

Cannabis Land Uses Authorized in Limited Areas.

The first application cycle will begin on March 1, 2018, and will end on April 15.

Responding to the statewide voter mandate, Proposition 64, and several other related California laws, the City of Lake Elsinore has reduced its restrictions and will now allow only limited cannabis related land uses and businesses within the City.

On Nov. 28, the City Council formally adopted an ordinance amending Title 17, Chapter 17.156, regulating cannabis dispensaries, manufacturing and cultivation.

The ordinance, which became law in late December, institutes changes in land-use zoning that establish where cannabis dispensaries and cultivation for medical as well as recreational uses may be permitted.

The amendment specifically addresses dispensing, cultivating, processing, manufacturing, testing and distributing with the overall goal of protecting public health and safety while minimizing the public cost of overseeing those activities.

Any such cannabis-related activity is subject to the requirements of the ordinance regardless of whether it existed before the law's passage.

Cultivation and manufacturing of cannabis products will now be allowed only in the City of Lake Elsinore's M-1 (light industrial) and M-2 (heavy industrial) zones. And, each of these zones is limited to a maximum of five (5) cannabis-related facilities, for a total of 10 within the City.

These manufacturing zones generally are currently located in central Lake Elsinore west of Collier Avenue and the southern section of the City north of Corydon Street and west of Mission Trail. See map.

Stand-alone retail facilities, including dispensaries, remain banned. However, the ordinance does allow for dispensaries and distribution facilities as accessory uses to a permitted cultivation or manufacturing facility within these two zones. Therefore, if someone builds or opens an approved manufacturing facility in the approved zones they can operate a dispensary within that facility not to exceed 25% of the gross floor area and/or 51% of gross receipts for these accessory uses.

ALLOWED

The following cannabis related land uses are now permitted within only in M-1 and M-2 zones:

- Cannabis cultivation
- Cannabis manufacturing
- Cannabis testing laboratory
- Limited retail and distribution uses, which are only permitted as an accessory (i.e. additional) use to an approved facility permitted for cultivation, manufacturing, or testing.

NOT ALLOWED

- Stand-alone retail stores, i.e. dispensaries

- Cannabis-related facilities outside of M-1 (light industrial) and M-2 (heavy industrial zones)
- Cannabis-related operations without City approval and City-mandated permits
- Consumption of cannabis and alcohol at cannabis-related premises

Regardless of these changes, leasing agents and landlords within the City maintain the right to prohibit tenants from using their property for cannabis cultivation, processing, distribution or consumption.

While Lake Elsinore’s legal changes have added permitted uses to a couple of existing zones, they do not create new zoning districts or eliminate existing ones.

Additional cannabis businesses in these zones could be allowed if the City finds that they provide public conveniences that meet needs in their proposed locations and provide economic benefits that outweigh potentially negative impacts.

In addition, the City’s Community Development Director reserves the right to deny applications if the location has been targeted by law enforcement for health and safety issues related to alcohol and substance abuse or if it would be in a neighborhood where alcohol and substance abuse-related crimes have risen by 20 percent over the previous year.

STEPS TO OPEN A FACILITY

Anyone interested in opening a cannabis facility within these permitted zones will be required to go through an extensive application process, which includes completing the following steps:

- Submit a Conditional Use Permit for City approval.
- Acquire a Cannabis Business Permit, which includes mandatory annual inspections.
- Enter into a formal Development Agreement with the City.

Other Key Requirements:

- **Community Outreach** - An applicant must show that an effort has been made to inform the public of the intention to place a cannabis-related facility on the property.
- **Liability Insurance** – Required to have a minimum of \$1,000,000 in aggregate policy limits.
- **Financial Reporting** – Permittee required to submit financial reports on a yearly basis.
- **Site Security** – Cannabis related uses shall have a site security plan approved by the Sheriff’s department. The plan shall include surveillance cameras with specific storage and retention requirements and alarm systems.
- **Storage Requirements** – Cannabis related uses shall have adequate locked storage, with the storage identified and approved as part of the security plan.
- **Signage** - Specific signs that assert consumption of cannabis is prohibited, juveniles are prohibited, and that the products produced and/or sold have not been tested.
- **Site Restrictions** - All cannabis-related businesses shall lock all exterior doors, personnel shall wear identification badges, and requirements of managers being onsite.
- Cannabis and alcohol consumption prohibited.
- Limitations of operational hours.
- Uses located entirely indoors (excluding greenhouses).
- Operators cannot have a criminal history.

- Manufacturing of cannabis restricts the use of solvents and volatile chemicals.

Lake Elsinore is among several jurisdictions throughout the region taking a proactive approach to land-use regulations regarding cannabis in response to recent state laws.

Previously, the City applied land-use regulations to ban all cannabis-related facilities. Yet, many such businesses continued to operate in and around the City as underground enterprises.

NEXT STEPS

As noted above, anyone interested in opening a cannabis-related business within in the City must apply for a conditional use permits, cannabis business permit and establish a development agreement with the City. Please refer to the City's webpage for application materials.

If you have any additional questions, please contact City Hall at 951-674-3124.

KEY DOCUMENTS

Ordinance Amending Title 17, Chapter 17.156

Map of M-1 and M-2 Locations