Welcome!

Next Community Meeting
Thursday, March 5, 2020
Fair Oaks Community Center 7:00 p.m.

More information and online survey:
www.redwoodcity.org/cannabis
ESTABLISHMENT OF
CURRENT LOCAL
CANNABIS
REGULATIONS

OCTOBER 23, 2017
CURRENT LANDSCAPE

- Redwood City Voters Approved Prop 64 Cannabis Initiative by 66.2%
- Redwood City Voters Approved Measure DD – Cannabis Business Tax
CURRENT LANDSCAPE

- State to issue adult use business licenses on Jan 1, 2018
- State finalizing licensee regulations
BACKGROUND

Medical cannabis delivery allowed under State law

January 1, 2016

City Council directed staff to develop cannabis regulations

June 26, 2017

Research and community engagement conducted

May – October 2017

Oct. 3 - Planning Commission meeting

October 2017

Oct. 23 – City Council meeting
<table>
<thead>
<tr>
<th>Phase</th>
<th>Action</th>
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</thead>
<tbody>
<tr>
<td>I</td>
<td>While developing regulations, ban outdoor cannabis cultivation, manufacturing, testing, retail and distribution effective 1/1/18. Continue to allow medical deliveries now and both medical and adult use deliveries in January</td>
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<tr>
<td>II</td>
<td>Require business license cannabis delivery businesses in 2018</td>
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<tr>
<td></td>
<td>Develop cannabis regulatory fee and delivery regulations, for Council discussion</td>
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<tr>
<td>III</td>
<td>Implement regulations to allow medical and adult-use cannabis delivery from warehouses in early 2019</td>
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<tr>
<td>IV</td>
<td>Expand regulations to allow storefront retail cannabis businesses in 2019</td>
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December 2018
New cannabis ordinance goes into effect

April 2019
Cannabis regulations amended to allow for delivery centers

December 2019
Research to allow storefront retail

February 2020
Online survey opens; 1st Community outreach meeting

March 2020
2nd Community outreach meeting
Redwood City
CANNABIS OUTREACH
PATH TO SUCCESS STARTS WITH EDUCATION

- EDUCATE
- COLLABORATE
- REGULATE
- LEGISLATE
PROPOSITION 64 ELECTION RESULTS

Statewide
passed with 56% of the vote;
44% opposed

San Mateo County
63% of voters supported;
37% opposed

Redwood City
66.2% of voters supported;
33.8% opposed
CALIFORNIA CANNABIS LAWS

2015-16

- Medical Cannabis
- Regulation and Safety Act (MCRSA)
- Prop 64 (AUMA)

2016-17

- Trailer Bill SB 94
- Medical & Adult Use Cannabis Regulation and Safety Act (MAUCRSA)
- AB 133 Clean Up Bill to fix Regulation Issues

2018-20

- State Regulations finalized Jan 2019
- SB 1459-Provisional Licenses; AB 97 and SB 97
- AB 1356 (Ting)
- Farm Bill Act 2018-Hemp
- AB 228-Hemp Law (Pending)
WHY SHOULD YOUR COMMUNITY CARE?

GET ACTIVE AND SPEAK UP IN YOUR LOCAL COMMUNITY!
“Policies designed today will help shape how your industry looks tomorrow.”

-HdL Companies
REDWOOD CITY
POTENTIAL COMMUNITY CONCERNS

- Public Safety
- Environmental Protection
- Neighborhood and Land Use Protection
- Access by Youth
POLICY DECISIONS BASED ON ACTIVITY & LAW

- Personal Cultivation - State Law
- Out of Town Deliveries - State Law
- Non-Store Front Retailer (Dispensary) - Permitted
- Retailer (Dispensaries) In Town - Not Permitted
CA CANNABIS RETAIL MARKET ANALYSIS

- Illicit Market: 2855
- Market Demand: 1842
- Market Shortage: 1214
- Current Retail Licenses: 628
CA CANNABIS RETAIL & NON-STOREFRONT LICENSES
CA CANNABIS RETAIL MARKET LICENSE SHORTAGE
SURVEY: CONSUMERS REPLACE PRESCRIPTION & OTC DRUGS WITH CBD

Did You Use CBD to Replace a Prescription or OTC Drug?
- Yes, I replaced the medication entirely: 22%
- No, I wasn't taking any medication: 48%
- No, I took CBD in addition to the medication: 30%

What Drug Did You Replace With CBD?
- An OTC drug: 47%
- A prescription opioid: 36%
- A prescription anti-anxiety drug: 33%
- A prescription sleep drug: 22%

Source: Consumer Reports
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Local jurisdictions should develop ordinances which address:

Time  Place  Manner
<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>IP</td>
<td>Industrial Park</td>
</tr>
<tr>
<td>GI</td>
<td>General Industrial</td>
</tr>
<tr>
<td>IR</td>
<td>Industrial Restricted</td>
</tr>
<tr>
<td>CO</td>
<td>Commercial Office</td>
</tr>
<tr>
<td>CB</td>
<td>Central Business</td>
</tr>
<tr>
<td>LII</td>
<td>Light Industrial-Incubator</td>
</tr>
<tr>
<td>CP</td>
<td>Commercial Park</td>
</tr>
<tr>
<td>MUC</td>
<td>Mixed Use Corridor</td>
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MYTH OR REALITY: RETAIL CANNABIS BUSINESSES

- Impacts to surrounding businesses
- Loitering around the business
- Theft or robberies
- Illegal sales in parking lots or street
- Parking issues
- Display of signs
- Property Purchases/Leases of retail increases property value
BENEFITS OF RETAIL CANNABIS BUSINESSES

• Creates more foot traffic for other businesses in the area
• Stimulates consumers from outside of the city to shop in town
• Incentivizes other businesses to move into vacant stores
• Generates new source of revenue for City
• Creates confidence as cannabis businesses normalize to the community
• Cannabis businesses cannot be located within 600 feet of a “sensitive use,” defined as a school, day care center, or youth center. This rule includes private schools, but not those in private homes.

• **Day Care Center:** Includes pre-schools but not home day cares with less than 14 children.
STRATEGIES TO ADDRESS YOUTH ACCESS

- City can limit hours of retail operations
- Licensed retailers cannot sell cannabis to persons under 18
- Licensed retailers cannot allow persons under 18 on the licensed premises
- Cities can establish routine inspections to enforce underage sales
RETAIL-STOREFRONT

NON-COMPLIANT

COMPLIANT
RETAIL-STOREFRONT

COMPLIANT

COMPLIANT
POLICY DEVELOPMENT TIMELINE STEP #1

February – March 2020
- Educate the City Council and the community
- Conduct community survey/stakeholder meetings
- Analyze sensitive buffers and make recommendations
- Evaluate impacts of surrounding areas in the community

April– May 2020

June – July 2020
POLICY DEVELOPMENT TIMELINE STEP #2

February – March 2020

- Update regulatory ordinance to include Retail Storefront which creates best practices if authorized by City Council
- Update zoning ordinance and present to Planning Commission
- Conduct study sessions & public hearing to City Council on regulatory and zoning ordinances

April – May 2020

June – July 2020
POLICY DEVELOPMENT TIMELINE STEP #3

- **February – March 2020**: Develop a merit-based application process
- **April – May 2020**: Establish application fees to recover all associated cost with the application process
- **June – July 2020**: 03
1. Do you have any feedback regarding the locations identified on the map?

2. Do you have any concerns in allowing cannabis storefront retail businesses to be permitted in the City?

3. Do you have any questions regarding the overall process?

4. Is there anything you would like to discuss that was not addressed today?
THANK YOU!

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