



City Council Agenda Item

City Council Meeting Date: December 21, 2021

TO: Jim Throop, City Manager
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FROM: Christie Alarcon, Community Development Director
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SUBJECT: Consideration of Permitting Temporary Cannabis Events at Specific City Parks; Introduction of Ordinance No. 1683(21), Authorizing Temporary Cannabis Events at River Bend Park, Ken Adam Park, and River Park, and Establishing a Permitting Process and Fees for Such Events; Adoption of Resolution No. 6443(21) Modifying the Master Fee Schedule

Recommendation:

Staff recommends the City Council:

- 1) Introduce, for first reading by title only with further reading waived, Ordinance No. 1683(21) (Attachment 1), amending Chapters 8.16 and 9.36 of the Lompoc Municipal Code to authorize temporary cannabis events at River Bend Park, Ken Adam Park, and River Park, and establishing a permitting process and fees for such events; and
- 2) Adopt Resolution No. 6443(21) (Attachment 2) modifying the Master Fee Schedule to include fees for cannabis events; or
- 3) Provide alternate direction.

Background:

Per City Council request, staff has researched and created a path for permitting temporary cannabis events in the City. In an effort to simplify the process, staff is recommending utilizing the existing special event process managed by the City's Recreation Division and modifying the Special Event Application, Guidelines and Fees to address the specialized needs of a cannabis event.

Discussion:

Under California Business & Professions Code 26200(e), which became effective January 1, 2019, the City may permit temporary cannabis events, at locations designated by the City, where participants who are 21 years of age or older may sell and consume cannabis. An event would very likely take place outdoors and would likely take the form of a festival or expo where vendors would sell cannabis and cannabis products, and eventgoers could smoke or otherwise consume cannabis.

To hold this type of event, an event organizer must obtain a state Cannabis Event Organizer (Type 14) license and a state Temporary Cannabis Event license.

The state requires local approval of a proposed cannabis event prior to issuing a Temporary Cannabis Event license. Consequently, if the City Council wishes to permit Temporary Cannabis Events in the City, then the City Council must implement a process through which a cannabis event application can be evaluated and approved. Staff's recommendation is to use the City's current application process for special events at City parks, with amendments specific to cannabis events, for purposes of this review.

Currently, to hold a special event (defined as a gathering of more than 150 people) at a City park, an applicant must submit a Special Event Application to the Lompoc Recreation Division 9 to 12 months in advance of the event for large events (1,000 or more attendees) and 3 to 6 months in advance of the event for all other events (1,000 or less attendees).

Staff has prepared amendments to the Special Event Application and Special Event General Information form to include information and questions applicable to Cannabis Special Events (see Attachments 3 and 4). Those revised forms (with additional changes if needed) will be implemented by staff if the cannabis events are authorized by the City Council.

Venues for Consideration:

If the City Council wishes to permit temporary cannabis events, then locations for such events may be designated. Previous City Council discussion of locations for cannabis events has focused on City parks. The City parks considered by staff for temporary cannabis events are: River Park, Ken Adam Park, and River Bend Park. Detailed below are pros and cons for consideration by the City Council when determining whether to approve the use of all three parks or select specific ones as available sites for cannabis events.

River Park

River Park is located on Highway 246 and Sweeney Road. River Park consists of 45 developed acres and is the home of the Lompoc River Park Campgrounds (35 campsites currently). This venue has been the host to other large gatherings such as the Wine Festival, which most recently hosted approximately 2,500 participants at the site. AIDS Ride is another event that has hosted approximately 3,500 participants at the park.

Parking and shuttle services can be utilized to reduce traffic and other regulations would be established to ensure the safety of event participants as the City has conditioned such events in the past. While this is a City-owned park, it is located outside of the City limits within the County of Santa Barbara unincorporated area. City-owned property is exempt from the County's zoning ordinance, but the City and/or event applicant may need to apply for any applicable non-zoning County permits for events at River Park.

Ken Adam Park:

Ken Adam Park is located off Highway 1 at the Northern entrance to the City. This venue has been host to large gatherings (up to approximately 600 attendees) but is somewhat overgrown with brush and could pose some fire hazards. Staff recommends, if this site is to be considered for cannabis events, that the City invest in clearance of much of the brush in the central area, which would allow for a large decomposed granite site for hosting all types of events, including cannabis events. The other challenge any organizers would have is parking coordination. Event organizers would have to coordinate with Allan Hancock College to request parking allowance and such agreement would be a required component of the special event permitting application package for the City.

River Bend Park:

While River Bend Park was not mentioned by the City Council as part of its recommendation with regards to potential venues for cannabis events, after visiting all of the various City parks, this park seemed to have potential to accommodate a large crowd. After speaking with various cannabis industry individuals who are interested in hosting an event in Lompoc, the size of proposed events ranged from 1,000 to 5,000 persons. River Bend Park would be a site with potential to hold larger crowds similar to River Park.

River Bend Park is located at 1702 North A Street adjacent to the Santa Ynez River. The park consists of 13 plus acres of soccer field that could be utilized for events. There is sufficient space to host a large event at this site, and the site has been host to soccer tournaments where approximately 2,000 persons have been in attendance.

All of this was presented to the City Council August 3, 2021. Much concern was expressed that the City does not have appropriate staffing levels to oversee such type of event. For clarification, staffing levels are adequate for the review of the special event application and conditioning of such event permit. City staff do not operate or staff the events. City staff may be called into need, just as with regards to any other City event, should there be a demand for increased traffic control, emergency medical service, and/or other unexpected situation.

City staff believe that current staffing levels do not affect the hosting of such events. Staff have provided sufficient time tables for the evaluation and issuance of the Special Event Permit, which would be the main impact to staffing workload.

The City Council may want to consider limiting the number of special cannabis events that could be held either annually or on a quarterly basis. Per prior City Council direction, the proposed ordinance imposes a limit of one cannabis special event per calendar quarter in the City. Types of cannabis events could include the following, which are described below:

- **Cannabis Conferences:** Cannabis conferences are organized with the intention of bringing together individuals for a common purpose, revolving around cannabis. They provide an opportunity for attendees to expand their cannabis knowledge through presentations from industry leaders, investors, doctors, patients, and those at the forefront of innovation. They also offer insights into legislative developments and shed light on changes anticipated in the future which may impact stakeholders. These conferences would include sale of cannabis product and/or consumption.
- **Cannabis Conventions:** Cannabis conventions are resource hubs for the rapidly expanding cannabis industry. These are events where businesses, entrepreneurs, investors, educators, patients, advocates, and consumers can all connect, learn, and grow. They are focused on the local market needs of wherever they are held, but also tie those needs into the industry at large. These conventions would include sale of cannabis product and/or consumption.
- **Cannabis Expositions & Trade Shows:** Cannabis expositions and trade shows are public exhibitions which operate as a microcosm of the activities taking place in the cannabis market. They tend to offer an array of activities for a much more engaging experience with the subject matter of the day. They also feature an inherent dynamism. This is created by the presence of interactive exhibits, workshops, the showcasing of innovative technology by various vendors, and the wide variety of participants from different industries and walks of life. These expositions and trade shows would include sale of cannabis product and/or consumption.
- **Cannabis Festivals:** Festival revolving around cannabis focus on music, advocacy, education, activism, and having fun. You can expect a jam-packed program of events and entertainment with a focus on consuming cannabis surrounded by positive vibes, and novice, as well as seasoned, cannabis enthusiasts.

Many other jurisdictions throughout California are hosting such events. There are a variety of methods for fee structure, most very similar to that proposed for Lompoc. For some they are charging 100% cost recovery for public safety estimated impacts, so for example if the Police Department anticipates having to increase traffic patrol by four full-time officers, that cost would be borne by the Cannabis Event Organizer. Some cities/counties have hosted outdoor events, many host in enclosed convention centers that are not City owned. The challenge with comparing Lompoc to other cities and counties is that Lompoc is unique in the venue options available. Starting with outdoor events and specific parks, for a specific number of events per year is an optional route to determine the positive and negative impacts that the City may experience.

For all special events, City staff hold a pre-meeting with the applicant to discuss mitigation measures and an after action report for staff to determine what went well and where improvements can be made. These types of meetings have allowed for improved coordination between City departments as well as improved quality of events for patrons.

Required Code Amendments:

Section 8.16.050 of the Lompoc Municipal Code (LMC) currently prohibits smoking (including smoking of cannabis) in City parks. LMC Chapter 9.36, governing cannabis uses, does not currently authorize temporary cannabis events and prohibits smoking cannabis in City parks where smoking tobacco is prohibited.

Staff has prepared amendments to the LMC that would do the following:

- 1) Authorize temporary cannabis events at River Park, Ken Adam Park, and Riverbend Park;
- 2) Require cannabis event organizers to obtain a special event permits from the City, and require all participating vendors to have a City of Lompoc commercial cannabis license;
- 3) Require cannabis event organizers, vendors, and participants to comply with all state law requirements concerning cannabis events;
- 4) Allow smoking of cannabis in City parks solely within the boundaries of a City-permitted cannabis event; and
- 5) Per City Council direction, limit the number of cannabis events held within the City or on City-owned property to one per calendar quarter.

Environmental Considerations:

Amendments to the LMC to establish a process for permitting cannabis events are exempt from California Environmental Quality Act (CEQA) review pursuant to Section 15061(b)(3) (the “common sense exception”) because it can be seen with certainty that there is no possibility the activity in question will have a significant effect on the environment as the events in question are temporary in nature and will only take place in parks, which are intended for such recreational uses.

Fiscal Impact:

Allowing cannabis special events to take place at any or all of the three recommended City parks would generate additional tax revenue based on the cannabis business operations tax. Additionally, such events may generate Transit Occupancy Taxes and other associated tourism revenue, such as gas tax and sales tax revenue.

Please note that in the amended Parks Special Event General Information (Attachment 4) the Cannabis Special Event license verification fee is \$1,000 per event. This additional fee is for the cost associated with staff review and coordination to ensure all required cannabis license information is valid. The Fire Inspection and Plan Review fee for a Cannabis Special Event is also an additional fee that varies dependent on whether there will be on-site consumption or not.

Conclusion:

Staff anticipates that there would be community interest in adult-use temporary cannabis events if authorized by the City at one or more of the three City parks specified above. These types of events are in demand and it is foreseeable that such an event at any of the three City parks could draw many thousands of people. If the City Council wishes to authorize these events, staff recommends requiring that these events be reviewed through the City's current special events application and review process, as presented.

Respectfully submitted:

Christie Alarcon, Community Development Director

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Jim Throop, City Manager

- Attachments: 1) Ordinance No. 1683(21)
2) Resolution No. 6443(21)
3) Special Event Application (Proposed Amended 8/3/21)
4) Parks Special Event General Information (Proposed Amended 8/3/21)