

CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE K

The Municipal Code currently prohibits all medical, recreational, commercial, and delivery cannabis businesses from operating in Sausalito. Measure K is a voter-sponsored initiative that would repeal existing prohibitions and authorize two cannabis retailers, one "Storefront Retailer" and one "Delivery-Only" business to operate in the City.

A "Storefront Retailer" sells and delivers cannabis products from a storefront. A Storefront Retailer would be allowed in the following zones if the location is at least 1,000 feet from any school: Central Commercial, Commercial Residential, Neighborhood Commercial, Commercial Waterfront, Shopping Center, Industrial, and Waterfront, including a permanently moored structure.

A "Delivery-Only Business" delivers cannabis products a location that is closed to the public. A Delivery-Only Business would be allowed in the Commercial Waterfront and Industrial zones if the location is at least 1,000 feet from any school.

Under the Measure, applicants for cannabis licenses must meet "Minimum Application Standards" including: (1) one owner resides in the City; (2) one owner has experience managing, operating, or owning a business in the City; (3) one owner expressed their interest in operating a cannabis business to the City Council between December 31, 2018 and April 20, 2021; and (4) one owner or applicant hosted two community outreach meetings, attended at least three meetings of community organizations in the City, and met with one faith leader to discuss their interest in operating a cannabis business in the City before April 20, 2021.

If only one applicant meets the "Minimum Application Standards" for either type of business, that applicant is entitled to a license. If no applicants meet the "Minimum Application Standards," other applicants may be considered. If more than one applicant meets the Minimum Application Standards, the Measure provides a selection process.

Recipients of Storefront Retailer and Delivery-Only licenses must pay the City 7.5% of net profits or \$50,000 per year in which the business is operational, whichever is greater. The City may also charge reasonable registration and annual fees to recover the costs incurred to regulate each cannabis business.

The Measure also contains requirements regulating, among other things, cannabis businesses' (1) hours of operation; (2) security; (3) use of electronic age-verification devices; (4) odors; (5) signs; (6) sale of alcohol, tobacco, and tobacco vape products (prohibited); and (7) ability to move.

If the Measure passes, it can only be changed, amended, or repealed by a vote of the people.

Voting "yes" favors repealing current prohibitions entirely and allowing two commercial cannabis businesses to operate in Sausalito, as described above.

The above statement is an impartial analysis of Measure K. The full text of Measure K is printed in the Voter's Information Pamphlet and is also available on the City of Sausalito's website at: <http://www.sausalito.gov>. If you desire a copy of the Measure, please call the City Clerk's office at (415) 289-4165 and a copy will be mailed at no cost to you.