

**CITY OF SEBASTOPOL
CITY COUNCIL
STAFF REPORT**

Meeting Date: December 15, 2015
To: Honorable Mayor and City Councilmembers
From: Councilmember Robert Jacob
Subject: Resolution in Support of Sonoma County Action on Cannabis Policy by the March 1, 2016 State Mandated Deadline
Recommendation: That the City Council Discuss and Approve the Resolution
Funding: Currently Budgeted: _____ Yes _____ No XX N/A
Net General Fund Cost:
Amount: \$

INTRODUCTION: This item is to request that the City Council discuss approval of the attached resolution in support of Sonoma County Action on Cannabis Policy by the March 1, 2016 State Mandated Deadline.

BACKGROUND:
In October of this year, California Governor Jerry Brown signed into law the most comprehensive medical marijuana regulation legislation ever seen in the state of California. North Coast Senator Mike McGuire worked to find common ground and build a strong coalition of support behind SB 643 – The Medical Marijuana Regulation and Safety Act. SB 643 was part of a three-bill package that moved forward through the legislature together. Paired with AB 266 and AB 243, the three bills will change the face of a multi-billion dollar industry that has gone largely unregulated for almost 20 years.

The new laws cover every aspect of the commercial medical marijuana industry which would be regulated and subject to licensure – both by the state and local authorities. The bills create a Bureau of Medical Marijuana Regulation under the Department of Consumer Affairs led by a Director who will be confirmed by the Senate. Cities and counties will be eligible for grants from the Marijuana Production and Environmental Mitigation Fund. These monies can be used for local law enforcement activities and environmental cleanup.

DISCUSSION:
Key to SB 643 are provisions that will track and trace all marijuana products, and a provision that will once and for all make medical marijuana officially an agricultural product in California. Cultivators will have to abide by the same rules and regulations as all other agriculture, including water use, water discharge, pesticide and insecticide use and more. SB 643 also includes robust provisions governing indoor and outdoor cultivation standards for small, medium and large growers to ensure that best practices related to land conversion, grading and electricity usage are instituted. The bill makes sure that the environment is cared for and that the products are safe, while also mandating strict standards for transportation to ensure that no marijuana is diverted out of state for illegal use.

The City Council is being asked to approve a Resolution supporting County Officials to take advantage of licensing marijuana businesses and reaping the cash rewards. If officials decline to allow the cultivation, manufacture and sales of marijuana, the county and cities would jeopardize the contribution of a strong but largely silent economic sector.

Under the new law, local governments can either permit cannabis businesses or ban them, which would preclude state licensing. If cities and counties adopt no regulations, they lose control and the authority for permitting reverts to the state.

Dispensaries are currently allowed in Santa Rosa, Sebastopol and Cotati, as well as the unincorporated area governed by the Board of Supervisors. No local jurisdiction allows commercial cultivation of marijuana. The new state law establishes 17 license types, including 10 for cultivation (subdivided by size of the plot and the means of lighting), as well as manufacturing, testing, dispensing and transporting cannabis.

RECOMMENDATION:

Staff recommends that the City Council discuss approval of the attached resolution in support of Sonoma County Action on Cannabis Policy by the March 1, 2016 State Mandated Deadline.

Attachment:

Resolution

RESOLUTION NUMBER _____

A RESOLUTION OF THE SEBASTOPOL CITY COUNCIL CALLING UPON THE CITIES AND COUNTY GOVERNMENT OF SONOMA COUNTY TO IMPLEMENT A MEDICAL CANNABIS CULTIVATION ORDINANCE AND OTHER POLICIES IN ORDER TO AVOID A LOCAL FINANCIAL CRISIS, PROTECT THE ENVIRONMENT, AND CREATE SAFE ACCESS TO EFFECTIVE MEDICINE

WHEREAS, unregulated medical cannabis commerce is—and has been—a widespread activity in California and particularly in Sonoma County and has led to significant impacts, both positive and negative, including significant and regular economic opportunity for many local residents as well as significant public safety, and environmental challenges; and

WHEREAS, Proposition 215 passed in 1996 allowing people authorized by a doctor to cultivate and consume medical cannabis to find relief; and

WHEREAS, many Sonoma County residents are afforded relief from the effects of cancer, AIDS, chronic pain, arthritis, and numerous other ailments by the use of cannabis as a medicine, and

WHEREAS, regulating cannabis makes it harder for the youth to acquire it, eliminates the stigma around the efficacies of the plant, and provides comfort for those who would benefit from using medical cannabis but have thus far been afraid due to lack of regulations, and

WHEREAS, the Medical Marijuana Program Act was signed by the Governor in 2004 allowing individuals to collectively cultivate and be compensated for such cultivation offering some legal protections for local cultivators, and helped to create a stronger local economy; and

WHEREAS, Sonoma County passed resolution #06-0846 in 2006 allowing patients to cultivate up to 100 square feet each; and

WHEREAS the Medical Marijuana Regulation and Safety Act (MMRSA) signed into law in 2015, allows for licensing by the State of California for cannabis cultivation facilities only if such facilities are permitted at the local level; and

WHEREAS local jurisdictions throughout California have until March 1, 2016 to pass local cultivation regulations, create permissive zoning, and/or to do as Humboldt County Supervisors, implementing a Cannabis Cultivation Registry of cultivators in good standing; and

WHEREAS, the North Coast Regional Water Quality Control Board recently adopted regulations that mandate commercial cannabis cultivators register with their department to protect water quality, illustrating that the medical cannabis industry is in the process of being fully regulated; and

WHEREAS, watersheds, energy systems, and the environment in general will be well served by the implementation of the MMRSA regulations, as long time cannabis industry participants will now be able to participate in energy conservation programs, water reduction strategies and other environmental enhancement as a result of normalization and acceptance of the industry, and

WHEREAS, successful implementation of commercial medical cannabis regulation depends on the active participation of, and participation between, the cities and counties of California, the state government, law enforcement, water quality officials, and the regulated industry and medical cannabis patient provider networks; and

WHEREAS, many citizens in Sonoma County, including residents of the City of Sebastopol and our immediate surrounding greater Sebastopol area, are employed by medical cannabis collectives and legal cultivation facilities under the existing rules; and

WHEREAS, the loss of these estimated tens of thousands of jobs will create a local financial crisis that could affect citizen's abilities to support their families, pay for housing, property taxes, and other critical needs; and

WHEREAS, local businesses and ancillary services would also suffer if such a financial crisis is not averted, such as general retail, grocery stores, garden and farming supply businesses, restaurants, hardware suppliers, and trades people to name a few; and

WHEREAS, such a financial crisis can be averted in Sonoma County if the local Cities and the Board of Supervisors pass appropriate regulations to permit medical cannabis cultivation and ancillary services, putting clear rules in place for an industry that has been operating in the Cities and unincorporated Sonoma County for a very long time; and

WHEREAS, the County Board of Supervisors in 2015 joined six other counties in signing the Marijuana Policy Statement, a multi-county pledge to create sound regulations for medical cannabis for environmental, economic, and public safety considerations; and

WHEREAS, even a one year interruption to this local industry would be catastrophic to Sonoma County citizens and our local economy; and

WHEREAS, Assemblymember Jim Wood and State Senator Mike McGuire, both of whom served Sonoma County as elected officials, carried critical pieces of the MMRSA legislation, and are working diligently in the legislature to address the calendar issues;

NOW, THEREFORE BE IT RESOLVED that the City of Sebastopol recognizes the urgent need to regulate Sonoma County's medical cannabis marketplace and calls upon all Sonoma County cities and in particular the Board of Supervisors of the County of Sonoma to take a leadership role in creating medical cannabis regulations, starting with cultivation regulations, immediately and before March 1, 2016 in order to maintain local control and to avert a financial crisis.

BE IT FURTHER RESOLVED that Sebastopol calls on the Board of Supervisors and City Councils in Sonoma County to build and strengthen partnerships and to work to develop and implement ordinances to permit local businesses in order that such businesses may apply for state licenses when they become available.

BE IT FURTHER RESOLVED that Sebastopol calls on the Board of Supervisors and City Councils throughout the county to urge their Legislators to extend the March 01, 2016 deadline to implement cultivation regulations to maintain local control.

BE IT FURTHER RESOLVED that Sebastopol calls on the Board of Supervisors and City Councils throughout the county to urge their Legislators to pass legislation that creates a micro-farming permit for small scale farmers in order that farmers under 5,000 square feet have the opportunity to obtain a state license with a fee structure that recognizes their smaller scale, craft approach to cultivation practices.

BE IT FURTHER RESOLVED that Sebastopol urges the County of Sonoma to also add a micro-farming permit for small scale farmers in order that farmers under 5,000 square feet also have the opportunity to obtain a state license through the local regulation system.

BE IT FURTHER RESOLVED that the City of Sebastopol will communicate this resolution to all of the municipal governments in Sonoma County as well as the County of Sonoma, and our State Legislative representatives in Sonoma County.

We, the undersigned, do hereby certify that the foregoing Resolution Number XXXX was duly adopted by the City Council of the City of Sebastopol following a roll call vote:

City of Sebastopol City Council

Ayes:

Noes:

Abstain:

Absent:

Approved:

MAYOR SARAH GLADE GURNEY

ATTEST:

Mary C. Gourley, CMC, City Clerk