

For the Regular Meeting of City Council on January 16, 2019

**CITY OF SANTA PAULA
MEMORANDUM**

To: Honorable Mayor and Members of the City Council

From: Michael Rock, City Manager
Ikani Taumoepeau, Assistant City Manager

Subject: Discuss and Consider Whether the Cannabis Ordinance and the Ban on Certain Cannabis Commercial Operations Should be Amended.

Date: February 6, 2019

Recommendation:

It is recommended that City Council:

- (1) Discuss and consider whether the Cannabis Ordinance and the ban on certain cannabis commercial operations should be amended.
- (2) Take additional, related action that may be desirable.

Presented by: Ikani Taumoepeau, Assistant City Manager

BACKGROUND:

On December 4, 2017, the City Council adopted Ordinance No. 1272, which continued to ban all commercial cannabis activities in the City of Santa Paula except for the permitting of commercial testing operations in the City.

In November 2018, Santa Paula residents passed Measure N, which allows the City to tax commercial cannabis operations with Council approval. The voter-approved tax measure allows the City to tax up to \$25 per square foot for cultivation and manufacturing uses and up to 10% of gross receipts from the sale of cannabis and related products.

ISSUES/ANALYSIS:

With the passage of Measure N (local cannabis tax) in November 2018 by 72% of the voters, the Cannabis Ad Hoc Committee, which includes Mayor Garman and

Prepared By: <u>IT</u>	Dept Review: <u>IT</u>
City Manager Review: _____	City Attorney Review: _____

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Councilmember Sobel, recommends that Council revisit the cannabis ordinance to discuss and consider permitting certain commercial cannabis operations.

At the present time, the cannabis commercial operations to consider are:

- Cultivation
- Manufacturing
- Distribution
- Transportation
- Retail
- Microbusiness
- Testing

If City Council decides to revisit the cannabis ordinance, staff will perform research and present alternatives with information that will be presented to Council at a later date that entail options to the cannabis ordinance, the application process, and suitable locations for businesses operations.

If the Council decides to move forward, City Council may consider a study session or community town hall meeting to facilitate community feedback on the topic.

FISCAL IMPACTS:

None at this time.

PERSONNEL IMPACTS:

None at this time.

OPTIONS:

- A. Approve staff's recommendation.
- B. Deny Staff's recommendation.
- C. Provide staff with additional direction.

ATTACHMENTS:

Ordinance No. 1272 – Santa Paula Cannabis Ordinance
Cannabis Ad Hoc Staff Reports

Prepared By: <u>IT</u>	Dept Review: <u>IT</u>
City Manager Review: _____	City Attorney Review: _____