



City of Guadalupe AGENDA

Special Meeting of the Guadalupe City Council

Tuesday, August 16, 2022, at 6:00 pm
City Hall, 918 Obispo Street, Council Chambers

The City Council meeting will broadcast live on Charter Spectrum Cable Channel 20 and live streamed on the City of Guadalupe's Official YouTube channel:

<https://www.youtube.com/channel/UCaxeHWd9JkmvKnGFU8BAYQQ>

If you choose not to attend the City Council meeting but wish to make a comment during the Community Participation Forum or on a specific agenda item, please submit via email to juana@ci.guadalupe.ca.us no later than 2:00 pm on Tuesday, August 16, 2022.

Please be advised that, pursuant to State Law, any member of the public may address the City Council concerning any item on the Agenda, before or during Council consideration of that item. If you wish to speak on any item on the agenda, including any item on the Consent Calendar or the Ceremonial Calendar, please submit a speaker request form for that item. If you wish to speak on a matter that is not on the agenda, please do so during the Community Participation Forum.

The Agenda and related Staff reports are available on the City's website: www.ci.guadalupe.ca.us Friday before Council meeting.

Any documents produced by the City and distributed to a majority of the City Council regarding any item on this agenda will be made available the Friday before Council meetings at the Administration Office at City Hall 918 Obispo Street, Monday through Friday between 8:00 am and 4:30 pm, and also posted 72 hours prior to the meeting. The City may charge customary photocopying charges for copies of such documents. Any documents distributed to a majority of the City Council regarding any item on this agenda less than 72 hours before the meeting will be made available for inspection at the meeting and will be posted on the City's website and made available for inspection the day after the meeting at the Administrator Office at City Hall 918 Obispo Street, Monday through Friday between 8:00 am and 4:30 pm.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, including review of the Agenda and related documents, please contact the Administration Office at (805) 356.3891 at least 72 hours prior to the meeting. This will allow time for the City to make reasonable arrangements to ensure accessibility to the meeting.

1. ROLL CALL:

Council Member Liliana Cardenas
Council Member Gilbert Robles
Council Member Eugene Costa Jr.
Mayor Pro Tempore Tony Ramirez
Mayor Ariston Julian

2. PLEDGE OF ALLEGIANCE

3. COMMUNITY PARTICIPATION FORUM

Each person will be limited to a discussion of three (3) minutes or as directed by the Mayor. Pursuant to provisions of the Brown Act, no action may be taken on these matters unless they are listed on the agenda, or unless certain emergency or special circumstances exist. City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

REGULAR BUSINESS

4. Reconsideration of Second Commercial Cannabis Business (CCB) Permit Applicant – Retail.

Written report: Todd Bodem, City Administrator

Recommendation: That the City Council:

- 1) Receive a presentation from staff;
- 2) Receive presentations from the Element 7 and The Roots Dispensary;
- 3) Receive public comment; and
 - a. Select one of these applicants to move forward with the process of obtaining a CCB permit;
 - or
 - b. Continue deliberations on these two CCB permit applicants to a future meeting; or
 - c. Take no action and provide further direction to staff.

5. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall display case and website not less than 24 hours prior to the meeting. Dated this 12th day of August 2022.

Todd Bodem

Todd Bodem, City Administrator



REPORT TO THE CITY COUNCIL OF THE CITY OF GUADALUPE
Agenda of August 16, 2022

Todd Bodem

Prepared by:

Todd Bodem, City Administrator

SUBJECT: Reconsideration of Second Commercial Cannabis Business (CCB) Permit Applicant – Retail

RECOMMENDATION:

- 1) Receive a presentation from staff;
- 2) Receive presentations from the Element 7 and The Roots Dispensary;
- 3) Receive public comment; and
 - a. Select one of these applicants to move forward with the process of obtaining a CCB permit; or
 - b. Continue deliberations on these two CCB permit applicants to a future meeting; or
 - c. Take no action and provide further direction to staff.

BACKGROUND:

At the April 12, 2022, City Council meeting, the City Council took two actions concerning selection of Commercial Cannabis Business (CCB) permit applicants: (1) the Council decided to select only two applicants to move forward in the process of applying for and obtaining CCB permits; and (2) the Council selected SloCal Roots Management LLC dba Root One as one of these two “prevailing candidates” (the term used in Guadalupe Municipal Code Chapter 9). The Council was not able to select the second prevailing candidate at this meeting, however, due to the lack of majority support for any of the four remaining CCB permit applicants. The Council was able to narrow the selection down to two (4) of the remaining four (4) CCB permit applicants: BDSF 1 Holdings LLC dba Element 7 Guadalupe (“Element 7”) and LGBA Management LLC dba The Roots Dispensary (“The Roots Dispensary”). The Council also directed that City staff request that these two CCB permit applicants make another presentation to the Council focusing on the community benefit and neighborhood plan portions of their applications.

The additional presentations from The Roots Dispensary and Element 7 took place at the April 26, 2022, City Council meeting. Council member Ramirez and Council member Costa were not present at this meeting; however, because a quorum of the Council was present, it was legally permissible for the Council to move forward with the presentations and make its decision concerning which of the two CCB applicants would be selected to move forward in the process. After the presentations, the City Council deliberated and ultimately selected Element 7 as the second of the two prevailing candidates to move forward in the process.

Subsequently, several weeks later, it came to the attention of the City Attorney that Council member Ramirez had sent an email to Mayor Julian and City Administrator Bodem, that stated his opinion

concerning various matters that were on the Council's agenda for the April 26th meeting, including his opinion that The Roots Dispensary should be selected as the second prevailing candidate. Unfortunately, this email was inadvertently not included as part of the public record at the April 26th meeting. The City Attorney determined that the failure to include this email as part of the public record at the April 26th meeting resulted in a procedural irregularity that requires the City Council to consider rescinding the decision it made at that meeting to select Element 7 as the second prevailing candidate.

A request to the City Council to rescind its selection of Element 7 was made to the City Council (with all five (5) members present) at the Council meeting of July 12, 2022. After considering the staff report and presentation from the City Attorney, the City Council voted to rescind its selection of Element 7 made at the April 26th Council meeting on a 4-1 vote. The Council also directed staff to invite Element 7 and The Roots Dispensary to make another presentation to the City Council (with all five (5) members in attendance), but that it not be limited only to the community benefit and neighborhood plan portions of their applications. The Council selected the date of July 19, 2022, which was not a regular meeting date, and therefore, required a special meeting. Staff suggested that each applicant be given 20 minutes for their presentations with up to 10 minutes for Council questions. The Council accepted this suggestion.

Unfortunately, one of the applicants advised that it was unable to have its full team present on July 19th, and therefore, it was necessary to find another date that was convenient for both applicants, City staff, and on which all Councilmembers were available. The date of August 16th was ultimately selected. Since this was not a regular City Council meeting date, a special meeting was scheduled and noticed for that date.

DISCUSSION:

After listening to the presentations from Element 7 and The Roots Dispensary (and asking any questions of the presenters), allowing interested members of the public to make comments, and after conducting its deliberations, the Council has three (3) options:

1. The Council may select one of the applicants to move forward with the process of obtaining a CCB permit; or
2. Continue deliberations on these two CCB permit applicants to a future meeting; or
3. Take no action and provide direction to staff.

If the Council takes no action, either by consensus or as a result of a lack of majority support for either of the applicants, the Council should provide additional direction to staff as to whether it wants to select one of the two remaining CCB permit applicants (Mr. Nice Guy or Herb-n-Joy), or to not approve a second applicant for a CCB permit.

FISCAL IMPACT

Minimal. The applicant fees for Commercial Cannabis Business Permit applications were set in an amount estimated to cover the cost of completing the selection process. While the completion of the process has been delayed and will result in a higher cost to the City for this component of the process, the delay is not significant from a fiscal perspective.