

City Council Point of Direction #2: Consider additional zones for dispensaries and consider storefront dispensaries as an allowed use in RMX or C-3.

Issues

- The majority of land zoned for dispensary uses is found in Council District 2 and Council District 6, which include double the amount of available land than the remaining Council Districts combined. In addition, Council District 2 and Council District 6 have the lowest percentage of properties within a sensitive use buffer compared to other Council Districts.
- Storefront dispensaries are effectively a retail brick and mortar that align with other retail and commercial land uses, however, there is minimal land zoned commercial that currently permit dispensaries as compared to available land zoned industrial/manufacturing that also permit dispensary uses. As a result, approximately 45% of storefront dispensaries are located in industrial and manufacturing areas.
- As a result of available zones for dispensary uses and sensitive use buffers, only 58% of existing storefront dispensaries are within ½ mile to existing transit.
- The central city (CD-4) appears to be highly desirable for storefront dispensaries. CD-4 represents ~12% of the available land that permits dispensary uses, most all of which is within a sensitive use buffer, yet still accounts for 30% of the City's storefront dispensaries.
 - All central city storefront dispensaries are located in commercial zoning districts.

Existing Title 17 Dispensary Zoning: Where Allowed

- Storefront Dispensary: SC, C-2, C-4, M-1, M-1(S), M-2, M-2(S), M-T ([click here for map](#))
- Delivery-Only Dispensary: C-2, C-4, M-1, M-1(S), M-2, M-2(S), M-T ([click here for map](#))

Dispensary Business Characteristics & Functions (EPS Study)

- Storefront dispensary:
 - Effectively a retail brick and mortar business;
 - Integrates well in a variety of retail environments; and
 - Positive evidence of investment in area, good neighbors.
- Delivery-only dispensary
 - Warehouse/office use that follows the e-commerce business model;
 - Office, storage, warehouse use - 50% drivers w/ dispatch - operate like mail carriers; and
 - Customers treated like those of grocery stores (i.e., proximity to cannabis regional market business size).

Recommended Additional Zones

- Storefront Dispensary: Add **RMX, C-1, and C-3** ([click here for map](#))

Map of Current Storefront Zones + Recommended New Storefront Zones ([click here for map](#))
- Delivery-Only Dispensary: No additional zones are recommended to allow for delivery-only dispensaries. See Potential Alternative Recommendations section below.

Rationale for Recommendation

- **Note: these recommendations should be reviewed alongside City Council Point of Direction #4 (Sensitive Use Buffers).**
- Increased opportunities for dispensaries to locate throughout the city. Small but focused increase in land zoned for dispensaries primarily located in the central city and near existing public transit stops.
 - Recommendation would result in a 9.6% increase in land zoned for storefront dispensaries or approximately 760 acres. Currently, there is ~7,800 acres of land zoned for storefront dispensaries.
 - Would open zones outside of high concentration areas (i.e., CD-2 & CD-6).
- Increased potential of walking/biking by allowing zones incorporated into residential neighborhoods (i.e., RMX, C-1, & C-3).
 - C-3 provides increased opportunities to locate adjacent to residential uses and City's tourism/entertainment hub; reduces need to drive while patronizing downtown.
 - Storefront Dispensaries have shown to integrate into a variety of retail environments.
- The recommendation would result in less a than 10% increase in land zoned for storefront dispensaries in CD-1, CD-2, CD-3, CD-5, CD-6, & CD-7. Central city and south would see highest increases (CD-4 & CD-8).
- **RMX Zone:** Rationale specific to addition of storefront dispensaries as permitted use. ([click here for map](#))
 - Large percentage of RMX zoning is located in central city and in proximity to residential and retail commercial uses. EPS Study found that storefront dispensaries were good neighbors and did not impact other commercial uses.
 - Data shows that central city is desirable for storefront dispensaries and RMX would assist with overconcentration. RMX is second best available zone for consideration to increase availability land for dispensaries within the central city.
- **C-1 Zone:** Rationale specific to addition of storefront dispensaries as permitted use. ([click here for map](#))

- C-1 zones would encourage smaller neighborhood serving dispensaries due to C-1 parcel characteristics (i.e., smaller in size compared to commercial zones) and encourage walking/biking.
- Storefront dispensaries have shown successful integration into residential areas (i.e., existing dispensaries located in high density residential areas such as the midtown/central city).
- C-1 zones are generally evenly distributed throughout the city.
- C-3 Zone: Rationale specific to addition of storefront dispensary as permitted use. ([click here for map](#))
 - City's economic/tourism core; high private investment.
 - Entirely located within ½ mile of existing public transit stop.
 - Highest concentration of public/civic uses, bars/alcohol uses, and retail and restaurant uses.
 - Could help distribute storefront dispensaries more evenly throughout the central city.
 - No opposition raised during previous public meetings.