



City Council Report

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File ID: 2018-00529

May 1, 2018

Discussion Item 20

**Title: Local Approval for Temporary Cannabis Events at Cal Expo
[Continued from 04/24/2018]**

Location: Citywide

Recommendation: Pass a Resolution authorizing the City Manager or City Manager's designee to issue approvals and impose conditions for temporary cannabis events at Cal Expo.

Contact: Joe Devlin, Chief, (916) 808-4772, Zarah Cruz, Program Specialist, (916) 808-8925, Office of Cannabis Policy and Enforcement, Department of Finance

Presenter: Joe Devlin, Chief, (916) 808-4772, Office of Cannabis Policy and Enforcement, Department of Finance

Attachments:

1-Description/Analysis

2-Resolution

Description/Analysis

Issue Detail: As of January 1, 2018, the State of California began issuing temporary cannabis event licenses authorizing events including onsite adult-use cannabis sales and consumption at County fairgrounds pursuant to California Business and Professions Code section 26200. To hold this type of event an event organizer must obtain a State Cannabis Event Organizer License and a State Temporary Event License. To receive a Temporary Event License the organizer must have written approval from the local jurisdiction in which the event is taking place. It is anticipated that one or more events could take place at Cal Expo in the future.

Since the State requests local approval prior to issuing a Temporary Event License, the City of Sacramento should implement a process through which requests for approvals can be evaluated. Under the process outlined in the attached resolution applicants must complete the City's current special events application and review process which requires that all local rules are followed prior to the issuance of a special permit. (Attachment 2).

The Cal Expo venue is staffed by more than 330 State police officers responsible for maintaining security and crowd control. No different from other large-scale events that take place at Cal Expo, staff does not anticipate any cannabis events to impact Sacramento Police Department or other City resources. Similar events have taken place in Santa Rosa without incident.

Policy Considerations: Local approval is required for the State to issue a license for temporary cannabis events, including those taking place at Cal Expo. The attached resolution will authorize the City Manager to issue approvals for events at Cal Expo and impose appropriate and reasonable conditions.

Economic Impacts: None

Environmental Considerations: This action is not a project that is subject to CEQA because it does not have the potential for causing a significant effect on the environment. (CEQA Guidelines §15061(b)(3).)

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Staff anticipates that adult-use cannabis events may be scheduled to take place at Cal Expo. These types of events are in demand and it is foreseeable that such an event at Cal Expo could draw many thousands of people. As such, it is appropriate to require that these events be reviewed through City's current special events application and review process.

Financial Considerations: Allowing cannabis special events to take place at Cal Expo could generate additional tax revenue based on the four percent (4%) business operations tax. Additionally, such events may generate Transit Occupancy Tax and other associated tourism revenue.

Local Business Enterprise (LBE): Not applicable.

RESOLUTION NO. 2018-

Adopted by the Sacramento City Council

April 24, 2018

AUTHORIZING THE CITY MANAGER TO REVIEW AND APPROVE REQUESTS TO HOLD EVENTS WITH ONSITE ADULT-USE CANNABIS SALES AND CONSUMPTION AT CAL EXPO

BACKGROUND

- A. As of January 1, 2018, the State of California began issuing State temporary cannabis event licenses, which authorize events with onsite adult-use cannabis sales and consumption at County fairgrounds, pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) (specifically, California Business and Professions Code section 26200).
- B. In Sacramento, it is anticipated that one or more cannabis-related events could take place at Cal Expo in the future.
- C. MAUCRSA further states that a Temporary Cannabis Event license will only be issued by the State in local jurisdictions that authorize such events.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1: The City Council finds and determines that the background statements A through C are true.
- Section 2: The City Council authorizes the City Manager, or the city manager's designee, to review and approve requests to hold events with onsite adult-use cannabis sales and consumption at Cal Expo facilities, located at 16000 Exposition Boulevard in Sacramento, California.