

## REPORT TO THE CITY COUNCIL

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**DATE:** March 19, 2019

**TITLE:** Cannabis Strategic Plan

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### **RECOMMENDATION**

**Review the proposed goals and initiatives and adopt the Cannabis Strategic Plan.**

### **BACKGROUND:**

During the June 5, 2018 City Council Study Session on Cannabis, Staff was directed to work with a moderator to facilitate the development of a unified City Council vision regarding cannabis. As part of the data gathering process, Staff was also directed to form a Cannabis Task Force comprised of cannabis industry experts to create proposals for City Council consideration. The proposals were reviewed, along with City Council's ideas, during a Cannabis Strategic Planning Session held on October 24, 2018. The Cannabis Strategic Planning Session resulted in action items that formulate proposed initiatives for strategies to support the City Council's intended vision.

Staff met weekly between the months of July - September, 2018 with a Cannabis Task Force, which included representation from several areas of the local cannabis industry: cultivation facilities, dispensaries, business consulting services, and networking organizations. During discussions of issues affecting the cannabis industry, the task force agreed to document ideas, issues, and concerns via standardized proposal forms. After several meetings, the leading topics were taxation reduction, a long-term task force, cannatourism (with social and educational components), zoning for distribution, hotel specialty use permits, cannabis social venues, micro-business permits, and cannabis tasting/sampling.

The Cannabis Task Force held a workshop on August 22, 2018, which was open to the public. The leading topics were presented, with each task force member conducting a roundtable discussion. Additionally, Staff had a table available with blank proposal forms for collecting any additional data from participants. The meeting ran two hours and approximately 40 additional cannabis industry stakeholders participated. The Cannabis Task Force concluded activities by incorporating the workshop data into eight completed proposals, which were provided to the City Council for the October 24, 2018 Cannabis Strategic Planning Session.

The October 24, 2018 Cannabis Strategic Planning Session provided an environment for the City Council to discuss and debate issues relating to a long-term vision. Prior to the session, the moderator spoke with each City Council member to discuss and document their individual ideas and concerns. After considering each of the eight proposals presented by the task force, the City Council was provided with a list of topics and prioritized the items by placing stickers next to each of the topics; topics were ranked and discussed in order of those receiving the highest number of stickers.

The moderator facilitated discussions and documented those action items that reached City Council consensus. The items included exploring development incentives, analyzing tax competitiveness (during non-election years), ensuring staffing meets the cannabis industry demands, addressing cannabis educational components, considering non-cultivation zoning demands, defining proposals for cannabis usage within the hotel/spa industry, exploring options for cannabis tasting/sampling, streamlining the development process, integrating cannabis into

the City's economic development activities, maintaining public safety participation, and branding Desert Hot Springs on cannabis packaging.

**DISCUSSION:**

The March 19, 2019 Study Session is an opportunity for the City Council to review the proposed goals and initiatives and take action on adopting a strategic plan. The purpose of the continued discussion will be to recap progress to date, review the Draft Strategy Map, and agree on next steps. The Draft Strategy Map outlines the City Council's vision, guiding principles, goals, and initiatives (Exhibit 1). The map was formulated from the action items that reached consensus during the October 24, 2018 Cannabis Goal Setting Workshop. The moderator will be available to the City Council to guide the study session.

**FISCAL IMPACT:**

Resources referenced within the Cannabis Strategy Map that are not appropriated will be brought to the City Council for consideration during the City's annual budget process.

**EXHIBITS:**

- 1) Draft Cannabis Strategic Plan