



AD HOC SUBCOMMITTEE ON CANNABIS Meeting Minutes

Date/Time: Monday, September 10, 2018, 7:00pm

Where: Milpitas City Hall, Committee Conference Room, 1st Floor

Attendees: Councilmembers Phan and Nuñez; Assistant City Manager Ashwini Kantak, Deputy City Manager Steve McHarris, Police Chief Armando Corpuz, Recreation & Community Director Reneé Lorentzen, Finance Director Will Fuentes, Planning Director Ned Thomas, Senior Planner Rozalynne Thomas, and City Consultant from HdL David McPherson. On the conference phone is BBK Attorney, Amanda Charne

- I. **Call to Order.** Councilmember Phan called the meeting to order.
- II. **Flag Salute.** Councilmember Phan led the Pledge of Allegiance.
- III. **Roll Call.** Councilmembers Phan and Nuñez are present along with staff and City consultant Mr. David McPherson.
- IV. **Approval of Agenda.** Councilmember Nuñez motioned, and seconded by Councilmember Phan approval of agenda.
- V. **Approval of Minutes.** June 18, 2018 was approved as amended (add the tilde on Councilmember Nuñez's last name.)
- VI. **Public Forum.** None
- VI. **New Business**

1. **Receive Staff Report on Potential Cannabis Establishments, Cost Recovery Fees and Community Benefit Agreement Options**

Assistant City Manager Kantak provided a summary of the prior discussions of the Subcommittee. At the August 7, 2018 City Council meeting, staff was directed not to move forward on the Cannabis Tax Measure and bring back other options in allowing cannabis establishments to the subcommittee and subsequently to the City Council. Ms. Kantak added that extensive community engagement and feedback were received from the public with online surveys as well as in-person surveys at various City events. The survey summary was included in the packet and shared with the subcommittee members prior to this meeting. Ms. Kantak reiterated that at this meeting, staff will be asking for feedback by the subcommittee on 1) buffer zones as to what uses to look at and sizes in relation to State as well; 2) types and number of cannabis establishment based on the size of the City of Milpitas, industry standard, cost recovery/fees methodology; 3) application process; and 4) community benefit agreement.

Buffer Zones:

Apply buffer zones to state mandated sensitive uses; evaluate a buffer zone of 600 feet for all schools and a 200 feet buffer zone for commercial licensed day cares and youth centers. Staff to identify 'certified' day care centers; define percentage of use of dual use facilities, which Council can set if preferred. Buffers for residential uses and home based daycare facilities need not be considered, no cannabis businesses to be located in residential areas.

Potential Types and Number of Cannabis Establishments:

Allow four storefront and six non-storefront retail establishments in the initial phase, no other uses to be included in the initial phase. There should be a cap on total number, rather than number per type of permit.

Cost Recovery Fees Methodology and Application Process:

Establish fees to recover all upfront and ongoing costs; use a merit based application process to select the retail vendors.

Community Benefit Agreements with Operators:

Continue to explore community benefit agreements, including legal considerations, and opportunities to incorporate into selection process.

Only zoning ordinance to be brought for Planning Commission consideration, not the regulatory ordinance.

VII. Other Business. None.

VIII. Adjournment. Councilmember Phan motioned, and seconded by Councilmember Nuñez to adjourn the meeting at 9:29pm.