



# STAFF REPORT – CITY COUNCIL MEETING

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**TO:** Honorable Mayor and City Council Members

**FROM:** David Loya, Community Development Director

**PREPARER:** Mari Pepper, Community Development Assistant Planner

**DATE:** May 6, 2026

**TITLE:** Adopt Ordinance No. 1586, An Ordinance of the City Council of the City of Arcata Amending the Arcata Municipal Code Relating to Cannabis Consumption Lounge Permits, Standards, and Restrictions – Negative Declaration (State Clearinghouse No. 2016012039).

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## **RECOMMENDATION:**

It is recommended that the Council adopt Ordinance No. 1586, An Ordinance of the City Council of the City of Arcata amending the Municipal Code; waive reading of the text, and consent to read by title only – Negative Declaration (State Clearinghouse No. 2016012039).

## **INTRODUCTION:**

The proposed ordinance amends provisions of Title V (Sanitation and Health), Chapter 7 (Restricting Smoking in the City) and Chapter 10 (Cannabis Use and Regulations), of the Arcata Municipal Code. The Council unanimously introduced Ordinance No. 1586, with no amendments, at its April 15, 2026, meeting. This action will complete the adoption of Ordinance No. 1586, amending the Arcata Municipal Code. If adopted on May 6, 2026, this ordinance will become effective on June 5, 2026.

## **BACKGROUND:**

The City previously adopted ordinances allowing the commercial cultivation, manufacturing, distribution, and retail sale of recreational cannabis within certain zoning districts. These regulations established the City's initial regulatory framework for commercial cannabis activities. Ordinance No. 1501 updated the city's land use code, creating a pathway for cannabis consumption; however, updates to the Municipal Code were deferred in order to evaluate the level of local interest and potential demand for such uses. The city is now beginning to receive interest from local businesses.

## **DISCUSSION:**

Division 10 (Cannabis) of the California Business and Professions Code, Chapter 20 (Local Control), expressly authorizes local jurisdictions to permit the smoking, vaporizing, or ingesting of cannabis or cannabis products on the premises of a licensed retailer or microbusiness, provided the licensee has received authorization from the local jurisdiction. The proposed ordinance relies on this statutory framework to clarify the City's authority to permit cannabis consumption lounges subject to the approval of a Use Permit and to permit temporary cannabis consumption at special events through a Special Events Permit.

**POLICY IMPLICATIONS:**

This ordinance ensures consistency with the Arcata Land Use Code, which already provides a pathway for Cannabis Consumption Lounges.

**COMMITTEE/COMMISSION REVIEW:**

This policy action did not warrant additional Committee and Planning Commission review.

**ENVIRONMENTAL REVIEW (CEQA):**

The proposed amendments clarify existing policy consistent with State law. The regulatory changes do not have the potential to cause a direct or indirect physical change to the environment. As such, the amendments are not a “project” as defined by California Environmental Quality Act (CEQA). Additionally, a Negative Declaration (State Clearinghouse Number 2016012039) was prepared and circulated prior to the adoption of Ordinance No. 1472, which first adopted Chapter 10 (Cannabis Use and Regulations) of the Arcata Municipal Code. The amendments set forth in Ordinance No. 1586 are consistent with that previously adopted Negative Declaration.

**BUDGET/FISCAL IMPACT:**

There is no fiscal impact associated with this item.

**RECOMMENDED COUNCIL ACTION:**

Motion to adopt Ordinance No. 1586, An Ordinance of the City Council of the City of Arcata amending the Municipal Code; waive reading of the text, and consent to read by title only – Negative Declaration (SCH# 2016012039). Consent Calendar vote.

**ATTACHMENTS:**

- A. Ordinance No. 1586