuana Act (AUMA), was passed by the voters on November 8, 2016, permitting commercial cultivation of cannabis for nonmedical purposes, subject to a state licensing requirement; and

WHEREAS, Production, Distribution and Repair (PDR) zoning districts are areas in which commercial cannabis cultivation businesses may wish to locate; and

WHEREAS, The office of Mayor Edwin M. Lee, the Planning Department, the Office of Economic and Workforce Development and industry stakeholders are considering the recommendations of the San Francisco Cannabis State Legalization Task Force and engaging in broader discussions about amending and updating the existing Planning Code land use controls to allow for cultivation, manufacturing and distribution while ensuring San Francisco's policy goals for PDR-zoned areas are maintained; and

WHEREAS, An over-concentration of commercial cannabis cultivation businesses may have a negative impact on the character of neighborhoods within PDR zoning districts, and on the commerce and industry of the City, including within PDR zoning districts; and

WHEREAS, It is important that commercial cannabis cultivation operations adequately address public health, safety and general welfare concerns, for example, by having adequate security measures; and

WHEREAS, These interim zoning controls advance and are consistent with Policy 2 of the Priority Policies set forth in Planning Code, Section 101.1, in that they address the impacts of proposed cannabis cultivation businesses on neighborhood character in PDR zoning districts; and

WHEREAS, With respect to Priority Policies 1, 3, 4, 5, 6, 7 and 8, the Board finds that these interim zoning controls do not, at this time, have an effect upon these policies, and thus, will not conflict with said policies; and

WHEREAS, Adoption of these interim controls will allow the Board of Supervisors time to consider how to regulate commercial cannabis cultivation in PDR zoning districts; and

WHEREAS, The Board has considered the impact on the public health, safety, peace, and general welfare if the interim controls proposed herein are not imposed; and

WHEREAS, The Board has determined that the public interest will be best served by imposition of these interim controls at this time, to ensure that the legislative scheme that may be ultimately adopted is not undermined during the planning and legislative process for permanent controls; and

WHEREAS, The Planning Department has determined that the actions contemplated in this Resolution are in compliance with the California Environmental Quality Act (California Public Resources Code, Section 21000 et. seq.); and

WHEREAS, Said determination is on file with the Clerk of the Board of Supervisors in File No. _____ and is hereby affirmed and incorporated by reference as though fully set forth; now, therefore, be it

RESOLVED, That pursuant to Planning Code, Section 306.7, the City hereby requires that, as of the effective date of this Resolution, any proposed indoor Agriculture use, as defined in Planning Code, Section 102, as well as any other proposed indoor agricultural use, that is located in a PDR zoning district must obtain conditional use authorization from the Planning Commission, pursuant to Planning Code, Section 303; and, be it

FURTHER RESOLVED, That these interim zoning controls advance and are consistent with Policy 2 of the Priority Policies set forth in Planning Code, Section 101.1, in that they require consideration of a proposed cannabis cultivation business's impacts on neighborhood character in PDR zoning districts, by requiring conditional use authorization for this new use; and be it

FURTHER RESOLVED, That these interim controls shall remain in effect for eighteen months from the effective date of this Resolution, or until the adoption of permanent legislation regulating commercial cannabis cultivation in PDR zoning districts, whichever first occurs.

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By:

VICTORIA WONG Deputy City Attorney

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