

**MINUTES
CITY COUNCIL SPECIAL
MEETING OF FEBRUARY 28, 2017**

5:30 PM, STOCKTON, CALIFORNIA

1. SPECIAL SESSION CALL TO ORDER / ROLL CALL - 5:30 PM

Roll Call 05:30 PM

Present:

Christina Fugazi
Elbert Holman
Susan Lofthus
Daniel Wright
Susan Lenz
Michael Tubbs
Jesús M. Andrade

2. PUBLIC COMMENT

Lalaine Moreira - requested zoning restrictions be changed for residential, schools and parks

Douglas Chloupek - Code Section 5.100.230 regarding storage of records in electronic format; multiple permits in same facility

Jeanine D. Davis - meeting decorum; having respect for all

Anthony Valverde - working with youth in Stockton; donating excess tile for city projects; partnering with city on clean-up efforts

Casey Ann Carbonell - support of legalized cannabis distribution, testing and transportation in Stockton; co-op model dispensaries; employment inclusiveness for those having faced sentencing and punishment for prior marijuana charges

Adam Pressler-Smith, Regional Manager Stockton Patient Clinic - spoke in opposition to the increased gross sales tax; upcoming state regulations to impose more operating costs; enforcement of existing city codes and regulations not being imposed with illegal dispensaries in operation throughout Stockton

Ron Bernasconi - zoning concerns

Chris Hester - supports combined use for medical marijuana dispensing and cultivation facilities

Aaron Paradiso - opposes cultivation and dispensing operations at the same facility; create zoning laws that are supportive to local business operators only

Denise Friday - requested information regarding the death of her son Colby Friday; requests surveillance footage from building to be released

3. ITEMS FOR DISCUSSION

None

5. PUBLIC HEARING

5.1 17-3373 AN URGENCY ORDINANCE AMENDING TITLES 5 AND 16 OF THE STOCKTON MUNICIPAL CODE RELATING TO MEDICAL CANNABIS BUSINESSES

David Kwong, Community Development Director - gave report to Council with the aid of a PowerPoint presentation (filed)

PowerPoint presentation - Urgency Ordinance Amending Titles 5 and 16 of the Stockton Municipal Code RE Medical Cannabis Businesses

Legislation Text

Attachment A - Measure P Maps

Attachment B - Proposed Ordinance - Redline Version

Proposed Ordinance - Medical Cannabis

Around the Bench Memo - Agenda Item 5.1-Measure P Maps

Public Comment

Howard Seligman - supports limiting the number of conditional use permits; opposes setting limits as it eliminates potential, qualified applicants for consideration; suggested setting maximum 30 day time limit to which applicants can submit applications

Adam Pressler-Smith - spoke in opposition to the suggestion of raising the citywide dispensary capacity to 6

Ron Bernasconi - supports proposed capacity limit; favored a time limit for applications

Bobby Bivens - spoke to experience gained during service on a previous selection committee; monitoring program; suggested five-year ban for violators

George Boyadjian - spoke to Colorado statistics; previous inquiry about City of Stockton application process; Medical Cannabis Regulatory and Safety Act as of January 1, 2018 State of California application process available online; existing local dispensaries license status;

Ron Bernasconi - opposes first come first served selection process; suggested having background checks as part of security plan and not after application approval process

Bobby Uppal - shared information on other jurisdiction's processes followed; establish set criteria and timelines; application selection to be based on performance and merit

Douglas Chloupek - referenced language in ordinance outlining application process for cultivation sites; states no physical application exists to follow process; proper background checks imperative

Bobby Bivens - spoke to prior selection process; the number of dispensary and cultivation site applications; urged Council to pause before making decisions; expressed opinion that current field of applicants too narrow, not a level playing field

Motion: Approve Motion to Limit the number of Conditional Use Permit (CUP) applications that may be processed consistent with the number of available Operator Permits under the applicable cap.

Moved by: Elbert Holman, seconded by Susan Lofthus.

Motion fails - needing 4/5's vote

Vote: Motion carried 4-3

Yes: Elbert Holman, Susan Lofthus, Susan Lenz, and Michael Tubbs.

No: Christina Fugazi , Daniel Wright, and Jesús M. Andrade.

4. NEW BUSINESS

4.1 16-3254 RESOLUTION TO SET THE BUSINESS LICENSE TAX RATE FOR MEDICAL CANNABIS BUSINESSES OPERATING IN THE CITY PURSUANT TO CHAPTER 5.98 OF THE STOCKTON MUNICIPAL CODE

Matt Paulin, Chief Financial Officer - gave report to Council with the aid of a PowerPoint presentation (filed)

[PowerPoint Presentation - Business License Tax Rate for Medical Cannabis Businesses Operating in the City](#)

[Legislation Text](#)

[Proposed Resolution - Medical Cannabis Tax Rate](#)

[Approved Resolution 2017-02-28-0401](#)

[Public Comment](#)

Bobby Bivens on behalf of the National Association for the Advancement of Colored People State Conference Cannabis Task Force - spoke in support of the tax rate; ethnic diversity on newly created commission or review board; percentage of business profits go towards educational programs for youth; suggested city implement a compliance unit to review business income, sales and distribution

Ramiro Reyes - supports tax rate; stated proposed tax rate is too low; business license applicants from Stockton should have first priority

Adam Pressler-Smith - spoke in opposition to the proposed tax rate increase; balance taxes and protect jobs; enforce laws and close illegal stores

Douglas Chloupek - spoke to taxation on San Jose dispensaries operating without permits and regulations; once city ordinance installed \$9 million in city revenue resulted

Motion: Approve **Resolution 2017-02-28-0401** to set the business license tax rate for medical cannabis businesses operating in the City at \$50 per one-thousand dollars in gross receipts, pursuant to Chapter 5.98 of the Stockton Municipal Code.

Moved by: Elbert Holman, seconded by Michael Tubbs.

Vote: Motion carried 5-2

Yes: Elbert Holman, Daniel Wright, Susan Lenz, Michael Tubbs, and Jesús M. Andrade.

No: Christina Fugazi , and Susan Lofthus.

6. **ADJOURNMENT - 8:10 PM**



BONNIE PAIGE, CMC
CITY CLERK, CITY OF STOCKTON