MINUTES OF THE
REGULAR MEETING - CITY COUNCIL
October 2, 2017

MAYOR HARRIS called a regular meeting of the City Council to order at 7:30 p.m. in the Council Chambers, 100 Gregory Lane, Pleasant Hill, California, complete proceedings of which were electronically recorded. The meeting agenda was posted on the outdoor bulletin board at the above address on September 26, 2017 by Deputy City Clerk Juanita Davalos.

1. PLEDGE OF ALLEGIANCE

2. ROLL CALL

MAYOR HARRIS asked for a moment of silence to remember the victims of the Las Vegas tragedy.

Present: Carlson, Flaherty, Noack, Rinn, Harris

3. PRESENTATIONS

3.1 PROCLAMATION Designating October 1 – October 7, 2017 as 4-H Week in Pleasant Hill

MAYOR HARRIS presented the proclamation to members of the Pleasant Hill 4-H Club.

4. CITY MANAGER COMMENTS

JUNE CATALANO, City Manager, reported on:

- the Art, Wine & Music Festival to be held on Saturday and Sunday, October 7-8, 2017 in Downtown Pleasant Hill; and
- the Family Caregiver retreat to be held on Monday, October 9, 2017, sponsored by the Pleasant Hill Commission on Aging.

5. COUNCIL ANNOUNCEMENTS AND REPORTS

5.1 REPORTS from Councilmembers on Meetings or Conferences Attended at City Expense

COUNCILMEMBER CARLSON reported his attendance at a seminar hosted by the League of California Cities regarding implicit bias and procedural justice.

MAYOR HARRIS also reported his attendance at the League of California Cities seminar and noted that he would distribute the information received to other Councilmembers.
5.2 ANNOUNCEMENTS from Councilmembers

VICE MAYOR FLAHERTY reported that he and COUNCILMEMBER NOACK met with the HUB Group regarding the Pleasant Hill Tourism Improvement District. Vice Mayor Flaherty also reported that he and all Councilmembers participated in the City of Pleasant Hill's Community Service Day. He also reported his attendance at a Contra Costa Association of Realtors elected officials event held on September 21, 2017 and Martinis on the Plaza hosted by the Martinez Chamber of Commerce held on September 23, 2017. Vice Mayor Flaherty noted that October is Breast Cancer Awareness Month and that the current issue of Community Focus features local breast cancer survivors.

COUNCILMEMBER RINN reported his attendance at the Meals on Wheels pancake breakfast.

COUNCILMEMBER NOACK reported her attendance at the Meals on Wheels pancake breakfast; the White Pony Express fourth birthday celebration; and at Community Service Day.

COUNCILMEMBER CARLSON reported his attendance at Martinis on the Plaza; and at the grand opening of Generations Church.

MAYOR HARRIS reported his attendance at all of the events mentioned by the other Councilmembers and expressed his appreciation to Martin Nelis and the Civic Action Commission for organizing Community Service Day.

MARTIN NELIS, Public Information Officer, reported that two large couches and 25 cubic yards of trash were removed from Grayson Creek on Community Service Day.

MAYOR HARRIS noted that the Community Service Day for the City of Walnut Creek would be held on Saturday, October 14, 2017. Mayor Harris reported his attendance at an event for A New Day for Children.

6. PUBLIC COMMENT

MAYOR HARRIS opened public comment.

JIM BONATO, Pleasant Hill, read an email he received from the Pleasant Hill Park and Recreation District Board of Directors regarding hate speech and commended Michelle Lacy, General Manager, and Zac Shess, Chair. He commented on acceptance of diversity, the Civil Rights Act of 1964, and immigration to the United States. Mr. Bonato requested that Councilmembers craft a similar statement to that of the Pleasant Hill Park and Recreation District.

DICK OFFERMAN, Pleasant Hill, extended an invitation to attend an event on immigration law to be held at the Pleasant Hill Library at 6:30 p.m. on October 3, 2017. Mr. Offerman expressed his concerns on the recent actions by the U.S. Immigration and Customs Enforcement agents within sanctuary cities. He commended the City Council for passing a resolution regarding an
inclusive immigration policy, but urged the Council to pass a new immigration enforcement policy that would replace Pleasant Hill Police Policy No. 428.

MAYOR HARRIS closed public comment.

7. **CONSENT CALENDAR**

Motion (Flaherty/Noack) to approve all consent items, carried as follows:

**AYES:** Carlson, Flaherty, Noack, Rinn, Harris

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<th>Motion Number</th>
<th>Description</th>
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<tr>
<td>7.1</td>
<td>APPROVE Checks Dated: September 15, 2017 and September 22, 2017</td>
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<td>7.2</td>
<td>APPROVE Minutes for the Regular City Council Meetings of September 11, 2017 and September 18, 2017</td>
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<td>7.3</td>
<td>APPROVE Appointment Recommendations to the Contra Costa County Advisory Council on Aging and the Diablo Vista Water Advisory Board</td>
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<td>7.4</td>
<td>ADOPT Resolution No. 73-17 Authorizing the City Manager to Execute a Professional Services Agreement with PFM Financial Advisors LLC and Appropriating Necessary Funding</td>
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<td>7.5</td>
<td>ADOPT Resolution No. 74-17 Amending the Budget for the Pleasant Hill Road Improvements (Taylor Boulevard to Gregory Lane) Project G-24 to Incorporate New Funding by Senate Bill 1: The Road Repair and Accountability Act</td>
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8. **ADMINISTRATION AND FINANCE**

None

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<td>9.1</td>
<td>PUBLIC HEARING and INTRODUCTION of Cannabis Regulations: Personal Cultivation (Ordinance No. ___); Medical Retail Sales (Ordinance No. ___); and Adult Use (Recreational) Sales (Ordinance No. ___)</td>
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GREG FUZ, City Planner, stated the proposal to consider modifications to the Zoning Ordinance related to cannabis, including personal cultivation and sales, is consistent with State law. Mr. Fuz explained the three ordinances presented to the City Council for consideration. He provided the legislative background on cannabis regulation.

JANET COLESON, City Attorney, stated that Proposition 64 allowed for cities to take action regarding cannabis regulation before the State begins to issue licenses in January 2018. Ms. Coleson describes Proposition 64 as a dual licensing scheme allowing both the State and cities to
issue licenses. She said that if a city does not pass cannabis regulations, then it would be assumed that the jurisdiction is allowing the State sole authority to regulate. Ms. Coleson noted that several meetings with the Planning Commission have taken place which resulted in the recommendation of two of the three ordinances before the City Council. Ms. Coleson described each of the proposed ordinances.

MR. FUZ provided the background on each of the three public meetings held by the Planning Commission in July 2017, August 2017 and September 2017. He reported on the two ordinances recommended by the Planning Commission. Mr. Fuz highlighted the amendments listed in the ordinance regarding medical cannabis. Mr. Fuz also described the ordinance concerning adult use and retail/recreational cannabis and noted that the Planning Commission did not recommend this proposed ordinance. Mr. Fuz noted that it would adopt the same standards, setbacks, and locations as the medical use ordinance as well as setting a limit of two cannabis recreational retailers in the City if the City Council adopted this ordinance.

VICE MAYOR FLAHERTY asked about possible operational controls if the ordinances regulating medical use and adult use/recreational cannabis were approved. He also inquired as to whether the approximately fifty pending bills in the State legislature address any operational issues and if there is a difference between cannabis sold for medical versus recreational usage.

MS. COLESON responded that the ordinance was being introduced and would require two readings and thirty days before becoming operative. She noted if the City Council approved introducing the medical and recreational uses ordinance, staff would draft operational requirements and security measures to accompany those ordinances.

AMANDA CHARNE, Associate, Best Best & Krieger, responded that some of the pending State bills are dealing with operational issues and that there is no difference in the cannabis product to be sold for medical or recreational usage. She noted that Proposition 64 tightened the requirements for physicians planning to prescribe medical cannabis.

MR. FUZ responded to Vice Mayor Flaherty’s inquiring regarding potential locations and buffers by showing a slide depicting the buffers recommended by the Planning Commission from schools, residential areas, and neighborhood businesses.

COUNCILMEMBERS continued their discussion and posed questions which were answered by Mr. Fuz and Ms. Coleson.

MS. COLESON described the structure of the ordinances stating that the personal cultivation ordinance would bring it in compliance with State law and is recommended for approval; and regarding the medical retail ordinance, the clause “anything that is not listed is not allowed” was recommended by the Planning Commission. Ms. Coleson suggested that if the City Council does not approve the medical retail ordinance, the “anything that is not listed is not allowed” clause be removed from the medial retail ordinance and added to the adult use/recreational retail ordinance. She also commented that another possibility was to approve a moratorium, which would be an initial 45 day prohibition that could be extended to allow the City to continue studying the issue.
COUNCILMEMBER NOACK inquired about actions taken by nearby cities.

AMANDA CHARNE noted the following actions taken by nearby cities: Antioch—no to medical sales, moratorium on recreational sales; Benicia—no to medical sales; Brentwood—no to medical and recreational sales; Concord—no to medical and recreational sales but allows for medical delivery from outside of the city; Danville—no to medical and recreational sales; Emeryville—yes to medical and recreational sales; Moraga and Orinda—no to medical and recreational sales but allows for medical delivery from outside of the city; San Ramon—no to medical and recreational sales; and Walnut Creek placed a moratorium on commercial cannabis sales.

COUNCILMEMBERS continued their discussion regarding medical delivery of cannabis, sales tax, traffic impact and jurisdiction over licensing enforcement.

MS. COLESON addressed the delivery of medical cannabis as a land use concern whereby it can be regulated as long as the delivery starts and ends in Pleasant Hill, but cannot be regulated if the delivery is “passing through” the City. She commented that she has clarifying language to add as an exemption stating that “delivery of cannabis and cannabis products from cannabis retailers located outside of the City of Pleasant Hill is allowed subject to compliance with the medicinal and adult use cannabis regulations and safety act, applicable laws and regulations of the local jurisdiction where the retailer is physically located and this code as may be amended from time to time.”

VICE MAYOR FLAHERTY stated that if cannabis delivery from outside of Pleasant Hill is to be allowed, that the exemption language needs to be included.

MAYOR HARRIS opened public comment.

RICK INADA, Pleasant Hill, commented that he and his wife are long-time residents of Pleasant Hill and remarked on the positive changes to the City which include the Downtown area, the Senior Center and the Teen Center. Mr. Inada stated that the proposed changes regarding cannabis would bring a negative change to Pleasant Hill. He noted that most Bay Area cities are not allowing cannabis sales within their jurisdictions. Mr. Inada recommended an outright ban.

PHILLIP PAULOS, Buddha’s Pantry, noted that he co-operates a delivery collective in the East Bay and recommends adopting the ordinance regulating cannabis sales. Mr. Paulos remarked on his involvement in the Pleasant Hill community and stated that cannabis has helped many people with certain medical conditions. He also recommended allowing a commercial cannabis nursery.

DAVID ROCHE, Pleasant Hill, expressed his strong opposition to having medicinal and recreational cannabis dispensaries within the City. Mr. Roche stated that Pleasant Hill should be known for its restaurants, boutiques and small businesses instead of check cashing vendors, liquor stores, and cannabis dispensaries. He said that the cities of Brentwood, Pittsburg, and Antioch have voted against allowing cannabis dispensaries within their city limits. Mr. Roche commented that the Councilmembers should not assume that voters who voted in favor of
Proposition 64 wanted cannabis dispensaries in their cities. He also noted that the jurisdictions that allow cannabis dispensaries have higher crime rates and have not realized the tax benefits derived from regulated cannabis sales. Mr. Roche urged the City Council to vote against the ordinances.

BRANDON MULLINS, Pleasant Hill, stated that he manages a medical cannabis delivery collective that has served Pleasant Hill for over five years and noted no criminal activity. Mr. Mullins reported that his organization has not received any complaints during its years of operations and commented that for some patients, delivery is the only option. He stated that delivery services have different requirements than dispensaries and can operate more discreetly. Mr. Mullins requested an additional five to seven licenses for medical cannabis delivery services.

REBECCA BYARS, Co-Founder of The Agathist Collective, stated that the Collective is a medical cannabis dispensary serving several hundred patients in Central Contra Costa County. She noted that most of her patients are elderly, bed-bound and cannot travel, and thereby need delivery services. Ms. Byars stated that moratoriums would not help the residents, but instead hurt vulnerable people. She suggested implementing an emergency allowance for patients to continue to receive services while the City Council continues to determine local laws. Ms. Byars encouraged Councilmembers to attend the monthly Rossmoor medical cannabis club meetings for additional information.

TIMOTHY BYARS, Co-Founder of The Agathist Collective, reiterated that the Collective works with over 600 people who are mostly senior citizens who use cannabis to treat age-related chronic illness. He noted that cannabis alleviates suffering and that banning it would adversely affect the most vulnerable residents. Mr. Byars described non-storefront cannabis dispensaries as delivery only and requested the City Council to define and regulate such dispensaries differently from storefront dispensaries and allow for a distinct classification in the City’s Municipal Code. He noted that the City of Concord modified its plan to ban all dispensaries to allow their City to vote on allowing non-storefront cannabis dispensaries after hearing from the public.

DANIEL URIBE, Pleasant Hill, expressed his hope that the City Council would approve medical cannabis storefront and non-storefront dispensaries. He noted that he is a pharmaceutical researcher, has had a medical card for over a decade and benefits greatly from medical use of cannabis. He stated the benefits of medical cannabis over using many pharmaceutical medications. Mr. Uribe commented that access to medical cannabis is difficult and expects that traffic would be light based on his experience with a dispensary in Hayward.

DICK OFFERMAN, Pleasant Hill, commented that 64% of Pleasant Hill voters voted to approve medical cannabis dispensaries and noted that there is no increase in crime in the cities that have cannabis dispensaries. He requested that the City Council vote to approve the allowance of medical and recreational dispensaries in Pleasant Hill.

KAREN YAPP, Pleasant Hill, expressed her support for the passage for the personal cultivation of six plants. She also expressed her support for the Planning Commission in its recommendation of medical cannabis sales, but noted that the location restrictions should be eliminated. Ms. Yapp stated that the City Council should also consider allowing adult
use/recreational cannabis retailers in Pleasant Hill, which would bring financial benefits to the City. She noted that there are several unregulated home-based medical delivery businesses currently operating in Pleasant Hill that have existed for several years without complaints and would be negatively impacted by the proposed ordinances. Ms. Yapp suggested setting reasonable limits on home-based medical delivery businesses and allowing them to continue operations.

ELOISE THEISEN, Green Health Consultants, stated that she is an adult geriatric nurse practitioner specializing in cannabis use and that the average age of her patients is 76 years old. She noted that seniors are the fastest growing users of cannabis and it is becoming known as an "exit drug." Ms. Theisen requested that the City Council consider the negative impact on local residents should non-storefront dispensaries be banned.

DIANA WHITE, Pleasant Hill, expressed her opposition to medical and recreational cannabis sales in Pleasant Hill. She stated that allowing cannabis sales in Pleasant Hill would negatively affect the youth, residents, shoppers, and senior citizens of the community. Ms. White noted that there is no difference in potency between the medical and recreational strains of cannabis. She reported that the State of Colorado reported that high school students illegally obtained cannabis from someone with a medical card. Ms. White said that a cannabis ban would prohibit teens and young adults from purchasing cannabis in large quantities. She expressed her concern at the number of drivers in the City who are impaired due to legal cannabis sales. Ms. White encouraged the City Council to review the impact of cannabis legalization in Colorado and provided a handout to Councilmembers.

PHILIP IRION, Pleasant Hill, expressed his opinion that if cannabis sales are legal at the State level, and if reasonable local regulations are applied, then it is sensible to allow it in Pleasant Hill. Mr. Irion said that he does not see the logic of blanket prohibitions for businesses and each case should be considered on its own merits.

MATT LIGHT, Pleasant Hill, expressed his concern that delivery services for seniors with medical needs would be out of business if they could not partner with a storefront dispensary. He noted that he would like to apply for a retail dispensary license and requested that the City Council not ban adult cannabis use.

RHONDA WITHARM, Pleasant Hill, commented that she was initially not in favor of distribution. She noted that she has a medical cannabis card and has been scared to visit dispensaries in other cities and would not want that environment in Pleasant Hill. Ms. Witharm noted that after listening to other compassionate public comments, she would be in favor of medical delivery to the elderly if it is controlled.

LAURIE LIGHT, Octavia Wellness, Walnut Creek, commented on the need to educate the public about the benefits of medicinal cannabis. She noted that her mother passed away after a fall caused by the side effects of being on several prescription medications. Ms. Light stated that there are cannabis products that are not psycho-active.
BILL BANKERT, Pleasant Hill Planning Commissioner, commented that the Planning Commission recommendation was not unanimous. He expressed his opposition to the retail sales of medical and recreational cannabis and noted that most people in favor of cannabis sales are business owners and not Pleasant Hill residents. Mr. Bankert requested that the City Council vote against allowing retail cannabis sales in Pleasant Hill.

MAYOR HARRIS closed public comment.

MAYOR HARRIS called for a recess at 9:29 p.m.

MAYOR HARRIS reconvened the meeting at 9:38 p.m.

MAYOR HARRIS thanked the speakers for their respectful public comments.

MS. COLESON clarified a Pleasant Hill Police Department report to the Planning Commission that there was no documented increase in crime in the cities of Richmond, Vallejo, and Santa Rosa, and no increase in calls for service because of the medical dispensaries.

MAYOR HARRIS suggested continuing discussions, posing questions to staff and then focusing on resolving the issues of personal cultivation; recreational/adult use retail; medical retail; and medical delivery.

COUNCILMEMBER NOACK asked about the position held by the Pleasant Hill Police Department.

BRYAN HILL, Pleasant Hill Police Department CAPTAIN, stated that his department contacted the cities that have allowed retail sales of medical cannabis within their jurisdictions, including Richmond, Vallejo, Santa Rosa, and Berkeley, and none of the cities reported an increase in crime or calls for service.

MAYOR HARRIS asked about the details of the 15% grant to cities that allow adult use.

MS. CHARNE stated that Proposition 64 created a number of grant programs and the 15% grant is one such program.

COUNCILMEMBER CARLSON clarified that with the grant program, a city must authorize and allow all aspects of cannabis covered in Proposition 64 and the grant would be based on population.

COUNCILMEMBER RINN asked if there are current regulations concerning home delivery of medical use cannabis.

MS. COLESON replied that there are no regulations in place.

COUNCILMEMBER NOACK stated her support for maintaining the State law of six plants for personal cultivation, but noted she wanted to ban commercial cultivation. She also expressed her
concerns about allowing retail sales within the City and that the delivery aspect should be explored further.

MS. COLESON advised the Council on how to proceed with the discussion and vote on the three proposed ordinances.

COUNCILMEMBERS continued their discussions regarding each proposed ordinance and expressed their concerns and offered recommendations.

MS. COLESON summarized the discussions and stated that the consensus was to approve introduction of the personal cultivation ordinance and to increase from three plants to six plants in compliance with State law. She explained the possible scenarios regarding approving a ban versus a moratorium on retail sales and the regulation of delivery of medical cannabis from an entity outside of Pleasant Hill. She also presented the timelines and required tasks involved in a moratorium.

VICE MAYOR FLAHERTY and COUNCILMEMBER CARLSON asked about having staff reach out to the public and stakeholders during the moratorium period to determine guidelines for matters such as zoning, operations, and enforcement.

MS. COLESON confirmed that during a moratorium studies can be conducted to help craft guidelines.

**Motion (Flaherty/Carlson) to Introduce** Cannabis Regulations: Personal Cultivation (Ordinance No. __), carried as follows:

AYES: Carlson, Flaherty, Noack, Rinn, Harris

**Motion (Flaherty/Noack) to Provide** direction to City Staff to return with a moratorium on Cannabis Regulations: Medical Retail Sales (Ordinance No. ___); and Recreational Sales (Ordinance No. ___), carried as follows:

AYES: Carlson, Flaherty, Noack, Rinn, Harris

9.2 **UPDATE on Housing in Pleasant Hill**

GREG FUZ, City Planner, provided an update on the certified Housing Element. He noted that of the 448 units of affordable housing set as the City’s regional fair share of housing, Pleasant Hill has constructed and/or approved 161 residential units. Mr. Fuz reported that there will be other projects in the future and that the City would be able to meet its goals.

VICE MAYOR FLAHERTY asked if there was discussion on developing the Black Angus property. Mr. Fuz responded that the proposal has been withdrawn.
10. **OTHER**

None

11. **ADJOURNMENT**

MAYOR HARRIS adjourned the meeting in memory of the victims of the Las Vegas tragedy at 10:28 p.m. The next regular meeting will be held on Monday, October 16, 2017, beginning at 7:30 p.m.

CAROL W. WU, CITY CLERK