

CITY OF VENTURA
CITY COUNCIL AGENDA

**Supplemental
Information
Packet**

Meeting of December 5, 2022

Received by December 6, 2022, by 8:30 a.m.

Supplemental Information:

Any agenda related public documents received and distributed to a majority of the City Council after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available in the City Clerk's Office, 501 Poli Street, Room 204, Ventura, during normal business hours as well as on the City's Website – www.cityofventura.ca.gov
<https://www.cityofventura.ca.gov/1236/City-Council-Public-Hearing-NoticesSuppl>

**11. CONSIDERATION OF AN AMENDMENT OF
RESOLUTION NO. 2021-009 CLARIFYING THE NUMBER OF
COMMERCIAL CANNABIS BUSINESSES TO BE
PERMITTED TO OPERATE IN THE CITY**

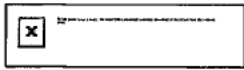
Tracy Oehler

From: Joe Velazquez
Sent: Monday, December 5, 2022 4:39 PM
To: City Clerk
Cc: Yesania Anderson
Subject: -EXT- City Council Meeting 12/5/2022 - Public Comment Agenda Item #11
Attachments: 2022-12-05_Coalition_Letter_v2 - signed.pdf

Mr. Michael MacDonald,

Please find attached a coalition letter for public record pertaining to tonight's meeting on agenda item #11.

Thank you,



Joe Velazquez
Community & Business Development



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December 5th, 2022

RE: Consideration of Amendment of Resolution No. 2021-009

Dear City of San Buenaventura City Council,

The above coalition of cannabis retail applicants writes to urge the City Council to amend Resolution No. 2021-009 by awarding licenses to all top eight cannabis retail applicants. Immediate council action is necessary as the integrity of the cannabis retail application process has been compromised, poorly administered and extraordinarily delayed.

This process began in November 2020 when 73% of voters approved Measure I which authorized and directed the city to move forward with a process to license cannabis retail operations in the City. Next, on February 24, 2021, the City Council adopted an ordinance to solidify the cannabis retail application process to select a total of five retail dispensaries. Over two years later, we are still struggling to complete this process.

On July 18th, 2022, the top eight cannabis retail applicants were invited to give presentations during a community meeting as part of Phase IV of the process. The City Manager was not present at this community meeting. Instead, the presentations were recorded and later shared with the City Manager to make his final selection.

Unfortunately, there were many technical issues that led to an inaccurate video recording. Weeks prior to the meeting, the Phase IV finalists were told by city staff to prepare a ten minute PowerPoint presentation and were required to submit the PowerPoint presentations to the city well in advance of the meeting. Thus all eight applicants diligently prepared PowerPoint presentations to guide their ten minute speaking time. Then just minutes prior to the start of the community meeting, city staff informed the applicants that they would not be able to use their PowerPoint presentations due to technical difficulties. However, the applicants were still asked to give presentations despite not having access to their presentation slides. Moreover, the audio of the video recording was compromised at several points. Thus, all applicants were unsuccessfully able to complete their presentations and instead had to use much of their time describing what visuals were not able to be shown on the presentation screen.

Despite the compromised quality of the video recording and lack of the visual presentations, the City decided to move forward with the process. The City Manager used the compromised video recording to assess and ultimately award three applicants with cannabis retail licenses.

Furthermore, it is clear from Section 6.420.230(a)(5) of the ordinance that the application process was not properly executed by the City. The ordinance states that a staff report must be prepared "making the case or recommendations for approval by the City Manager." No such



staff report was prepared. By failing to perform any analysis or staff report, the ordinance was violated.

Additionally, the City Manager strayed from the merit-based scores and used no objective criteria to make his selection. The City Manager, in his sole discretion, instead relied on a corrupted and inaccurate video recording, personal opinion, and favoritism.

As a result, the remaining five applicants have all filed appeals with the City. Subsequently on November 17, 2022, the City Manager was placed on administrative leave. As outlined in the ordinance, the City Manager is the main administrator and decision maker in the cannabis retail process. The absence of the main administrator of this process is incredibly concerning and has further caused a significant lack of confidence in this application process.

Due to the significant errors of the City's implementation of the ordinance, it is imperative that the City Council take action to make the process right. Below are the two options that we support:

1. **Option A:** Council amends the resolution to provide eight retail licenses and directs they be awarded to the eight finalists of Phase IV. This option allows for immediate benefit to the City and community. With eight retail stores, there will be higher than projected tax revenue to the city and many more local jobs created. This option eliminates any further delay and any threat of litigation as all five appeals will be moot.
2. **Option B:** Council amends the ordinance to provide five retail licenses and vacates the three provisionally awarded licenses. All eight applicants would then go through Phase IV again with the Interim City Manager. Unfortunately, an Interim City Manager has not yet been chosen so Phase IV will likely take over one year to complete, including time for new appeals and potential litigation. Every day without a final decision costs the City and the community hundreds of thousands of dollars in lost revenue, community benefits and local jobs.

As California cities are still fairly new to administering this cannabis retail application process, many cities have experienced similar issues to those we are facing in Ventura. For example, The City of Tracy was in a similar situation and has set the precedent of increasing the number of cannabis retail licenses to address multiple applicant appeals. The Tracy City Council received several appeals after initially awarding a select number of cannabis retail licenses. In response to these appeals, the City Council voted to amend their ordinance to increase the maximum number of retail licenses from four to eleven licenses.

Option A is the most appropriate and beneficial course of action as it ends any delay in this extraordinarily drawn-out process, eliminates any litigation stemming from appeals and provides immediate monetary and community benefits to the City and community of Ventura.



Therefore, the above coalition strongly urges the City Council to finally move the cannabis retail process forward by amending Resolution No. 2021-009 and issuing licenses to all top eight cannabis retail applicants.

Thank you for your consideration,

DocuSigned by:
Mark Simonian
5DBAE24B25034CB...

Haven #2 LLC
Mark Simonian, COO

DocuSigned by:
Tak Sato
EA5972923A1747B...

Shryne Ventura LLC
Tak Sato, President

DocuSigned by:
Megan Souza
B30513D92E3D479...

MOM Ventura LLC
Megan Souza, Co-Founder and CEO

From: noreply@cityofventura.ca.gov
Sent: Monday, December 5, 2022 7:23 PM
To: City Clerk
Subject: -EXT- Online Form Submittal: Public Comment Form

Public Comment Form

Disclosure:

Providing your name/contact information is optional to participate in a Public Meeting. However by providing, it will allow staff to follow-up with you on your item. All emails submitted to any Legislative Body are Public Records. Copies of forms submitted are posted online, with name and contact information redacted. You may only submit one comment form per agenda item. You may submit more than one form per agenda to address additional topics.

Submission Deadlines:

Submit your Comment Form at least 2 hours prior to the scheduled/posted start time of the meeting, as stated on the posted Agenda. If submitting a comment during a meeting, please submit before the Agenda Item concludes, during a Live Meeting, to be considered part of the record. Select the Legislative/Hearing Body below to ensure your comment is emailed to the correct body.

Select Legislative/Hearing Body City Council

Meeting Date 12/5/2022

Select a Topic: Public Comments

Name Jessica J.

Address *Field not completed.*

Phone Number

Email Address

Recommendation Against Recommendation

Written Comments Hello Mayor, City Manager and City Council, We appreciate all of your hard work in reviewing our applications, creating guidelines for our application process and enduring months City Council Meetings to allow cannabis retail permits to operate in our City. I believe that Ventura's process in deciding for there to be 3 permits awarded during this round was fair. I believe your selection was fair. To change and amend your process would be to distrust your process and your wise

decision-making. Please, I ask that you reconsider your decision and hope that the idea of litigation does not pressure you to make the wrong decision. Thank you for your time! We do not want this town overrun by cannabis retail shops.

Upload Files

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