

Meeting called to order by Mayor Roundy. Meeting opened with the pledge of allegiance.

ROLL CALL

Councilmembers present: Charles Gee, Salina Edwards, Jim Paschall, Vice Mayor Dennis Hoffman and Mayor Bruce Roundy

Councilmembers absent: None

Staff present: Chief of Police J.C. Tolle, Public Works Director Ed Vonasek, City Planner Scott Friend, City Attorney Greg Einhorn, Assistant City Manager/City Clerk Angie Crook and City Manager Pete Carr

ORAL AND WRITTEN COMMUNICATIONS

Citizen Comments:

None

CONSENT CALENDAR

- A. Approve Warrant List (payable obligations).
- B. Approve City Council minutes for March 7, 2016.
- C. Receive and file Library Commission minutes for January 12, 2016.
- D. Receive and file Economic Development Commission minutes for February 9, 2016.
- E. Receive and file Orland Arts Commission minutes for February 17, 2016.
- F. Approve second reading of Ordinance No. 2016-03 amending Title 17, Zoning of the City of Orland OMC by modifying Chapter 17.76-General Use and design requirements to include subsection 17.76.170 regulating the use of storage/shipping containers in the City.
- G. Adopt Resolution No. 2016-03 consenting to participate in California HERO Program.
- H. Approve Subordination Agreements regarding Deferred Improvement Agreement for APN 041-121-010 (235 E. Walker Street) and authorize City Manager to execute agreements.

Action: Vice Mayor Hoffman moved, seconded by Councilmember Paschall to approve the consent calendar as presented. The motion carried by the following voice vote:

AYES: Mayor Roundy, Vice Mayor Hoffman, Councilmembers Gee, Edwards and Paschall

NOES: None

ABSENT: None

ABSTAIN: None

PUBLIC HEARING

Conduct a public hearing and upon conclusion introduce first reading by title only and passage of first reading of Ordinance No. 2016-XX entitled "AN ORDINANCE OF THE CITY OF ORLAND REGULATING THE PERMITTING AND OPERATION OF COMMERCIAL CANNABIS BUSINESSES LIMITED TO THE DISPENSING OF MEDICAL MARIJUANA AND MEDICAL MARIJUANA PRODUCTS".

City Manager Carr brought forward for first reading and public hearing a proposed ordinance establishing a permit system with regulations for medical marijuana dispensaries. The Economic Development Commission has recommended the City consider licensing Medical Marijuana dispensaries in Orland. The Chamber of Commerce did not have a position on this matter. The Planning Commission did indicate their opposition to the allowance of dispensaries in Orland. Mr. Carr reviewed the proposed licensing and regulations of dispensaries businesses (time, place and manner) as presented in the staff report. Mr. Carr indicated that the dispensary owner would be required to have both a state and local license. The dispensary would be required to be located in a C-2 or C-H commercial zone; with no more than two dispensaries allowed in the city limits. Mr. Carr noted background checks would be required for all owners and employees and police approved security, lighting, cameras, etc. Mr. Carr stated a gross receipts tax would require a separate action and approval by voters in the November 2016 election. A range of 6 – 12% is recommended, with an initial rate set at 6% for at least one year. At 6%, the gross receipts tax on two dispensaries could expect to generate \$500-\$1,000 per day in new revenue for the General Fund.

Mayor Roundy suggested the minimum age limit to be employed at a cannabis business or enter a cannabis business be changed from 18 to 21 years of age. Mayor Roundy also proposed a task force be formed, consisting of the Orland Unified School District, Glenn County Office of Education and the City to educate the youth of the dangers and misuse of marijuana.

Councilmember Edwards questioned how would the City monitor daily receipts and cash sales of the product. Mr. Carr advised the regulation would allow the City to audit dispensary records and video footage of the amount of product coming in and out. Councilmember Edwards stated she was concerned with the amount of abuse by medical professionals and individuals that are able to obtain an identification card for MMJ use.

Councilmember Gee stated he agreed the minimum age limit should be raised to 21 for employees of cannabis businesses or to be able to purchase the product, as State legislators recently increased the age to 21 for persons purchasing tobacco products. Councilmember Gee advised there will be abuse of drugs, however, the issue will not be going away and we should place local controls in place before the State makes their decision.

Vice Mayor Hoffman also agreed to increase the minimum age to 21, for those working in the cannabis business or coming in to purchase the product.

The Public Hearing opened for comments at 7:50 p.m.

Frank Sanchez, 1301 East Street, worked for a cannabis delivery service and advised he never experienced any crime. He stated this would provide a safe and easy access for patients' medicine.

Margaret Sharkey, 235 N. Plumas Street, Willows, stated she leased commercial property to a dispensary in Vallejo and found the owners of these dispensaries to be very professional and wanting to provide a service for those individuals that had a difficult time getting their medicine. Ms. Sharkey advised they used prominent tracking systems to keep track of the product from distribution to sales.

Vince Cleek, 112 Guilford Circle, advised his concern of adults who may sell MMJ to younger kids.

Bob Hozapfel, 5960 County Road 200, stated the Council should deny the ordinance, as a dispensary could infect the children of our community. He stated the children are the most important part of our community.

Wade Elliott, 347 Bell Way, believes this issue is more of an economic issue and does not feel it is about compassionate care. Mr. Elliott stated a MMJ dispensary is not in the best interest of our City.

Sharon Lazorko, 127 E. Yolo Street, stated marijuana is increasingly hurting our youth. The City should be prudent and wait until after January 1, 2018 when standards of the three bills are fully implemented.

Ana Pompa, 1032 Winterpine Drive, a member of the Students Working Against Tobacco (SWAT) group opposes a MMJ dispensary.

Abby, 6881 County Road 200, a member of the SWAT group opposes a MMJ dispensary.

April Hine, 4675 County Road O, stated we are compromising the value of our City in order to generate revenue. Ms. Hine stated do what is best for the majority of citizens in Orland that do not use this product.

Emily Hine, 4675 County Road O, an Orland High School student urged to ban MMJ dispensaries, as other cities have found them intolerable.

Caroline Hammond, 4728 County Road O, advised to ban MMJ dispensaries.

Deb Mason, 244 Stonycreek Drive, a concerned citizen is highly against a MMJ dispensary in Orland.

Britt Grison, 4220 County Road 200, stated we need to protect the youth in our community; they are our future.

Jocelyn Anderson, 121 Guilford Circle, has a cannabis business in Oregon in which they produce and test their own products and sale at their retail locations. A MMJ dispensary in Orland would allow a safe and accessible way for medical patients to receive their medicine, as well as, allowing the City Orland to receive the tax revenues from cannabis sales. Ms. Anderson stated an outright ban of dispensaries does not protect children; it is up to the parents to have proper storage of their medicines.

Roger Powers, stated marijuana is the gateway drug to other drugs.

Steven Young, 19 Colusa Street, stated Orland does not want to go down this path as marijuana is being sold under a medical guise. The tax revenues the City would receive is unethical.

Betty Skala, 1308 Pine Street, stated she believes there may be a medical value, but opposes to a dispensary in Orland.

Shirley Gee, 335 Meadowood Drive, opposes to having a medical dispensary in the City of Orland.

Jim Byerly, 20 E. Yolo Street, opposes dispensaries in Orland. Do not go forward on this issue.

Renee Hanks, 4680 County Road M, asked Council to please vote against this issue. Ms. Hanks read a prepared statement from a friend which stated a weak ordinance can cause an influx of pot users to the area.

Roger Johnson, 426 First Street, stated marijuana is the leading drug that leads to other harder drugs.

Chief Tolle advised the Orland Police Department and the Glenn County Sheriff's Office are opposed to any laws that would allow MMJ dispensaries in the community. Chief Tolle stated Orland is too small and would attract more undesirables and increase crime. Chief Tolle stated it is too easy for anyone to get an identification card for MMJ.

Cynthia Smith, 937 Benson Drive, stated there are legitimate and compassioned needs for marijuana. It helped her husband through his cancer.

Tania Gibson, 4675 County Road N, stated dispensaries does not have a place in this community.

Michelle McGee, County Road FF, advised her family was destroyed by drugs; protect our families.

Public Hearing closed at 9:03 p.m. A brief recess was called by Mayor Roundy. Meeting reopened at 9:07 p.m.

Councilmember Edwards advised she is opposed to a MMJ dispensary in the City of Orland. Councilmember Edwards stated she is not opposed to those that legitimately need it.

Councilmember Gee stated MMJ is a great benefit to those that need it and helps those that want to get MMJ legally.

Councilmember Paschall stated it is not up to Council to regulate dispensaries to keep MMJ out of the reach of kids; that's a parental issue. Councilmember Paschall stated there are people that have a legitimate need for MMJ. Councilmember Paschall stated the revenue the City would receive is secondary. Councilmember Paschall stated the City should wait until outcome of this issue after the November election.

Vice Mayor Hoffman did not have any comment at this time.

Mayor Roundy stated he cares about the children in our community and recommends a task force can help educate children in the community on the issues of MMJ. Regulations by the State have brought the issue forward and feels there is a need for MMJ for people that do have severe maladies.

Councilmember Edwards advised reduced hours of operation should be considered, if the ordinance is adopted.

Action: Councilmember Gee moved, seconded by Mayor Roundy to adopt the first reading of Ordinance No-XX regulating the permitting and operation of commercial cannabis businesses limited to the dispensing of medical marijuana and medical marijuana products and to find the project exempt from further CEQA review pursuant to Section 15061(b)(3) of the Public Resources Code and to make the following change: minimum age limit increased from 18 to 21. The motion failed 3-2 by the following voice vote:

AYES: Mayor Roundy and Councilmember Gee  
NOES: Vice Mayor Hoffman and Councilmembers Edwards and Paschall  
ABSENT: None  
ABSTAIN: None

ADMINISTRATIVE BUSINESS

City Manager Carr brought forward the proposed sales tax measure that Council discussed and approved in February. The ½ cent sales tax increase would be allocated to support fire (55%), Police (25%), and Public Works (20%). The sales tax revenue could expect to generate an average of \$500,000 per year. It's been proposed by staff and Fire Chief Caster to designate the first \$300,000 of revenue from a ½ cent sales tax to ensure capital needs are consistent. A public hearing will be held on May 2<sup>nd</sup> with an introduction of the proposed ordinance and a resolution to place the measure on the ballot for the November 8, 2016 election. Vice Mayor Hoffman stated the needs for fire department will go on indefinitely. Councilmember Edwards stated the ordinance should be reviewed annually and a sunset clause possibly considered. Councilmember Gee stated the fire department will need to keep a steady source of income in place. Councilmember Paschall stated the fire department will grow; however, they need to be prudent with these funds. Councilmember Paschall and Mayor Roundy agreed there is no need to sunset the ordinance.

Action: Councilmember Edwards moved, seconded by Vice Mayor Hoffman to place a ½ cent general sales tax measure on the ballot allocating the first \$300,000 for the Fire Department. The motion carried by the following voice vote:  
AYES: Mayor Roundy, Vice Mayor Hoffman, Councilmembers Gee, Edwards and Paschall.  
NOES: None  
ABSENT: None  
ABSTAIN: None

CITY COUNCIL COMMUNICATIONS AND REPORTS

Councilmember Gee reported on the following:

- Attended Golden State Risk Management Authority meeting; Orland's term will be up in July; dividends possible, unsure at this time; increased manager limit to \$50,000 to settle claims.

Councilmember Edwards reported on the following:

- Attended Glenn County Transportation meetings; unmet transit needs was discussed and advised there is a need for volunteer drivers to take patients (who are unable to drive) to medical appointments;
- Attended Library Commission meeting; teenage reader attendance is going down.

Councilmember Paschall reported on the following:

- Attended Orland Chamber of Commerce Board meeting.

Vice Mayor Hoffman reported on the following:

- Attended Sacramento Valley Division League of California Cities meeting in Chico;
- Planning Commission meeting was canceled this month;
- Pilot soft opening on Saturday, March 26<sup>th</sup> and Grand Opening to be held March 28<sup>th</sup>.

Mayor Roundy reported on the following:

- Attended Sacramento Valley Division League of California Cities meeting in Chico; presentations were given on honey oil/butane operations and incubator-new business;
- Attended Water Advisory Board meeting for Supervisors;
- Easter Egg Hunt at Lollipop Land Park at 9 AM on Saturday.

ADJOURN

Meeting adjourned at 10:05 p.m.

\_\_\_\_\_ City Clerk

Mayor \_\_\_\_\_