

*"We are a welcoming, active and business-friendly rural
foothill community built on California's rich gold rush history"*



City Manager's Report
January 10, 2023, City Council Meeting
Prepared by: Cleve Morris, City Manager
Item #: 12.3

Subject: Appoint two council members to serve as the Ad-hoc Selection Committee to select two members to the Cannabis Community Benefits Committee for the City of Placerville.

Purpose: To appoint two members to serve on an Ad-hoc Selection Committee to select public members to serve on the Cannabis Community Benefit Committee.

Strategic Plan Strategy: Maintain/Improve Quality of Life: 8) Strategy – Develop and Expand Programs and Projects to Beautify the City.

Background: In 2018 the City of Placerville adopted an ordinance to allow retail cannabis businesses in the City of Placerville. Part of the application process included a section requiring a community benefits component. In December of 2020 the Council adopted the Community Benefit Program including designated representatives for the Program committee. The original program designated three Cannabis Business Representatives and one Public Member. At the time it was anticipated that we would have three Cannabis Businesses. Since that time, only two Cannabis Businesses were approved. At the City Council Meeting on October 11, 2022, the Council directed staff to amend the program to include two Cannabis Business Representatives and two Public Members. On October 25, 2022 staff returned with an amended resolution to establish two Public Members to the committee and two Cannabis Business Representatives in addition to the other designated members. On November 9, 2022, Staff returned to Council with a request to appoint two members to the committee. At that time Council directed staff to advertise the Committee openings and to schedule an agenda item to appoint two Councilmembers to serve on an Ad-hoc Selection Committee.

Discussion: Following the meeting on November 9, 2022, Staff created the attached announcement for the committee and advertised on our social media. In addition we sent the announcement to the four people who had expressed interest prior to that time. At the writing of this report we have two applications. The application period closes on January 5, 2023, with expectations that the Selection committee will interview potential applicants prior to the January 24th meeting and have a recommendation at that meeting.

The attached document outlines the provisions of the community benefits program and how it will be operated with the changes to the committee membership. The general provisions of the program are:

1. Licensees will donate 1% of gross revenues toward the program.
2. A seven member committee consisting of the following will recommend projects/programs to be funded. The committee membership shall be as follows:
 - a. Chief of Police (or designee) (1)
 - b. City Manager (or designee) (1)

- c. Director of Community Services (1)
- d. Public Member (selected by the City Council) (2)
- e. Cannabis Business Representative (two – One from each business) (2)

- 3. Funding for the first year of the program will be as follows:
 - a. First Quarter .25%
 - b. Second Quarter .5%
 - c. Third Quarter .75%
 - d. Fourth Quarter 1%

Since the last two meetings staff has provided outreach through social media to solicit members for the committee. The outreach encouraged interested citizens to apply.

Options:

- 1. Approve two Councilmembers to serve on the Selection Committee.
- 2. Provide other direction to staff if necessary.

Environmental: This program does not qualify as a project under the California Environmental Quality Act (CEQA) and therefore no Environmental Statement is necessary.

Cost: As outlined above the estimated costs would be similar to the revenues on an annual basis.

Budget Impact: Once the committee makes recommendations, staff will return to ask Council to approve the projects and allocate the funding.

Recommendation: Appoint two council members to serve as the Ad hoc Selection Committee to select two members to the Cannabis Community Benefits Committee for the City of Placerville.



M. Cleve Morris, City Manager

Attachments:

Att A: Cannabis Community Benefits Program