

City of Taft Open Forum
Proposition 64: Adult Use of Cannabis

August 8, 2017

West Side Recreation and Park District

Open Forum Proceedings

- Open Forum for the City to receive input from local residents and stakeholders
- NO Policy or Ordinance decisions will be made
- Participants are to direct comments to City staff only
- NO derogatory statements shall be directed at City employees or other participants
- Comment cards provided
- Sign-in sheet is optional

Proposition 64

- Voter approved initiative allowing:
 - Personal grow, possession, and use of non-medical cannabis (to certain limits)
 - Commercial cultivation, manufacturing, testing, distribution, and retail sales of non-medical cannabis
 - Local jurisdictions have authority to allow all, allow some, or ban all personal and commercial medical and non-medical cannabis activity
 - Some cannabis activity is still a crime (i.e. exceeding certain personal and commercial cannabis activity)
 - Must be 21 and older in all instances

Prop 64: Personal Use

- Only allowed for persons 21 years of age or older
- Allowed to possess, plant, cultivate, harvest, dry, or process a maximum of six (6) mature marijuana plants per RESIDENCE
- May be grown indoors or outdoors
- May possess, process, transport, purchase, obtain or give away a maximum of 28.5 grams of non-concentrated cannabis
- May do the things above with a maximum of 8 grams of concentrated cannabis
- May smoke or ingest marijuana and products
- Cities are allowed to prohibit personal growing of cannabis outdoors upon the grounds of a residence

Prop 64: Personal Use Prohibitions

- Cannot smoke or ingest marijuana or products in any public place
- Cannot smoke marijuana or products where smoking tobacco is prohibited
- Cannot smoke marijuana or products within 1,000 feet of a school, day care center, or youth center
- Cannot possess an open container or package of marijuana or products while driving, operating, or riding in the passenger seat of a motor vehicle, boat, vessel, aircraft, or other vehicles

Prop 64: Personal Use Prohibitions

- Cannot possess smoke or ingest marijuana or products on the grounds of a school, day care center, or youth center
- Personal use cannot involve the manufacture of concentrated cannabis using a volatile solvent
- Cannot smoke or ingest marijuana products while driving, operating a boat, vessel, aircraft, or other vehicle
- Cannot smoke or ingest marijuana or products while riding in passenger seat of a motor vehicle, boat, vessel, aircraft or other vehicle

Prop 64: Personal Use Violations

- Under 18 years of age – 4 hours of a drug education program or counseling AND 10-20 hours of community service
- Drug education program or counseling is mandatory, but must be provided at no cost
- Over 21 years of age - \$100 to \$250 fine

Prop 64: Commercial Marijuana Activity

- The State Bureau of Marijuana Control within the Department of Consumer Affairs administers commercial marijuana activity
- Department of Consumer Affairs issues licenses for transportation, storage, distribution, and sale of marijuana within the State
- Department of Food and Agriculture issues licenses for cultivation of marijuana
- State Department of Public Health issues licensing for manufacturing and testing licenses
- Prospective commercial marijuana business owners must receive local approval prior to receiving a state license
- State will make applications available for a state licensing beginning on January 1, 2018

Prop 64: Commercial License Types

- Department of Food and Agriculture
 - Type 1, 1A and 1B: Specialty Outdoor/Indoor/Mixed-Light, less than 5,000 sf
 - Type 1C: Specialty Cottage*
 - Type 2, 2A and 2B: Outdoor/Indoor/Mixed-light, 5,001 to 10,000 sf
 - Type 3, 3A and 3B: Outdoor/Indoor/Mixed-light, 10,001 sf to 1 acre/10,001 to 22,000 sf
 - Type 4: Nursery, no max sf listed
 - (2023) Type 5, 5A and 5B: Large Outdoor/Large Indoor/ Large Mixed-light, more than 1 acre (43,560 sf)/max 22,000 sf

Prop 64: Commercial License Types

- State Department of Public Health
 - Type 6: Manufacturer 1, using non-volatile solvents
 - Type 7: Manufacturer 2, using volatile solvents
 - Type 8: Testing

Prop 64: Commercial License Types

- Department of Consumer Affairs
 - Type 10: Retailer, Dispensary
 - Type 11: Distributor
 - Type 12: Microbusiness, Transportation

Holding Multiple License Types

- Types 1 and 2 growers may hold Type 6 or 7 manufacturer licenses OR a Type 10 retail license
- Large growers Type 3, 4, and 5 cannot hold manufacturers licenses
- A Type 10 retailer licensee may be a manufacturer and cultivator
- Testing licensees (Type 8) cannot hold any other license
- Distributor licensees (Type 11) must also have a Type 12 transportation license, but NO other license
- A Type 12 may also have a Type 11, but not required.

City Reviews and Permitting

- All license types will require a Conditional Use Permit (CUP) application to the Planning Department
- City holds full discretion in reviewing and permitting or denying a CUP application
- Applicants may pay more than typical CUP fee to cover full costs of City staff time
- City business license fees may be much more than other business license types
- City may impose an excise tax on gross sales or amount of product similar to State, which requires voter approval

City Reviews and Permitting

- Prop 64 only required 600-foot separation from schools, parks, and day care centers
- Most cities/counties are applying a 1,000-foot separation
- Typically limited to Agricultural and Industrial/Manufacturing zone districts for indoor and outdoor cultivation, manufacture, and distribution
- Certain Commercial and Industrial Zones for retail sales

Kern County Status

- Outdoor Cultivation (Type 1, 2, 3, and 4)
 - Countywide Maximum 150 acres
 - Must be 1 mile from schools, parks, day care and youth centers
- Indoor Cultivation (Type 1A-B-C, 2A-B, 3A-B, and 4)
 - Countywide Maximum 2,000,000 s.f.
 - Must be 1 mile from schools, parks, day care and youth centers
- Processing and Packaging (Type 6, 7, and 8)
 - Countywide Maximum 500,000 s.f.
 - Must be 1 mile from schools, parks, day care and youth centers
- Retail Stores and Mobile Delivery (Type 10, 11, and 12)
 - Countywide Maximum of 40 retail stores
 - No more than 2 allowed in each County community
 - Must be more than 1,000 feet from any school, parks, day care and youth centers
- Public Meeting on **Tuesday, August 22, 2017 at 2:00pm**

Senate Bill 94

- Signed by the Governor in June 2017
- Further amendments to the State law created by Prop 64
- City needs to update draft ordinances per the new amendments

How much tax would be collected?

- Any \$1,000,000 retail business
- 7.25% Sales Tax = \$72,500
- State of CA receives 6% = \$60,000
- City of Taft receives 1% = \$10,000
- County of Kern receives 0.25% = \$2,500

- State collects 15% on revenues = \$150,000

City's Tentative Meeting Schedule

- West Side Rec – August 8, 2017 at 6:00pm
- Planning Commission draft review – August 16, 2017
- Planning Commission final review – September 20, 2017
- City Council first reading – October 17, 2017
- City Council second reading – November 7, 2017
- 30-day effective period – December 7, 2017