

City of Corona

400 S. Vicentia Ave.
Corona, CA 92882



Minutes - Draft

Wednesday, April 24, 2019

3:30 PM

Council Chambers

Study Session

**CITY COUNCIL/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
CITY OF
CORONA/CORONA PUBLIC FINANCING AUTHORITY/CORONA UTILITY
AUTHORITY/CORONA
HOUSING AUTHORITY MEETING**

*Jason Scott, Mayor
Jim Steiner, Vice Mayor
Yolanda Carrillo, Council Member
Jacque Casillas, Council Member
Wes Speake, Council Member*

Rollcall

Present: 5 - Jason Scott, Jim Steiner, Yolanda Carrillo, Jacque Casillas and Wes Speake

Pledge of Allegiance

The Pledge of Allegiance was led by Mayor Scott.

1. Call To Order

Mayor Scott called the meeting to order at 3:34 p.m.

2. Agenda Items

A. [19-0410](#) Presentation on the implementation of Senate Bill 743 regarding the proposed threshold of significance for vehicle miles traveled (VMT) pursuant to the California Environmental Quality Act (CEQA).

Joanne Coletta, Community Development Director, introduced the item. Ms. Coletta presented a PowerPoint presentation highlighting the following: Overview of the California Environmental Quality Act (CEQA) and Evolution of CEQA Guideline Updates; CEQA Guidelines Adoption with SB 743 Implementation; SB 743 Implementation Public Notice; Corona's General Plan; and Introduced Fehr & Peers.

Jason Pack, P.E., Fehr & Peers, provided an overview on SB 743 detailing: Intent of Legislation; Congestion Management and Statewide Goals; Analysis of Transportation Impacts on the Environment; Level of Service (LOS); Vehicle Miles Traveled (VMT); SB 743 Implementation; Western Riverside Council of Governments' (WRCOG) Project; Corona's General Plan Technical Update; Establishing VMT Threshold; Corona's VMT Threshold (VMT Per Capita); Complying with SB 743; Types of Projects Screened from VMT Analysis; Corona's Transit Priority Area (TPA); SB 743 Recommendations; Proposed Local CEQA Guidelines Threshold; and LOS with SB 743.

Council Member Speake expressed his concerns with SB 743, the State pushing cities to build density, and noted the difference between a city like Corona and Los Angeles. He referenced the Memorandum prepared by Fehr & Peers and inquired about TPA and Traffic Analysis Zones (TAZs). Mr. Pack and Ms. Coletta provided clarification. Council Member Speake inquired about level of service and Ms. Coletta provided clarification. Council Member Speake also inquired about VMT mitigation exchange and MVT mitigation bank, and Mr. Pack provided clarification.

Council Member Casillas made comments and discussed the proposed policy. She inquired about the city's threshold and Mr. Pack and Ms.

Coletta provided clarification. Ms. Coletta noted that project proponent to hire a traffic engineer that will be responsible for VMT count. Council Member Casillas inquired about tactics that decrease VMT and Mr. Pack and Ms. Coletta provided clarification.

Mayor Scott inquired about how the VMT is determined based on locations. Mr. Pack provided clarification and discussed the general number of trips generated by noting that it is a model. He further discussed the tools that are used to estimate the model. Mayor Scott further inquired if VMT would be more accurate in predictions than LOS in predicting activity in intersections. Mr. Pack provided clarification. Mayor Scott inquired about the Ontario and California area shopping center and Mr. Pack provided clarification.

Council Member Speake inquired about the home to work model. Mr. Pack provided clarification on the forecasting model and average trip lengths. Council Member Speake inquired and discussed the missing piece of business incentive to relocate to Corona. Mr. Pack provided clarification.

Council Member Carrillo inquired about VMT measuring as it pertains to trips and referenced taking children to school. Mr. Pack provided clarification and explained classifying trips and accounting process.

Council Member Casillas inquired how the applicants will be presenting the VMT and how the City will be going to be proactive about holding the development accountable. Mr. Pack provided clarification and explained that there are tools to measure VMT reductions and Council's discretion regarding regulation. Council Member Casillas commended Ms. Coletta for her work and Ms. Coletta commented on the team effort.

Joe Morgan, resident, addressed the Council regarding the Legislative Platform, the proposed Senate Bill, concerns with focusing on the number of trips, and practical examples of how VMT will be applied to concrete situations.

Don Fuller, resident, addressed the Council regarding concerns with density in Corona and the amount of people traveling together.

Scott Felix, resident, inquired about the impact of electric vehicles on VMT.

Ms. Coletta provided clarification on inquires and statements made by the public. Mayor Scott thanked Ms. Coletta and Mr. Pack for the presentation.

B. 19-0416

Discussion and potential direction regarding possible regulation of medicinal and recreational marijuana.

Dean Derleth, City Attorney, introduced the item and provided background

information on the City's previous discussion and message from staff regarding the possible regulation of marijuana. He provided a PowerPoint presentation providing an overview on the following: Brief History of Marijuana Regulation; Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) and what MAUCRSA allows; Local Agency Authority to Ban or Regulate; Are Cities Earning "Net" Tax Revenues; the City of Santa Ana's experience; Lessons Learned; Staff Research; and the Follow-up Steps. Police Chief Johnstone discussed secondary effects and Police Department concerns. Joanne Coletta, Community Development Director, discussed the concerns of the Community Development Department. Mr. Derleth provided further clarification regarding zoning and moving forward.

Council Member Carrillo inquired about retail businesses and manufacturing distribution in the City of Santa Ana, additional personnel needed, and lottery systems. Mr. Derleth provided clarification.

Council Member Speake thanked staff for meeting with the City of Santa Ana. He inquired about the odor complaints with the City of Santa Ana. Ms. Coletta provided clarification and discussed filtration systems and noted that Santa Ana has not experienced odor complaints. Council Member Speake commented on the density difference between Corona and the City of Santa Ana. He also commented on regulating businesses and zoning for the businesses. Mr. Derleth commented on the voting results of Proposition 64 and permit process.

Council Member Casillas thanked the staff for their research and the City of Santa Ana. She commented on revenue and change of landscape. Council Member Casillas inquired about security measure regulations, time in regard to coming up with details of policy, ballot measure cost, the point person or department lead, how much Santa Ana taxes their retailers, and number of retail permits issued in Santa Ana. Mr. Derleth provided clarification.

Vice Mayor Steiner commented on growing operations that are illegal in Corona and unincorporated areas. He discussed his visit to a dispensary with Council Member Carrillo and the lottery system versus merit system. Vice Mayor Steiner voiced his agreement about a slow and careful process as well as transparency with the public. He further commented on the need for strict ordinances and a plan for Corona.

Mayor Scott echoed comments made by the Council and made comments regarding the presentation. He discussed the difference between 2016 and now, and the Santa Ana experience. Mayor Scott explained his concerns with additional personnel cost, additional personnel time and potential

additional personnel all relating to budget. He requested specifics on how employee groups will cover the additional task and litigation costs. He commented on the City of Riverside and how they allow for labs.

Bill Kaufman, business owner, addressed the Council on behalf of MedMen regarding the proposed marijuana regulations, concerns with comparisons between the City of Santa Ana and Corona, and possible development fees.

Tak Sato, Vice President of Acquisitions and Licensing at MedMen, addressed the Council and provided an overview of the company, addressed the potential concerns caused by the proposed marijuana regulation, and his concerns with the lottery system.

Amos Young, Cannus Partners, addressed the Council and provided a brief overview of the company. He expressed his support and desire for the regulation of marijuana.

Scotty Hewitt, resident, addressed the Council regarding his support for a fair regulation of marijuana and his concerns with the lottery system and limiting number of businesses to operate.

Steve Nolan, resident, addressed the Council to express his support for regulation of marijuana, discussed medical marijuana, the importance of timing, and expressed concerns with traffic and policy.

Karen Alexander, resident, addressed the Council regarding the selection process, taxation level, suggested that the Council invite the District Attorney's task force on cannabis to future meetings, and where tax money should go.

Doug Heldoorn, business owner, addressed the Council to discuss the unincorporated area of Riverside and the tier program.

Michael Simonian, business owner, addressed the Council regarding his dispensaries, enforcement on illegal dispensaries, his concerns with the lottery system, cost with ballot measure, and Corona's potential revenue.

Chad White, Co-Founder of Cannus Partners and Director of Government Affairs, addressed the Council regarding losing businesses due to the timeframe of 12-18 months and noted that a percentage of their profit is donated to local nonprofits.

Joe Morgan, resident, addressed the Council regarding the possibility of the ballot measure, the number of attorneys and paralegals assigned to the

City of Santa Ana experience, commended the interaction with the City of Santa Ana staff, his visit to a dispensary, and his support for the regulation of marijuana.

Paul Thompson, Owner of 420 Real Properties, addressed the Council to provide an overview of his company. He discussed other aspects to the marijuana industry that need to be considered such as, cultivation, manufacturing, distribution and testing.

Mr. Derleth responded and provided clarification on comments made by the public.

Mitchell Lansdell, Acting City Manager, commended staff for their work and presentation, noted that the City currently has an Ordinance banning marijuana, weighing pros and cons of each side, and steps moving forward.

Council Member Casillas inquired about setting parameters of when to meet again regarding this topic.

Mayor Scott expressed his desire to initiate the lab aspect that ties to Economic Development, discussed the importance of time to incorporate permanent City Manager with what is taking place, gaining knowledge in the meantime and reconvene around January 2020 with the information, and discussed possible public outreach.

Council Member Carrillo stated she wished to include information on cost recovery through regulations and various services provided by the retailers. She thanked staff for their work, discussed her second thoughts regarding retail shops, and expressed her support for the suggestion to reach out to the District Attorney.

Council Member Speake stated that it seems like the Council is going forward and discussed his desire to see two tracts: retail and everything else on the second tract. He noted he would like to revisit this topic sooner than January 2020 and his wishes to pursue public outreach.

Council Member Casillas inquired about moving forward and the current ban in Corona. Mr. Derleth provided clarification. Council Member Casillas responded that she does not wish to see this be prolonged any further and expressed her confidence in staff's work.

Vice Mayor Steiner discussed his expectations from staff moving forward.

Mr. Derleth requested clarification regarding direction of ballot measure

and discussed general framework of time and next steps. The Council discussed the ballot measure and next steps.

Mayor Scott, Vice Mayor Steiner, Council Member Carrillo, and Council Member Casillas voiced their desire to not have a ballot measure.

Mr. Derleth confirmed that the following is what the Council would like to see discussed in two months: schedule, lottery versus merit based selection process, existing staff ability to handle increased workload, identifying number of personnel needed based on the types of cannabis business activities that may be regulated, amount of litigation that may be expected, and whether the City can protect against landlords increasing rents or charging large amounts for property to be tied to an application during selection process. Mayor Scott commented on the need to discuss budget also in regard to personnel.

Ms. Coletta inquired about whether the ballot versus no ballot measure discussion related only to whether to regulate and not to potential taxation. Mr. Derleth provided clarification that it related only to the regulation question and that taxation always requires a ballot measure.

Mayor Scott provided clarification on requesting the meeting in 2020 and noted that he was referencing the School year. He also noted that the follow-up items would be discussed during a future Study Session.

3. Public Comments

Miko Hanks, resident, addressed the Council to express her concerns with weeds growing in the Mountain View Golf Course neighborhood.

Amos Young, Cannus Partners, addressed the Council to commend them on their policy decision making and diligence to work together.

4. Adjournment

Mayor Scott adjourned the meeting at 6:45 p.m.