



**Fresno City Council Meeting**

**October 24<sup>th</sup>, 2019**

**ID19-11283**

# Cannabis Ordinance

**Sponsors:**

**Vice President Miguel Arias**

**Councilmember Esmeralda Soria**

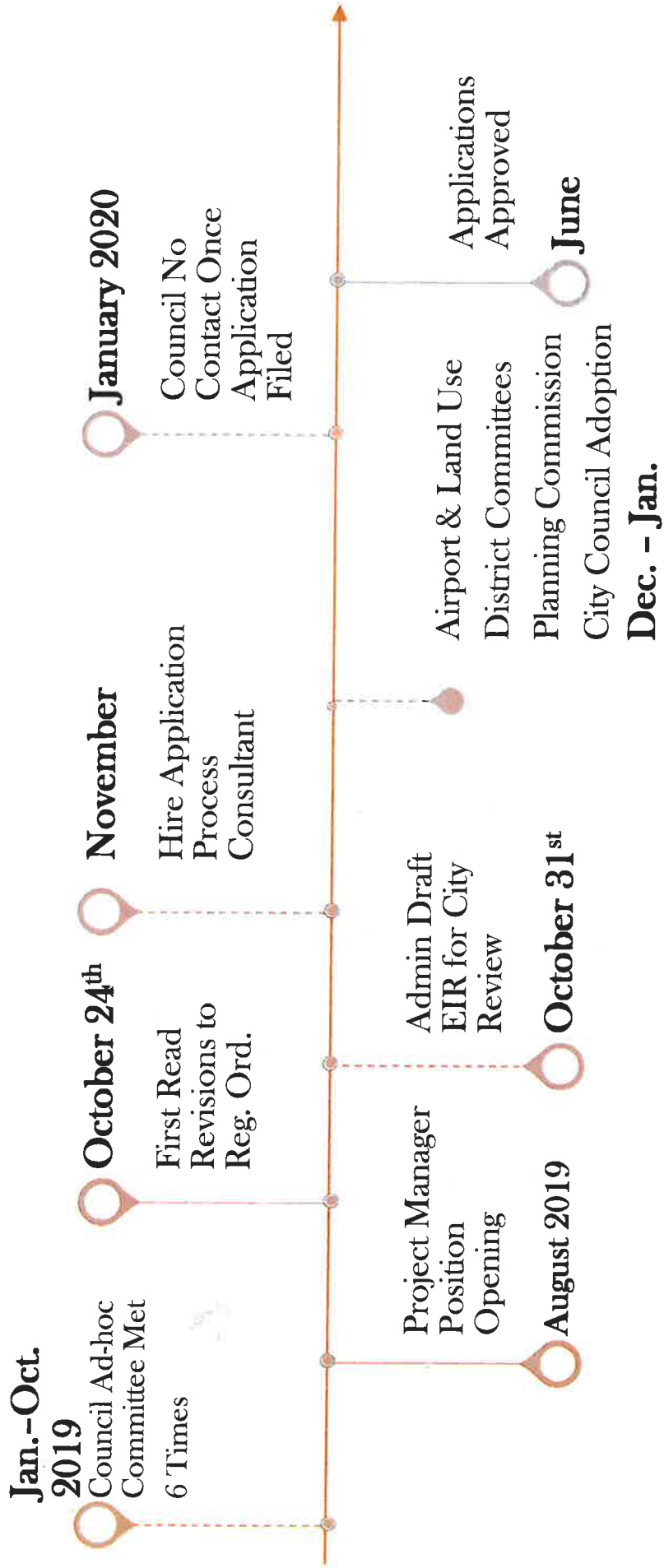
*11<sup>00</sup> Item*

*10/24/19*

*Distributed during mtg.*

# Progress

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# Approval Process

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**Owners and Operators**  
Police Background Checks  
City Work Permits

- Consistent with other licensing authorities and industries
- Reduces need to hire more police and human resource staff with limited general fund

**Business Permits**  
City Manager Recommends  
City Council Approves

- Consistent with other licensing authorities
- Establishes No Contact with Elected Officials once application filed
- Permits renewal every 1 year

**Conditional Use Permits**  
Approve (Director, PC)  
Appeals (City Council)

- Consistent with other licensing authorities and existing City procedures
- Provides neutrality for appeals
- CUP's renewals every 5 years

# Social Equity

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Disproportionate levels of incarceration of people of color related to cannabis



Equity programs create opportunities for individuals and communities facing barriers due to the historical unequal enforcement of cannabis crimes

## Social Equity Elements

- All applicants
  - Hire individuals from the following, for a minimum of 1/3 of total annual work hours
    - Low income
    - Previous cannabis conviction
    - Lived for 3 years in a low-moderate census tract for 3 years
    - Former Foster Youth
    - Veteran
  - Social responsibility element determined by Applicant

# Equity Qualifications

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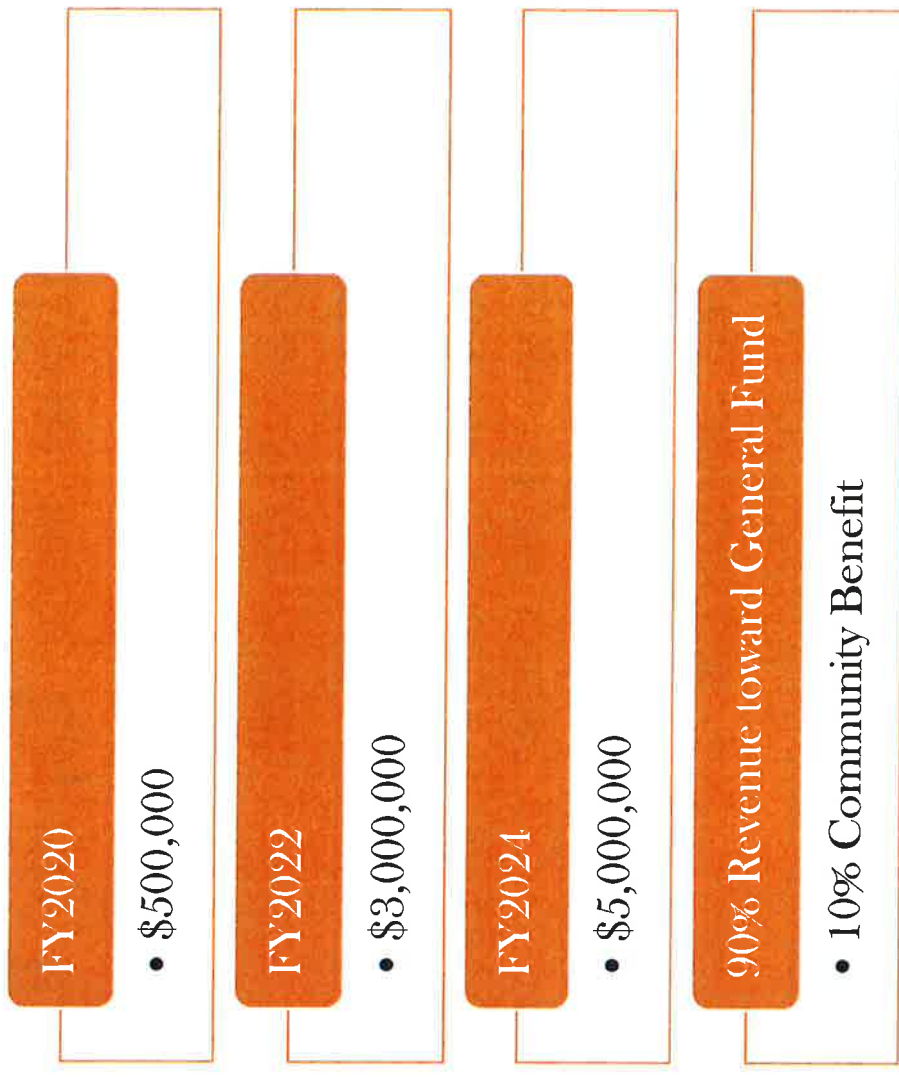
- **Majority of ownership must meet at least one of the following:**
  - Low income
  - Past cannabis conviction or immediate family member
  - Low income, live in a 60%+ zip code, according to Cal Enviro
  - Past cannabis conviction or family member
  - Business or Social Enterprise with majority of ownership low income, lives in 60%+ Cal Enviro zip code
  - Previous cannabis conviction or immediate family member
  - Employee workforce belonging to a labor union
- **Equity Permits Awarded**
  - 1:7 retail; 1:8 commercial
- **Equity Assistance Program established as funding becomes available, Council approved**
  - Equity Applicants fees partially waived & application assistance

# \$10 Million State Equity Funds Awarded

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- **Bureau of Cannabis Control awarded \$10 mil in equity grants to;**
  - Los Angeles - \$1,834,156.38
  - Oakland - \$1,657,201.65
  - Humboldt County - \$1,338,683.13
  - San Francisco City/County - \$1,338,683.13
  - Sacramento - \$1,197,119.34
  - Long Beach - \$913,991.77
  - San Jose \$560,082.30
  - Santa Cruz - \$560,082.30
  - Coachella - \$500,000.00
  - Palm Springs - \$100,000.00

# Fresno Budget Impacts





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# State Revisions

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## Recent Bills Signed by the Governor

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### Equity Licenses

- Requires cannabis licensing authorities to implement a need-based fee waiver program by 2021, to ensure at least 60% of the dollar amount of waivers are allocated to equity licenses.

### Unionized Workforce

- Sets a deadline of 60 days for cannabis businesses with 20 or more employees to sign a labor peace agreement, allowing employees to unionize without their employer's interference.

### State Tax Deductions

- Cannabis companies can claim deductions from 2020 to 2024

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# Fresno Revisions

# Notification & Locations

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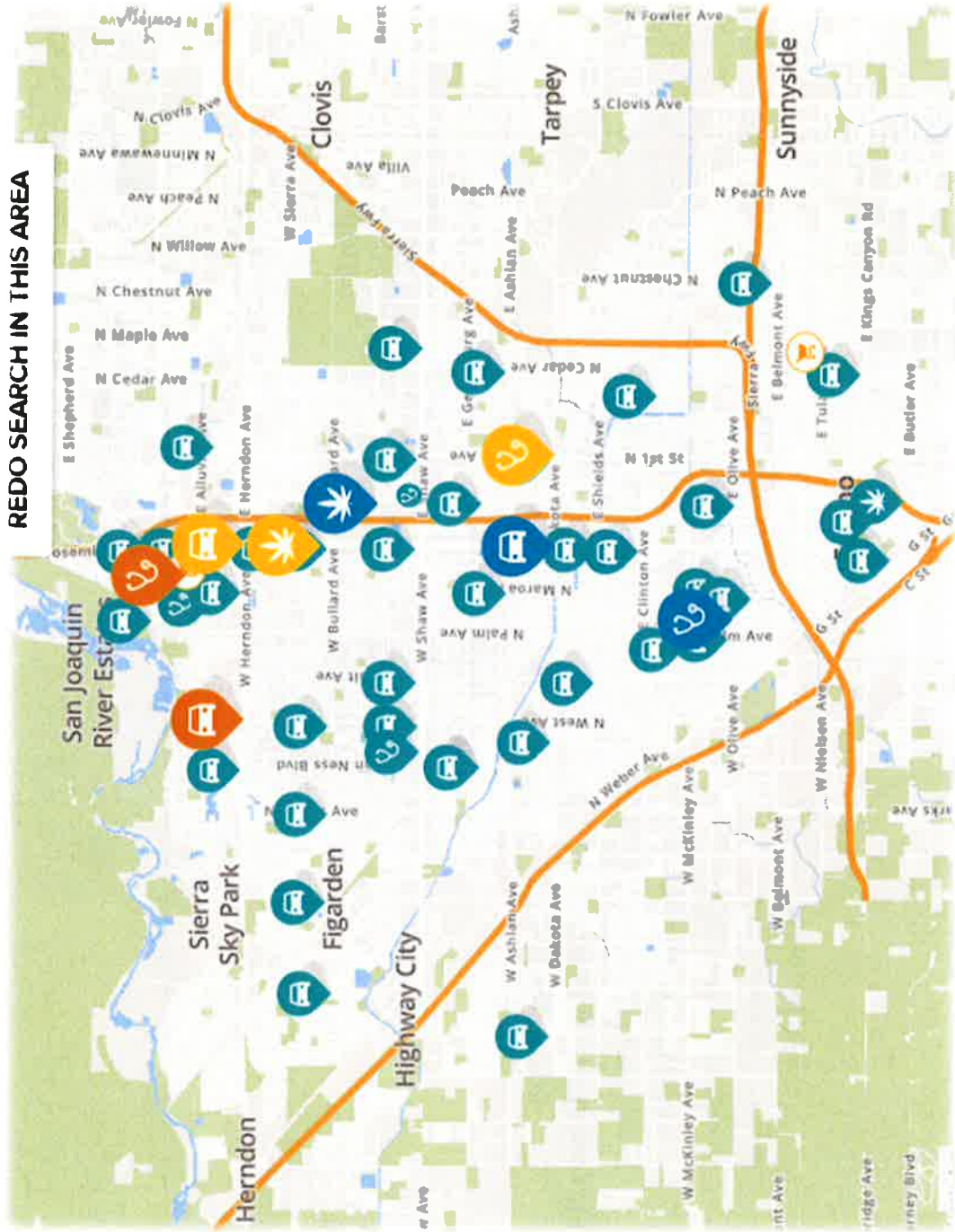
Residences within 1,000 ft  
notified of applications *and*  
Hearings to issue Business  
Permits and CUP's

- Consistent with exiting ABC and CUP application process

Zoning for Retailers

- Adding Neighborhood Mixed-Use (NMX), Corridor/Center Mixed-Use (CMX), Regional Mixed-Use (RMX) consistent with buffer zones

# Weedmaps: Cannabis Listings in Fresno





# Next Steps

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