

MINUTES

City of Guadalupe

Regular Meeting of the Guadalupe City Council
Tuesday, April 13, 2021 at 6:00 pm
City Hall, 918 Obispo Street, Council Chambers

1. **ROLL CALL:**

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

All council members were present.

2. **MOMENT OF SILENCE**

3. **PLEDGE OF ALLEGIANCE**

4. **AGENDA REVIEW**

Mayor Julian moved Item #11 and Item #12 ahead of Item #10. No other changes to the agenda.

5. **COMMUNITY PARTICIPATION FORUM**

George Alvarez spoke on this month being "April Awareness of Child Abuse". He stated that it was ironic that we have to have a specific month designated for this purpose. It should be an everyday thing. He then spoke of issues on our borders relating to thousands of children being abused.

Mireya Pina from the "Little House by the Park" and "Guadalupe Community Changers". She spoke of the upcoming 4th of July and their sale of fireworks. This is their biggest fundraiser, and she was asking for the Council's support. She highlighted some programs where these funds are used: Parent Engagement Program; health relationship classes; "New Father" classes, adult education through parent academy, and Guadalupe clean-up projects. Mireya also gave a special "thank you" to the Fire and Police Departments for their support in this fundraiser from prior years.

Shirley Boydston made a brief comment that although there hasn't been an official statement from the state, "we're in a drought". She emphasized to the Council and City staff that water saving measures should be thought about now rather than later.

6. CEREMONIAL CALENDAR

A. Proclamation - Child Abuse Awareness & Prevention Month – April 2021

The proclamation was read in both English and Spanish by Mayor Julian and Council Member Cardenas, respectively, recognizing April 2021 as “Child Abuse Awareness & Prevention Month”. The proclamation calls upon all Guadalupe “residents, community agencies, religious organizations, businesses, and medical facilities to increase their participation in the efforts to prevent child abuse”. Council Member Cardenas mentioned that this is the first time that the North County Rape Crisis and Child Protection Center has included the City of Guadalupe in their outreach program for child protection month. There were 305 pinwheels planted in front of City Hall. Many City staff members help with this process.

B. Proclamation - Condemning and Combating Racism, Xenophobia, and Intolerance Against Asian Americans and Pacific Islanders

Council Member Ramirez read the majority of the two-page proclamation stating that the City of Guadalupe is home to an estimated 8,081 residents, of which Asian Americans and Pacific Islanders (AAPI) comprise 5%, and home to several AAPI small businesses. The proclamation gave a brief history of myths and stereotypes regarding the AAPI communities and the racism and scapegoating that have persisted toward AAPI individuals since the 19th century. In March 2020, the outbreak of the coronavirus disease 2019 (COVID- 19) pandemic in California and across the country only added to the harmful and xenophobic rhetoric resulting in a rise in reported hate incidents and crimes again AAPI individuals, communities, and businesses throughout the state.

Mayor Julian read the proclamation’s ending which proclaimed, “the City of Guadalupe a place that does not tolerate xenophobia by condemning the rise in hate crime, attacks, and attitudes again Asian American and Pacific Islanders Communities due to the racist manipulation and polarization of the COVID-19 crisis.” Furthermore, “the City of Guadalupe will work to ensure that all members of Asian American and Pacific Islanders communities – no matter their background, the language they speak, or their religious beliefs – are treated with dignity and equity.”

Mayor Julian mentioned that the Japanese community has contributed a great deal to Guadalupe. He said, “Read the information on the Royal Theatre and what the AAPI community did for Guadalupe”. He mentioned that there are two members on the Council who are ‘mestiso’, referring to males of mixed race, part of which is Filipino. The Mayor emphasized that “we don’t condone any racial discrimination. We must recognize the history and contribution of the Japanese community and the multiple generations of Japanese families, such as Tani, Masatani, Minami, and Tomooka.”

7. CONSENT CALENDAR

The following items are presented for City Council approval without discussion as a single agenda items in order to expedite the meeting. Should a Council Member wish to discuss or disapprove an item, it must be dropped from the blanket motion of approval and considered as a separate item.

- A. Waive the reading in full of all Ordinances and Resolutions. Ordinances on the Consent Calendar will be adopted by the same vote cast as the first meeting, unless City Council indicates otherwise.
- B. Approve payment of warrants for the period ending April 7, 2021.
- C. Approve the Minutes of the City Council regular meeting of March 23, 2021 to be ordered filed.
- D. Appoint Jesse Ramirez to the Recreation and Parks Commission to fill a vacant seat.
- E. Adopt Resolution No. 2021-19 approving a subgrant agreement with the Santa Barbara County Water Agency to secure \$302,821.00 in Proposition 1 Integrated Regional Water Management (IRWM) grant funding for the wastewater treatment plant (WWTP) effluent pump station rehabilitation project.
- F. Adopt Resolution No. 2021-20 approving an agreement with Advantage Technical Services, Inc. in the amount of \$4,998.00 to perform an inspection of the elevated water tank.
- G. Adopt Resolution No. 2021-21 approving an agreement with Crandall Construction in the amount of \$11,050.00 to perform storm drain and road repairs on Gularte Lane.
- H. Adopt Resolution No. 2021-22 approving a contract with Pavement Engineering, Inc. (PEI) in the amount of \$77,405.00 for preparation of a pavement rehabilitation report and plans specifications for rehabilitation of selected streets in the City of Guadalupe.
- I. Adopt Resolution No. 2021-23 approving the novation to substitute Los Amigos de Guadalupe (LADG) in place of Rural Community Development Corporation of California (RCDCC) in its agreement with the City of Guadalupe.
- J. Adopt Resolution No. 2021-24 creating the exempt position of Emergency Services Manager and approving a job description and salary range for this position, eliminating the nonexempt position of Emergency Preparedness Coordinator, and reclassifying the current Emergency Preparedness Coordinator to the new Emergency Services Manager classification.
- K. **MONTHLY REPORTS FROM DEPARTMENT HEADS**
 - 1. Planning Department report for March 2021
 - 2. Building Department report for March 2021
 - 3. Public Works / City Engineer's report for March 2021

Item #7.J. was pulled.

Motion was made by Council Member Ramirez and 2nd by Council Member Cardenas to approve the balance of the Consent Calendar. 5/0 passed.

Item #7.J. – Approve Resolution No. 2021-24 creating the exempt position of Emergency Services Manager and approving a job description and salary range for this position, eliminating the nonexempt position of Emergency Preparedness Coordinator, and reclassifying the current Emergency Preparedness Coordinator to the new Emergency Services Manager classification.

Todd Bodem, City Administrator, stated that the recommendation is that the Council approve the new/upgraded position. Council Member Ramirez had pulled this item. He said, “We just had a recent financial status report. This upgrade hits the General Fund. More scrutiny is given because of the General Fund change. The staff report says that there are no increases in benefits. The increase in salary, though, does have an impact on CalPERS. The staff report says there would be savings because of the new exempt status and no overtime. What overtime would there be?” He further asked, “Why is this happening now? The employee has been here less than six months.”

Mr. Bodem said, “Other duties were added to the position which are more exempt in nature, allowing for any hours to be worked, without overtime consideration. The employee could work on a Sunday, if needed, or whenever, with no overtime consideration. The position also involves grant writing. The HR Manager worked with Chief Cash and the employee and determined the exempt status after the fact.”

Council Member Cardenas asked, “What’s the main difference with the old versus the new job description?” The Mayor added, “This item is going to cost us”. Mr. Bodem then stated he preferred to continue discussion at the next council meeting. Council Member Ramirez agreed adding, “Because it hasn’t been a year yet, it would be good to have a projected analysis of cost savings.” Mayor Julian agreed.

Motion to continue discussion on Resolution 2021-24 to the next council meeting to be put on Regular Business made by Council Member Ramirez/2nd by Council Member Robles. 5-0 passed.

8. CITY ADMINISTRATOR REPORT: (Information Only)

Todd Bodem mentioned that the Administration Department has moved to a new location. It is now on the far northwest side of City Hall, the stand-alone office across from the Police Department (the corner of Obispo and 10th Streets) which was the old Explorers’ room. He added that a number of Fire staff and volunteers did a very good job on refurbishing that office space.

9. DIRECTOR OF PUBLIC SAFETY REPORT: (Information Only)

Todd Bodem gave a report in Chief Cash's absence: 1) A soft re-opening of City Hall is estimated for May 2021. The Governor has discussed opening the entire state possibly by June 2021; 2) Sergeant Medina is working with the Fireworks Committee to allow residents to voice their concerns; 3) Information from the City's Employee Groups on their participation with "The City of Guadalupe 75th Anniversary Celebration" has been submitted; 4) Chief has worked on a City burglaries series with the Guadalupe Business Association; 5) Zach Jones, Emergency Preparedness Coordinator, is working with a generator vendor for City Hall. He has secured an estimate that he is working into a federal grant. Zach has also edited and resubmitted the City's "Tobacco Enforcement Grant" for this year in an amount in excess of \$600,000 which Mr. Bodem has signed; and 6) The "School Resource Officer Federal Grant" is being reviewed for possible restructuring for a more favorable financial reimbursement to the General Fund for police officer services.

REGULAR BUSINESS

11. Resilience-Guadalupe photo contest.

Written Report: Sonia Rios-Ventura, Community Development Manager
Recommendation: That the City Council review the photo contest submission and choose two winners.

Ms. Rios-Ventura gave a brief explanation about this photo contest. She said, "In order to increase Guadalupe youth participation in the Guadalupe Resilience Plan, Los Amigos de Guadalupe (LADG) held a photo contest. The youth were asked to submit pictures of what they saw as the City's assets and impediments (weaknesses). Two submissions per person only. A picture had to have a narrative showing "how to promote our small community" or "how to improve our small community".

The City Council reviewed the photos submitted and was asked to select one for "Best Asset" and one for "Best Impediment (weakness)". The winners would receive \$50 gift cards to their favorite Guadalupe restaurant. Four photos for "Best Impediment" were submitted with the winner being "JR", a picture showing the baseball field at O'Connell Park and the need for their upkeep and maintenance. Council Member Cardenas stated that the "JR" entrant best explained "what can be done to improve" the parks", specifically, "...Maintaining our parks' looks should be a priority like cutting and watering the grass, trimming the trees, and making the whole park look really nice. With these changes not only will Guadalupe provide a nice place for youth, children, and adults to spend some time outside but also it will help create a strong community." The rest of the Council agreed with "JR" as the winner.

As for the "Best Asset", three photos were submitted. Council Member Cardenas voted for photo "SG", depicting a long shot of railroad tracks, with a narrative saying "This represents Guadalupe's strengths because for me it shows our community feels safe around here. It also shows how close and small our community is but even if we are, we still care about each other." Council Members Ramirez, Robles and Costa, Jr. also agreed. Mayor Julian felt that photo "MM", Point Sal Beach, best fit the contest's criteria with the following narrative: "...The hike of Point Sal is an asset to Guadalupe because it has nature, a beach, and you can walk (which we all need). It is important because we

need nature to survive.” Council Member Ramirez then asked if there could be two winners for “Best Asset”. Sonia Rios-Ventura stated she would have to further check on that request.

12. Registration of the Royal Theater on the National Historic Registry.

Written Report: Sonia Rios-Ventura, Community Development Manager

Recommendation: That the City Council adopt Resolution No. 2021-25 authorizing the registration of the Royal Theater with the National Registry of Historic Buildings and the California Registry of Historic Buildings.

In September 2020, the City hired Carole Denardo, M.A. of the Provenience Group, Inc. to prepare a report on the City’s History Resource Inventory & Evaluation of the Royal Theatre in which she concluded that the Royal Theatre met the requirements to be registered as an historic property on the National Registry of Historic Buildings (and the California registry of History Buildings).

Council Member Cardenas said that the staff report showed “restrictions”. What are they? Ms. Rios-Ventura said that the City has \$600,000 funding for the Royal Theatre to be a performing arts center and that a restriction is that the building must be kept as a performing arts site. Philip Sinco, City Attorney, commented that that must be independent of the decision to make the Royal Theatre an historic site. Another restriction would be that the structural facade must be kept maintaining historical integrity. As for an advantage to making the Royal Theatre an historic building, Mr. Bodem and Mr. Sinco said that it would eliminate some requirements needed for a new building. The City would not have to deal with seismic retrofitting as there would be some leeway.

Shirley Boydston, a member of the Rancho de Guadalupe Historical Society & Museum, gave the following comments: “Ms. Carol Denardo’s knowledge of the regulations for inclusion in the California or National Registry of Historic Buildings is great and thorough. Her study of Guadalupe history has some things that need correcting since this is now a public document which others may refer to”. Those corrections are as follows:

On page 1, it’s noted that it is a 5,024 square foot building but on page 4, it’s shown as 7,200 square feet.

On page 12, it states that the property (Rancho Guadalupe) was deeded to Leroy for \$42,000.00. The actual amount, deeded in 1880 for the over 43,000 acres was \$638,665.00 with an additional \$167,574.42 awarded earlier from the Estudillo family, who succeeded the Arellanes family.

On page 13, in late 1888/9 the town had ONE school and TWO churches: Methodist Episcopal and Catholic.

On Page 14, “Old Maude” was discovered in Orcutt. Orchards were in the eastern part of the Santa Maria Valley although each home had at least one, if not more, fruit trees.

On page 16, Ms. Denardo refers to “Sylvia Boydson, of the Rancho de Guadalupe Historical Society. Correction: should be “Shirley Boydston”.

On pages 16 & 17, there are a few misspellings: the names should be Yeamon Minami; Nakano Noodle Shop; Kashiwagi Hotel, and Shirasu Pool Hall. (The name "Konomi" Garage is unknown to Ms. Boydston.) Also, the "Hop Sing Benevolent Association" was Chinese in origin.

The list of these corrections was given to Ms. Rios-Ventura for Ms. DiNardo's review and potential inclusion into her report.

George Alvarez said, "It's a no-brainer to make the Royal Theatre an historical site." He commented that as a youngster, for less than a dollar, he could go to see a movie at the theatre, popcorn, and a soda. On Thursday night, there was Keno (bingo). He emphasized the need to include Spanish and Mexican history, all famous Mexican singers, and Moe Garcia, prior owner of the Royal Theatre. Mr. Alvarez said, "The building is deteriorated. It'll take more than \$50,00 to repair the façade. I'm not blaming the City, but the City had an opportunity to sell it to an interested buyer but didn't. Now, it's a public nuisance but it's too beautiful a structure with all its history. If the theatre is for public use, it should be retrofitted. Do your job and get the month."

Motion authorizing the registration of the royal Theatre with the National Registry of historic Buildings and the California registry of History Buildings made by Council Member Cardenas, with corrections made by Shirley Boydston, and seconded by Council Member Robles. 5 Ayes/0 Nays 5/0 Passed.

10. Cannabis Policy Discussion and Strategy Options / Overview Presentation by David McPherson.

Written Report: Todd Bodem, City Administrator

Recommendation: That the City Council receive a presentation from David McPherson of HdL Companies, engage in a policy discussion of, and provide guidance regarding, options concerning commercial cannabis uses.

Mr. Bodem gave a recap of prior cannabis discussions. At the City Council meeting on March 9, 2021, staff presented a report on the topic of cannabis in response to a request from Mayor Julian to place the item on a council agenda for discussion as to whether the City Council should consider legalizing some or all commercial cannabis uses in the City. Staff advised Council they were not fully qualified to provide the level of expertise the Council required to make an informed decision and recommended the Council authorize entering into an agreement with Hinderliter, de Llamas & Associates (HdL), a recognized expert in this field. Council directed staff to retain services of an HdL specialist which was accomplished.

Mr. Bodem then introduced Mr. David McPherson, Compliance Director with HdL, who began by giving a brief history of HdL and their involvement with the cannabis policy issues. The company serves 303 cities, 48 counties and 108 transaction districts. They are specifically partnered with over 175 local agencies to develop cannabis policies. Their team of experts have reviewed and evaluated over 3,500 cannabis business applications for local agencies. Also, HdL staff has experience conducting over 17,000 cannabis compliance reviews in California, Colorado, and Nevada. He also mentioned that in the 2016 election, 54.03% of voters in Guadalupe supported Proposition 64, while 45.9% of the voters opposed it.

He spent some time talking about the various business categories or types of activities. They begin with the "Cultivator" -> the "Manufacturer" -> the "Distributor" (or "Testing Lab")-> the "Retailer" and finally -> the "Consumer". Mr. McPherson said there is a misunderstanding that the "Distributor" goes directly to the "Consumer" which is not correct. A count as of March 20, 2021 showed that there are nine types of cannabis licenses, with "cultivation" being the highest at 5,371 and "testing labs" being the lowest at 40. There were 755 "retailers" (walk-in) and 383 "retailers, non-storefront" (delivery service; no walk-in traffic).

Mr. McPherson then turned to discussion of California cannabis laws going back to 2015 to the present. He spoke about Prop 64 and medical cannabis for the two-year period of 2015 to 2017. State regulations were finalized in January 2019 with AB97 and SB97 providing additional revisions to the regulations. For the period 2020 to 2021, he spent some time discussing SB59 California Environmental Quality Act (CEQA) sunset. The deadline date on SB59 is July 2021 but it is going through review for a possible extension. Local regulatory ordinances will not be subject to CEQA until July 1, 2021 unless the deadline is extended. He also mentioned that although cannabis is legal in the State of California, cannabis is illegal at the federal level. Federal government cannot use funds to go after legal state and legal licenses for cannabis.

The State must notify the local jurisdiction when it receives a commercial cannabis application. The law does not supersede or limit existing local authority for law enforcement activity, enforcement of local zoning requirements or local ordinances.

Other agencies in the region that have retailers are Grover Beach, Lompoc, Morro Bay which is new, San Luis Obispo, Goleta, and Santa Barbara County. A "Retail Market Analysis" chart showed 2,855 illicit market and 755 current retail licenses. Market demand is 1,842 with a market shortage of 1,087. Consumers don't have options where to go in legal market. Deliveries are being made to Guadalupe and other cities, but where are the deliveries coming from? Santa Maria doesn't want any cannabis business, so Guadalupe is in a prime spot. There is room for licenses to meet the demand.

Mr. McPherson shifted to "cannabis policy development". He discussed the path to success or "decision tree" starting with educating -> collaborating with constituents -> legislating -> and finally, regulate through an ordinance. He said that regulations are settled more so now. Consumer trends have changed. There is a better understanding and consumers are more comfortable now with medical and other circumstances. 18% to 22% of population are using cannabis with 755 retail stores in the state. 1,000 retailers are needed to satisfy consumers' needs.

Businesses and investors are looking at places to locate. There aren't enough retailers to meet demand. With cannabis now being legal, the City should either establish regulations or maintain the ban currently in place.

Policy decisions need to be based on types of activities the City wants or doesn't want. What type of economic development does the City want with what types of economic gains? Core values need

to be considered. What are the City's priorities for the community? Mr. McPherson showed a slide with four core values: 1) Public Safety; 2) Environmental Protection; 3) Neighborhood and Land Use Projection, and 4) Access by Youth. The City has control over these four values. He also stressed a 5th core value – public health issue at County level.

Guadalupe dictates time, place, and manner. If the City chose to have a retail store, the City says what it will look like in all respects. The City also has the say in where it will be located. Example for "where": K thru 12th grade or daycare center – no nearer than 600 feet or as determined by local jurisdiction. Guadalupe can use different distances for high school, elementary, daycare, etc. However, the distance definition must be from property line to property line. The City determines whether the location will be zoned commercial versus non-commercial. How the business will be conducted is also the City's decision.

Mr. McPherson said, "If the City Council agreed to move forward, what would a best practice regulatory ordinance include? Those might include limited number of business licenses, access control requirements, police access, police background check, good neighbor policy mitigation, record reporting/retention requirements, and suspension, fines, and permit revocation."

He then showed pictures of compliant and non-compliant retail stores. This was to highlight the importance of appearance of the retail stores. A professional business appearance is important to the consumer feeling comfortable. He also showed pictures of legal and illegal manufacturing equipment, again to highlight the cleanliness and safety of the equipment used. He briefly spoke about distribution, re-emphasizing that it doesn't mean directly to the consumer.

The presentation's focus then shifted to revenue generating strategies. There are standard fees that the City can use to recover costs that would be passed on to the retailer. Mr. McPherson said that the City should consider the needs of the community and the financial incentives for the City which he labeled "an operational or community benefit agreement".

As for local tax revenue projections, he gave an example of three scenarios: 1) Very Conservative-4%; 2) moderate-5%, and 3) Aggressive-6%. Assuming just one retailer had an average of \$3M in gross receipts, the City would see, per these three scenarios, \$120K, \$150K, and \$180K, respectively. The City would also receive 1% in sales tax. Mr. McPherson did say that the average gross receipts in the County per retailer is \$5M.

The next part of his presentation involved the process for developing a successful regulatory framework. He looked at a six-month timeframe, broken up in two-month segments, beginning in March, ending in August this year. The process would begin with educating the City Council and the community, making recommendations, and evaluating impacts of surrounding cities. Then the next two-month timeframe would look at drafting a regulatory ordinance as well as a zoning ordinance with study sessions/workshops and public hearing on these ordinances. The last two months would involve developing an application process for the City Council to interview applicants and establishing an application fee schedule for recoverable costs to the City. With the size of Guadalupe,

a small number of applications would be received. The City would do its due diligence, and applicants would be interviewed. The Council has the final say on who is or is not selected.

Mr. McPherson ended his 21-minute presentation by saying that the City Council has basically two options: 1) change nothing meaning continue banning commercial cannabis or allow for delivery services only into the City, OR 2) direct staff to draft regulatory and land use ordinances to bring back to the City Council for further consideration.

After the presentation, Mr. Bodem summarized by asking the Council the following questions: 1) should cannabis businesses be allowed in the City of Guadalupe; 2) if yes, what businesses and how many of each type should be allowed; 3) what sensitive buffers should be placed on each type of business, and 4) what type of application process should be developed. If the Council requires more information to address these questions, staff could be directed to provide such information.

There were several people who had requested to speak on this topic. George Alvarez began by saying that Mr. Stewart Jenkins' letter should be read to the public. He said, "I was a drug and alcohol counselor. There are problems with marijuana. The general public should be educated on the contents of the letter. There was good information on medical problems and other issues related to marijuana use." Mr. Alvarez asked what the City of Lompoc is making, in terms of revenue, with the City having more than five+ stores. He also asked where the Chief of Police was to give input on the subject. He stressed the need for impact fees related to monies the City will get separate from licensing fees. He said, "The medical profession is probably against this. I'm against it now. Let the people on this. Five people shouldn't make the decision on this important matter alone. Be fair to the public. Get their input. Find out what they want. Respect us as your constituents." Mayor Julian said that Mr. Jenkins' letter was on the City's website.

Sandy Guy spoke next. She said, "I'm a newer resident to Guadalupe and feel that the City is great and a wonderful place. It has everything. Weather, nice people and rich history. However, we don't have jobs and money. This cannabis is a 'Hail Mary'. I go to Grover Beach twice a month to get cannabis and I go to Santa Maria for my prescriptions because prescriptions in Guadalupe are too expensive. I've bought cannabis for medical purposes for 10 years all around. Security is excellent in Grover Beach and other areas, too. We need money and jobs here. Grover Beach pays \$20 an hour. Retail and other options will bring jobs.

Stewart Jenkins referenced his letter sent to the City Council. Having listened to Mr. McPherson's presentation, he said that, personally, he is not opposed to progress in the use of marijuana. He referenced the CEQA exemption because regulations were established. Sales tax will kick in when the economy gets going. Guadalupe can attract manufacturing businesses because their employees will live in a clean, uncorrupted, somewhat drugfree community. Mr. Jenkins said, "If Guadalupe agrees to go ahead with retail cannabis, be concerned about handling cash because it will be a cash business. Remember that marijuana is still federally illegal, and security will be needed. However, parents urge the City not to approve retail cannabis. It's a public health issue for adults and children. Warnings should be put on all products sold." Mr. Jenkins ended his comments by saying that Guadalupe once had a reputation but has overcome it whereas other cities have failed. He urged

the City not to approve the sale of cannabis which would diminish the quality and character of Guadalupe.

The Mayor opened the floor to anyone else who wanted to give their comments on the cannabis issue. Mr. Joe Armendariz spoke. He said, "I am well versed on the County, City of Guadalupe, and fiscal issues. The voters have spoken in 2016. The majority of voters said they want cannabis legal, regulated and taxed." He then said that he is the Government Affairs Director for National Healing Center Dispensaries in Grover Beach. They are the #1 generator of tax dollars in Grover Beach. They have just opened retailers in Morro Bay, San Luis Obispo, and soon to open one in Turlock. There are 100 employees now in his company with projections of 200 by year end. Mr. Armendariz questioned Stewart Jenkins' letter saying that there are still a lot of misinformation on cannabis. He said, "Guadalupe's a little behind. Other cities are getting revenues that Guadalupe should be getting. With proximity to Santa Maria and Orcutt, Nipomo and Arroyo Grande, Guadalupe should move forward to get those revenues. This would bring enormous social and financial benefits to the City."

The final person to speak was Frances Romero, former mayor of the City. She said, "We don't have downtown overlay to protect its charm. We don't have a sign ordinance for everyday businesses. I understand the rush because of CEQA review. Because something is legal, it doesn't mean we have to decide on it. The City needs to put same attention on other items that the City needs, too. Don't make a decision on a deadline alone. Decisions should be based on what's best for the community. Follow best practices. Make it financially worthwhile. Have appropriate funding to cover costs and them some. Don't lower your expectations."

Discussion was brought back to the Council. Council Member Ramirez talked about social impacts. He said, "Go back to the 90's when it was illegal at the federal level and its impact then. The law disproportionately affected people of color. A lot was fed into prison pipeline. I was looking for the Police report to see how many incidents were for controlled substances. Could those have been negated if the City had retail sales? I'm looking at not only the economic side but definitely from the social side and impact on our community."

Council Member Cardenas said she agreed with Council Member Ramirez's comments. She said, "We need to do right. There must be community outreach. I'd like this information given at a town hall meeting to educate our community. A workshop to get the community's input. When people hear the word 'cannabis', what do they think?"

Council Member Robles agreed that further discussion on the topic is needed. Further details need to be given. He said that he toured a dispensary and found it to be professional and business-like. There's a lot of medicinal use out there. I visited a site and saw oils and CBD. It was very interesting.

Council Member Costa, Jr. thanked Mr. McPherson for the presentation and the public who spoke. He said, "The City Council listens to your concerns. This is a tax revenue generator. The City has had its financial issues. I agree with Council Members Cardenas and Robles that we need to educate the

community. Show them what the impacts cannabis can have. It also takes family and individual education, as well.

Mayor Julian said that a lot of people don't know the history and laws relating to cannabis and how the business has grown. "I'm amazed at the illicit businesses that are hurting the legitimate side," he said. The Mayor added that we need to move forward with education. An ordinance will define what the City wants. Delivery is legal now per the City's ordinance. We need to flush out legal end (law enforcement).

Philip Sinco asked, "Is anyone ready to say, at this point, if there's any use that the Council doesn't want the staff to explore? Just as an example, the City doesn't want cultivation here." Mr. Bodem added that demand for processing is strong.

Mayor Julian said that he can see a lab but not sure if the City has the money for a structure. To have that it would take about a 20,000 square foot building. There's no land area to do that. A dispensary is important and well controlled. With a development agreement, for those that want to come in here, the City gives the specifics of how things will be.

Council Member Cardenas asked about "green houses" and whether that is part of "cultivation". Mr. McPherson said that yes, there are three types: outdoor, mixed light, and indoor. She further asked if there are square footage restrictions. Mr. McPherson said that state law has three types of licenses: Type 1, 5,000 sq. ft., Type 2, 10,000 sq. ft. and Type 3, 22,000 sq. ft.

Council Member Ramirez asked, "Like alcohol, can THC be regulated?" Mr. McPherson said that it is regulated at the state level. He then asked, "Are there partnerships with educational institutions, like for research and development?" Mr. McPherson said that businesses do have private partnerships, mainly on cultivating and manufacturing sides.

Mayor Julian said that on page 5 of the staff report, there are four questions in the "Conclusion" section. He said "this is our first presentation. If we move forward, that's where we get the detail what we want to do. Lompoc had the lottery system where there are too many. Shrinks amount of resources. We need further guidance from HdL. We're being schooled now. Where can we go and what makes sense for Guadalupe?" Philip Sinco asked, "With those questions, we can look at future meetings to be able to provide some of the answers for staff. If those questions could be kept in Council's mind as we move forward, that would be good."

The Mayor asked, "What type of application process should we develop? As Council, we need to say how many retailers are to be selected? HdL can say this is the selection process, but we know what we want and here's the big-ticket items. It would come back to us. We don't need 10 entities. The City determines the number. What's the impact of number selected? These are the questions where we need further guidance." Council Member Ramirez added that with any discussion on development, Shannon Sweeney, Public Works Director, needed to be involved in these discussions relating to the infrastructure. What's the impact on our City systems, such as water, drainage, etc.?

Council Member Cardenas said, "HdL has experience on outreach with other cities. What are our options?" Mr. McPherson said that HdL could schedule an outreach meeting but it's more designed for our audience. There would be breakout sessions with questions and to allow the public to ask questions. This meeting would be for about 1.5 hours or so.

Mayor Julian asked what the status was on SB59 and whether the CEQA deadline would be extended. Mr. McPherson said that on April 26th, the Environmental Quality Committee will decide before moving the bill forward. The Mayor then asked how much would CEQA document cost? Shannon Sweeney estimated that it would cost somewhere between \$30,000 - \$50,000. Mr. Sinco said, "If we have to beat the CEQA deadline, we could pass an ordinance but delay making it effective for one year. We'd beat CEQA but that would give us time to implement new ordinance. If we decide not to allow legalized cannabis, the City would repeal the ordinance."

Mayor Julian said, "We should move on this now." Council Member Cardenas added, "If we're looking at revenue, we can recoup costs with fees. We can put some fees in the agreement. We shouldn't move too fast with the deadline since we're looking at the economic issues."

Mr. Sinco said that we'll soon know on the CEQA deadline. We'll move forward with what we have. If we have more time, a public workshop is better. It buys us more time to study things. There wouldn't be much of a cost savings. It wouldn't cause a rush. We wouldn't incur CEQA costs and still have a long process as needed. Mr. Bodem added, "Assuming the Council wants to go with an ordinance, what would that ordinance look like? I would suggest the Council go visit some of these sites and discuss processes with them."

Mayor Julian asked, "What do we want to see? What are the elements?" Mr. Sinco asked, "Tax revenue ordinance? Do we have to decide on specifics now?" Mr. McPherson said, "A regulatory ordinance would have to show what the City wants and doesn't want, such as no cultivation. The number of licenses needed per category will be determined by a resolution." The Mayor asked, "What do we want to see out there? Cultivation, lab, microbusiness, all the elements?"

Council Member Cardenas re-emphasized, "We must know the needs and wants from the community. Maybe an ad hoc committee should be created with City staff, residents and entities that want to come in."

Mayor Julian asked if the staff needed more direction. Define activities Guadalupe wants to have. The ordinance can include everything in for the reading and then say that the City doesn't want a certain category or categories. Leave the number of licenses for each activity which will be determined by resolution after outreach discussion. The application process, policy, guidelines to be determined shall be adopted by the Council and resolution.

13. FUTURE AGENDA ITEMS

No changes made.

14. ANNOUNCEMENTS - COUNCIL ACTIVITY/COMMITTEE REPORTS

Council Member Cardenas along with Mayor Julian attended the Covid-19 vaccination clinic on April 5th at the Senior Center. Shannon Sweeney and Chief Cash were also in attendance.

Council Member Ramirez mentioned the social media survey to address health needs of Santa Maria Valley which is a combined effort between UCSB and Cal Poly. Results will be given on April 17th, via zoom, at 7:00 p.m. Name of the group giving results is "Corazon de Pueblo". He said they are asking for a letter of support to go for a grant.

Council Member Robles talked about the two successful Covid-19 vaccination clinics at the Senior Center held in the last two weeks. There was a good turnout. All in all, three clinics have been held with over 1,000 vaccinations given. Both Pfizer and J&J vaccinations were given. April 26th is scheduled for the second Pfizer vaccination. Mr. Bodem asked, "How does someone know when the second vaccine is to be given?" The Mayor said that people who got the Pfizer vaccine would have been given a card showing data on the vaccine and their next appointment. The clinic knows the number of vaccines to bring for the second vaccination. If that appointment is missed, one can be made at another vaccination site showing the vaccination card to ensure the correct vaccine is given. Council Member Robles also mentioned that the Food Bank is going well.

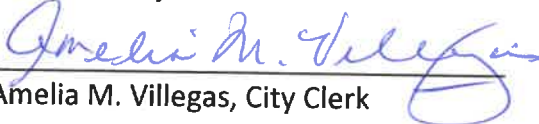
Mayor Julian said, "Speaking of the Food Bank, both the Fire and Police Departments have helped out tremendously. We could not have handled the amount of participation without their help, as well as other volunteers, such as the Rotary Club, Explorers, etc.

Council Member spoke again about the Friends of Oso Flaco's fundraiser, with a \$25,000 goal to assist Guadalupe and LeRoy Park. He read a "thank you" card from them thanking the City for our position on the phase out of OHV vehicles at Oso Flaco Dunes and our opposition on the State Park Plan.

15. ADJOURNMENT

Motion was made by Council Member Costa, Jr. and 2nd by Council Member Ramirez to adjourn the meeting. 5/0 passed. Meeting adjourned at 8:23 p.m.

Prepared by:


Amelia M. Villegas, City Clerk

Approved by:


Ariston Julian, Mayor