

# Policy Briefing Summary

## City Council



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| <b>Regarding:</b>               | <b>Marijuana Marketplace Local Ordinance Zoning Text Amendment Initiation Resolution Adoption</b>                                                                 |
| <b>Staff Contact(s):</b>        | April Wimberley, Assistant City Attorney, Todd Divers, Commissioner of the Revenue, Missy Creasy, Deputy Director of NDS, Elaine McCafferty, Deputy City Attorney |
| <b>Presenter:</b>               | <b>John Maddux, City Attorney, Missy Creasy, Deputy Director of NDS</b>                                                                                           |
| <b>Date of Proposed Action:</b> | November 2, 2026                                                                                                                                                  |

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### Issue

Zoning Text Initiation

### Background / Rule

In 2026, the Virginia General Assembly enacted legislation establishing a regulated adult-use cannabis marketplace in the Commonwealth. Said legislation amends Title 4.1 of the Virginia Code and establishes a comprehensive regulatory framework administered by the Virginia Cannabis Control Authority ("VCCA"). This new framework has significant implications for localities, including impacts on zoning, business licensing, taxation, and other local powers.

The VCCA's Board of Directors must promulgate regulations by February 1, 2027, and the first licensing period will commence on that date. Retail sales commence July 1, 2027. Localities must address any necessary local Ordinance amendments, establish internal processes for responding to license application notifications, and adopt a local marijuana tax Ordinance. Local zoning and other ordinances concerning the marijuana marketplace should be effective by February 1, 2027, so that the locality can review VCCA preliminary approval of applications based on noncompliance with local ordinances.

As there are zoning-related regulations to be considered, initiation of the review of this Ordinance needs to occur. Whenever and wherever the public necessity, convenience, general welfare, or good zoning practice requires, the Council of the City of Charlottesville, Virginia ("City Council"), may, by Ordinance, amend, supplement, or change the City of Charlottesville, Virginia's ("City"), Zoning District regulations, District boundaries, or Zoning District classifications of property.

A Zoning Text Amendment ("ZTA") may be initiated by: (1) City Council Resolution; or (2) Planning Commission ("PC") Motion (See City Development Code ("CDC") Section 34-5.2.5.B.1.a, which is based on Virginia Code § 15.2-2286(A)(7)).

### Analysis

City Staff has been researching this issue and working towards a local regulation proposal for consideration by City Council. As the State regulations are in draft form and the City needs to have its regulations in place by the same time as the State's regulations become final, City Staff is planning to provide a recommendation based on what information is available to meet all the statutory requirements to have local regulations in place at the appropriate time. It is anticipated, once this system is in place, that additional review of regulations will take place to refine the same.

City Staff anticipates the creation of a standalone CDC/City Code Chapter to house the local regulations related to the marijuana marketplace to meet the prescribed timeframes and ease of review for all regulations pertaining to the topic.

**Financial Impact**

None

**Recommendation**

City Staff recommends City Council adopt the attached Resolution initiating PC review, consideration, and recommendation relating to the proposed ZTA for local marijuana marketplace regulations to City Council.

**Recommended Motion (if Applicable)**

"I move to adopt the attached Resolution initiating PC review, consideration, and recommendation relating to the proposed ZTA for local marijuana marketplace regulations to City Council."

**Attachments**

1. RESOLUTION - ZTA Initiation Marijuana Marketplace
2. LGA - 7.15.26 Model Ordinance