

**CITY OF ARCATA  
ECONOMIC DEVELOPMENT COMMITTEE MINUTES**

**City of Arcata Council Chambers  
736 F Street, Arcata (City Hall)**

**November 2, 2017  
Thursday at 5:00 P.M.**

- I. **ROLL CALL.** Committee Members: Jane Woodward, Craig Wruck, Rattnak Sokhom, and Aaron Lieberman present. Maureen Hart (Vice Chair) absent. Bryan Willkomm resigned prior to meeting.  
  
ON A MOTION BY SOKHOM, A SECOND BY LIEBERMAN AND A 4-0 VOICE VOTE THE COMMITTEE ELECTED WOODWARD CHAIR PRO-TEM.
- II. **ORAL COMMUNICATIONS.** Lucy Salazar addressed the Committee on the social and economic issues in the Valley West neighborhood. She requested the Committee prioritize their 2018 Goal #15 to make recommendations to support the business and residential needs of the Valley West neighborhood.
- III. **APPROVAL OF MINUTES.** ON A MOTION BY SOKHOM, A SECOND BY LIEBERMAN AND A 4-0 VOICE VOTE THE COMMITTEE APPROVED THE MINUTES OF October 5, 2017 AS PRESENTED. AYES: Woodward, Sokhom, Wruck and Lieberman. NOES: NONE. ABSENT: Hart. ABSTENTIONS: NONE.
- IV. **BUSINESS / ACTION ITEMS.**
  - A. Annual Business of the Year Award. ACTION: THE PUBLIC MADE NO NEW NOMINATIONS OR COMMENTS; THEREFORE, THE COMMITTEES ACTION ON OCTOBER 3, 2017 STANDS.
  - B. Adult Cannabis Policy Review. ACTION: ON A MOTION BY SOKHOM, A SECOND BY WRUCK AND A 4-0 VOICE VOTE THE COMMITTEE ADOPTED THE SUBCOMMITTEE'S STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS ANALYSIS ON ADULT CANNABIS RETAIL SALE POLICIES FOR THE CITY OF ARCATA (ATTACHMENT A, EXHIBIT 1). AYES: Woodward, Sokhom, Wruck and Lieberman. NOES: NONE. ABSENT: Hart. ABSTENTIONS: NONE.  
  
ON A MOTION BY SOKHOM, A SECOND BY WRUCK AND A 4-0 VOICE VOTE THE COMMITTEE RECOMMENDS THE CITY ADOPT POLICIES AND STANDARDS THAT LIMIT ADULT CANNABIS RETAIL SALES IN ALL COMMERCIAL ZONING DISTRICTS BASED ON THE COMMITTEE'S ADOPTED STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS ANALYSIS AND PUBLIC COMMENTS. AYES: Woodward, Sokhom, Wruck and Lieberman. NOES: NONE. ABSENT: Hart. ABSTENTIONS: NONE.  
  
THE COMMITTEE RECOMMENDS STAFF FORWARD THE ADOPTED STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS ANALYSIS AND PUBLIC COMMENTS (ATTACHMENT A, EXHIBITS 1-4 TO THE POLICY REVIEW AUTHORITY.  
  
NOTE: THE COMMITTEE RECESSED TO REVIEW THE INFORMATION ON ITEM IV.B AND RECONVENED TO CONTINUE MEETING.
- V. **CORRESPONDENCE, COMMITTEE, AND STAFF COMMUNICATIONS.**
  - A. Committee Member reappointments. COMMITTEE MEMBERS WRUCK, SOKHOM AND LIEBERMAN ALL INDICATED THEY ARE INTERESTED IN REAPPOINTMENT.
- VI. **ADJOURNMENT.** 6:35 P.M

2017	Jan	Feb	Ma	Apr	Ma	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Bryan Willkomm	X	X	O	X	O	X	X	X	X	X	Resigned	
Maureen Hart	X	X	X	X	X	X	X	X	X	X	O	
Jane Woodward	X	X	X	X	X	X	X	X	X	X	X	
Craig Wruck	X	X	X	X	X	O	X	X	X	O	X	
Rattnak Sokhom	O	X	X	X	X	X	O	X	X	X	X	
Aaron Lieberman								X	X	X	X	
Vacancy												

X=Present; O=Absent; C=Cancelled; S=Special Meeting (absences do not count)

**Approved by the Committee on December 7, 2017.**

On a motion by WRUCK, seconded by SHAHIN and a 4-0 voice vote the Committee approved the Minutes. AYES: WRUCK, WOODWARD, SHAHIN, AND PRESTON; NOES: NONE; ABSENT: HART, SOKHOM, AND PRESTON; ABSTENTIONS: NONE.

ATTEST: Joe Mateer, Senior Planner

ATTACHMENT A:

- EXHIBIT 1: CITY OF ARCATA ECONOMIC DEVELOPMENT COMMITTEE ADOPTED STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS ANALYSIS ON ADULT CANNABIS RETAIL SALE POLICIES FOR THE CITY OF ARCATA.
- EXHIBIT 2: COMMITTEE MEMBER COMMENTS ON ADULT CANNABIS RETAIL SALE POLICIES
- EXHIBIT 3: PUBLIC COMMENTS ON ADULT CANNABIS RETAIL SALE POLICIES FOR THE CITY OF ARCATA - "STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS" ANALYSIS.
- EXHIBIT 4: PUBLIC MEMBER COMMENTS ON ADULT CANNABIS RETAIL SALE POLICIES.

Attachment A, Exhibit 1: City of Arcata Economic Development Committee Minutes - November 2, 2017

STRENGTHS	PROHIBIT	PROHIBIT – PLAZA AREA	LIMIT	LIMIT – NON PLAZA COMMERCIAL	FREE MARKET
<h1 style="writing-mode: vertical-rl; transform: rotate(180deg);">STRENGTHS</h1>	<ol style="list-style-type: none"> <li>1. Status Quo - No change, easy to implement and understand.</li> <li>2. Less staff time on cannabis business licensing,</li> <li>3. Protect existing businesses from increased rents or loss of business space.</li> <li>4. Maintains current business diversity.</li> <li>5. Protects existing dispensaries.</li> <li>6. Discourages additional cannabis use in public.</li> <li>7. Others –</li> </ol>	<ol style="list-style-type: none"> <li>1. Encourages ‘family-friendly’ environment for Plaza area and plaza events.</li> <li>2. Discourages public smoking on Plaza.</li> <li>3. Protects current non-cannabis businesses for rent increases.</li> </ol>	<ol style="list-style-type: none"> <li>1. Increase economic activity while limiting substantial rental costs of non-cannabis businesses.</li> <li>2. Prevents an over-abundance of cannabis businesses.</li> <li>3. Maintain business diversity.</li> <li>4. Ensures access to cannabis products in mixed use neighborhoods and limit vehicle trips, and discourages driving under the influence.</li> <li>5. City can vet cannabis businesses that reflect community values.</li> </ol>	<ol style="list-style-type: none"> <li>1. Increase economic activity while limiting substantial rental costs of non-cannabis businesses.</li> <li>2. Prevents an over-abundance of cannabis businesses.</li> <li>3. Maintain business diversity.</li> <li>4. Ensures access to cannabis products in mixed use neighborhoods and limit vehicle trips, and discourages driving under the influence.</li> <li>5. City can vet cannabis businesses that reflect community values.</li> </ol>	<ol style="list-style-type: none"> <li>1. Increase completion among cannabis retailers and accessory sales.</li> <li>2. Increase property owner’s rental income.</li> <li>3. Potential increased foot traffic, exposure to other businesses.</li> <li>4. Potential gain of sales tax revenue.</li> <li>5. Increase in Commercial Cannabis Activity Permit Fees.</li> <li>6. Opportunity for existing Humboldt product branding.</li> <li>7. Local cannabis manufacturers gain local retail markets.</li> <li>8. Influx of new HSU consumers annually.</li> <li>9. Disperse retail cannabis business</li> <li>10. Access to Humboldt County products.</li> <li>11. Only good business models will survive.</li> <li>12. Loss of public recognition as a cannabis friendly culture.</li> <li>13. Other -</li> </ol>

## **City of Arcata Economic Development Committee**

### Attachment A, Exhibit 2 – Committee Member Comments on Adult Cannabis Retail Sale Policies

Economic Development Committee member Maureen Hart comments.

Tourist: Arcata for a long time has had cannabis tourism. It can be seen every day. The question is how do we create a tourism that makes the square free of the negative impacts: Smoke free, family friendly, no all day - day after day loitering or living, keeping a feeling of safety.

Use the taxes to fund a homeless shelter(s) with land attached so homeless people are not pushed to public places as their only option.

Fund community policing to keep walking police that can assist people from smoking around the square (stronger assistance?). What good is smoke free when people continue to smoke (both tobacco and cannabis) unrestricted.

Do not equate restricted in negative and positive ways which it feels like is happening here in this committee, and with staff. Restricted means that the city planning department is using the skills and knowledge they have to roll out a plan that does not negatively impact or greatly lowers the negative impact on the rest of city and business services.

Yes, the majority of Arcata population voted "Yes" but that should not be simplistically interpreted as anything goes. Again, the City should use its skills, knowledge and recent success with restrictions (pattern restaurants, dispensaries, etc) to roll out a plan that can be expanded or modified as needed.

Avoid over simplifying the "Yes" vote, it should not be interpreted as anything goes.

Agree with keeping larger corporations out of this and let local businesses have a chance.

Restrict number of places for cannabis so it does not displace all our other businesses. Keep the diversity of businesses and keep the rents from going up so high that no other businesses can pay the rents and Arcata becomes a bar and cannabis business square. Again, we can not go back on the alcohol businesses, but we can restrict the number of cannabis businesses to help keep a business diversity, and to help ensure the success of the businesses.

Attachment A, Exhibit 3 – Public Member Comments on  
Adult Cannabis Retail Sale Policies

Public Comments:

- a. Public member's (prefers anonymity) - "Strengths, Weaknesses, Opportunities, and Threats analysis.

Attachment A, Exhibit 4 – Public Member Comments on  
Adult Cannabis Retail Sale Policies

a. Public member Bryan Willkomm –

- i. Plaza's negative perception is caused by alcohol sales;
- ii. Limiting alcohol would have positive impact;
- iii. Private security on the Plaza would be ineffective because they have no authority;
- iv. State license fees for retail cannabis businesses can be up to \$300,000;
- v. State may not be ready to issue cannabis permits by January 2018;
- vi. City should consider on-site cannabis consumption polices;
- vii. Second floor (non-street level) cannabis consumption areas would limit street level odor impacts;
- viii. Tourists need a place to consume. Hotels add fees to room rents when customers smoke in rooms;
- ix. Recommend retail cannabis sales areas also have food and water at locations;
- x. City should consider education funds for a safe and responsible cannabis consumption campaign;
- xi. Use a "Request for Proposal or Qualifications" to vet and screen compatible cannabis retail businesses; and
- xii. Consider specific solid waste impacts from required State packaging regulations and preventing underage access to cannabis waste products.

- b. Public member's (prefers anonymity) –
- i. Berkeley and Santa Cruz County have temporary policies to allow dispensaries to obtain dual permits for medical and non-medical cannabis while long term cannabis policies are adopted.
  - ii. Eureka: accepts up to 2 cannabis sales permit applications every six months; up to four permits a year; applications reviewed by City Staff and City Council; city can self-impose limits or stop gap measures as needed; permitted businesses can apply for temporary on-site consumption permits.
  - iii. Recommend Arcata take a slow approach to non-medical cannabis sales and limit the number of cannabis sales locations.
  - iv. City should be selective on who they chose to operate a cannabis sales business; supports Request For Proposal (RFP) concept.
  - v. Seniors is the largest growing population of consumers.
  - vi. Consider a cannabis education program to provide information for safe and informed choices. See CA Dept of Health "Let's Talk Cannabis" program.
  - vii. Be cautious, don't allow the tacky looking businesses that cropped up in southern Oregon.
  - viii. Prohibit corporate or chain cannabis businesses.