

## **Initiative Measure to be Submitted Directly to the Voters**

The City Attorney has prepared the following ballot title and summary of the chief purposes and points of the proposed initiative measure:

### **Ballot Title**

**AN INITIATIVE ORDINANCE TO (1) ALLOW A MAXIMUM OF THREE CANNABIS RETAILERS IN MANHATTAN BEACH; (2) REPEAL THE CITY'S EXISTING PROHIBITION OF ALL COMMERCIAL CANNABIS ACTIVITY AND ALLOW THE CITY COUNCIL DISCRETION TO LEGALIZE OTHER CANNABIS USES; AND (3) IMPOSE OPERATIONAL, DESIGN, AND LOCATION REQUIREMENTS ON SUCH BUSINESSES**

### **Summary of Proposed Measure**

All cannabis dispensaries (retailers) and commercial cannabis activities are currently illegal in Manhattan Beach under Ordinance No. 17-0024.

The proposed initiative ordinance would:

1. Require the City Manager to issue a non-discretionary cannabis retail permit to three businesses pursuant to a point based selection process that contains minimum requirements, a 30-day period for applications, quantitative evaluation and ranking criteria, processing deadlines, and tie-breaking rules;
2. Allow permitted retailers to operate in the General Commercial and North End Commercial Districts on property located a specified distance from "sensitive uses" (more than 1000 feet from schools or youth centers and 850 feet from day care centers). The specific schools, youth centers and day care centers that qualify as "sensitive uses" are identified in the Initiative;
3. Allow only permitted retailers to conduct deliveries in the City subject to operational regulations;
4. Legalize commercial cannabis cultivation, manufacturing, distribution, and laboratory testing at the discretion of the City Council, but prohibit cannabis microbusinesses altogether;
5. Impose operational and design requirements on permitted cannabis businesses including, but not limited to, requirements related to security, community relations, odor control, employment, and signage.
6. Require background checks on employees, owners and persons with a financial interest in the cannabis business, and annual reviews conducted by the City Manager;

7. Require the City Manager to make all decisions in reviewing and issuing permits, with the exception of the City Council's limited role in publicly ranking tied applicants pursuant to the Initiative's criteria;

8. Impose requirements and restrictions on changes in location and transfer of permits;

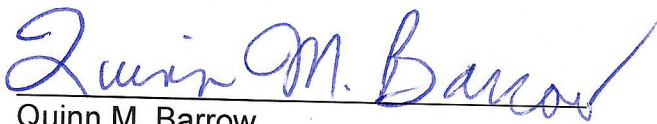
9. Authorize the City Manager to develop and enforce additional cannabis business operational requirements or regulations as necessary to protect the public health, safety, and welfare; and

10. Authorize the City Manager to suspend or revoke a commercial cannabis business permit for any material violation of any law or any rule, regulation, and/or standard adopted pursuant to the Initiative, subject to appeal to the City Council.

The Initiative does not impose a tax on cannabis businesses, but businesses receive points if they pledge to provide a direct financial contribution equal to 2% of projected gross receipts to a public school or public park located within the City, and/or to a public or nonprofit community organization serving the City or its residents.

Each time the number of active retailer permits falls below three, the City Manager shall open an additional 30-day application period.

Dated: October 28, 2021



Quinn M. Barrow  
City Attorney  
City of Manhattan Beach