



## Community Development Department Planning Division

April 3, 2024

City of Watsonville  
250 Main Street  
Watsonville, CA 95076

Dear PVPSA and SCC Prevention Partners,

I hope this letter finds you well. I am writing on behalf of the City of Watsonville to thank you for your valuable input and contributions regarding the proposed regulations for cannabis retail within our jurisdiction. I greatly appreciate the time and effort that your organizations have invested in providing the City with feedback based on best practices in the prevention of access and exposure of cannabis to the young people in our community.

Since 2016, the City has taken careful and deliberate actions in rolling out cannabis regulations, and now that the City has 3 operational cannabis dispensaries under the current ordinance, adopted in 2020, it is time yet again to consider modifications to our regulations. The major modifications under consideration include:

1. Allowing dispensaries in commercial zoning districts
2. Adjusting separation requirements
3. Defaulting to the City's sign ordinance and state cannabis signage/advertising restrictions
4. Increasing hours of operation

### **1. Allowing dispensaries in commercial zoning districts**

During our meeting, it was suggested that the City consider allowing dispensaries in only one zoning district to reduce the visibility for children. The City shares your concerns that more visible retail dispensary locations may serve to "normalize" cannabis for children. Currently, the City's 3 dispensaries are located in industrial zones, and 2 of those dispensaries are extremely hidden. This is partly why the City is considering allowing dispensaries in most of our commercial zoning districts.

However, allowing dispensaries in commercial zones will not result in a glut of dispensaries in the City, as we are keeping the limit to 3 dispensaries, and coupled with separation requirements, commercial locations remain limited (See Attachment 1).

In supporting the economic development of the City and the 3 retail dispensaries in Watsonville, we are aligning with the Cities of Santa Cruz, Capitola, Salinas, and Hollister as well as the Counties of Santa Cruz and Monterey in allowing dispensaries in commercial zoning districts.

### **2. Adjusting separation requirements**

The City has considered the Public Health Institute's recommended 1,000 foot setback from sensitive uses, but given the City's dense development pattern, the 1,000 foot setback would all but eliminate every commercial zone in the City (see Attachment 2). Instead, the City proposes to align with the State's guidelines, requiring a 600-foot buffer from sensitive locations such as K-12 schools, daycares, and youth centers ([Bus. & Prof. Code, § 26054, subd. \(b\)](#)).

By adopting the 600-foot separation buffer, cannabis retail will be limited within all commercial zoning districts. The attached separation map highlights the areas where cannabis retail can be situated within city limits.

### **3. Defaulting to the City's sign ordinance and state cannabis signage/advertising restrictions**

Watsonville is the only jurisdiction in Santa Cruz and Monterey Counties that restrict cannabis retail signage to one sign not exceeding 20 square feet in size [WMC § 14-53.401](#). The Cities of Monterey, Santa Cruz, Capitola, as well as the Counties of Santa Cruz and Monterey do not regulate cannabis signage as stringently as Watsonville. The nearby jurisdictions regulate cannabis signage as any other commercial business. We have found that our current businesses, tucked away in industrial zones, are not able to display signage necessary for people to find their location.

To rectify the situation, and to provide parity with other jurisdictions in the vicinity, the City of Watsonville proposes to amend its Cannabis Ordinance to allow cannabis retail to use the commercial sign standards found in [Chapter 14-21](#) Signs of the WMC. Advertising and marketing on the other hand, will be regulated to make sure it is not attractive to youth, and will align with PHI's best practices.

### **4. Increasing hours of operation**

Watsonville currently limits operating hours to between 9am and 9pm. State law allows operation between 7am and 10pm, with last delivery at 9:30pm. The County of Santa Cruz allows operating hours between 8am and 10pm, which is what the City is proposing to increase dispensary hours to as well. This would allow for an additional 2 hours that the dispensary may operate in Watsonville.

Your ongoing feedback and collaboration will continue to be instrumental in ensuring that our cannabis policies reflect the needs and aspirations of our community. If you would like to schedule a follow up meeting to talk more in-depth regarding these proposed modifications, please call me at 831-768-3074 or email at [suzi.merriam@watsonville.gov](mailto:suzi.merriam@watsonville.gov).

The Cannabis Ordinance is tentatively scheduled to be considered by the Planning Commission on Tuesday May 7, 2024, at 6:00 pm. The Planning Commission is held at 275 Main Street, 4<sup>th</sup> Floor, City Council Chambers.

Once again, I extend my gratitude to your organization's dedication to this important issue. I look forward to continuing our partnership as we work together to create a safer, healthier, and more prosperous future for all residents of Watsonville.

Thank you for your understanding and collaboration.

Sincerely,



Suzi Merriam, CDD Director