City Council Point of Direction #6: Consider zoning and a permit type for cannabis research and development facilities.

<u>Issue</u>

- No State license type for cannabis research and development, only cannabis testing facilities.
- No uniform or common definition of "cannabis research and development".
- Could not find a local government that regulates/specifies research and development, only cannabis testing facilities.
- State grant funding exclusively for public colleges relating to cannabis R&D.

Recommendation

 Amend "Cannabis Testing" definition to include cannabis research and development as an allowed use.

Rationale for Recommendations

- Cannabis testing facilities best suited to expand into R&D sector.
- Low regulatory barrier for cannabis testing facilities.
 - Only 4 cannabis testing facilities within the city.
 - Permitted by-right in all industrial zones and C-2 & C-4.
 - Existing zoning does not appear to constrain cannabis research & development or testing.
 - o Market conditions are likely the result of minimal amount of new testing facilities.
- State leveraging public colleges through grant funding opportunities for cannabis R&D.
 - Public colleges not subject to City's land use regulations.
 - Could lead to reduced interest from private sector cannabis R&D uses due to higher costs.