



South Land Park Neighborhood Association

WWW.SLPNA.ORG

PO Box 22903

SACRAMENTO, CA 95822

Joy Patterson,
Zoning Administrator
City of Sacramento
300 Richards Blvd., 3rd Floor
Sacramento, CA 95811

April 8, 2018

Re: Cannabis-related business development in South Land Park neighborhoods.

The South Land Park Neighborhood Association (SLPNA) is a nonprofit membership organization representing the more than 14,000 residents of South Land Park, Land Park Estates, Rosa del Rio, Corum Villiage, and Freeport Manor. [Bounded by Freeport Blvd, Sutterville Road, Interstate 5, and Florin Road; City Council Districts 4 & 5.] Our Board of Directors recently voted to oppose any pending or future proposed cannabis establishments within our boundaries until the City of Sacramento resolves several significant issues, including public safety, undue concentration of cannabis businesses, displacement of existing businesses, and traffic concerns. At our annual membership meeting on March 21, with only one dissenting vote the nearly 150 members present voted to affirm the Board's position. Many of those members approve of greater access to marijuana for medical or recreational purposes; some are undoubtedly users themselves and look forward to the future. But that doesn't mean they aren't also concerned about public safety and the economic diversity and vitality of their neighborhood.

This is not simply a 'not in my backyard' reaction; the SLPNA Board of Directors has previously supported one dispensary (Florin Wellness Center), opposed one cultivator (6400 Freeport), and was neutral on two cultivators (6382/6388 Freeport). But we are now concerned about what appears to be an undue concentration of cannabis businesses developing in the commercial area bounded by Freeport Blvd, Blair Avenue, and Belleau Wood Lane. This is not a large area; it is dwarfed by the Power Inn Business Improvement District that has been the focus of much City attention recently. But it is an economically diverse area with a wide variety of local businesses and services. Prior to November 2017, we had one cannabis dispensary (FWC) on one block. Just three months later we now have 3 approved cultivation applications on the same block, with two delivery services pending and a cannabis bakery being proposed for the same area. Put another way: this small commercial area of our neighborhood went from 1 cannabis business to 6 approved or pending cannabis businesses in the short span of three months.

Furthermore, we understand that at least one existing business is being forced to relocate because

the property owner discovered he could get significantly higher rents from the prospective cannabis-related tenant. We are certain he isn't/won't be alone; other areas of the City have already complained about this same problem and it is a widespread and growing concern throughout California. If existing neighborhood businesses are pushed out in favor of one new industry, it threatens the livability and economic vitality of our neighborhood. Moreover, cannabis is still a schedule 1 drug pursuant to the federal Drug Enforcement Administration. If the federal government were to decide to enforce federal laws (as Attorney General Sessions has recently implied), the cannabis industry might rapidly leave abandoned [and modified] business structures behind. Similarly, this is a new and untested industry that is likely to be quite volatile in the initial years, again raising the specter of existing businesses being forced out only to result in abandoned warehouses or storefronts later.

Recently, The City Council's Law and Legislation subcommittee voiced its support for capping the amount of space in the Power Inn business district that can be used for marijuana-related businesses. And some council members have publicly said they would also support caps in other parts of the city, most notably North Sacramento and Del Paso Heights. We applaud those actions; but smaller commercial areas such as those in our neighborhood must not be neglected -- because of the predominantly residential profile of our surrounding neighborhood, the impacts are potentially greater. We are also concerned that there is no guarantee that any of the revenue from the impact fees will ever be used in South Land Park to help mitigate those impacts.

Until now, the SLPNA Board of Directors has been reviewing each application within our neighborhood on its merits; we have met with landlords and applicants; we have hosted a neighborhood cannabis forum; we have communicated our support or non-opposition of permit applications to city officials. However, because the number of applications continues to grow and the City of Sacramento has yet to define "undue concentration", we as a Neighborhood Association are now declaring that we have reached the threshold of "undue concentration." We simply do not want to lose the diverse array of services and jobs that currently exist in this commercial area of our neighborhood in favor of one new industry with an uncertain future. We are also concerned that uncontrolled growth may result in increased traffic, federal [and local] drug enforcement actions, and public safety problems within feet of homes, schools, and a newly developing recreational bicycle and pedestrian trail.

Our Board will continue evaluating permit applications; and we will continue to meet with applicants to become fully informed of their plans and present our concerns. But until the City adopts a workable definition of "undue concentration", we will no longer provide any messages of support and we will take whatever actions are necessary to oppose further expansion of such businesses into this area. [While our main focus for now is with Blair Ave south along Freeport Blvd/Belleauwood Lane, we are also concerned about the vital commercial district bordering Freeport Blvd to the north, which also falls within our boundaries.]

We know that "undue concentration" is not easily defined. But that is not a reason to approve dozens or hundreds of permit applications throughout Sacramento without first developing a citywide policy. An "undue concentration" should not be determined on a case-by-case basis as individual applications are evaluated. The nature of an "undue concentration" must be established in advance in order to avoid inconsistent decisions. Because of the unique nature of

cannabis businesses, the prohibition against “undue concentration” should extend to all cannabis businesses (manufacturers, cultivators, dispensaries, delivery services, and testing facilities). We recognize that what is an undue concentration for our neighborhood may be different than for Power Inn or Del Paso Heights or North Sacramento -- but the fact that it may be somewhat different for different business areas does not mean the City should proceed without a policy at all. It only means that City staff must examine the potential impacts upon each district and neighborhood and come up with a proper formula for each. Some cities have adopted formulas based upon land area; some based upon a percentage of structural square footage; some based upon resident and business concentrations. We don’t know yet which is the most appropriate for our neighborhood; but we do know that the absence of a policy is potentially destructive. Other cities are also addressing these same issues and some have adopted permit moratoria until they have completed their policy deliberations. The City of Sacramento should do the same and we are more than willing to provide our neighborhood’s input to the process.

Sincerely,

Board of Directors
South Land Park Neighborhood Association

Email: slpna@slpna.org

Cc: Hon. Darrell Steinberg, Mayor
Joe Devlin, Chief of Cannabis Policy & Enforcement
City of Sacramento Law and Legislation Committee
Jay Schenirer, Chair District 5
Jeff Harris, District 3
Steve Hansen, District 4
Eric Guerra, Vice-Chair District 6