

**AGENDA SPECIAL MEETING ANTIOCH CITY COUNCIL  
CANNABIS STANDING COMMITTEE  
COUNCIL MEMBERS WILSON AND TORRES-WALKER  
FRIDAY, JANUARY 15, 2021  
12:00 P.M.**

Special Meeting  
12:00 P.M.

January 15, 2021  
Meeting Conducted Remotely

*The City of Antioch, in response to the Executive Order of the Governor and the Order of the Health Officer of Contra Costa County concerning the Novel Coronavirus Disease (COVID-19), held the Cannabis Standing Committee meeting live stream (at [www.antiochca.gov/csc/meeting/](http://www.antiochca.gov/csc/meeting/)). The Cannabis Standing Committee meeting was conducted utilizing Zoom Audio/Video Technology.*

**1. ROLL CALL**

Council/Committee Chair Wilson called the meeting to order at 12:11 A.M. City Attorney Smith called the roll.

Present: Council/Committee Member Torres-Walker and Council/Committee Chair Wilson

Staff: City Attorney, Thomas Lloyd Smith  
Outside Legal Counsel, Ruthann Ziegler  
Youth Services Network Manager, Tasha Johnson  
Director of Economic Development, Kwame Reed  
Director of Community Development, Forrest Ebbs  
Planning Manager, Alexis Morris  
Minutes Clerk, Kitty Eiden

**2. INTRODUCTIONS**

City Attorney Smith gave introductory comments and discussed parliamentary procedures.

**PLEDGE OF ALLEGEANCE**

**3. PUBLIC COMMENT ON UNAGENDIZED ITEMS – None**

**4. APPROVAL OF CANNABIS STANDING COMMITTEE SPECIAL MEETING MINUTES FOR NOVEMBER 25, 2020.**

On motion by Council/Committee Chair Wilson, seconded by Council/Committee Member Torres-Walker the Cannabis Standing Committee unanimously approved the minutes for November 25, 2020.

**5. TEMPORARY MORATORIUM ON CANNABIS DISPENSARIES**

City Attorney Smith presented the Urgency Ordinance and noted the purpose was to provide time to prevent oversaturation in the cannabis green zone to ensure those business and their social equity programs remained viable.

**A. Public Comment**

None

**B. Discussion and Direction to staff**

Following discussion, Council/Committee Members Torres-Walker and Wilson recommended bringing a temporary moratorium on cannabis dispensaries to the City Council for consideration.

**6. DELTA FAMILY PHARMS OPERATING AGREEMENT AND SOCIAL EQUITY PROGRAM**

City Attorney Smith reported Delta Family Pharms' use permit had been approved, and they would proceed with negotiating an operating agreement with the City. He stated staff would assist them in finding a social equity program based on their goals and noted that Mr. Hoke's other cannabis business partnered with *Beat The Streets*. He stated that Youth Services Network Manager Johnson would be discussing options with Mr. Hoke.

Youth Services Network Manager Johnson added that she would be discussing social equity programs with Mr. Hoke next week. She stated that she would like to get input from Committee regarding viable social equity partners and wanted to discuss the potential for establishing process/criteria so non-profits could opt in themselves. She noted that she would defer to legal counsel regarding the language but suggested the following criteria be considered:

- Established 501c3 for a pre-determined amount of time
- Serving 90% of the community that was disproportionately impacted by the War on Drugs
- Serving youth 12-24 with a pre-determined percentage of Antioch residents
- Allows for organizations outside of Antioch provided they serve Antioch residents

Additionally, she stated that a process for announcing that the application process as well as determining who would make up the committee to review applications needed to be vetted.

**A. Public Comment**

None

**B. Discussion and Direction to staff**

Council/Committee Member Torres-Walker cautioned that with more rigorous requirements, they may lose small organizations that performed well but did not have capacity to go through

the process. She supported allowing for organizations that were not established 501c3 because she felt that there were sponsored organizations that did great work. She agreed that if they were serving a large percentage of Antioch residents they should not be required to be based in Antioch. She suggested the City consider if the process should include capacity building support for smaller organizations.

Council/Committee Chair Wilson agreed with Council/Committee Member Torres-Walker and noted that bringing Youth Services Network Manager Johnson into the process would streamline procedures. She discussed the importance of being equitable in the process and open to smaller organizations.

In response to Council/Committee Chair Wilson, City Attorney Smith stated if agreeable to cannabis businesses and staff, they could consider opening the process to smaller organizations working under an existing 501c3.

Council/Committee Chair Wilson commented that she was open to not requiring organizations to be based in Antioch if they were performing good work. She noted criteria should be equitable and not over cumbersome.

Council/Committee Member Torres-Walker explained that a larger organization could pass through a percentage of funding to a smaller organization and support them to build capacity to become a future applicant. She suggested organizations provide data regarding the percentage of population served who identified as black, African American etc.

City Attorney Smith responded that in the past organizations were able to identify who they served. He noted if the organization was not located in Antioch, they could require funding go strictly to providing services for Antioch residents. He stated he understood the pass-through concept of creating a relationship between organizations that would include a financial link and assisting in the expansion of the smaller organization.

In response to Youth Services Network Manager Johnson, Council/Committee Member Torres-Walker explained that a smaller fiscally sponsored organization could piggy-back off a larger 501c3 organization that would serve as the fiscal agent.

City Attorney Smith stated staff would follow up with Rick Hoke to determine his interests. He noted anyone with suggestions for potential organizations should send them to Youth Services Network Manager Johnson or himself. He further noted they would come back once they identified an organization to discuss the proposed plan.

## **7. EXPANSION OF CANNABIS BUSINESS OVERLAY DISTRICT**

Director of Economic Development Reed gave an overview of the current cannabis business overlay areas. He reported cannabis operations were going well and the committee had previously discussed the possibility of expanding into other areas. He noted there had also been discussion regarding changing the buffer zones. He clarified that the state regulated that cannabis operations must be 600 feet from schools. He shared the map showing 100 ft., 200 ft.,

500 ft., and 600 ft. buffers around the parcels contained within the green zones as well as potential cannabis areas of Somersville and Slatten Ranch.

Outside Legal Counsel Ziegler explained that under state law the areas that triggered a 600 ft. buffer were K-12 schools, childcare centers, and youth centers. She noted that even though it was not required by state law, Antioch had applied the 600 ft buffer to residential areas. She further noted Council had the discretion to modify buffer requirements.

Director of Economic Development Reed stated most buffers seen on the map were from residential. He explained as the ordinance was currently written it would preclude the Kmart building from being eligible for cannabis uses because the existing buffer cuts into their parcel. He noted there were areas outside of the buffers in the Slatten Ranch area.

Director of Economic Development Reed stated that the undeveloped area past Slatten Ranch would be a prime example of where they could expand the green zone without having to change the ordinance.

Director of Community Development Ebbs stated it was a policy decision on whether the Committee/Council wanted to expand the green zone.

Outside Legal Counsel Ziegler stated to avoid challenges from Brentwood it would be good to be proactive and clean up the ordinance to clarify that it applied to residential property within Antioch.

Director of Economic Development Reed stated there were many facets of the cannabis industry that Antioch was prime for and expanding to the Slatten Ranch area which would provide them with the opportunity to do something on a much larger scale.

City Attorney Smith stated they could come back to Council with a discussion regarding what could be done within the existing ordinance and whether they want to modify the existing 600 ft requirement from residential and/or expand the green zone.

Outside Legal Counsel Ziegler added that the City could also differentiate which cannabis businesses the buffer would apply to.

Director of Community Development Ebbs added that at times the buffer did not serve its intended purpose and if the buffers were modified, guiding language regarding exception may be appropriate. He noted if the Committee was thinking about expanding cannabis businesses the Slatten Ranch area may be worth considering for commercial industrial uses because there would probably be some serious inquires in the next couple of years.

#### **A. Public Comment**

Manny Soliz, Antioch resident, thanked the subcommittee for hosting the meeting and allowing him with the opportunity to comment. He spoke in support of larger dispensaries and cultivation operations in Antioch. He spoke in support of reserving some parcels adjacent to major arteries for larger commercial operations. He stated he felt it was important to nurture relationships with the existing cannabis businesses so that they could continue to provide revenues and support social concerns in Antioch.

Hugh Henderson representing commercial property owners in Antioch, spoke on behalf of expanding the cannabis business overlay. He reported the owners he represented had property in the proposed Somersville corridor that was shovel ready for a cannabis business opportunity. He urged the committee to move forward with a recommendation to Council to expand the cannabis business overlay.

### **B. Discussion and Direction to staff**

Director of Economic Development Reed stated that the property referenced by Mr. Henderson fit within the existing buffer.

City Attorney Smith commented when this item goes to Council, they could show that this option existed.

Director of Economic Development Reed added that there were also large industrial areas downtown for cannabis operations that were not retail.

City Attorney Smith suggested showing council the possibilities for cannabis businesses without changing the ordinance and then they could determine if they wanted to reduce the buffer.

Director of Community Development Ebbs added that if the ordinance was amended it may be important to stipulate that the buffer applied to residential units that were entitled or constructed as of January 1, 2021.

Planning Manager Morris reported that staff had talked to potential cannabis businesses regarding the locations being discussed this afternoon; however, they did not move forward due to zoning designations.

Council/Committee Member Torres-Walker thanked everyone for presentation. She stated that if it was the desire of the community, it made sense to clean up the ordinance language especially concerning the Slatten Ranch area, given Brentwood's position on cannabis. Additionally, she stated that it may be feasible to reduce the buffer to 200 ft. She stated that they needed to be strategic and thoughtful about how to invite new industry while continuing to foster strong relationships with the existing cannabis businesses.

Council/Committee Chair Wilson spoke in support of cleaning up the ordinance with regards to the Brentwood area.

In response to Council/Committee Chair Wilson, City Attorney Smith explained that a moratorium on dispensaries would position the City to have discussion with Council on the feasibility of expanding the green zone and what businesses would be suitable for those areas.

Council/Committee Chair Wilson voiced her support for Council considering the types of businesses allowed in the green zones as well as decreasing the buffer.

With regards to amending the ordinance as it related to the residential buffer, City Attorney Smith stated they would have that discussion with Council and if they wanted to proceed he would bring it back to the Committee.

Outside Legal Counsel Ziegler stated that if the ordinance was amended it may need to go to the Planning Commission in terms of zoning and land use and then go to Council for the first and second reading.

City Attorney Smith stated he would take the item to Council to have a broader discussion regarding the changes Council wanted to make.

## **8. MESA ANTIOCH, LLC REQUEST FOR AMENDMENT TO BILLBOARD LEASE AGREEMENT**

Outside Legal Counsel Ziegler explained that the current lease agreement with Mesa prohibited advertising of cannabis businesses/products. She stated that Mesa approached the City with interest to which her response was, what would be the added benefit for the City. She commented that the current agreement gave the City a basic monthly lease amount plus 25% of gross revenues exceeding the lease, which they had offered to increase to 30%; however, the finance department advised that gross receipts had never exceeded the lease amount. She stated if the committee were interested in pursuing changes to the lease to allow for cannabis advertising, her recommendation would be to increase the monthly rent or specify a different amount for cannabis advertising and include an audit provision.

### **A. Public Comment**

Manny Soliz, Antioch resident, suggested the City increase the percentage or increase the lease by a certain amount.

### **B. Discussion and Direction to staff**

In response to Council/Committee Chair Wilson, City Attorney Smith explained that the change being requested only related to Cannabis advertising. He noted the initial discussion would be

if the Committee wanted to allow cannabis advertising and if so, how they would get the appropriate value for the advertising and ensure payment.

Council/Committee Chair Wilson stated she did not have an objection to advertising cannabis businesses and supported increasing the lease amount. She suggested the extra funding from the ads go specifically to an organization that was working with the underserved in the community.

Director of Economic Development Reed responded that revenue generated from this property was required to benefit pre-1980 City owned parks.

Council/Committee Chair Wilson stated that she would like to see the budget for those funds.

City Attorney Smith stated he believed there was an opportunity to negotiate a flat rate increase so auditing would not be necessary.

Council/Committee Member Torres-Walker questioned if there was a survey of parks that qualified for the funding and if there was an accounting for the money spent.

City Attorney Smith stated staff would ask finance for the details of that funding.

Outside Legal Counsel Ziegler clarified that the City received a base lease amount monthly and over and above that the City was supposed to get a percentage of gross receipts under certain conditions; however, those conditions had never been met.

City Attorney Smith suggested increasing the lease so they would not have to add an auditing component. He stated they would proceed with trying to negotiate an agreement with Mesa.

Director of Economic Development Reed commented that people were not utilizing billboards during COVID-19 and they were struggling to provide revenue to the City; however, the one caveat that was going well was cannabis operations because they were deemed essential businesses.

## **9. ADJOURNMENT**

On motion by Council/Committee Chair Wilson, seconded by Council/Committee Member Torres-Walker the Committee adjourned the meeting a 1:39 P.M.

Respectfully submitted:

Kitty Eiden

KITTY EIDEN, Minutes Clerk