

MINUTES OF THE CITY COUNCIL OF THE CITY OF STANTON  
SPECIAL MEETING FEBRUARY 20, 2018

1. **CLOSED SESSION** None.

2. **CALL TO ORDER**

The meeting was called to order at 4:02 p.m. by Mayor Shawver.

3. **PLEDGE OF ALLEGIANCE**

Led by Ms. Patricia A. Vazquez, City Clerk.

4. **ROLL CALL**

Present: Council Member Donahue, Council Member Ethans, Council Member Warren, Mayor Pro Tem Ramirez, and Mayor Shawver.

Absent: None.

Excused: None.

**SPECIAL ORDERS OF THE DAY**

5. **NEW BUSINESS**

5A. **DISCUSSION REGARDING CANNABIS PERMITS AND REGULATORY FRAMEWORK**

Introduction by Mr. James A. Box, City Manager.

Presentation and introduction by Ms. Kelly Hart, Community and Economic Development Director.

Presentation by Lieutenant Sean A. Howell, Orange County Sheriff's Department.

Presentation by Mr. David McPherson, Cannabis Compliance Director, HdL Companies:

- Proposition 64 / Election Results
- What's Legal
- California Cannabis Laws
- US Attorney General Federal Enforcement Policy
- Trailer Bill SB 94: Medicinal & Adult Use Cannabis Regulation and Safety Act (Local Contact / Notification / Unified Regulatory System)
- SB 94 Local Control Authority
- SB 94 Other Key Changes to Regulations (Temporary permits / vertical integration / transportation license / regulatory ordinances / Establishment of a non-store front license)
- State Agency key modifications to regulations (cultivation licenses / cultivation limit (acre) / Track n Trace / Health & Safety Code 11362.775)

- Community Priorities (Public Safety / Environmental Protection / Neighborhood and Land Use Protection / Access by Youth)
- Personal Use
- Where is the Cannabis Industry in the Region (Delivery Locations / Dispensary Locations)
- Status of other local agencies in the region
- Key policy and issues of concern

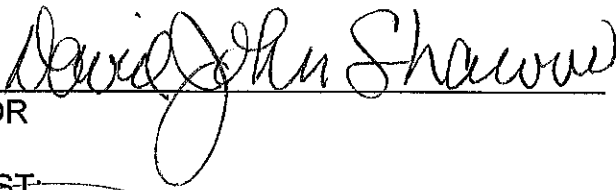
Presentation by Mr. Matt Eaton, Cannabis Compliance Manager, HdL Companies:

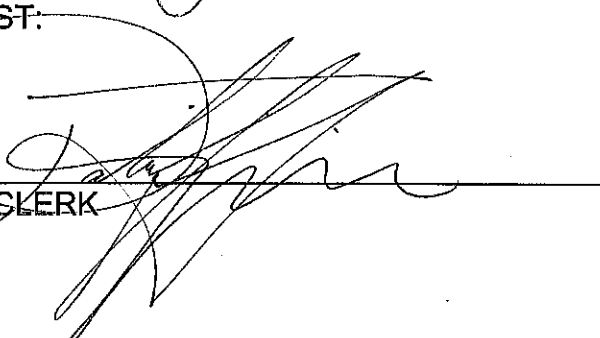
- Potential Public Concerns (Regulated commercial cannabis / unregulated commercial cannabis / public safety concerns / public health concerns)
- The importance of starting now (state licensing / regulations are under development and review / investors and businesses are deciding where to locate / legal: maintain a ban or regulate it)
- Addressing the public concerns through regulations
- Regulatory systems
- Regulatory ordinances
- Application process
- Policy decision
- Marijuana Policy Development
- Regulatory options (medicinal / adult use)
- Regulate / Legislate / Collaborate / educate
- City Council set cannabis regulatory policies on: cultivation, microbusiness, manufacturing, testing labs, delivery/non store front retailer, retail-medicinal/adult-use, distribution facilities
- Public safety risk assessment (regulating cannabis allows police to: monitor business, practices, conduct background checks, audit customer transactions, approve security plans, offset resource cost for staffs time, regulate time, place and manner requirements)
- Public safety risk assessment (unregulated illegal sales of cannabis: reduces police power due to limited search and seizure laws under Prop. 64, makes it difficult to gather intelligence information, encourages black market sales, creates a reliance on public safety resources with no mechanism for cost recovery, results in violent crimes/property theft, no control regarding sales to youth)
- Planning Department process
- Process for successful regulatory framework development
- Tax and fee revenues
- Revenue generating strategies
- Cannabis Economic Trends
- Local Tax Revenue Projections
- Categories of use (Cultivation, manufacturing, testing (quality control), retailer/non-store front retailer (dispensary/delivery services), distribution facility, microbusiness)
- City options: 1 – continue prohibiting cannabis uses in the City. 2 – Allow for conditional or discretionary permit

The City Council questioned staff regarding various studies that have been conducted in regards to the use of recreational marijuana, if a City would be able to regulate deliveries, how a good neighbor policy would be implemented, if the 600 foot requirement has ever been challenged, development agreements, and inquired about cultivation centers.

1. The City Council received and filed the report; and
2. Directed staff to not pursue retail options; and
3. Conduct a future study session to discuss the following:
  - What would be an ideal scenario for the City (one testing facility / one cultivation facility / one distribution facility).
  - Consider all options (no retail) that would not increase foot or vehicle traffic.
  - Obtain more information and include public input.
  - Investigate odor mitigation (tour a cultivation site to examine possible odor concerns).
  - Conduct a feasibility study (sample overlays / is the City big enough / include multiple site locations).
  - Include law enforcement input with the feasibility study to ensure that law enforcement would still be able to provide the same level of service.

8. **ADJOURNMENT** Motion/Second: Shawver/  
Motion carried at 5:56 p.m.

  
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MAYOR

ATTEST:  
  
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CITY CLERK