

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-566**

**RESOLUTION APPROVING THE ISSUANCE OF UP TO TEN (10)
COMMERCIAL CANNABIS RETAIL DISPENSARY PERMITS AT VARIOUS
LOCATIONS IN THE CITY WITH APPROPRIATE CONDITIONS**

WHEREAS, the City Council has adopted a Commercial Cannabis Ordinance, Ordinance 3684-C.S., that established the City's regulatory framework for commercial cannabis uses, and

WHEREAS, under Section 10-3.704(b) of the Ordinance, the City Council via Resolution 2017-525 established the total number of commercial cannabis permits issued by the City for cannabis dispensaries at ten maximum (10) permits, and

WHEREAS, under Section 10-3.704(g) and City Council Resolution 2017-525, the City Manager designed the application forms and procedures for commercial cannabis dispensary permits, with input from the City Council Ad Hoc Cannabis Committee, and a competitive process was opened, and

WHEREAS, some 20 proposals were received by the City for commercial cannabis dispensary permits; City staff and the City Council Ad Hoc Cannabis Committee scored such proposals following technical reviews and interviews related to community benefits, and

WHEREAS, the City Council Ad Hoc Cannabis Committee has recommended to the City Council approval of eight dispensary applications, taking into account issues related to the collective impact of having up to ten dispensaries Citywide, diversity of background, variety of operation sizes and business locations, general neighborhood and safety impacts, as well as the desire to have the dispensaries dispersed in various

locations throughout the City to lessen collective impacts, increase chances of success, and allow for accessibility from various areas of the City, and

WHEREAS, under Section 10-3.704(f), commercial cannabis permits must be awarded by the City Council and such decisions are final and not subject to appeal, and

WHEREAS, the City Council held a properly noticed public hearing to consider all applications for commercial cannabis dispensary permits on December 19, 2018, and

WHEREAS, the City Council desires to award commercial cannabis dispensary permits to qualified operators at permitted locations who will achieve compliance with state and local laws and regulations, enhance the diversity of the City's economy, mitigate negative impacts, provide a variety of locations and types of cannabis dispensaries to the community, and best promote the public health, safety, and general welfare of Modesto residents and businesses.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby finds and determines as follows:

1. All of the proposed project applications for Commercial Cannabis Dispensary Permits are exempt from further analysis under the California Environmental Quality Act (CEQA) under the in-fill streamlining process found in CEQA Regulation 15183.3 and/or the existing facilities exemption in Regulation 15301 and/or the exemption for new construction or conversion of small structures under Regulation 15303. Furthermore, the proposed businesses are exempt from CEQA under the general rule in CEQA Guidelines section 15061(b)(3), that CEQA only applies to projects that have the potential for causing a significant effect on the environment. The businesses are retail uses and are permitted under the current zoning code.
2. A waiver to the proximity requirements of the City's commercial cannabis ordinance is hereby granted for the dispensary locations requiring proximity waivers due to impassible physical barriers such as a building, sound wall, major street or highway.
 - a. Any permit awarded that requires a proximity waiver, shall require a condition that an eight (8) foot masonry wall, or wall of a similar material, be constructed in a manner and location approved by the City.

BE IT FURTHER RESOLVED by the Council that pursuant to Modesto Municipal Code Section 10-3.704(f), City of Modesto Commercial Cannabis Permits are awarded for the following qualified dispensaries upon an adequate showing of full compliance with all City requirements:

- CR & D, Inc. 439 Maze Blvd.
- CV Wellness 426 McHenry Ave.
- Doctor's Choice 2039 Yosemite Ave.
- Medallion Wellness 1313 McHenry Ave.
- Medical Highway/Modesto Roots 1944 W. Orangeburg Ave.
- People's Remedy - Crows Landing 1982 Crows Landing Rd.
- People's Remedy - McHenry 2308 McHenry Ave.
- Phenos Cooperative 1234 McHenry Ave.

BE IT FURTHER RESOLVED, that the People's Remedy, located at 1982 Crows Landing Road, be approved as a Micro business.

BE IT FURTHER RESOLVED by the Council that the City Manager is authorized to apply necessary and appropriate general and site-specific conditions of approval to individual Commercial Cannabis Dispensary Permits.

BE IT FURTHER RESOLVED by the Council that this Resolution shall become effective immediately upon adoption.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 19th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

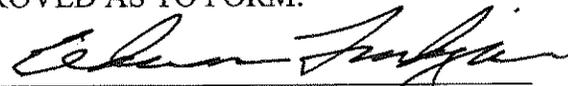
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney