



THE CITY OF
NOVATO
CALIFORNIA

ECONOMIC DEVELOPMENT ADVISORY COMMISSION AUGUST 30, 2018 - 3:00pm

Commissioners:

Chair: Peter Pelham; **Vice Chair:** David Winton
John Williams; Coy Smith; Harry Thomas; Rick Wells
Ex-Officio Members: Timothy Howard and Sylvia Barry

MINUTES

A. **Call to Order & Roll Call**

Chair Pelham called the meeting to order at 3:02pm

Commissioners Present:

Rick Wells, Harry Thomas, Peter Pelham, Coy Smith, Sylvia Barry, Ex-Officio, Tim Howard, Ex-Officio

Commissioners Absent: David Winton, John Williams

Staff: Jessica Deakyne, Peggy Flynn, Bob Brown, Michael Antwine, Laura McDowall, Bryan Lopez

Members of the Public: David McPherson, Presenter, Kevin Morrison, David Gabriel

B. **Approval of Final Agenda**

Motion to Approve Final Agenda – moved Bob to item 1

M/S/C Wells/Thomas

Ayes: 4 Nays: 0 Absent: 2

C. **Approval of Meeting Minutes for June 28, 2018**

M/S/C Thomas/Smith

Ayes: 4 Nays: 0 Absent: 2

D. **PUBLIC COMMENTS**

a. Kevin Morrison: wanted to send well-wishes to commissioners whose terms were expiring.

E. **GENERAL BUSINESS**

1. Development Update – Bob Brown, Community Development Director

a. Hamilton

i. Hamilton Cottages construction underway

ii. Hamilton Villages framing to begin soon

iii. Old Gas Station – soil remediation continuing – no approved plan for redeveloping the site

b. Major projects

1. Residence inn – to Planning Commission 9/17 and Council in October
 2. Hanna Ranch to Planning Commission 9/17 and Council in October
 3. First & Grant – application almost complete, will go to Planning Commission once complete
 4. Large set of plans received this week from Target @ Vintage Oaks
 - a. Target doing \$2.4M renovation
 5. Interest in Birkenstock continues
 6. Sports Basement – seems to be doing well – it will take awhile for them to show up on sales tax reporting
 7. Ex-Officio Barry asked about parking on 1st & Grant
 - a. Got pulled and Council never took back up – likely will go to 9/11
 - b. Neighborhood behind project concerned about spillover parking
 - c. We have done analysis and results are positive, supporting ability to grant waiver for commercial parking component for 1st & Grant
 - d. Public Works identified 50 additional spots on Front/First – becomes a maintenance item for Public Works
 8. Kevin Morrison said it would be great if that information got out to the neighbors – staff will let Public Works know
 9. Commissioner Smith - DeBorbas notice re: Design Review Commission; ADA access will come up to code, extensive building modification, so not deemed historic. They can modify but they'll honor historical architecture – 9/5
 10. Ex-Officio Howard – Fireman's Fund, Hangar 8, General Plan
 - a. GP hearings planned for March/April
 - b. Why did it get delayed? EIR
 - c. Will it come to EDAC again?
 - i. Yes, in spring, you'll see EIR before Council
 - d. No updates on Fireman's Fund, Hanger 8
2. Cannabis City Regulations Update – David McPherson, Hdl Companies
- a. Overview
 - i. Council in Fall
 - ii. City currently has moratorium until November, community outreach/survey/workshops have been fruitful to date (nine total public meetings touching on different things)
 - iii. Mr. Morrison commented that survey was thorough and best survey City has ever done
 - iv. Commissioner Howard asked if we are hearing from specific demographics? TH
 1. Staff shared preliminary results on Open Novato survey
 - v. Michael Antwine, ACM, tasked with it
 1. Business license component
 2. Tax component – will require voter approval
 - vi. San Rafael – has 6% tax, American Canyon, Napa, Benicia, Martinez, Vallejo, Marin County (at a halt), rest mostly dry at this time/discussion

occurring, Fairfax, Cotati has 1, high volume, Cloverdale has 4 anticipating 12, Sonoma, Sebastopol, Santa Rosa

- b. Outreach
 - i. Education, then ordinances and regulation
 - ii. Core values/priorities are public safety, environmental protection, neighborhood and land use protection and access by youth
 - iii. Types of opportunities – cultivation, microbusiness, manufacturing, testing labs, delivery/non-store front retailer, retail – medicinal/adult-use, distribution facilities
 - iv. Application criteria – proposed location, qualifications of principals, business plan, security plan, local enterprise, enhanced product safety, neighborhood compatibility, community benefits, labor & employment (k-12 schools, commercial day cares and youth facilities part of state law buffer requirements)
 - v. Commissioner Thomas asked about State involvement
 - 1. Will require local and state components – state checks for backgrounds of operators but it takes several months
- c. Retail
 - i. Benefits of retail in downtown – foot traffic, brings people downtown, fills vacant spaces, new sources of revenue for city, creates confidence as cannabis businesses normalize to the community
 - ii. You cannot consume on-site or on-street
 - iii. Parking turnover – customers are not typically in the store more than 20 minutes
 - iv. Banking – cannot hold money made via marijuana in a federal bank
 - v. Sales footprint is about 1000/sqft
 - vi. California’s market share is 49%, next closest is Colorado with 30%
- d. Potential Taxes and fees
 - i. Application fee
 - ii. Annual regulatory fee
 - iii. Cannabis tax
 - iv. Sales tax
 - v. Taxes need to be balanced

E. Commissioner Comments

- a. Commissioner Thomas: should commission at some juncture weigh in on this to Council?
 - i. Before we take ordinance to council, we will run by commission

F. Staff Updates

- a. Depot RFP now live – proposals due Oct 1, open house in November, to Council in November
- b. Business Insider will be out in the next week
- c. EDAC applications closed – interviews on 9/4, council appointments 9/11
- d. Hamilton RFP – all three are housing (EAH, City Ventures, Avesta); open house Oct/Nov

- e. Kevin Morrison - question on EDAC weighing in on Depot Site – we will bring back in October
- f. David Gabriel – why don't we have a developer package?

H. ADJOURNMENT

M/S/C Thomas/Smith

Ayes: 4 Nays: 0 Absent: 2

Meeting adjourned at 4:55pm

Next Meeting: September 27, 2018