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Item No. 1

JUL 10 2017

City of South Gate
CITY COUNCIL

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

5:20pm

AGENDA BILL

For the Special Meeting of July 18, 2017

Originating Department: Community Development

Department Head:

Joe Perez
Joe Perez

City Manager:

Michael Flad
Michael Flad

SUBJECT: EDUCATIONAL PRESENTATION REGARDING THE ADULT USE OF MARIJUANA ACT

PURPOSE: To receive an informational presentation on issues related to the Adult Use of Marijuana Act.

RECOMMENDED ACTION: Receive and file an educational presentation regarding the Adult Use of Marijuana Act.

FISCAL IMPACT: None.

ANALYSIS: On November 8, 2016, Proposition 64, the Adult Use of Marijuana Act (AUMA), was passed by a majority of California voters and became effective as of November 9, 2016. AUMA legalizes the nonmedical use of marijuana by persons 21 years of age and over, and the personal cultivation of up to six marijuana plants. In addition, AUMA creates a state regulatory and licensing system governing the commercial cultivation, testing, and distribution of nonmedical marijuana, and the manufacturing of nonmedical marijuana products.

The following is a summary of AUMA's main provisions:

- **Personal Nonmedical Marijuana Use** - AUMA makes it legal for persons 21 years of age or older to use, possess and cultivate marijuana. Smoking of marijuana is prohibited in any public place; a location where tobacco is prohibited; within 1,000 feet of school, day care center, or youth center while children are present; and while driving or riding in the passenger seat of a vehicle. Cities can prohibit possession and smoking in buildings that it owns, leases or uses.
- **Personal Cultivation** – AUMA allows the personal cultivation of up to six (6) marijuana plants. While cities can regulate private indoor cultivation of six (6) plants, they cannot ban such indoor cultivation. Cities can regulate or ban personal outdoor cultivation.
- **Commercial Nonmedical Marijuana Activity** – AUMA establishes a state regulatory system for commercial marijuana businesses from “seed to sale.” However, cities can regulate or completely prohibit all or some state-licensed marijuana businesses. AUMA imposes new state taxes on medical and nonmedical marijuana but does not pre-empt local taxation. The authority of cities to adopt business and land use regulations for nonmedical marijuana activities is preserved.

- **Deliveries** – Under AUMA, cities can ban or regulate deliveries to locations within their borders, however, cities cannot prevent a delivery service from using public roads to pass through their jurisdictions from a licensed dispensary to a delivery location outside their borders.

BACKGROUND: The City has engaged the services of Hdl Companies to provide an informational workshop to educate the City Council and the public on issues regarding the legalization and regulation of marijuana. Hdl's expertise involves partnering with over 70 local agencies to address the emerging cannabis industry.

The presentation will address various issues related to marijuana, including: a history of cannabis policy; cultural and economic trends relating to the marijuana industry; local cannabis ballot measures and relevant legislation; medical and non-medical cannabis regulation; and Proposition 64 (AUMA) provisions.

ATTACHMENTS: None.