



City of Rialto

Legislation Details (With Text)

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FOR: Economic Development Committee April 28, 2021
TO: Honorable Economic Development Committee Members
FROM: Alex Hamilton, Interim Community Development Director

Project Schedule for Industrial Hemp and Cannabis Regulations.

BACKGROUND:

On March 23, 2021, the City Council adopted an Interim Urgency Ordinance extending a Temporary Moratorium on the cultivation of Industrial Hemp by established agricultural institutions and others to February 10, 2022. The City currently prohibits all types of commercial facilities and activities related to Cannabis (as defined by California Health and Safety Code Section 11018 consistent with California Law). Staff committed to providing the City Council a full discussion on all options relating to Cannabis for future consideration.

ANALYSIS/DISCUSSION:

Erica L. Vega from the City Attorney's office prepared the following schedule and key points below (with staff input) for EDC consideration and direction:

- **July 2021** - Conduct a kick-off workshop with City Council to get initial feedback and direction on the development of cannabis regulations for the City. This includes seeking direction from the City Council on whether to engage a consultant to conduct a community survey regarding cannabis businesses in the City, and whether the Council desires to establish an ad hoc subcommittee to consult with staff and legal counsel on the drafting of the regulations. **If the Council decides to conduct a community survey to gauge community support for cannabis and to inform the drafting of the regulations, this will likely delay the below timeline by 3-4 months, depending on the turnaround time for the consultant.**

- **July-September 2021** - Draft regulations and circulate internally with stakeholder departments for review and feedback. Hold meetings with the ad hoc committee or EDC to review and receive feedback.
- **October 2021** - Present draft regulations to Planning Commission for recommendation to City Council.
- **November 2021** - Present draft regulations to City Council for introduction and first reading of ordinance

This timeline is solely for the development of land use and business regulations applicable to cannabis businesses. If the City Council is interested in pursuing a cannabis tax, adopting the tax would not follow this timeline as voter approval is required (and it must be on the ballot on a general municipal election date if the tax will be a general tax). The next general election is November 2022. The City Council could extend the current moratorium on Industrial Hemp for an additional 12 months per State Law, if it wanted to adopt Industrial Hemp regulations in conjunction with cannabis regulations to be implemented if the voters approve a general tax measure.

If the City Council wants to impose cost-recovery licensing fees on cannabis businesses to fund the administration of the City's cannabis regulatory program, the work on developing the fee amount can begin concurrently with the development of the ordinance(s).