

ORDINANCE NO. Introduction (CM)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE AMENDING CERTAIN SECTIONS OF CHAPTER 49 (CANNABIS EQUITY PROGRAM) OF TITLE 5 (PUBLIC WELFARE, MORALS, AND CONDUCT) OF THE WATSONVILLE MUNICIPAL CODE REGARDING THE CANNABIS EQUITY PROGRAM

WHEREAS, the revisions to Chapter 49 (Cannabis Equity Program) of Title 5 (Public Welfare, Morals, and Conduct) of the Watsonville Municipal Code will allow the City to competitively apply for Cannabis Equity state grant funding; and

WHEREAS, the revisions to Chapter 49 (Cannabis Equity Program) were developed with input from state officials who recommended amendments to certain sections of the Cannabis Equity Program; and

WHEREAS, on October 1, 2024, the Planning Commission of the City of Watsonville considered the proposed Ordinance and voted 4-0 to adopt Resolution No. 06-24 recommending the City Council adopt amendments to WMC Chapter 5-49 (Cannabis Equity Program) and

WHEREAS, the City Council has reviewed the Ordinance, held a public hearing thereon, and found the request to be consistent with the Findings required for a zoning text amendment pursuant to Section 14-12.807 of the Watsonville Municipal Code.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. FINDINGS.

The above recitals are hereby declared to be true and correct findings of the City Council of the City of Watsonville.

SECTION 2. ENACTMENT.

Chapter 49 (Cannabis Equity Program) of Title 5 (Public Welfare, Morals, and Conduct) of the Watsonville Municipal Code is hereby amended by amending subsections (f), (g), and (h) of Section 5-49.02 (Definitions) to read in words and figures as follows:

**Chapter 5-49
CANNABIS EQUITY PROGRAM**

Sec. 5-49.02 Definitions

(f) “Permit” shall mean the written evidence of permission given by the permitting official for a licensee to engage in a commercial cannabis activity under Chapter 14-53. “Permit” does not mean “permit” within the meaning of the Permit Streamlining Act, and a permit does not constitute a permit that runs with the land on which a cannabis business sits.

(g) “Permittee” shall mean the person or entity holding a valid permit to engage in a commercial cannabis business under Chapter 14-53.

(h) “Permitting Official” shall mean the official appointed by the City Manager who is responsible for implementing the provisions of this chapter.

All other words and figures in Section 5-49.02 shall remain unchanged.

Chapter 49 (Cannabis Equity Program) of Title 5 (Public Welfare, Morals, and Conduct) of the Watsonville Municipal Code is hereby amended by amending subsection (3) of Section 5-49.04 (Eligibility Criteria) to strike out to read in words and figures as follows:

Sec. 5-49.04 Eligibility criteria

~~(3) Are at least fifty (50%) percent women owned businesses.~~

All other words and figures in Section 5-49.04 shall remain unchanged.

SECTION 3. ENVIRONMENTAL COMPLIANCE.

The provisions of this ordinance are exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b)(3). This section is the "common sense exemption" that states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. If the Lead Agency can determine with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Pursuant to this section, the proposed amendments and adjustments fit within the general rule that CEQA only applies to projects that have the potential for causing a significant effect on the environment, because the proposed amendments and adjustments would primarily revise administrative processes relating to cannabis operator permits and renewal of those permits and minor regulatory amendments to the operation of cannabis businesses and would therefore not have a significant effect on the environment. The proposed amendments would also not have a significant effect on the environment because they are allowing commercial retail operations in existing commercial districts and therefore the proposed amendments would not have a significant effect on the environment and therefore the activity is not subject to CEQA.

SECTION 4. SEVERABILITY.

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 5. PUBLICATION.

This ordinance shall be published in the Watsonville Register-Pajaronian and/or Santa Cruz Sentinel in compliance with the provisions of the Charter of the City of Watsonville.

SECTION 6. EFFECTIVE DATE.

This ordinance shall be in force and take effect thirty (30) days after its final adoption.
