Cannabis Zoning Code Amendments Land Use & Planning Committee

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Community Planning, Development and Innovation
November 10, 2021



Introduction



- State legislators implemented ballot initiative legalizing adult use cannabis
- Citizens of Missoula County voted to approve I-190 (56.9% approval)
- MCA 16.13 Section 111 encourages local governments to begin the process to integrate all cannabis business categories into local regulations
- Staff examined current land use regulations in relation to both medical and adult use recreational cannabis uses
- Staff propose a range of zoning code amendments to address current and future impacts of cannabis uses
- Staff is in the process of preparing recommendations to address energy consumption and cannabis cultivation

Timeline of Adult Use



November 2020: Voters approved I-190

May 2021: State Legislators pass HB 701

October 1, 2021: DOR licensing rules

January 1, 2022:

existing medical businesses (pre-November 2020) may apply for recreational business license

July 1, 2023:

Recreational business licenses available to general population

HB-701 Details

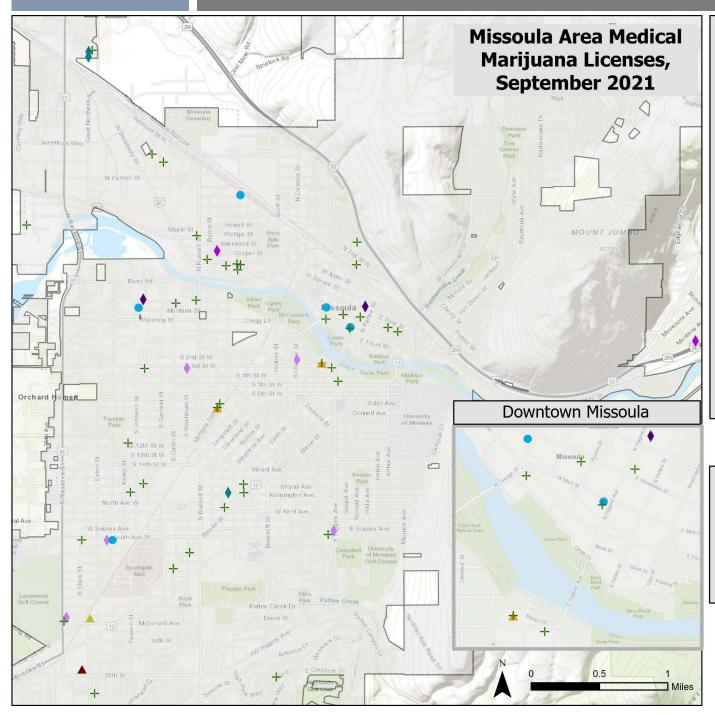


- No drive throughs allowed on any licensed property
- No advertising
- Alcohol, tobacco, and hemp may not be sold on the same premises as cannabis
- Cannot be open between 8 p.m. and 9 a.m. daily
- Cultivation and manufacturing cannot be visible from public areas without use of binoculars, aircraft, or optical aids
- Cannot be within 500ft of a school or place of worship



Current Cannabis Businesses in Missoula





Marijuana License Type

- CULTIVATION
- + DISPENSARY
- MULTI-USE: CULTIVATION & DISPENSARY
- MULTI-USE: CULTIVATION & MANUFACTURING
 - MULTI-USE: CULTIVATION, DISPENSARY &
 - MANUFACTURING
- MULTI-USE: DISPENSARY& MANUFACTURING
- MEDICAL CANNABIS -DELIVERY ONLY
 - HOME BASED DELIVERY
- SERVICE (MEDICAL MARIJUANA)
- ▲ TRANSPORTATION
- ▲ TESTING
- City Limits

Projected Coordinate System: NAD
1983 StatePlane Montana FIPS
2500 (US Feet) -114 meridian
Project: Zoning and Land Use analysis
Name: Recreational Cannabis Layout
Cartographers: G. Wally, N. Pennanen
Sources: City of Missoula, CPDI
Service Layer Credits:
Bureau of Land Management, Esri, HERE, Garmin,
INCREMENT P, USGS, METI/NASA, EPA, USDA



Proposed Amendments



Four (4) preliminary impacts to mitigate via Title 20

- 1. Align with State Definitions
- 2. Prohibit Commercial Cultivation and Manufacturing as Home Occupations
- 3. Preserve a Diverse Mix of Uses
- 4. Limit Non-Transparent Glazing

A City of Missoula initiated ordinance generally amending Title 20, Missoula Municipal Code, the City Zoning Ordinance, to incorporate revisions in the following chapters: 20.10 Business and Commercial Districts, 20.15 Industrial and Manufacturing Districts, 20.40 Use- and Building-Specific Standards, 20.45 Accessory Uses and Structures, 20.100 Terminology, and 20.105 Use Classifications to incorporate regulations concerning legislative changes in the cannabis industry.

Be it ordained that Section 20.10.020 Table 20.10-1, Section 20.15.020 Table 20.15-1, Section 20.45.050E.11., Section 20.100.010, Section 20.105.040W, and Section 20.105.050D be amended as follows, and creation of Section 20.40.083.



20.105: Use Classifications

20.105.040: Commercial Use Group

W. Retail Sales

Businesses involved in the sale, lease or rent of new or used products, merchandise to consumers. Typical uses include drug stores, grocery stores, department stores, apparel stores, and cannabis dispensaries.



20.10.020: Business and Commercial Districts

Table 20.10-1 Allowed Uses

Use Category L specific use type	B1	B2	В3	C1	C2	CBD	Standards
COMMERCIAL						I .	
Table continues	P	Р	Р	P	Р	P	20.40.170
Research Service	-	Р	Р	Р	Р	Р	20.40.170
Retail Sales	P	Р	Р	P	Р	Р	20.40.170
^L Cannabis Dispensary	P	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	20.40.083
Sports and Recreation, Participant (except as noted below)	-	-	-	Р	Р	Р	
^L Casino	-	-	3	С	С	С	20.40.040 20.40.170
Table continues							



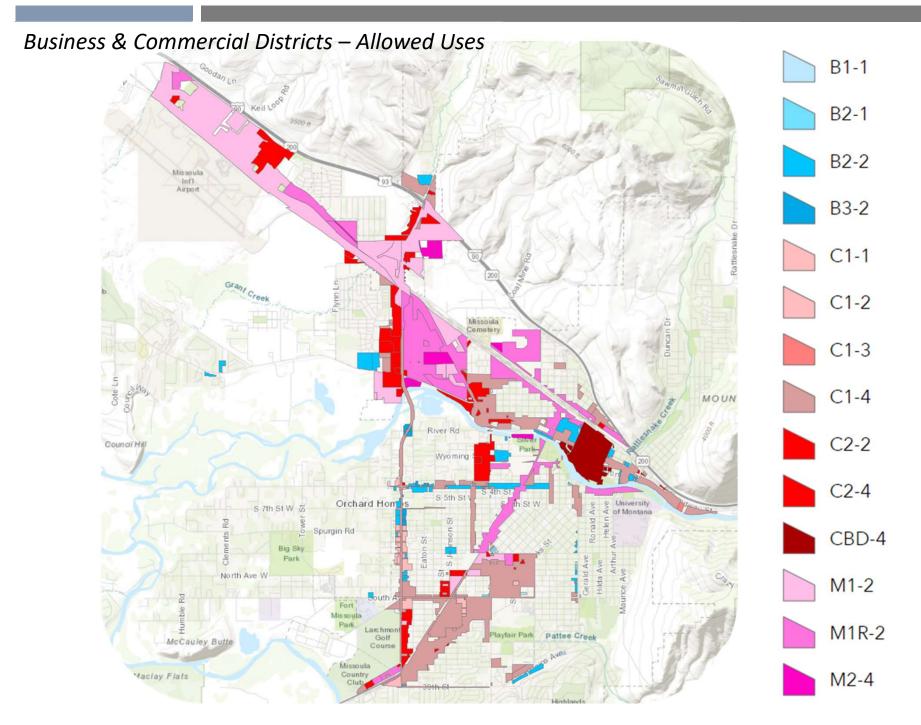
20.15.020: Industrial and Manufacturing Districts

Table 20.15-1 Allowed Uses

Use Category L specific use type	M1R	M1	M2	Standards
COMMERCIAL				
Table continues	P	P	P	20.40.170
Research Service	Р	Р	Р	20.40.170
Retail Sales	P	Р	Р	20.40.170
^L Cannabis dispensary	<u>P</u>	<u>P</u>	<u>P</u>	20.40.083
Sports and Recreation, Participant (except as noted below)	Р	Р	Р	
^L Casino	С	С	С	20.40.040 20.40.170
Table continues				

Dispensaries







20.40: Use and Building Specific Standards

20.40.083: Cannabis

Applicability Α.

These regulations apply to any cannabis use (medical or recreational), new or existing unless specifically exempted.

В. **Dispensary**

1. Location

Cannabis dispensaries shall be located a minimum distance of 500' from other cannabis dispensaries. Distances shall be measured from parcel line to parcel line and apply to ground floor dispensary businesses only.

2. **Glazing**

Glazed area requirements shall apply to that area of the ground floor building façade facing a public street, up to the finished ceiling height of the ground floor building façade. This section does not apply to parcels with a Design Excellence Overlay.

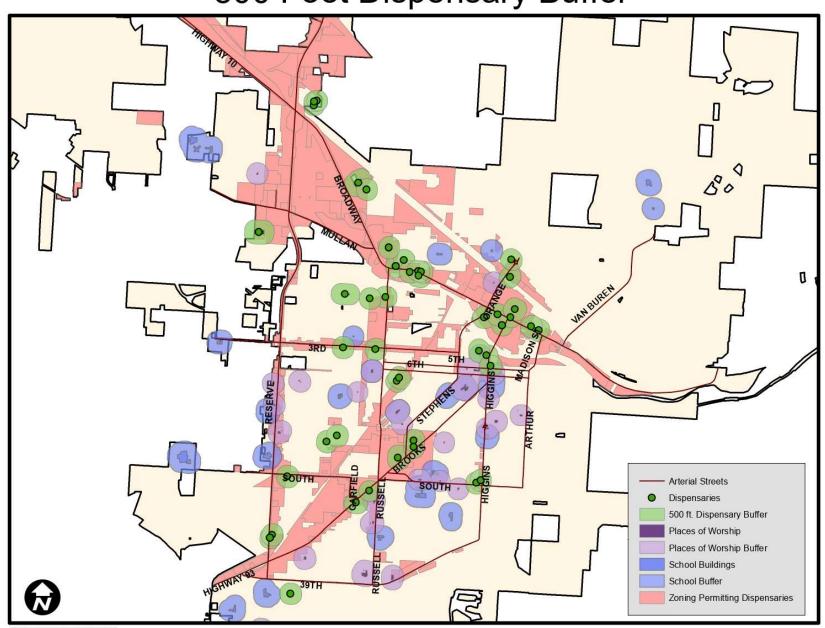
3. **Exemption**

Ordinary maintenance and repair of existing structures shall be exempt from the requirements of this section. Ordinary maintenance does not include the replacement, modification, or addition of glazing.

500' Buffer (Preserve a Diverse Mix of Uses)



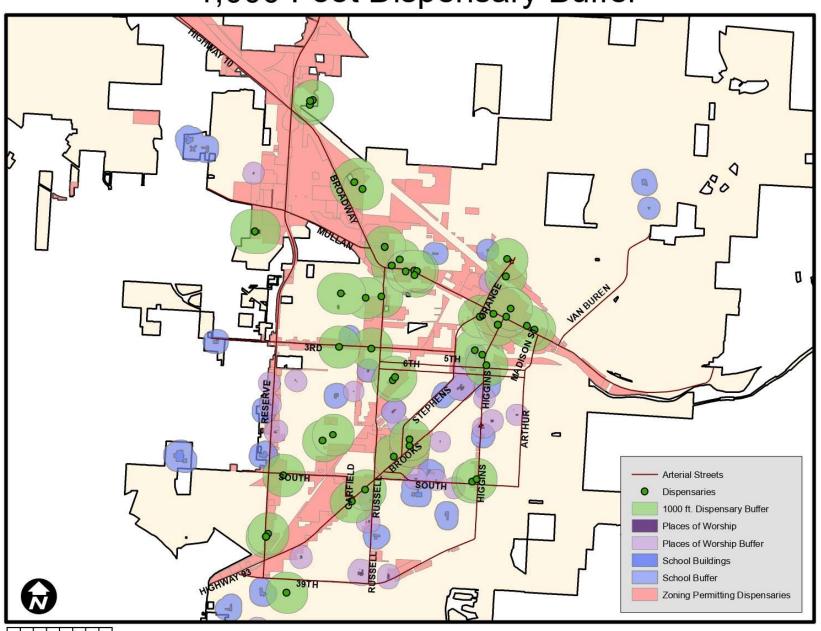
500 Foot Dispensary Buffer



1,000' Buffer (Preserve a Diverse Mix of Uses)



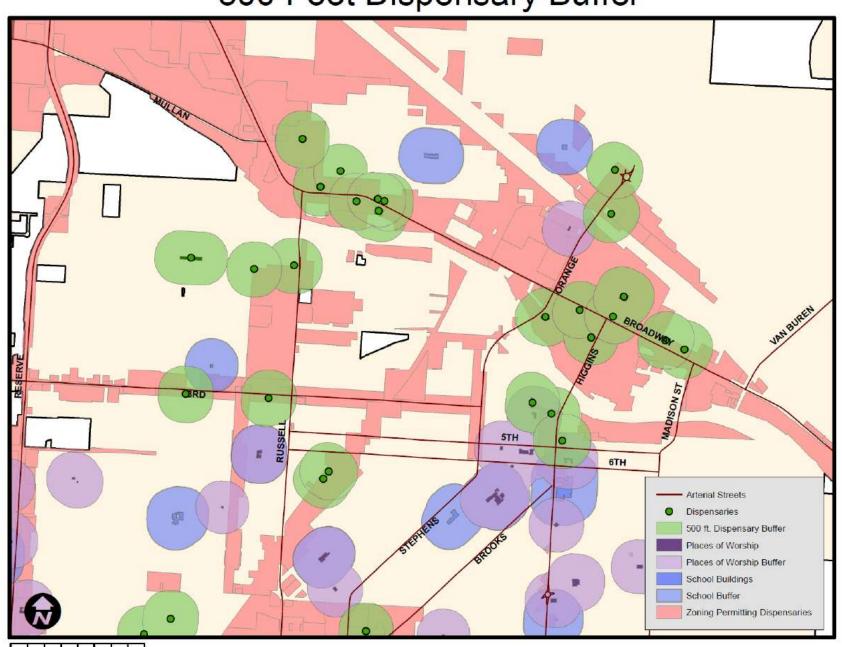
1,000 Foot Dispensary Buffer



500' Buffer (Preserve a Diverse Mix of Uses)



500 Foot Dispensary Buffer



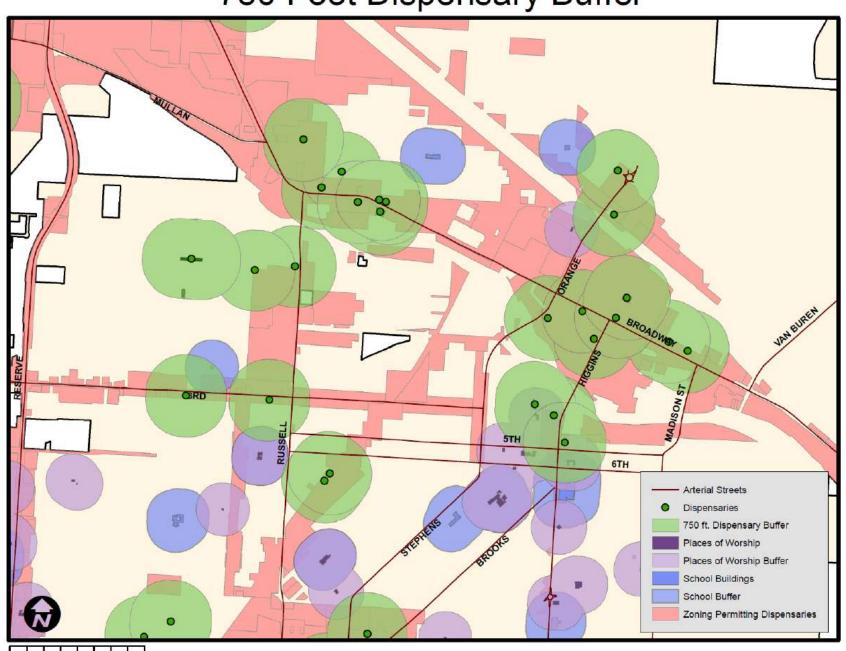
750' Buffer (Preserve a Diverse Mix of Uses)

0 0.125 0.25

0.5 Miles



750 Foot Dispensary Buffer



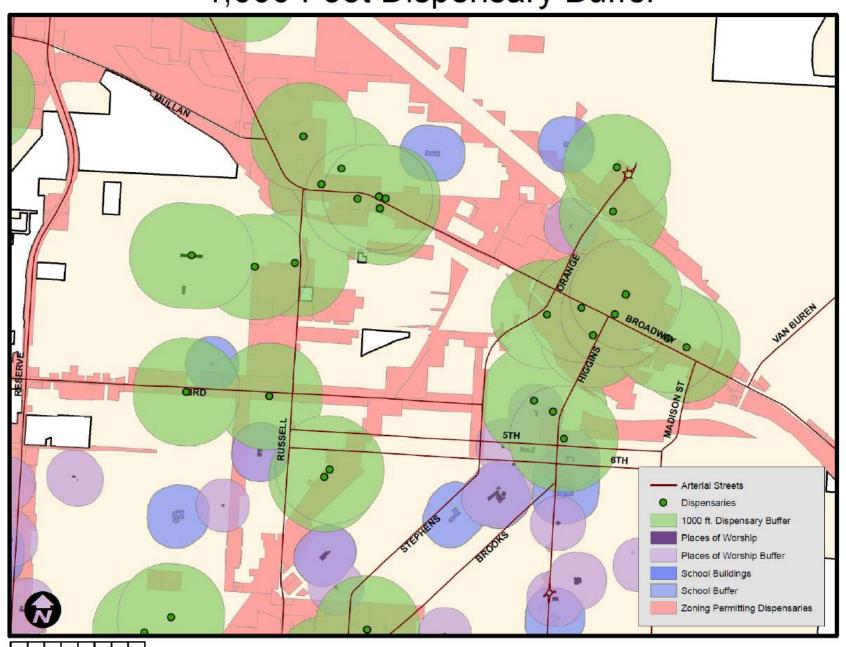
1,000' Buffer (Preserve a Diverse Mix of Uses)

0.125 0.25

0.5 Miles



1,000 Foot Dispensary Buffer



Amendments (Limit Non-Transparent Glazing)



20.40: Use and Building Specific Standards

20.40.083: Cannabis

B. <u>Dispensary</u>

2. Glazing

Glazed area requirements shall apply to that area of the ground floor building façade facing a public street, up to the finished ceiling height of the ground floor building façade. This section does not apply to parcels with a Design Excellence Overlay.

- a. <u>Incorporate glazing including; windows, doors and other transparencies to encompass at least 30% of the ground floor building façade.</u>
- b. Window and door glass meeting the following transparency standards counts as glazed area
 - i. Visible light transmittance of 60% or more.
 - ii. <u>External reflectance of 20% or less.</u>
- c. <u>Display windows that do not provide views into the interior of the building may be counted towards satisfying up to 50% of the minimum glazed area requirements, provided that they are internally illuminated and are at least two feet in depth.</u>
- d. <u>Security gates may obstruct a maximum of 25% of window area for any individual window counting toward glazed area.</u>
- e. <u>Darkly tinted, mirrored or highly reflective glazing or doors with less than 50% glass may not be counted toward minimum glazed area requirements.</u>
- f. <u>Interior walls and other interior visual obstructions are prohibited within six feet of any facade area counting toward glazed area.</u> This distance is measured perpendicularly from the exterior face of the glazed area.
- g. <u>In the event that an existing structure does not meet the 30% glazing requirements, any existing glazing must be maintained.</u>
- h. <u>In the event that these minimum glazed area requirements conflict with city building (energy) code requirements, the building (energy) code governs.</u>

Amendments (Prohibit Commercial Cultivation & Manufacturing as Home Occupations)



20.45: Accessory Uses and Structures

20.45.050: Home Occupations

- **Standards** E.
 - The following uses are expressly prohibited as home occupations: 11.
 - f. Restaurants;
 - Funeral or interment services; and
 - Animal boarding businesses; and
 - Commercial cannabis cultivation or manufacturing.



20.105: Use Classifications

20.105.050: Industrial Use Group

D. Manufacturing, Production and Industrial Services

1. Artisan

.....Typical uses include woodworking and cabinet shops, <u>cannabis cultivation</u> (With a canopy area up to Tier 1, MCA § 50-46-305), ceramic studios, jewelry manufacturing, food manufacturing, and similar types of arts and crafts or very small-scale manufacturing uses that have no negative external impacts on surrounding properties.

2. Limited

....Also includes <u>cannabis cultivation</u> (With a canopy area up to <u>Tier 2</u>, <u>MCA § 50-46-305</u>) and "artisan manufacturing/production" type uses that do not comply with the enclosed building, floor area and/or outside operations/storage criteria that apply to artisan manufacturing/production uses.

Commentary:

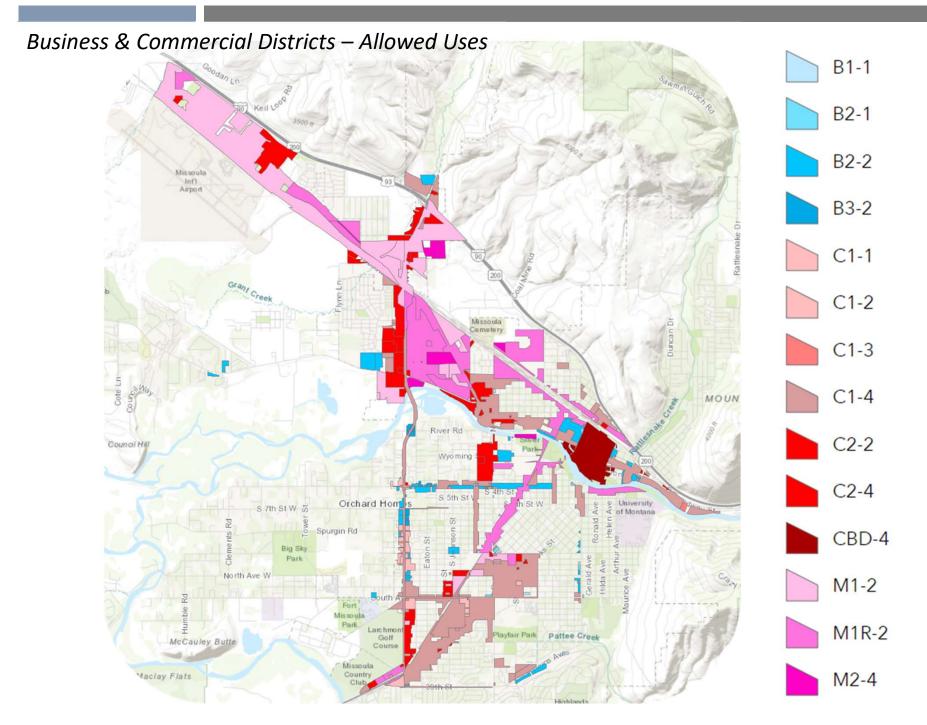
Businesses with approved State Cannabis licenses will be allowed to split grow areas between multiple locations as long as the combined canopy area square footage of all locations does not exceed the maximum canopy area permitted in the applicable state licensing tier. Locally, the canopy square footage can be distributed on the ground to any number of parcels so long as the canopy area on a single parcel does not exceed the square footage maximum allowed by the zoning district, and does not exceed the State license requirements.

3. General

.....Typical uses include: textile mills; textile product mills; apparel manufacturing; leather and allied product manufacturing; wood product manufacturing; paper manufacturing; chemical manufacturing; plastics and rubber products manufacturing; nonmetallic mineral product manufacturing; transportation equipment manufacturing; primary metal manufacturing; and fabricated metal product manufacturing; and manufacturing of cannabis products. Also includes cannabis cultivation, medical, scientific or technology-related research establishments that produce odors, dust, noise, vibration or other external impacts that are detectable beyond the property lines of the subject property.

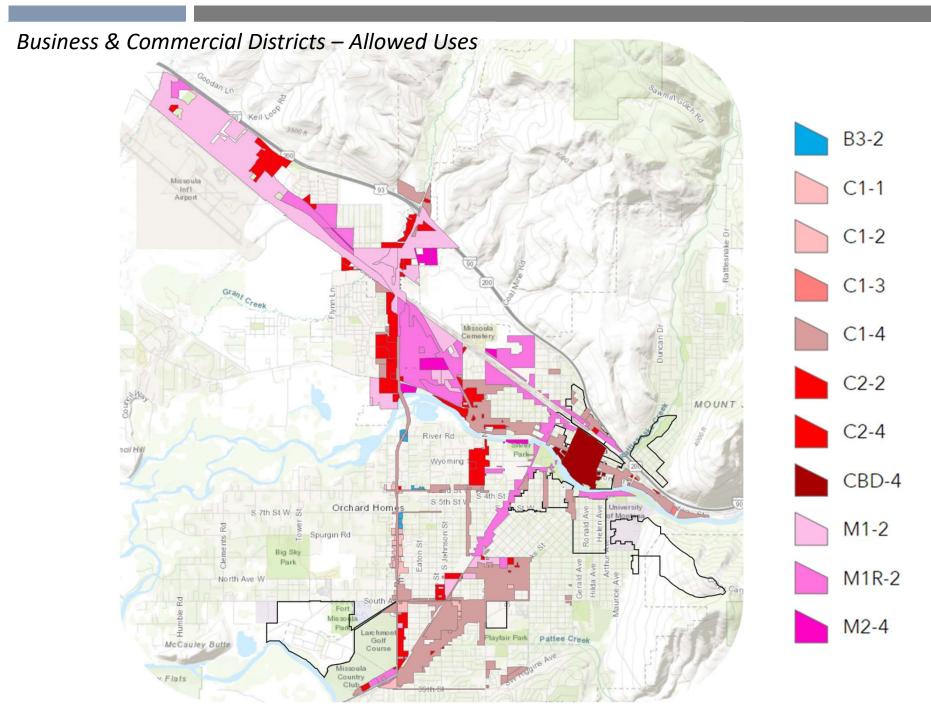
Artisan Manufacturing





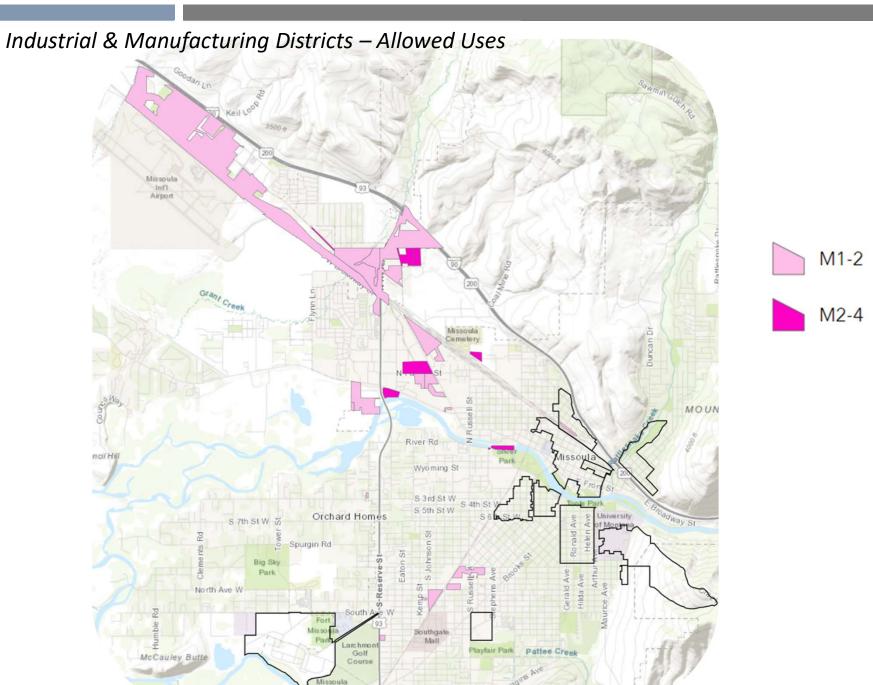
Limited Manufacturing





General Manufacturing







The City of Missoula continues to experience the effects of a rapidly changing climate such as drought, increased wildfire, and lessening snowpack. Reducing greenhouse gas emissions is a top priority for our city.

Increased electricity and natural gas use correlate to higher greenhouse gas emissions, mitigation efforts include reducing energy and gas demand.

Since 2014, Missoula's commercial/industrial electricity usage has increased by 21% and natural gas usage has increased by 28%, while total number of jobs increased by only 6.8%. Greenhouse gas emissions inventories are a good tool for measuring success in our climate goals.

Moving Forward: Energy Conservation Missour



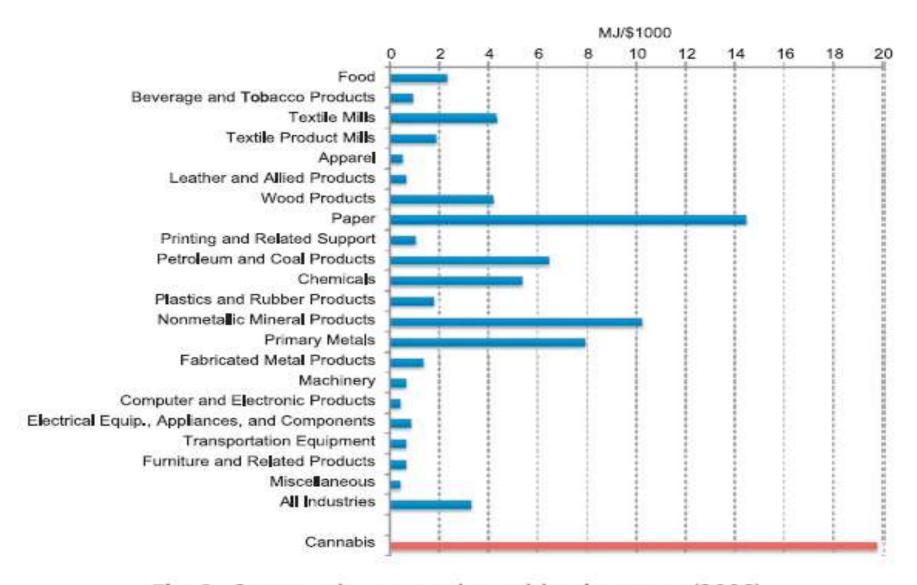


Fig. 3. Comparative energy intensities, by sector (2006).



MT House Bill 701 gives local governments "authority to allow for the operation of marijuana businesses in their community and establishing standards for the cultivation, manufacture, and sale of marijuana that protect the public health, safety, and welfare of residents within their jurisdictions"

The current and future impacts of climate change are a significant threat to public health, safety, and welfare of our residents.



Are there less energy-intensive ways to grow marijuana?

For indoor operations, light-emitting diode (LED) lights are much more efficient than HID bulbs and generate less heat which reduces the cooling needs of the operation. LED lights have a higher upfront cost but use about half as much energy as traditional lights which result in a decrease in operation costs. Northwestern Energy has an energy efficiency rebate program which can help narrow the cost gap between the LEDs and HIDs.

What states or local governments have regulated the energy consumption of marijuana cultivation?

Massachusetts

lighting energy usage requirement (maximum watts/sq. ft.), with exemption for on-site renewable energy.

o <u>Illinois</u>

lighting energy usage requirement (maximum watts/sq. ft.), energy efficient HVAC equipment, and water use efficiency.

o Boulder County, CO

cultivators must pay into a carbon offset program, or purchase local renewable energy.

o <u>California</u>

local government regulations around renewable energy and energy efficiency.

Missoula County

drafting regulation that will likely include an lighting energy usage requirement (maximum watts/sq. ft. or specific equipment listed on a third party qualified product list), with exemption for on-site renewable energy.



City staff are currently working to understand where best to place energy efficiency requirements, and will likely bring a code amendment to council on a slightly delayed path as compared to Title 20 amendments.

The City of Missoula Climate Action team will proactively reach out to marijuana cultivators ahead of any regulation to ensure they understand requirements and available Northwestern Energy rebate opportunities.

Planning Board Summary & Motion



Approve the recommendation that Missoula City Council adopt an ordinance generally amending Title 20, Missoula Municipal Code, the City Zoning Ordinance, to incorporate revisions in the following chapters: 20.10 Business and Commercial Districts, 20.15 Industrial and Manufacturing Districts, 20.45 Accessory Uses and Structures, 20.100 Terminology, and 20.105 Use Classifications, and creation of 20.40.083 in Use and Building Specific Standards, to incorporate regulations concerning legislative changes in the cannabis industry.

With the amendment that lighting power density for indoor cannabis cultivation facilities must not exceed 36 watts per square foot in the grow area.

Process To-Date



Aug. 19	Engage Missoula	Create Public-Facing Site.
Sept. 13	City Council	Agenda for White Paper.
Sept. 15	LUP	Start Public Process. Set Council hearing 11/15.
Sept. 24	Cannabis Industry & Missoula Business Stakeholders	Two (2) Public Engagement Meetings.
Oct. 5	MDA Board of Directors	Public Engagement Meeting.
Oct. 8	City Staff & Community Stakeholders	Agency Memo
Oct. 17	Missoulian	Legal Ad
Oct. 19	Planning Board	Special Presentation
Oct. 24	Missoulian	Legal Ad
Nov. 1	City Council	1st reading of Ordinance (consent agenda)
Nov. 2	Planning Board	Public Hearing.
Nov. 10	LUP	Informational Item.
Nov. 15	City Council	Public Hearing.
Nov. 29	City Council	Final consideration.

^{*}As of November 10th, 2021 the City of Missoula has received four (4) public comments and two (2) agency comments.

Summary of Regulatory Revisions



- 1. Align with State Definitions
 - a) Update land use classifications to include cannabis uses
- 2. Prohibit Commercial Cultivation and Manufacturing as Home Occupations
- 3. Preserve a Diverse Mix of Uses
 - a) 500 ft. buffer between dispensaries
- 4. Limit Non-Transparent Glazing

Recommended Motion



STAFF RECOMMENDS THAT Missoula City Council adopt an ordinance generally amending Title 20, Missoula Municipal Code, the City Zoning Ordinance, to incorporate revisions in the following chapters: 20.10 Business and Commercial Districts, 20.15 Industrial and Manufacturing Districts, 20.45 Accessory Uses and Structures, 20.100 Terminology, and 20.105 Use Classifications, and creation of 20.40.083 in Use and Building Specific Standards, to incorporate regulations concerning legislative changes in the cannabis industry.

Recommended Motion 2



STAFF RECOMMENDS THAT Missoula City Council direct City Staff to proceed with amendments to Title 5, Missoula Municipal Code, the Business Licenses and Regulations Ordinance to incorporate revisions regarding energy consumption for cannabis businesses.