

## FINDINGS

### Citywide Zoning Code Amendment Application No. 2404-27 (ZCA 24-001, LCPA24-002) September 19, 2024 (Planning Commission)

The Long Beach Municipal Code (LBMC) does not require specific findings for the adoption of a Zoning Code Amendment (ZCA). The proposed ZCA, however, has been determined to be consistent with state law and guidelines, consistent with all elements of the General Plan, will not adversely affect the character, livability or appropriate development of the City, and is in conformity with public necessity, convenience, general welfare, and good planning practice. The City of Long Beach makes these findings in support of its adoption of the proposed amendments to Title 21 and Title 22 of the LBMC.

**The Title 21 and Title 22 Code Amendments are consistent with objectives, principles, and standards of the General Plan.** The proposed amendments would not conflict with the City's General Plan, the 2030 Strategic Vision, or any other applicable land use plans and policies. The ZCA involves amendments to Titles 21 (Zoning Code) and Title 22 (Transitional Zoning Code) of the LBMC pertaining to the establishment of a new land use for adult-use delivery-only dispensaries. These changes support major amendments being proposed to Title 5 (Regulation of Businesses, Trades and Professions) as to the permitting and operational standards for delivery only cannabis businesses (including their allowance within specific commercial and mixed-use zoning districts). These amendments reflect the forward-moving direction and growth of the adult-use cannabis commercial industry within the City of Long Beach since the adoption of Chapter 5.92 (Adult-Use Cannabis Businesses and Activities) of the LBMC in 2018 and subsequent amendments in 2020. Up until this point, dispensaries within the City of Long Beach were not allowed to have delivery-only options. On July 7, 2020, the City Council requested city staff to explore ways to strengthen the Cannabis Social Equity Program to expand equitable business ownership opportunities in Long Beach. In response, staff released a memorandum to the City Council identifying policy options for the City Council to consider, including:

- Licensing and regulating shared-use manufacturing;
- Non-storefront retail (delivery-only); and
- Additional storefront retail (dispensary) businesses.

On August 17, 2021, staff released a feasibility analysis (as requested by City Council on January 5, 2021) to outline the potential impacts of allowing cannabis delivery-only services in Long Beach. Subsequent to the release of the feasibility study, City Council directed the City Attorney's office to prepare an Ordinance to allow cannabis delivery-only facilities in Long Beach on October 12, 2021. In order to facilitate preparation of an Ordinance to allow cannabis delivery-only dispensaries (non-storefront retail), changes to Titles 5, 21 and 22 of the LBMC are required. As detailed below, the ZCA is consistent with goals, policies and strategies in the existing Land Use Element (LUE) of the General

Plan.

For context, the following changes are contemplated for Title 5 of the LBMC:

- Remove the Section 5.92.960.C of the LBMC prohibition of dispensary sales exclusively by delivery; and
- Introduce a new Division into Chapter 5.92 of the LBMC (Division XII), pertaining to operating conditions for delivery-only dispensaries.

In support of those changes, the ZCA will implement the following amendments:

Title 21 of the LBMC:

- Introduce a new definition for “Adult-Use Delivery-Only Dispensary” into Chapter 21.15 of the LBMC; and
- Introduce a new land use category for “Adult-Use Delivery-Only Dispensary” into the Retail sections of Tables 32-1 (Chapter 21.32) and 33-2 (Chapter 21.33) within Title 21 of the LBMC.

Title 22 of the LBMC:

- Introduce the new land use category for “Adult-Use Delivery-Only Dispensary” into the Basic Sales and Service sections of Tables 2B and 2C (Chapter 22.15) within Title 22 of the LBMC.

The Adult-Use Delivery-Only Dispensary category will indicate a by-right allowance within commercial and industrial zones, when up to 750 square-feet in size, and an Administrative Use Permit (AUP) requirement when greater than 750 square-feet. These uses will be limited to 2<sup>nd</sup> floor areas within neighborhood commercial and mixed-use zoning districts (such as CNP, CNA, CNR, CCR, CCN, MU-1, MU-2, and MU-3).

These amendments are consistent with the goals and policies of the General Plan’s Land Use Element (LUE) on a citywide basis. One of the citywide goals identified in the LUE is to strengthen the City’s fiscal health by stimulating continuous economic development and job growth (**Goal No. 2** of the LUE). In particular, Strategy No. 3 calls for the maintenance of a strong, diversified economic base that creates jobs and attracts employers. Specifically, LU Policy 3-4 sets forth a specific objective to accomplish this goal. This policy looks to “promote and attract a mix of commercial and industrial uses by emphasizing the flexibility of the PlaceType designations.”

The proposed ZCA supports the objectives of LU Policy 3-4 by expanding the variety of land uses allowed throughout the city, while also promoting potential growth in the cannabis dispensary industry. Current regulations do not allow adult-use cannabis dispensaries to operate on a delivery-only basis. Allowing the establishment of adult- use delivery-only dispensaries in the City of Long Beach will help accommodate that growth while still appropriately requiring discretion actions when a 750-square-foot size threshold

is surpassed.

**The Title 5, Title 21, and Title 22 Code Amendments will not adversely affect the character, livability or appropriate development of the City, and is in conformity with public necessity convenience, general welfare, and good planning practice.**

LBMC Chapter 5.92 of the LBMC (Adult-Use Cannabis Businesses and Activities) was adopted in 2018 and established regulations for adult-use cannabis businesses, including dispensaries. Chapter 5.90 (Medical Marijuana Businesses) was adopted prior to the adoption of Chapter 5.92 of LBMC. At the time of adoption of Chapter 5.90 (Through Measure MM) a maximum of 32 medical cannabis dispensaries were established on a citywide basis. The cap of 32 medical dispensaries was carried over to adult-use dispensaries, in which co-location (establishment of medical and adult-use cannabis businesses in the same facility) was required. Since that time, the City of Long Beach has seen a steady influx of application submittals for adult-use cannabis manufacturing, cultivation, and distribution facilities. While there are specific location buffers placed on adult-use cannabis facilities, including compliance with zoning requirements, in general, the steady expansion of manufacturing, cultivation and distribution businesses grows disproportionately larger than the 32 cannabis dispensaries throughout the city. The City of Long Beach has recognized this trend and is now in consideration of accommodating non-storefront dispensaries with delivery-only functionality, in order to expand the types of adult-use cannabis dispensaries.

The intent of the proposed ZCA is to allow the expansion of adult-use cannabis dispensaries, while simultaneously establishing a less intense operation model that omits a retail storefront. Cannabis dispensaries are currently capped on a citywide basis and do not allow delivery-only operations. Introducing delivery-only dispensaries provides an additional means of facilitating business transactions to end-consumers without the customer having to visit a facility. Title 5 of the LBMC includes several stringent operational standards and measures that are required of all adult-use cannabis businesses. Proposed amendments to Title 5 of the LBMC include additional standards and measures that will govern delivery-only adult-use cannabis dispensaries. The location requirements established in Title 5 of the LBMC, including buffers from sensitive uses such as schools and parks as well as a minimum 1,000-foot distance separation between dispensaries, would remain in full force and effect with this code amendment. These buffers continue to ensure that there would not be an overconcentration of the cannabis dispensaries in any particular area of the City.

The proposed ZCA would also include amendments to Chapter 21.45 of the LBMC (Special Development Standards) for the addition of operational standards for delivery only dispensaries, such as storefront and display requirements, which are important even though these locations will not be open to the public. The proposed architectural and design requirements ensure that these types of uses are seamlessly integrated into the commercial zoning districts and maintain high-quality urban design standards with the necessary security measures for cannabis uses. Multiple strategies outlined in the Urban

Design Element (UDE) encourage an “eyes on the street” active pedestrian environment by maximizing transparency of exterior walls, incorporating and/or encouraging active ground floor uses, and entrances that engage the street. The proposed ordinance stipulates that delivery-only dispensaries should be located only on the 2<sup>nd</sup> floor in certain pedestrian-oriented commercial zones, to ensure that active ground floor uses are preserved and encouraged at the ground level. The proposed ordinance includes mechanisms for discretion to ensure the goals of the LUE and UDE are maintained with each application. In addition to location requirements and architectural design, delivery loading on-site, business delivery vehicles on-site, and limits on the number of business-owned vehicles allowed ensure that the operation of these uses do not create a security or access concern for nearby uses. These special development standards would apply to both by-right uses and AUPs. While the delivery-only dispensary use is commercial in nature, the form and function of these uses are nuanced from a traditional commercial storefront. Therefore, the introduction of these standards help ensure the operation of delivery-only dispensary uses do not adversely affect the character, livability or appropriate development of the City.

Each adult-use delivery-only dispensary (whether by-right or by AUP application) would be subject to these Title 5 operational standards, Title 21 special development standards, and any additional special Conditions of Approval deemed appropriate as part of discretionary approvals. The proposed project introduces a new commercial land use category and associated regulations within established commercial and mixed-use zoning districts. There would be no physical development as a result of the proposed zoning code amendment. Future applications would have a similar form and function as non-cannabis commercial uses in the same zoning districts.