



OROVILLE CITY COUNCIL
Oroville State Theater
1489 Myers Street
Oroville, CA. 95965

December 4, 2018
REGULAR MEETING
CLOSED SESSION 5:30 P.M.
OPEN SESSION 6:00 P.M.
AGENDA

Please note the location change for this meeting

CALL TO ORDER

ROLL CALL

Council Members: Jack Berry, Marlene Del Rosario, Linda Draper, Art Hatley, Scott Thomson, Vice Mayor Janet Goodson, Mayor Linda Dahlmeier

CLOSED SESSION

1. Pursuant to Government Code section 54956.95, the Council will meet with the Acting City Administrator, Personnel Officer and City Attorney relating to Worker's Compensation Claim No. OWCA-22392.

OPEN SESSION (6:00 p.m.)

PLEDGE OF ALLEGIANCE

PRESENTATIONS/PROCLAMATIONS/OATH OF OFFICE - None

REQUESTS TO ADDRESS COUNCIL

If you would like to address the Council at this meeting, you are requested to complete the blue speaker request form (located on the wall by the agendas) and hand it to the City Clerk, who is seated on the right of the Council Chamber. The form assists the Clerk with minute taking and assists the Mayor or presiding chair in conducting an orderly meeting. Providing personal information on the form is voluntary. For scheduled agenda items, please submit the form prior to the conclusion of the staff presentation for that item. Council has established time limitations of three (3) minutes per speaker on all items and an overall time limit of thirty minutes for non-agenda items. If more than 10 speaker cards are submitted for non-agenda items, the time limitation would be reduced to two minutes per speaker. If more than 15 speaker cards are submitted for non-agenda items, the first 15 speakers will be randomly selected to speak at the beginning of the meeting, with the remaining speakers given an opportunity at the end. **(California Government Code §54954.3(b)).** Pursuant to Government Code Section 54954.2, the Council is prohibited from taking action except for a brief response from the Council or staff to statements or questions relating to a non-agenda item.

PUBLIC COMMUNICATION - HEARING OF NON-AGENDA ITEMS – This is the time to address the Council about any item not listed on the agenda. If you wish to address the Council on an item listed on the agenda, please follow the directions listed above.

CONSENT CALENDAR - AGENDA ITEM 1- Consent calendar items are adopted in one action by the Council. Items that are removed will be discussed and voted on immediately after adoption of consent calendar items.

1. APPROVE COUNCIL MINUTES

RECOMMENDATION

Approve the minutes from November 6, 2018 and November 20, 2018 Regular Council Meetings

PUBLIC HEARINGS - None

REGULAR BUSINESS - Action Calendar

2. EVACUATION EMERGENCY ANIMAL SHELTER

The council will consider the approval of an evacuation emergency animal shelter at 1724 Montgomery Street. Attachments will be provided as additional agenda materials.

RECOMMENDATION

Approve the evacuation emergency animal shelter

This item is on the agenda at the request of staff

3. BUDGET POLICY REVIEW AND POTENTIAL REVISION

The Council may review the City of Oroville budget policy and authorize staff to add language requiring all Contracts receive Council approval prior to be signed.

RECOMMENDATION

Provide staff direction

This Item is on the agenda at the request of Council Members Berry, Draper, Del Rosario

4. SECOND READING AND ADOPTION ORDINANCES NO. 1830 AMENDING TITLE 17 (ZONING) OF THE OROVILLE MUNICIPAL CODE TO ESTABLISH ZONING FOR COMMERCIAL CANNABIS ACTIVITIES AND ORDINANCE NO. 1831 AMENDING TITLE 5 (BUSINESS LICENSES AND REGULATIONS) OF THE OROVILLE MUNICIPAL CODE TO REGULATE THE ESTABLISHMENT AND OPERATION OF ALL COMMERCIAL CANNABIS ACTIVITIES IN THE CITY OF OROVILLE

The council may consider adopting Ordinances No. 1830 and 1831 establishing Zoning, Business License and Regulations for Commercial Cannabis activities in Oroville.

RECOMMENDATION

Waive second reading and adopt, Ordinance No. 1830 amending Oroville Municipal Code Title 17 (Zoning) and Ordinance No. 1831 amending Oroville Municipal Code Title 5 (Business Licenses and Regulations).

This item is on the agenda at the request of staff

5. HAVEN OF HOPE RESOURCE CENTER REQUEST FOR FUNDING FOR REHABILITATION AND REMODEL OF FACILITY

Council may provide staff direction on how to proceed with the request from the Haven of Hope Resource Center for repairs and improvements to their facility.

RECOMMENDATION

Provide staff direction

This item is on the agenda at the request of Vice Mayor Goodson, Council Member Draper and Del Rosario

COUNCIL ANNOUNCEMENTS/DISCUSSIONS/FUTURE AGENDA ITEMS

ADMINISTRATION REPORTS

CORRESPONDENCE

- Xfinity TV Chanel Update

ADJOURN THE MEETING

The meeting will be adjourned. A regular meeting of the Oroville City Council will be held on Tuesday, December 18, 2018 at 5:30 p.m.

Accommodating Those Individuals with Special Needs – In compliance with the Americans with Disabilities Act, the City of Oroville encourages those with disabilities to participate fully in the public meeting process. If you have a special need in order to allow you to attend or participate in our public meetings, please contact the City Clerk at (530) 538-2535, well in advance of the regular meeting you wish to attend, so that we may make every reasonable effort to accommodate you. Documents distributed for public session items, less than 72 hours prior to meeting, are available for public inspection at City Hall, 1735 Montgomery Street, Oroville, California.

Recordings - All meetings are recorded and broadcast live on cityoforoville.org and YouTube.



OROVILLE CITY COUNCIL
Council Chambers
1735 Montgomery Street
Oroville, CA. 95965

November 6, 2018
MEETING MINUTES

This meeting was recorded live and can be viewed on youtube or cityoforoville.org. The agenda for this meeting was posted on November 1, 2018 at 1:30pm.

CALL TO ORDER – Meeting called to order by Mayor Dahlmeier at 4:30pm

ROLL CALL

PRESENT: Council Members: Jack Berry, Marlene Del Rosario, Linda Draper (Arrived at 5pm), Art Hatley, Scott Thomson, Vice Mayor Janet Goodson, Mayor Linda Dahlmeier

ABSENT: None

STAFF PRESENT: Interim City Administrator Tom Lando, Interim City Clerk Joanna Gutierrez, Assistant City Clerk Jackie Glover, Assistant City Administrator/Chief of Public Safety Bill LaGrone, Finance Director Ruth Wright, Chief Building Official Gary Layman, City Attorney Scott Huber, Treasurer Karolyn Fairbanks, Contract Engineer Mike Massaro, Management Analyst III Amy Bergstrand

CONVENE TO CLOSED SESSION – The Meeting convened to closed session at 4:31pm

The Council held a Closed Session on the following:

1. Pursuant to Government Code section 54957.6, the Council will meet with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville Firefighters' Association, Oroville Police Officers Association (Sworn and Non-Sworn), Oroville Public Safety Mid-Managers Association, Oroville Management and Confidential Association, and Oroville City Employees Association.
2. Pursuant to Government Code section 54956.9(d)(2), the Council will meet with the Interim City Administrator and City Attorney regarding one (1) potential exposure to litigation

RECONVENE TO OPEN SESSION – The meeting reconvened at 5:03pm

Announcement from Closed Session – Mayor Dahlmeier announced that direction was given; no action taken.

PLEDGE OF ALLEGIANCE – Led by Mayor Dahlmeier

ADOPT AGENDA

PRESENTATIONS/PROCLAMATIONS/OATH OF OFFICE

- A proclamation was read into the record for Homeless Youth in Oroville by Mayor Dahlmeier

PUBLIC COMMUNICATION - HEARING OF NON-AGENDA ITEMS –

Individuals who spoke on non-agenda items:

- Bill Speer
- Steve Terry
- Bobby O'Reiley
- Cheri Bunker
- John Miller-George

Individuals who spoke on agenda items:

- Bill Speer – Item 1, 9
- Jim Moll – Item 10
- Bud Tracy – Item 10
- Tom Turk – Item 10
- Allan Young – Item 10
- Randy Chapman – Item 11

Vice Mayor Goodson and Council Member Thomson requested that the Rescue Mission be added to the next agenda for RDA funds.

CONSENT CALENDAR - AGENDA ITEMS 1-8: Motion by Vice Mayor Goodson and Second by Thomson to approve consent calendar items 2, 3, 6, 7, 8. Approved unanimously.

- AYES: Council Member Hatley, Berry, Thomson, Del Rosario, Draper, Vice Mayor Goodson, Mayor Dahlmeier.
- NOES: None
- ABSTAIN: None
- ABSENT: None

2. DONATION OF FIVE IVORY PIECES TO THE CHINESE TEMPLE

Council approved the Parks Commission recommendation and accepted the donation of five ivory pieces for the Chinese Temple

3. AUTHORIZATION OF GHD TO ASSUME OMNI-MEANS, LTD CONTRACT

Council approved the contract amendments and signed assumption of contracts request letter

6. CONFLICT OF INTEREST CODE

Council Adopted Resolution No. 8754 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA, RATIFYING THE CONFLICT OF INTEREST CODE FOR THE CITY OF OROVILLE.

7. RETIREMENT OF POLICE CANINE AND PURCHASE OF DRUG DETECTION AND PATROL CANINES

Council accepted the community donations for purchase of canine and training, and authorized use of donations for the purchase and training of Frankie, and authorized Sammy to retire and be sold to handler, and authorized purchase and training of Ozzy

8. SIDE LETTER TO THE MOU BETWEEN THE CITY OF OROVILLE MID MANAGEMENT AND CONFIDENTIAL ASSOCIATION

Adopted Resolution No. 8755 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A SIDE LETTER TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OROVILLE AND THE OROVILLE MIDMANGEMENT AND CONFIDENTIAL ASSOCIATION (Agreement No. 3083-6)

1. MINUTES

Motion by Mayor Dahlmeier and second by Thomson to remove language using the word “potential, inadvertent, simultaneously, and may have inadvertently...” from item #7. Motion failed.

AYES: Council Member Thomson and Mayor Dahlmeier
NOES: Council Member Hatley, Berry, Del Rosario, Draper, Vice Mayor Goodson
ABSTAIN: None
ABSENT: None

Motion by Vice Mayor Goodson and second by Council Member Draper to approve the October 16, 2018 City Council Meeting Minutes. Motion passed.

AYES: Council Member Hatley, Berry, Del Rosario, Draper, Vice Mayor Goodson
NOES: Council Member Thomson and Mayor Dahlmeier
ABSTAIN: None
ABSENT: None

4. SUPPLEMENTAL BENEFIT FUND GRANT APPLICATIONS FOR THE CITY OF OROVILLE

Staff notified Council of the submission of request for Supplemental Benefit Funding for two projects.

5. FORECLOSURE OF 1730 VEATCH STREET AND 119 MORNINGSTAR AVE

Motion by Vice Mayor Goodson and second by Council Member Del Rosario to Adopt Resolution No. 8753 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR AND/OR CITY ADMINISTRATOR TO EXECUTE ALL DOCUMENTS AND ANY AMENDMENTS THERETO NECESSARY TO INITIATE AND COMPLETE FORECLOSURE PROCEEDINGS ON REAL PROPERTIES LOCATED AT 1730 VEATCH ST, OROVILLE (APN 012-136-003) AND 119 MORNINGSTAR AVE, OROVILLE (APN 031-340-047). Motion passed.

AYES: Council Member Hatley, Berry, Thomson, Del Rosario, Draper, Vice Mayor Goodson, Mayor Dahlmeier.
NOES: None
ABSTAIN: None
ABSENT: None

REGULAR BUSINESS - Action Calendar

10. COUNCIL AGENDA WORDING

The Council may amend the Council agenda wording under the “Request to Address Council” heading

Council agreed to postpone this item until January.

11. S.T.A.G.E AGREEMENT FOR ACQUISITION AND OWNERSHIP OF THE STATE THEATRE

Council discussed funding the State Theater Arts Guild (STAGE) for establishing a ten-year plan to take ownership of the State Theater.

Motion by Council Member Draper and second by Vice Mayor Goodson to approve funding for STAGE's 10-year plan to take over ownership of the State Theater. Motion passed unanimously.

- AYES: Council Member Hatley, Berry, Thomson, Del Rosario, Draper, Vice Mayor Goodson, Mayor Dahlmeier.
- NOES: None
- ABSTAIN: None
- ABSENT: None

Council recessed from 6:07-6:38pm

PUBLIC HEARINGS

12. APPROVE THE NEGATIVE MITIGATED DECLARATION FOR THE OROVILLE HOSPITAL EXPANSION

The Mayor opened the public hearing at 6:50pm, Randy Chapman spoke, the Mayor closed the public hearing at 6:52pm. Motion by Vice Mayor Goodson and second by Council Member Draper to approve the Mitigated Negative Declaration for the Oroville Hospital Expansion Project. Motion passed unanimously.

Adopted Resolution No. 8756 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE APPROVAL OF THE NEGATIVE MITIGATED DECLARATION FOR THE OROVILLE HOSPITAL EXPANSION PROJECT

- AYES: Council Member Hatley, Berry, Thomson, Del Rosario, Draper, Vice Mayor Goodson, Mayor Dahlmeier.
- NOES: None
- ABSTAIN: None
- ABSENT: None

13. AUTHORIZE THE ISSUANCE OF BONDS FOR OROVILLE HOSPITAL (7:00 p.m.)

Mayor opened the public hearing at 7:06pm and closed it at 7:09pm. Motion by Council Member Draper and second by Council Member Del Rosario to adopt Resolution No. 8757 and 8758. Motion passed unanimously.

Adopted Resolution No.8757 – RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$285,000,000 TO FINANCE AND REFINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, RENOVATION AND/OR EQUIPPING OF HEALTH CARE FACILITIES OWNED AND/OR OPERATED BY OROVILLE HOSPITAL AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO

Adopted Resolution No. 8758 – RESOLUTION, REQUIRED BY THE SECTION 147(f) OF THE INTERNAL REVENUE CODE, APPROVING ISSUANCE BY THE CITY OF OROVILLE OF REVENUE BONDS FOR THE BENEFIT OF OROVILLE HOSPITAL IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$285,000,000

AYES: Council Member Hatley, Berry, Thomson, Del Rosario, Draper, Vice Mayor Goodson, Mayor Dahlmeier.
NOES: None
ABSTAIN: None
ABSENT: None

COUNCIL ANNOUNCEMENTS/DISCUSSIONS/FUTURE AGENDA ITEMS

- Mayor Dahlmeier – Boys and Girls Club Youth of the Year Judge. Joseph from Oroville won.
- Council Member Thomson – Mentioned the engineering report Ruth printed
- Council Member Draper – Attended a HEAP Committee Meeting- the city will help applicants with the application process; SBF – Had a quorum, missing other city representatives
- Council Member Del Rosario – Attended a Big Band Concert on November 4th, Attended an African American Historical Society Event

ADMINISTRATION REPORTS

- Public Safety Report
- Bill deferred to Randy Murphy to allow him to announce that they are recruiting for a new Feather River Parks and Recreation Board Member.

CORRESPONDENCE

- Council received a resignation Letter from Planning Commissioner McDavitt

ADJOURN THE MEETING

The Mayor adjourned the meeting at 7:10pm. A regular meeting of the Oroville City Council will be held on Tuesday, November 20, 2018 at 5:30 p.m.

Approved By:

Attested By:

Linda Dahlmeier, Mayor

Jackie Glover, Assistant City Clerk



OROVILLE CITY COUNCIL

Council Chambers
1735 Montgomery Street
Oroville, CA. 95965

**November 20, 2018
MEETING MINUTES**

This meeting was recorded live and can be viewed on YouTube or at cityoforoville.org. The agenda for this meeting was posted on November 16, 2018 at 10:54pm.

CALL TO ORDER – Meeting called to order by Mayor Dahlmeier at 5:32pm

ROLL CALL

PRESENT: Council Members: Jack Berry, Marlene Del Rosario, Linda Draper, Art Hatley, Scott Thomson, Vice Mayor Janet Goodson, Mayor Linda Dahlmeier

ABSENT: None

STAFF PRESENT: Interim City Administrator Tom Lando, Interim City Clerk Joanna Gutierrez, Assistant City Clerk Jackie Glover, Assistant City Administrator/Chief of Public Safety Bill LaGrone, Finance Director Ruth Wright, Treasurer Karolyn Fairbanks

CLOSED SESSION

None

PLEDGE OF ALLEGIANCE – Led by Mayor Dahlmeier

Mayor announced the removal of items 5 and 6 from the agenda at the request of the applicants.

CONSENT CALENDAR - AGENDA ITEMS 1-3: Motion by Vice Mayor Goodson and second by Council Member Hatley to approve the consent calendar items 1-3. Approved unanimously.

AYES: Council Member Hatley, Thomson, Berry, Vice Mayor Goodson, Del Rosario, Draper, Mayor Dahlmeier

NOES: None

ABSTAIN: None

ABSENT: None

1. RECOLOGY SERVICE RATE INCREASE FOR THE COLLECTION AND DISPOSAL OF SOLID WASTE

Information provided to the council

2. AN URGENCY ORDINANCE TO ESTABLISH A TEMPORARY MORATORIUM ON RESIDENTIAL RENT INCREASES IN THE CITY OF OROVILLE

ADOPTED BY URGENCY ORDINANCE NO. 1832 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA ESTABLISHING A TEMPORARY MORATORIUM ON RESIDENTIAL RENT INCREASES IN THE CITY OF OROVILLE

3. AN URGENCY ORDINANCE REGARDING TEMPORARY RESIDENTIAL USE OF RECREATIONAL VEHICLES

ADOPTED URGENCY ORDINANCE NO. 1833 - AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA AMENDING TITLE 17- ADDING SECTION 17.08.170 TO ALLOW THE RESIDENTIAL USE OF RECREATIONAL VEHICLES FOR THOSE PARTS OF THE CITY OF OROVILLE MOST SEVERELY IMPACTED BY THE CAMP FIRE OF NOVEMBER 2018.

Motion by Mayor Dahlmeier and second by Thomson to adjourn the meeting. Motion failed

AYES: Council Member Thomson and Mayor Dahlmeier
NOES: Council Member Hatley, Berry, Del Rosario, Draper, Vice Mayor Goodson
ABSTAIN: None
ABSENT: None

PUBLIC COMMUNICATION - HEARING OF NON-AGENDA ITEMS

Public comment speakers agreed to wait until the next meeting to speak

Mayor Dahlmeier adjourned the meeting at 5:43 pm due to public safety concerns about room capacity and the current state of emergency created by the Camp Fire.

Approved by:

Attested By:

Mayor Linda Dahlmeier

Jackie Glover, Assistant City Clerk

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

**FROM: RUTH WRIGHT, DIRECTOR OF FINANCE
BILL LAGRONE, ASSISTANT CITY ADMINISTRATOR**

RE: BUDGET POLICY REVIEW AND POTENTIAL REVISION

DATE: DECEMBER 4, 2018

SUMMARY

The Council may review the City of Oroville budget policy and authorize staff to add language requiring all Contracts receive Council approval prior to be signed.

DISCUSSION

City of Oroville Budget Policy and Purchasing Procedures is a guideline for the purchase and procurement of goods and services for the City of Oroville. The current policy does not address the signing of contracts. The Oroville City Charter does address the issue. The Charter in Article VIII under the heading of Mayor, requires that all contracts require the signature of the Mayor. The Charter nor any other policy requires the contract to be Council approved prior to Signature from the Mayor.

Council members have asked that this issue be placed on the agenda for review and consideration from the Council. It is the belief of some of the Council that all contracts and agreements should be presented to the Council and approved prior to the Mayor signing these documents.

Staff has attached a revised Oroville Budget Policy and Purchasing Procedure for review and consideration. Staff has added paragraph 1 on page two (2) to require Council approval of all contracts and agreements. The only other changes to the Policy is cleanup work most of which was the removal of extra words, typos, and redundant sentences.

FISCAL IMPACT

None

RECOMMENDATIONS

Provide Staff Direction

ATTACHMENTS

A -Revised Oroville City Budget Policy and Purchasing Procedures
B -Original Oroville City Budget Policy and Purchasing Procedures

Exhibit A

Oroville City Budget Policy and Purchasing Procedures

The Annual Adopted Budget is based upon the estimated needs of the City's various funds and departments and the needs of the Successor Agency. Applying to all funds that are received and disbursed by the City and in addition and supplemental to any provisions contained in State Law, the City Charter of the City of Oroville and the Municipal Code, and other applicable Council actions.

In the event that any portion of this policy at any time becomes in conflict with either Federal or State Law, or the Charter or the Code, this policy will not apply in that instance.

Administration of the Annual Adopted Budget and the related policies is the overall responsibility of the City Administrator who is assisted by the Finance Director. The Finance Director is responsible for providing technical assistance to the Department Heads in administering budgets assigned to them and compliance with related policies; however, Department Heads are held accountable for the budgets under their control.

The City Administrator, Department Heads and other management staff who administer budgets for the Successor Agency shall have the same duties and responsibilities as they have for the City of Oroville.

The City Council ultimately must approve total appropriations. Staff is entrusted with the administrative authority to efficiently provide service within these total appropriations. It is the staff's responsibility to keep the Council informed of significant issues and the financial consequences of both internal and external events. The goal of this budget policy is to strike a balance between the responsibility of the City Council and the Successor Agency to provide expenditure authority, oversight, and policy direction while granting staff reasonable flexibility to administer the Budget, so that the work of the City and its related agencies can be carried out efficiently.

As outlined in Article VIII, Section 1 of the City Charter, if and when an emergency occurs, such as a war, natural disaster, or major accident/civil disturbance, the Mayor shall assume general control of the City Government, and all its branches and be responsible for the suppression of disorder and the restoration of normal condition.

In addition to the above, and for the purposes of City and its related agencies, budget administration emergencies also include a potential or actual threat to public safety or serious damage to public and/or private property.

Article VIII of the Oroville City Charter addresses the authority of the mayor. Part of the responsibilities of the Mayor is to in the name and on behalf of the city he or she shall sign all contracts, deeds, bonds and other legal instruments to which the city is a party. Prior to the Mayor signing any contract on behalf of the City, the contract shall have been reviewed and approved by the City Council

Budgetary actions taken pursuant to an emergency are required to be documented. Department Heads who make emergency expenditures must prepare a signed statement documenting the emergency expenditure. Documentation must be attached to the request for payment or invoice, which is submitted to the Finance Department for processing. Where the cost exceeds \$10,000, a copy of the documentation must be sent to the City Clerk/Secretary of the Successor Agency and the Council, along with the monthly report.

Definitions:

The term “**appropriation**” is defined as the amounts approved for the expenditure or the use of funds by the City Council (or the governing body of an agency for which the Council provides policy direction such as the Oroville Successor Agency or Oroville Public Financing Authority), together with such subsequent supplemental appropriations and/or budget adjustments which are subsequently approved.

The term “**budget adjustment**” shall mean an increase to the amounts previously approved for expenditure in the Adopted Budget which may have an impact on the fund balance because it is funded by either the spendable portion of the fund balance or by a combination of additional revenues not anticipated in the Adopted Budget and the spendable portion of fund balance.

The term “**budget transfer**” shall mean an increase to one or more line item appropriations, which has no impact on fund balance, because it is either funded by a corresponding decrease in one or more line items within the same fund or unanticipated revenues to that fund which were not included in the Adopted Budget, with the result that the ending fund balance is not impacted.

The term “**line item**” shall mean a single appropriation amount to a specific account; usually this item detail is aggregated as a series appropriation (Salaries and Benefits or Operating Expenses) for purposes of budget control at the Council level. The purpose of further line item detail in the financial system is primarily to assist Departments in controlling their expenditures at an operational level.

The Term “**Department**” shall refer to the following for the General Fund, with sub-divisions listed below each:

City Council

Mayor

Treasurer:

Administration:

City Administrator

City Attorney

Economic Development, and Community Enhancement

City Hall

City Clerk

Human Resources

Information Technology

Risk Management

Personnel Officer

City Attorney

Finance

Public Safety

Police

Fire

Community Development

Planning and Development Administration

Building Code Enforcement

Public Works Administration

Streets

Parks and Trees Administration

Parks and Trees Operations

Non Departmental

Special Funds: All special funds will be equivalent to "Department" for purposes of this Policy, Except for all Housing Funds which will be considered one Department.

Categories of Expenditures/Uses of Funds:

a. Transfers Between Departments Within a Fund (Require 5/7 Council Approval)

Transfers between various departments and line items within a fund are subject to the same rules applicable to transfers between the Personnel, Operational Expenses, Capital, and Non-Operating expenditures within the same department and are allowed as long as approved by the Finance Director and City Administrator/Executive Director and the result is no increase in General Fund cost to that department.

b. Expenditure Series Accounts

Salaries and Benefits - 5000 series accounts: are the accounts which are used

for the payment of salaries and benefits. Included in this category are various types of salary accounts such as management, clerical, outdoor labor, safety, temporary salaries and various categories of other compensation such as, overtime, compensation time, vacation pay, uniform allowances, Police reserve pay and volunteer firefighter allowances.

Services and Supplies - 6000 and 7000 series accounts: are the accounts which are used for the payment of non-payroll related operating expenditures such as office and specialized departmental supplies, repair and maintenance, contract services, printing, travel, training, grant activities, community promotional, marketing and industrial recruitment activities, etc.

c. Non-Operating Expenditures

Fixed Assets – 8000 - 8899 series accounts: are the accounts which are used for all capital expenditures, which have a normal life greater than one year, including land, buildings, equipment and infrastructure. Fixed assets exceed \$2,000 in initial cost.

Other Charges - 8900 series accounts: are the accounts which are used for certain non-operating expenses, primarily those related to debt service such as principal and interest payments.

d. Uses of Funds

Transfers-Out - 9000 series accounts: are the accounts which are used for making transfers-out of one fund, or department into another fund or department. Transfers-out are made to reimburse a fund for expenditures made on behalf of the other fund or where a separate fund is required for legal or accounting purposes. City Budget Policy is to minimize general fund costs by obtaining full reimbursement from all special operating funds, up to the maximum supported by actual costs, both direct and indirect. Such charges do not impact overall city expenditures, therefore appropriations to facilitate the transfer of these costs within or from the General Fund may be revised as needed by the Director of Finance with the approval of the City Administrator.

Grant Carry-overs, C.I.P. Projects Work in Process:

Grants are often accounted for on a multi-year basis. Whenever it is necessary to account for grants on a multi-year basis, an appropriation will be established for the total anticipated expenditures for the entire grant period. The balance of the appropriations will then be carried over from one year to the next, subject to Council approval.

Work in Process on Capital Projects - at the end of the fiscal year the remaining balance of appropriations of capital projects which are in process shall be carried

over to the next fiscal year, subject to Council approval.

Changes to the Adopted Budget; Additional Revenues:

The Finance Director and a Department Head acting under the direction of the City Administrator/Executive Director, shall have the authority to take into consideration off-setting revenues which are in excess of budgeted revenues and to authorize a budget adjustment to appropriate for the related expenditures covered by these off-setting revenues of up to \$10,000. In the case of Public Safety providing mutual aid, the adjustment may equal the amount or revenue to be reimbursed.

Whenever the Council approve an action which necessitates a budget adjustment it is understood that the Council also approve the corresponding budget adjustment. For example: The Council approve the purchase of \$5,500 worth of computer equipment. In the Fiscal Impact section of the staff report sent to Council the report details the purchase is being funded by salary savings and that a transfer will have to be made from Salaries and Benefits line items to increase appropriations in the computer equipment account in order to make the purchase. The Finance Director and the Department Head acting under the direction of the City Administrator/Executive Director are authorized to make a budget adjustment based upon the Council actions in approving the purchase.

Appropriation Transfers within a Department between Series 5000 Accounts (Salary and Benefits) 6-7000 Series Accounts (Operating Expenses), 8000 Series Accounts (Capital Projects). The Director of Finance with the approval of the City Administrator, may transfer appropriations between these accounts in a department up to \$10,000, as long as total departmental expenditures are not increased. Funds may not be transferred out of the 5000 Salaries and Benefit Series accounts if the remainder is inadequate to fund existing positions for the rest of the year

Whenever the cost Salaries and Benefits series accounts exceeds the amount budgeted the Finance Director and a Department Head, acting under the direction of the City Administrator/Executive Director, are authorized to make a budget adjustment of up to \$10,000 by reducing the Services and Supplies, Operating, or Capital series accounts of the affected budget. Such transfers must have a neutral or positive impact on fund balance.

In all other instances whenever a budget has been exceeded because of obligations which have already been incurred, or are expected to be exceeded, Council approval will be required in order to increase the appropriations.

Transfers-Out - 9000 series accounts:

The Finance Director acting under the direction of the City

Administrator/Executive Director is authorized to make those transfers-out to the actual amounts if 9000 series appropriations are exceeded, as soon as practical thereafter, and at least once prior to the yearend closing, the Finance Director shall initiate action to increase the appropriations.

In all other instances, Council approval will be required in order to increase the appropriations. Anytime appropriations are revised by staff pursuant to this policy, this shall be reported to Council in the subsequent Finance Staff report.

Business Expenses, Conferences, Meeting, Training and Travel:

- a. City Employees, City Treasurer, City Attorney, Members of Boards and Commissions

Department Heads, acting under the direction of the City Administrator/Executive Director, are authorized to make expenditures for business and travel expenses related to City/Agency business and attendance at such professional conferences/training sessions/meetings as they deem appropriate, up to the amount appropriated in their departmental budget for such expenses. The Supervisor must authorize the subordinate's attendance and must approve the expenditure. In the case of non-employees, the Department Head responsible for the budget which is being charged will approve the expenditure. All expenditures must be in accordance with all policies including the City's Travel and Reimbursement Policy which shall apply to the City and any related agencies which fall under its administrative jurisdiction.

- b. Mayor and Council Members/Oroville Successor Agency

During each fiscal year, every Council Member is, without Council approval allowed to attend: 1) the annual League of Cities Conference; 2) one other conference /meeting / training session which does not cost more than \$500; and 3) small conferences/meetings/training sessions costing less than \$150. The Council/Commission must approve all other travel/conference/meeting or training expenditures. Payments to Council are made in accordance with the City's Travel and Reimbursement Policy and may not exceed final appropriations.

Grant Expenditures:

From time to time the City or its related agencies become eligible for Federal or State grants. Should the funding source require a grant application, the application will be submitted to the application to the City Administrator and Finance Director prior to submitting a final application. The City Administrator may waive pre-approval when notice of the grant did not provide sufficient lead time prior to the grant deadline. Whenever the City applies for a grant, every effort should be made to include all city costs, including direct or indirect costs. If not included in the application, or not approved as part of the grant by the

fundings, these shall be reported to Council as a city cost, and adequate budget revisions will be recommended as needed.

When a grant is received, one of the following courses of action shall be taken:

- a. If the Council have previously approved the grant and no matching funds are required, the Finance Director and the Department Head, acting under the direction of the City Administrator/Executive Director are authorized to make the required budget adjustment.
- b. If the Council have previously approved the grant and the grant requires matching funds which have already been appropriated, the Finance Director and a Department Head, acting under the direction of the City Administrator/Executive Director, are authorized to make the required budget adjustment.
- c. If the grant requires matching funds, and an appropriation has not been made, a supplemental appropriation or a budget adjustment must be approved by the Council unless the staff report and Resolution detailing the funding requirements for the match for the grant have been previously approved by the Council, along with the grant application. In the event previous approval for the funding of the match was obtained, the Finance Director and a Department Head, acting under the direction of the City Administrator/Executive Director are authorized to make the required budget adjustment.

In all other instances, Council approval will be required in order to increase the appropriations.

Expenditures Under \$10,000:

Council approval is not required prior to making an expenditure less than \$10,000 if the item is within the budget authorization of the City Administrator/Executive Director or his/her designee and prior Council approval is not required by State Law or City Codes or policies.

Before making expenditures for supplies, equipment and services, which exceed \$2,000 a purchase order must be authorized by both the department and the Finance Director. If the purchase is between \$2,000 and \$25,000 it is subject to the informal bidding requirements contained in the City Code and in Ordinance 1595. All purchase orders between \$4,499.99 and \$10,000 shall be reported to the council, in the next Council Packet, subject to packet publication deadline requirements.

The limit applies only to a single invoice or the purchase of a single item. Multiple purchases from the same vendor which are under the limit individually

do not require prior Council approval as long as the purchases are not being intentionally made in smaller amounts in order to avoid obtaining Council approval.

Authorization to go out to Bid where a Sealed Competitive Bid is Required:

If the budget provides for the expenditure, Council authorization is not required prior to going out to bid, unless otherwise required by State Law or City Codes or policies.

Public (Capital) Projects as defined by the Public Contract Code of the State of California (Section 22000-22045)

- a. Exception to section 22032 of the Public Contract Code of the State of California is as follows:
 - 1. Public projects of forty-five thousand dollars (\$45,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.
 - 2. Public projects of Twenty-five Thousand (\$25,000) or less may be let to contract by informal procedures as set forth in the article. Council will be apprised of the results on a Council agenda within 15 days but in no case later than 30 days.
 - 3. Public projects over Twenty-Five Thousand (\$25,000) will follow the competitive bid procedures outlined in Section 2-63.101 thru 2-63.701 of the Oroville City Code as re-enacted in Ordinance 1595.
 - 4. Items budgeted and appropriated by the Council during the annual budget approval process shall be deemed approved and funds appropriated. Staff is not required to return for authorization for purchase of items but must follow the appropriate procurement process.

Expenditures Greater Than \$5,000:

Council approval is not required prior to making an expenditure greater than \$5,000 if there are sufficient appropriations in the current Adopted Budget (as revised pursuant to this policy) of the department to cover the expenditure and:

- a. The expenditure represents a progress payment, which does not exceed the 10% Contingency approved as part of a contract or agreement previously approved or awarded by the Council commissioners.
- b. The expenditure represents a partial payout of an economic development

loan previously approved by the Council; or is a loan or purchase approved by the Housing Loan Advisory Committee; or a loan or purchase approved by the Economic Development Loan Advisory Committee which does not exceed \$250,000.

- c. The expenditure is for an insurance policy. If the increase is over 10% quotes must be obtained from at least 3 sources.
- d, Other Exceptions: Payroll and the related benefit expenses (except as noted elsewhere in this policy), utility costs, postage, insurance premiums, concrete, road maintenance supplies and materials, fuel, communication expenses, debt service expenditures, contracted services (except where Council approval is required) payments to other governmental agencies, CDBG activities which are covered under grant procedures previously adopted by the Council, other grant activities, State Theater performance expenses and trust and agency fund disbursements, or any other expenditure which in the judgment of the City Administrator/Executive Director is routine.
- e. Special Rules: The Director of Finance department may issue purchasing requirements addressing particular types of purchases to improve efficiency and cost savings, as long as these do not conflict with this budget policy.

Staffing and Payroll Related Expenditures:

Appropriations to the Salaries and Benefits - 5000 series accounts in the Adopted Budget assume full staffing for the full fiscal year. However, as a result of such factors as attrition, sick leave, training requirements, resignations, retirements, emergencies and other related situations, it may not be possible to fill all of the allocated positions as planned, additional staffing may be needed, or positions may need to be filled at a different skill level than provided in the Adopted Budget.

A Department Head working in conjunction with the Personnel Officer, and acting under the direction of the City Administrator/Executive Director, may make a temporary promotional appointment or hire a temporary employee at any level on the salary range, or contract for a temporary employee (normally this will be done through a temporary employment agency) in order to: 1) temporarily fill any authorized position which has been vacated due to the resignation, retirement, termination, sickness or other temporary absence of the incumbent; or, 2) fill a position in the event of an emergency. If the expense related to temporary help will cause any line items in the Adopted Budget to be exceeded, a budget adjustment or supplemental appropriation must precede the action, except in cases of emergency.

Council approval is required for all other reclassifications, salary adjustments, equity adjustments, costs of living raises or any other changes to the Salary and Pay Schedule listing in the Adopted Budget (except for temporary positions which are not listed).

Council approval is also required for all other changes, such as new non-emergency temporary positions, changes in titles, reclassifications or any other changes to the Summary of Personnel listing in the Adopted Budget.

The City Administrator/Executive Director and the Personnel Officer, may hire an employee at an advanced step in the salary range up to step G if justification is provided to the Council at the time of the hiring decision and:

Competitive factors in the job market for a particular job title, or a candidate's specific experience and qualifications are such that it will not be possible to employ the most qualified candidate at the beginning step on the salary range.

The accrual of overtime and any payments of overtime shall be in accordance with the provisions of any approved M.O.U., employee contract or resolution and/or the Personnel Rules and Regulations and Personnel Policies.

On a bi-annual basis, the Personnel Officer will prepare a report to the Council on all positions filled, except for Department Heads. The report will contain the applicable steps and ranges for each position and indicate whether the employee is temporary or permanent.

Donations:

Donations may be accepted by the Finance Director and a Department Head, acting under the direction of the City Administrator/Executive Director. As soon as possible, after accepting the donation it will be placed on the consent calendar so that the donation can be acknowledged by the Council. If a particular donation either will result in other than insignificant cost to the city or is conditioned such that it will result in an unfunded burden on staff resources, staff will recommend to the Council that the donation not be accepted. The procedure necessary to make a Budget Adjustment in order to increase appropriations for a cash donation is detailed elsewhere in this policy.

Quarterly Budget Review:

Subsequent to each quarter, the Finance Director will conduct a quarterly budget review and recommend necessary adjustments based on year to date actuals.

Exhibit B

Oroville City Budget Policy and Purchasing Procedures

The Annual Adopted Budget is based upon the estimated needs of the City's various funds and departments and the needs of the Successor Agency and the Public Financing Authority applying to all funds that that are received and disbursed by the City and in addition and supplemental to any provisions contained in State Law, the City Charter of the City of Oroville and the Municipal Code, and other applicable Council actions.

In the event that any portion of this policy at any time becomes in conflict with either Federal or State Law, or the Charter or the Code, this policy will not apply in that instance.

Administration of the Annual Adopted Budget and the related policies is the overall responsibility of the City Administrator who is assisted by the Finance Director. The Finance Director is responsible for providing technical assistance to the Department Heads in administering budgets assigned to them and compliance with related policies; however, Department Heads are held accountable for the budgets under their control.

The City Administrator shall have the same duties and responsibilities for the Successor Agency and the Oroville Public Financing Authority as for the City. The Finance Director shall have the same duties and responsibilities for the Successor Agency and Oroville Public Financing Authority, as for the City. Department Heads and other management staff who administer budgets for the Successor Agency and the Oroville Public Financing Authority shall have the same duties and responsibilities as they have for the City of Oroville.

The City Council ultimately must approve total appropriations. Staff is entrusted with the administrative authority to efficiently provide service within these total appropriations. It is the staff's responsibility to keep the Council informed of significant issues and the financial consequences of both internal and external events. The goal of this budget policy is to strike a balance between the responsibility of the City Council, Successor Agency and the Oroville Public Financing Authority to provide expenditure authority, oversight, and policy direction while granting staff reasonable flexibility to administer the Budget, so that the work of the City and its related agencies can be carried out efficiently.

As outlined in Article VIII, Section 1 of the City Charter, if and when an emergency occurs, such as a war, natural disaster, or major accident/civil disturbance, the Mayor shall assume general control of the City Government, and all its branches and be responsible for the suppression of disorder and the restoration of normal condition.

In addition to the above, and for the purposes of City and its related agencies, budget administration emergencies also include a potential or actual threat to public safety or serious damage to public and/or private property.

Budgetary actions taken pursuant to an emergency are required to be documented. Department Heads who make emergency expenditures must prepare a signed statement documenting the emergency expenditure. Documentation must be attached to the request for payment or invoice, which is submitted to the Finance Department for processing. Where the cost exceeds \$10,000, a copy of the documentation must be sent to the City Clerk/Secretary of the Successor Agency/Oroville Public Financing Authority and the Council/Commissioners, along with the monthly report.

Definitions:

The term “**appropriation**” is defined as the amounts approved for the expenditure or the use of funds by the City Council (or the governing body of an agency for which the Council provides policy direction such as the Oroville Successor Agency or Oroville Public Financing Authority), together with such subsequent supplemental appropriations and/or budget adjustments which are subsequently approved.

The term “**supplemental appropriation**” shall mean an increase to the amounts previously approved for expenditure in the Adopted Budget which may have an impact on the fund balance because it is funded by either the spendable portion of the fund balance or by a combination of additional revenues not anticipated in the Adopted Budget and the spendable portion of fund balance.

The term “**budget adjustment**” shall mean an increase to one or more line item appropriations, which has no impact on fund balance, because it is either funded by a corresponding decrease in one or more line items within the same fund or unanticipated revenues to that fund which were not included in the Adopted Budget, with the result that the ending fund balance is not impacted.

The term “**line item**” shall mean a single appropriation amount to a specific account; usually this item detail is aggregated as a series appropriation (Salaries and Benefits or Operating Expenses) for purposes of budget control at the Council level. The purpose of further line item detail in the financial system is primarily to assist Departments in controlling their expenditures at an operational level.

The Term “**Department**” shall refer to the following for the General Fund, with sub-divisions listed below each:

City Council
Mayor
Treasurer:
Administration:
 City Administrator
 Economic Enhancement
 Economic and Community Enhancement
 City Hall
 City Clerk
 Human Resources
 Information Technology
 Risk Management
City Attorney
Finance
 Finance
 Non-Departmental
 Accrued Leaves
Public Safety
 Police
 Fire
Community Development
 Planning and Development Administration
 Building Code Enforcement
Public Works Administration Streets
 Parks and Trees Administration
 Parks and Trees Operations

Special Funds: All special funds will be equivalent to “Department” for purposes of this Policy, Except for all Housing Funds which will be considered one Department.

Categories of Expenditures/Uses of Funds:

a. Transfers Between Departments Within a Fund

Transfers between various departments and line items within a fund are subject to the same rules applicable to transfers between the Personnel, Operational Expenses, Capital, and Non Operating expenditures within the same department and are allowed as long as approved by the Finance Director and City Administrator/Executive Director and the result is no increase in General Fund cost to that department.

b. Expenditure Series Accounts

Salaries and Benefits - 5000 series accounts: are the accounts which are used for the payment of salaries and benefits. Included in this category are various

types of salary accounts such as management, clerical, outdoor labor, safety, temporary salaries and various categories of other compensation such as, overtime, compensation time, vacation pay, uniform allowances, Police reserve pay and volunteer firefighter allowances.

Services and Supplies - 6000 and 7000 series accounts: are the accounts which are used for the payment of non-payroll related operating expenditures such as office and specialized departmental supplies, repair and maintenance, contract services, printing, travel, training, grant activities, community promotional, marketing and industrial recruitment activities, etc.

c. Non-Operating Expenditures

Fixed Assets – 8000 - 8899 series accounts: are the accounts which are used for all capital expenditures, which have a normal life greater than one year, including land, buildings, equipment and infrastructure. Fixed assets exceed \$2,000 in initial cost.

Other Charges - 8900 series accounts: are the accounts which are used for certain non-operating expenses, primarily those related to debt service such as principal and interest payments.

d. Uses of Funds

Transfers-Out - 9000 series accounts: are the accounts which are used for making transfers-out of one fund, or department into another fund or department. Transfers-out are made to reimburse a fund for expenditures made on behalf of the other fund or where a separate fund is required for legal or accounting purposes. City Budget Policy is to minimize general fund costs by obtaining full reimbursement from all special operating funds, up to the maximum supported by actual costs, both direct and indirect. Such charges do not impact overall city expenditures, therefore appropriations to facilitate the transfer of these costs within or from the General Fund may be revised as needed by the Director of Finance with the approval of the City Administrator.

Grant Carry-overs, C.I.P. Projects Work in Process:

Grants are often accounted for on a multi-year basis. Whenever it is necessary to account for grants on a multi-year basis, an appropriation will be established for the total anticipated expenditures for the entire grant period. The balance of the appropriations will then be carried over from one year to the next, subject to Council/Commissioners approval.

Work in Process on Capital Projects - at the end of the fiscal year the remaining balance of appropriations of capital projects which are in process shall be carried over to the next fiscal year, subject to Council/Commissioners approval.

Changes to the Adopted Budget; Additional Revenues:

The Finance Director and a Department Head acting under the direction of the City Administrator/Executive Director, shall have the authority to take into consideration off-setting revenues which are in excess of budgeted revenues and to authorize a budget adjustment to appropriate for the related expenditures covered by these off-setting revenues of up to \$10,000. In the case of Public Safety providing mutual aid, the adjustment may equal the amount or revenue to be reimbursed.

Whenever the Council/Commissioners approve an action which necessitates a budget adjustment it is understood that the Council/Commissioners also approve the corresponding budget adjustment. For example: The Council/Commissioners approve the purchase of \$5,500 worth of computer equipment. In the Fiscal Impact section of the staff report sent to Council/Commissioners the report details the purchase is being funded by salary savings and that a transfer will have to be made from Salaries and Benefits line items to increase appropriations in the computer equipment account in order to make the purchase. The Finance Director and the Department Head acting under the direction of the City Administrator/Executive Director are authorized to make a budget adjustment based upon the Council/Commissioners actions in approving the purchase.

Appropriation Transfers within a Department between Series 5000 Accounts (Salary and Benefits) 6-7000 Series Accounts (Operating Expenses), 8000 Series Accounts (Capital Projects). The Director of Finance with the approval of the City Administrator, may transfer appropriations between the these accounts in a department up to \$10,000, as long as total departmental expenditures are not increased. Funds may not be transferred out of the 5000 Salaries and Benefit Series accounts if the remainder is inadequate to fund existing positions for the rest of the year

Whenever the cost Salaries and Benefits series accounts exceeds the amount budgeted the Finance Director and a Department Head, acting under the direction of the City Administrator/Executive Director, are authorized to make a budget adjustment of up to \$10,000 by reducing the Services and Supplies, Operating, or Capital series accounts of the affected budget. Such transfers must have a neutral or positive impact on fund balance.

In all other instances whenever a budget has been exceeded because of obligations which have already been incurred, or are expected to be exceeded, Council/Commissioners approval will be required in order to increase the appropriations.

Transfers-Out - 9000 series accounts:

The Finance Director acting under the direction of the City Administrator/Executive Director is authorized to make those transfers-out to the actual amounts If 9000 series appropriations are exceeded, as soon as practical thereafter, and at least once prior to the yearend closing, the Finance Director shall initiate action to increase the appropriations.

In all other instances, Council/Commissioners approval will be required in order to increase the appropriations. Anytime appropriations are revised by staff pursuant to this policy, this shall be reported to Council in the subsequent Finance Staff report.

Business Expenses, Conferences, Meeting, Training and Travel:

- a. City Employees, City Treasurer, City Attorney, Members of Boards and Commissions

Department Heads, acting under the direction of the City Administrator/Executive Director, are authorized to make expenditures for business and travel expenses related to City/Agency/Authority business and attendance at such professional conferences/training sessions/meetings as they deem appropriate, up to the amount appropriated in their departmental budget for such expenses. The Supervisor must authorize the subordinate's attendance and must approve the expenditure. In the case of non-employees, the Department Head responsible for the budget which is being charged will approve the expenditure. All expenditures must be in accordance with all policies including the City's Travel and Reimbursement Policy which shall apply to the City and any related agencies which fall under its administrative jurisdiction.

- b. Mayor and Council Members/Oroville Successor Agency/Public Financing Authority Commissioners

During each fiscal year, every Council Member/Commissioner is, without Council approval allowed to attend: 1) the annual League of Cities Conference; 2) one other conference /meeting / training session which does not cost more than \$500; and 3) small conferences/meetings/training sessions costing less than \$150. The Council/Commission must approve all other travel/conference/meeting or training expenditures. Payments to Council/Commissioners are made in accordance with the City's Travel and Reimbursement Policy and may not exceed final appropriations.

Grant Expenditures:

From time to time the City or its related agencies become eligible for Federal or State grants. Should the funding source require a grant application, the application will be submitted to the application to the City Administrator and

Finance Director prior to submitting a final application. The City Administrator may waive pre-approval when notice of the grant did not provide sufficient lead time prior to the grant deadline. Whenever the City applies for a grant, every effort should be made to include all city costs, including direct or indirect costs. If not included in the application, or not approved as part of the grant by the funders, these shall be reported to Council as a city cost, and adequate budget revisions will be recommended as needed.

When a grant is received, one of the following courses of action shall be taken:

- a. If the Council/Commissioners have previously approved the grant and no matching funds are required, the Finance Director and the Department Head, acting under the direction of the City Administrator/Executive Director are authorized to make the required budget adjustment.
- b. If the Council/Commissioners have previously approved the grant and the grant requires matching funds which have already been appropriated, the Finance Director and a Department Head, acting under the direction of the City Administrator/Executive Director, are authorized to make the required budget adjustment.
- c. If the grant requires matching funds, and an appropriation has not been made, a supplemental appropriation or a budget adjustment must be approved by the Council/Commissioners unless the staff report and Resolution detailing the funding requirements for the match for the grant have been previously approved by the Council/Commissioners, along with the grant application. In the event previous approval for the funding of the match was obtained, the Finance Director and a Department Head, acting under the direction of the City Administrator/Executive Director are authorized to make the required budget adjustment.

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Expenditures Under \$10,000:

Council/Commissioners approval is not required prior to making an expenditure less than \$10,000 if the item is within the budget authorization of the City Administrator/Executive Director or his/her designee and prior Council/Commissioners approval is not required by State Law or City Codes or policies.

Before making expenditures for supplies, equipment and services, which exceed \$2,000 a purchase order must be authorized by both the department and the Finance Director. If the purchase is between \$2,000 and \$25,000 it is subject to the informal bidding requirements contained in the City Code and in Ordinance

1595. All purchase orders between \$4,499.99 and \$10,000 shall be reported to the council, in the next Council Packet, subject to packet publication deadline requirements.

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 - 4. Items budgeted and appropriated by the Council during the annual budget approval process shall be deemed approved and funds appropriated. Staff is not required to return for authorization for purchase of items but must follow the appropriate procurement process.

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Council/Commissioners approval is not required prior to making an expenditure greater than \$5,000 if there are sufficient appropriations in the current Adopted Budget (as revised pursuant to this policy) of the department to cover the

expenditure and:

- a. The expenditure represents a progress payment, which does not exceed the 10% Contingency approved as part of a contract or agreement previously approved or awarded by the Council commissioners.
- b. The expenditure represents a partial payout of an economic development loan previously approved by the Council/Commissioners; or is a loan or purchase approved by the Housing Loan Advisory Committee; or a loan or purchase approved by the Economic Development Loan Advisory Committee which does not exceed \$250,000.
- c. The expenditure is for an insurance policy. If the increase is over 10% quotes must be obtained from at least 3 sources.
- d. Other Exceptions: Payroll and the related benefit expenses (except as noted elsewhere in this policy), utility costs, postage, insurance premiums, concrete, road maintenance supplies and materials, fuel, communication expenses, debt service expenditures, contracted services (except where Council/Commissioners approval is required) payments to other governmental agencies, CDBG activities which are covered under grant procedures previously adopted by the Council/Commissioners, other grant activities, State Theater performance expenses and trust and agency fund disbursements, or any other expenditure which in the judgment of the City Administrator/Executive Director is routine.
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Staffing and Payroll Related Expenditures:

Appropriations to the Salaries and Benefits - 5000 series accounts in the Adopted Budget assume full staffing for the full fiscal year. However, as a result of such factors as attrition, sick leave, training requirements, resignations, retirements, emergencies and other related situations, it may not be possible to fill all of the allocated positions as planned, additional staffing may be needed, or positions may need to be filled at a different skill level than provided in the Adopted Budget.

A Department Head working in conjunction with the Personnel Officer, and acting under the direction of the City Administrator/Executive Director, may make a temporary promotional appointment or hire a temporary employee at any level on the salary range, or contract for a temporary employee (normally this will be done through a temporary employment agency) in order to: 1) temporarily fill any

authorized position which has been vacated due to the resignation, retirement, termination, sickness or other temporary absence of the incumbent; or, 2) fill a position in the event of an emergency. If the expense related to temporary help will cause any line items in the Adopted Budget to be exceeded, a budget adjustment or supplemental appropriation must precede the action, except in cases of emergency.

Council/Commissioners approval is required for all other reclassifications, salary adjustments, equity adjustments, costs of living raises or any other changes to the Salary and Pay Schedule listing in the Adopted Budget (except for temporary positions which are not listed).

Council/Commissioners approval is also required for all other changes, such as new non-emergency temporary positions, changes in titles, reclassifications or any other changes to the Summary of Personnel listing in the Adopted Budget.

The City Administrator/Executive Director and the Personnel Officer, may hire an employee at an advanced step in the salary range up to step G if justification is provided to the Council/Commissioners at the time of the hiring decision and:

Competitive factors in the job market for a particular job title, or a candidate's specific experience and qualifications are such that it will not be possible to employ the most qualified candidate at the beginning step on the salary range.

The accrual of overtime and any payments of overtime shall be in accordance with the provisions of any approved M.O.U., employee contract or resolution and/or the Personnel Rules and Regulations and Personnel Policies.

On a bi-annual basis, the Personnel Officer will prepare a report to the Council/Commissioners on all positions filled, except for Department Heads. The report will contain the applicable steps and ranges for each position and indicate whether the employee is temporary or permanent.

Donations:

Donations may be accepted by the Finance Director and a Department Head, acting under the direction of the City Administrator/Executive Director. As soon as possible, after accepting the donation it will be placed on the consent calendar so that the donation can be acknowledged by the Council/Commissioners. If a particular donation either will result in other than insignificant cost to the city, or is conditioned such that it will result in an unfunded burden on staff resources, staff will recommend to the Council that the donation not be accepted. The procedure necessary to make a Budget Adjustment in order to increase appropriations for a cash donation is detailed elsewhere in this policy.

Quarterly Budget Review:

Subsequent to each quarter, the Finance Director will conduct a quarterly budget review and recommend necessary adjustments based on year to date actuals.

Revised Date: October 7, 2014

Previous Revisions: October 6, 1986, June 1, 1988, August 5, 1997, March 6, 2012

Initiated by: City Administrator/Executive Director

Approved By: City Council/Oroville Successor Agency/ Oroville Public Financing Authority

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: Mayor and City Council Members

FROM: Tom Lando, Interim City Administrator

RE: Second Reading and adoption Ordinances No. 1830 Amending Title 17 (Zoning) of the Oroville Municipal Code to Establish Zoning for Commercial Cannabis Activities and Ordinance No. 1831 Amending Title 5 (Business Licenses and Regulations) of the Oroville Municipal Code to Regulate the Establishment and Operation of All Commercial Cannabis Activities in the City of Oroville.

DATE: December 4, 2018

BACKGROUND

With the passing of Proposition 64 by California voters in 2016, recreational adult-use cannabis became legal beginning in 2018. In response to Proposition 64, the California legislature adopted Senate Bill 94 in 2017, which outlines a state regulatory system for the various commercial operations associated with the legalization. As part of the state regulations, local jurisdictions may prohibit or allow various cannabis uses outlined in state law and, if they allow them, identify appropriate locations for and restrictions on those uses. On January 16, 2018, the City Council directed staff to pursue amendments to the City of Oroville Municipal Code regarding commercial cannabis regulations and pursue a special or general tax applicable to all commercial cannabis businesses. On February 20, 2018, the City Council hired SCI Consulting Group to assist City staff with the development of cannabis regulatory and zoning ordinances for medicinal and adult-use cannabis uses and a cannabis business tax ballot measure for the November 2018 general election.

On August 7, 2018 the Cannabis Land Use Ordinance and Cannabis Business License Ordinance were presented to the Planning Commission and City Council at a joint meeting for introduction and first reading. The Planning Commission voted 6-0 in favor of continuing the discussion of the Ordinance No. 1830 for one month to allow time for the commissioners to meet with staff and gather more information. The Council voted 5-1 in favor in favor of introducing Ordinance No. 1830 and 1831, subject to any changes the Planning Commission may have.

On August 23, 2018 the Planning Commission provided direction and amendments to Ordinance No. 1830 to City staff. On October 4, 2018 the Planning Commission voted 3-1 in favor of recommending Ordinance No. 1830 to the City Council for adoption as amended. **Please refer to attachments #2 and #3 for a summary of the amendment proposed by the Planning Commission.**

DISCUSSION

*****Planning Commission amendments highlighted in yellow*****

Public Education and Outreach

On May 24, 2018, SCI Consulting Group and City staff held two community meetings, a morning and evening session. SCI gave a “Cannabis 101” presentation outlining the cannabis implementation process followed by a public comment period. Following the community meetings, SCI and Staff conducted a stakeholder meeting on June 14, 2018. Prior to the meeting, staff announced the stakeholder meeting to the public at the June 6th Council Meeting and invited interested parties to contact the City. The meeting was attended by both participants/advocates from the cannabis industry as well as community members opposed to cannabis. SCI, serving as the facilitator, asked each attendee questions pertaining to the various cannabis activities, zoning and important health and safety priorities. The recommendations gathered by staff and SCI were incorporated into the proposed zoning and business license ordinances.

Amendment of Title 17 (Zoning):

The proposed ordinance:

1. Repeals section 17.08.120 (Marijuana Dispensaries), which currently prohibits cannabis retail sale, cannabis delivery and commercial processing.
2. Amends section 17.04.060 (Definitions)
3. Adds section 17.16.XXX (Commercial cannabis businesses) to Chapter 17.6 (Use-Specific Regulations)
4. Amends Land Use tables for Residential Districts, Commercial Districts, Industrial Districts, and Special Purpose Districts.

17.16.XXX Commercial Cannabis Business: This Section develops the following use-specific regulations for commercial cannabis businesses:

- One thousand (1000)-foot buffer from a school (K-12), day care centers, **public parks, the Downtown Historic Overlay District (DH-O), churches with 20 or more members, or youth center as defined in Business and Professions Code section 26001 that are in existence at the time the permit is issued. All undeveloped parklands are excluded from the 1000-foot buffer.**
- 1000-foot separation requirement between retail businesses
- Minimum of three (3) cannabis retail businesses
- Development and Operational Standards
 - Onsite consumption prohibited
 - Odor-absorbing ventilation required
 - Outdoor cultivation prohibited
 - **No advertisement signs allowed for any cannabis business**
 - **Cultivation shall not be visible from any exterior location.**

Land Use table Amendments:

- **Retail Sales and Delivery:** The State cannabis retail license (Type 10) applies to “the retail sale and delivery of cannabis or cannabis products to customers.” Licensed retailers must “have a licensed premise which is a physical location from which commercial

cannabis activities are conducted. A retailer's premises may be closed to the public. A retailer may conduct sales exclusively by delivery". Given this definition, deliveries to consumers can originate from a retail store that is open to the public, or they can originate from a non-storefront retail operation that is not open to the public.

Retail cannabis industry stakeholders have expressed a desire to locate in commercial areas, rather than hidden away in industrial areas. This approach also helps to avoid crime by keeping retail stores, which are potential crime targets, in areas with high visibility and also provides safe access for customers and medicinal patients. However, stakeholders also raised concerns with retail stores being located within the Historic Downtown area. Since delivery-only retail (closed to the public) is similar to existing warehousing or distribution uses, this use would be appropriate within the Industrial Districts.

The proposed ordinance permits retail cannabis sales and delivery uses in the **C-1** and **C-2, CH, CLM and OF** Zoning Districts of the Commercial District and **M-1** and **M-2** Zoning Districts of the Industrial District, subject to an approval of a Conditional Use Permit. Since this type of activity can generate significant community interest and concern, the CUP process will facilitate a necessary dialog between the applicant, community, and City to consider and resolve potential community impacts.

- **Manufacturing:** This State license (Type 7) defines manufacture as "the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container." A Level 2 license is required for sites that use volatile solvents, while a Level 1 license is required for all other sites.

The proposed ordinance permits cannabis manufacturing (volatile and non-volatile) in the **M-1** and **M-2** Zoning Districts of the Industrial District, subject to an approval of a Conditional Use Permit. Cannabis manufacturing is a comparable activity to other light manufacturing uses that are already permitted within the Industrial Districts. Although there are extensive State regulations in place to regulate cannabis manufacturing, staff is proposing this as a conditional use.

- **Cultivation:** This State license type covers a wide range of cultivation and nursery activities, depending on the specific activity to be undertaken (e.g., outdoor, indoor, mixed light). While cultivation is defined as "any activity involving the planting, growing, harvesting, drying, curing, grading or trimming of cannabis," nursery is defined as "any licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the propagation and cultivation of cannabis." All cultivation uses were supported by most stakeholders. While some were still adamantly opposed to all cannabis implementation, the consensus was if the City is going to allow it they might as well consider all uses. Stakeholder's raised concerns over odor nuisances and increase in crime.

The proposed ordinance permits cannabis indoor and mixed-light cultivation in the **M-1** and **M-2** Zoning Districts of the Industrial District, subject to an approval of a Conditional Use Permit. Due to the lack of Agriculture land within the City of Oroville, cannabis cultivation and nursery uses are limited to indoor and mixed-light cultivation and outdoor

cultivation is prohibited. Due to health and safety concerns raised by stakeholders such as odor, crime, energy consumption and water quality, Cultivation uses will be subject to approval CUP.

- **Distribution:** This State license (Type 11) applies to the “procurement, sale, and transport of cannabis and cannabis products between licensees. “This license type applies to wholesale facilities without a retail component.

The proposed ordinance permits cannabis distribution within the **M-1** and **M-2** Zoning Districts of the Industrial District, subject to an approval of a Conditional Use Permit. Cannabis distribution would be an activity similar to wholesale distribution warehousing, which is currently permitted within these zones.

- **Testing:** This State license (Type 8) applies to designated testing laboratories, defined as “a laboratory, facility, or entity in the state that offers or performs tests of cannabis or cannabis products and that is accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the state and licensed by the Bureau. A licensed testing facility is prohibited by State law from conducting any other cannabis activity other than testing.

The proposed ordinance permits cannabis testing within the **C-1** and **C-2**, **CH**, **CLM** and **OF** Zoning Districts of the Commercial District and **M-1** and **M-2** Zoning Districts of the Industrial District, subject to an approval of a Conditional Use Permit. Cannabis testing uses is a comparable activity to other research or testing facilities. In order to align with the current Commercial and Industrial zones that allow for research facilities, cannabis testing will require a CUP.

- **Microbusiness:**

This State license (Type 12) defines a microbusiness as a business that “cultivates cannabis on an area less than 10,000 square feet and acts as a licensed distributor, Level 1 manufacturer (i.e., nonvolatile), and retailer, provided such licensee can demonstrate compliance with all requirements imposed by [the State] on licensed cultivators, distributors, Level 1 manufacturers, and retailers to the extent the licensee engages in such activities.”

The proposed ordinance permits cannabis testing within the **M-1** and **M-2** Zoning Districts of the Industrial District, subject to an approval of a Conditional Use Permit. Since microbusinesses combine multiple activities on the same premises, they can only be located where the approved Zoning Districts overlap. Therefore, only the above Industrial Districts would be appropriate for consideration for microbusiness uses.

Amendment of Title 5 (Business Licenses and Regulations):

Under the proposed Business License Ordinance, Title 5 - Business Licenses and Regulations of the Oroville Municipal Code would be amended to add a chapter titled “Commercial Cannabis”. The purpose and intent of this Chapter is to regulate commercial cannabis activities in order to ensure the health, safety and welfare of the residents of the City of Oroville. This Chapter establishes a Cannabis Business Permit (CBP) and requires all commercial cannabis businesses to obtain a CBP, Land Use Permit and State license before they are allowed to commence

activities within the City of Oroville. Furthermore, this ordinance establishes general regulations and operation requirements for all commercial activities. The proposed ordinance includes the following:

- **Land Use Reference:** The determination on a Cannabis Business Permit (CBP) will be dependent on issuance of the required land use permit. Any commercial cannabis business in the City of Oroville must also operate in compliance with the City's zoning ordinance.

- **General Provisions for All Commercial Cannabis Activity:** List of Cannabis Business Permit types and requirements for obtaining a business permit, expiration and validity of a business permit, and record and reporting requirements. Recordkeeping is required for seven (7) years and records are to be produced for inspection by City staff. The purpose of recordkeeping is to ensure that operators are conforming to the regulations as outlined, including the proper State licenses, contracts with other cannabis activity, financial records including purchases, sales, tax records, employee verification, proof of insurance. The following commercial cannabis activities will be permitted within the City of Oroville:
 - a. Cultivation (Indoor and Mixed-Light, outdoor prohibited)
 - b. Distribution
 - c. Manufacturing (Volatile and Non-volatile)
 - d. Microbusinesses
 - e. Nurseries
 - f. Retail (Dispensaries)
 - g. Testing

- **Operational Standards:** This proposed Chapter also details required operational standards for commercial cannabis business activities that relate to health and safety, including standards related to the following:
 - a. Security cameras, surveillance systems and alarm systems
 - b. Participation in the State's track and trace system
 - c. Interior and exterior lighting
 - d. Nuisances like trash, litter and graffiti
 - e. Odor control systems
 - f. Business abandonment
 - g. Testing, labeling and storage of cannabis products
 - h. Disposal of cannabis and related materials
 - i. Water usage
 - j. Employee safety

- **Additional Operational Requirements:** All cannabis-related operations and facilities are required to follow all State regulations along with any additional regulations listed in these sections specifically for each type of activity. The additional provisions are intended to address specific requirements due the special activity. Examples include:

Retail:

- Only three (3) retail businesses permitted.
- One security guard is required at all times.
- Hours of Operation – 9am to 9pm.

Delivery:

- Cannabis Delivery is allowed only from a City permitted and state licensed cannabis retailer or a licensed cannabis retailer outside of the City.
- Delivery shall only take place during normal business hours.

Manufacturers:

- Volatile and Non-volatile extractions are permitted.
- No exhibitions or product sales areas.

Testing Laboratories:

- A licensed cannabis testing facility business, its owners and its employees may not hold an interest in any other cannabis business except another testing business.

Cultivation:

- Outdoor cultivation prohibited.
- Cultivation must occur within fully enclosed and secured structure
- No exterior evidence of cannabis cultivation.

Microbusinesses:

- A licensee must engage in at least three (3) of the following commercial cannabis activities: cultivation, manufacturing, distribution, and retail sale.
- ***Cannabis Business Permit Selection Process:*** The CBP selection process will be conducted in two phases, Phase 1 and Phase 2. In Phase 1, each Applicant interested in operating a commercial cannabis business will pay an application fee in an amount established by the City Council by resolution. The application will be reviewed for completeness by the City Administrator or designee. In Phase 2, the applicant will pay an application fee in an amount established by the City Council and a complete background check of the business owner and review of the business plans will be conducted by the City Administrator to ensure compatibility with State and local regulations.

For commercial cannabis activities restricted by number of permits available, such as Retail, the City will establish a competitive selection process using a merit-based scoring system and a selection panel to objectively award permits in the event that there are more applications than there are permits available for a specific license type. The City Administrator shall convene a Selection Panel to make the final decision, based on a merit-based scoring system, of the highest-ranking applicant or applicants to recommend to the City Council for the approval of the CBP. A complete description of the merit-based scoring system shall be included with the application forms.

- ***Suspension or Revocation of Cannabis Business Permit:*** The regulations are designed to minimize negative impacts on the City and neighboring uses, and promote the health, safety, and general welfare of residents and businesses within the City. In addition to any other penalties authorized by law, a Cannabis Business Permit may be suspended or revoked if the City finds, after notice to the permittee and opportunity to be heard, that the permittee or his or her agents or employees has violated any provision of the Ordinance.

- **Fees and Taxes.** All cannabis businesses shall pay all applicable fees and taxes. Should Council adopt this ordinance, the City will develop Proposition 26 compliant cost-recovery fees for application processing and annual monitoring and compliance.

FISCAL IMPACT

Adoption of the proposed ordinance should be revenue neutral, assuming that the City Council establishes fees for applications and annual permits at sufficient levels to fund administration and enforcement of the permits and municipal code. Staff will propose fees for the City Council's consideration at a later meeting if an ordinance is adopted.

RECOMMENDATIONS:

1. City Council Recommendations: Waive second reading and adopt, Ordinance No. 1830 amending Oroville Municipal Code Title 17 (Zoning) and Ordinance No. 1831 amending Oroville Municipal Code Title 5 (Business Licenses and Regulations).

ALTERNATIVES:

The alternative recommendations available to the **City Council** are as follows:

1. Waive the reading and adopt Ordinance No. 1830 amending Oroville Municipal Code Title 17 (Zoning) and Ordinance amending Oroville Municipal Code Title 5 (Business Licenses and Regulations).
2. Decline to waive the reading and adopt Ordinance No. 1831 amending Oroville Municipal Code Title 17 (Zoning) and Ordinance amending Oroville Municipal Code Title 5 (Business Licenses and Regulations).

ATTACHMENTS

Attachment 1: Title 17 Zoning Ordinance No. 1830 – Final

Attachment 2: Title 5 Business Licenses and Regulations Ordinance No. 1831 - Final

ORDINANCE NO. 1830

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA, AMMENDING TITLE 17 (ZONING) OF THE OROVILLE MUNICIPAL CODE BY AMMENDING SECTION 17.04.060 (DEFINITIONS); REPEALING SECTION 17.08.120 (MARIJUANA DISPENSARIES); ADDING SECTION 17.16.XX (COMMERCIAL CANNABIS BUSINESSES); AND AMMENDING SECTIONS 17.28.010 (ALLOWED USES IN RESIDENTIAL DISTRICTS); 17.32.010 (ALLOWED USES IN COMMERCIAL DISTRICTS); 17.34.020 (ALLOWED USES IN INDUSTRIAL DISTRICTS); 17.36.010 (ALLOWED USES IN INDUSTRIAL DISTRICTS); 17.40.010 (ALLOWED USES IN SPECIAL PURPOSE DISTRICTS) TO ESTABLISH ZONING FOR COMMERCIAL CANNABIS ACTIVITIES WITHIN THE CITY OF OROVILLE.

WHEREAS, in 1996, the California electorate approved Proposition 215, the Compassionate Use Act of 1996, which allows a patient, with a doctor's recommendation, to use cannabis for medical purposes without the fear of prosecution or arrest; and

WHEREAS, in 2003, the California legislature passed Senate Bill 420 (Medical Marijuana Program Act) which amended the Health and Safety Code to permit the establishment of medical cannabis dispensaries for the distribution of cannabis for medical purposes; and

WHEREAS, in 2005 the California Board of Equalization began issuing seller's permits for sales consisting of medical cannabis; and

WHEREAS, in 2008 the California Attorney General issued guidelines for the security and non-diversion of cannabis grown for medical use; and

WHEREAS, in 2015, the Governor signed into law Senate Bill 643, Assembly Bill 266, and Assembly Bill 243, collectively referred to as the Medical Marijuana Regulation and Safety Act ("MMRSA") further amended in 2016 as the Medicinal Cannabis Regulation and Safety Act ("MCRSA"), which established regulations and a state licensing system for medical cannabis cultivation, manufacturing, delivery, and dispensing; and

WHEREAS, in 2016 the voters of the State of California approved and passed Proposition 64 also known as the Adult Use of Marijuana Act ("AUMA"); and

WHEREAS, Health & Safety Code Section 11362.83 provides that cities are free to adopt and enforce local ordinances that regulate the location, operation, or establishment of medical cannabis dispensaries and cultivation; and

WHEREAS, after studying various alternatives for the regulation of commercial cannabis considering input from stakeholders and a public hearing, and reviewing the legal status of cannabis under applicable law, the City Council finds that the regulation of commercial cannabis activities is necessary to protect the public health, safety, and welfare by mitigating the adverse secondary effects including but not limited to; impacts to sewer capacity, traffic, law enforcement, air quality, utilities, and municipal services, from the operations of these uses; and

WHEREAS, the City of Oroville has a compelling interest in ensuring that cannabis is not distributed in an illicit manner, in protecting the public health, safety and welfare of its residents and businesses, in preserving the peace and quiet of the neighborhoods in which these uses may operate, and in providing access of cannabis to residents; and

WHEREAS, the City has conducted a CEQA review of all proposed commercial cannabis

projects and no further environmental analysis is required. This action has been determined to be exempt from the California Environmental Quality Act (CEQA) review pursuant to Title 14, California Code of Regulations, Section 15061(b)(3) "General Rule Exemption" and Section 15305 "Minor Alterations in Land Use Limitations."

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF OROVILLE DOES ORDAIN AS FOLLOWS:

SECTION 1: Findings.

The City Council of the City of Oroville adopts and finds as true and correct the aforementioned recitals and incorporate them herein as findings.

SECTION 2: Title 17 (Zoning), Chapter 17.04 (General Provisions), Section 17.04.060 is amended to read as follows:

17.04.060 Definitions.

C. Definitions, "C."

Cannabis. All parts of the Cannabis sativa Linnaeus, Cannabis Indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from marijuana. "Cannabis" also means marijuana as defined by Section 11018 of the California Health and Safety Code as enacted by Chapter 14017 of the Statutes of 1972. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, "cannabis" does not mean industrial hemp as that term is defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

Cannabis business. The cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, distribution, delivery, or retail sale of cannabis or a cannabis product.

Cannabis canopy. Means all of the following:

- (A) The designated area(s) at a licensed premise that will contain mature plants at any point in time;
- (B) Canopy shall be calculated in square feet and measured using clearly identifiable boundaries of all area(s) that will contain mature plants at any point in time, including all of the space(s) within the boundaries;
- (C) Canopy may be noncontiguous, but each unique area included in the total canopy calculation shall be separated by an identifiable boundary such as an interior wall or by at least 10 feet of open space; and
- (D) If mature plants are being cultivated using a shelving system, the surface area of each level shall be included in the total canopy calculation.

Cannabis cultivation. Any activity involving the propagation, planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

Cannabis delivery. The commercial transfer of cannabis or cannabis products to a customer. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer, or independently licensed, that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of cannabis or cannabis products.

Cannabis distribution. The procurement, sale, and transport of cannabis or cannabis products between licensed cannabis businesses.

Cannabis manufacturing. means the production, preparation, propagation, or compounding of manufactured cannabis or cannabis products including businesses involving the extraction of a substance from a cannabis plant, the infusion or mixture of cannabis into another substance, the preparation of an edible item that contains cannabis, and the packaging and labeling of cannabis or cannabis products.

Cannabis nursery. The wholesale sale of clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.

Cannabis retail, non-storefront. A brick-and-mortar cannabis retail use that is closed to the public but is authorized to conduct retail cannabis sales exclusively by delivery. This use does not include on-site retail sales of cannabis or cannabis products.

Cannabis retail, storefront. The retail sale of cannabis, cannabis products, or devices for the use of cannabis or cannabis products, either individually or in any combination, including an establishment that delivers cannabis or cannabis products as part of a retail sale.

Cannabis testing. A facility, entity, or site that offers or performs tests of cannabis or cannabis products, and that is accredited as operating to ISO standard 17025 by an accrediting body and registered with the State Department of Public Health.

Delete the Definition of "Marijuana dispensary" in its entirety.

M. "Definitions, "M":

~~**Marijuana dispensary.** "Marijuana dispensary" means any of the following:~~

~~1. Any for-profit or not-for-profit facility, building, structure, premises, or location, whether fixed, mobile, permanent or temporary, where any person(s) (including, but not limited to, any "primary caregiver(s)," "qualified patient(s)," or "person(s) with an identification card") makes available, sells, gives, distributes, or otherwise provides marijuana to any 2 or more other persons (including, but not limited to, any "primary caregiver(s)," "qualified patient(s)," or "person(s) with an identification card") pursuant to [Health and Safety Code](#) Sections 11362.8 and/or 11362.7 et seq., or otherwise; or~~

~~2. Any for-profit or not-for-profit facility, building, structure, premises, or location, whether fixed, mobile, permanent or temporary, where qualified patients and/or persons with identification cards and/or primary caregivers meet or congregate to make available, sell, give away, distribute, or otherwise provide marijuana for medicinal marijuana "cooperatives" and "collectives."~~

~~The terms "primary caregiver," "qualified patient," "person with an identification card," "cooperative," and "collective" shall be as defined in Proposition 215 (Health and Safety Code Section 11362.5) and Senate Bill 420 (Health and Safety Code Section 11362.7 et seq.).~~

SECTION 3: Title 17 (Zoning), Chapter 17.08 (General Regulations), Section 17.08.120 is hereby repealed.

17.08.120 Marijuana dispensaries.

- ~~A. Pursuant to Government Code Section 65858, and notwithstanding any other provision of this Code, the establishment, development, construction, maintenance, or operation of a marijuana dispensary is hereby prohibited, and is not a permitted use in any of the following zoning districts, even if located within an otherwise permitted use: Urban Reserve 10 Acres (UR-10), Urban Reserve 5 Acres (UR-5), Agricultural Residential (RA), Rural Residential 1 Acre (RR-1), Rural Residential 20,000 Square Feet (RR-20), Rural Residential 10,000 Square Feet (RR-10), Large-Lot Residential (RL), Single-Family Residential (R-1), Medium-Density Residential (R-2), High-Density Residential (R-3), Urban-Density Residential (R-4), High-Density Residential/Professional (RP), Neighborhood Commercial (CN), Limited Commercial (C-1), Intensive Commercial (C-2), Highway Commercial Corridor (CH), Commercial Light Manufacturing (CLM), Office (OF), Downtown Mixed-Use (MXD), Neighborhood Mixed-Use (MXN), Corridor Mixed-Use (MXC), Airport Business Park (ABP), Light Industrial (M-1), Intensive Industrial (M-2), Public or Quasi-Public Facilities (PQ), and Open Space (OS). No person shall establish, develop, construct, maintain, or operate a marijuana dispensary, and no application for a building permit, use permit, variance, or any other entitlement authorizing the establishment, development, construction, maintenance, or operation of any marijuana dispensary shall be approved by the City of Oroville or any officer or employee thereof in any of the above districts.~~
- ~~B. **Prohibition of Cannabis Delivery and Commercial Processing.**~~
- ~~1. All deliveries of cannabis are expressly prohibited within the City of Oroville. No person shall conduct any deliveries that either originate or terminate within city limits.~~
 - ~~2. All commercial processing of cannabis is expressly prohibited within the City of Oroville.~~
- ~~C. **Permit or License Issuance.** The city shall not issue any permit, license, or other entitlement for any activity prohibited by the Oroville Municipal Code for which a state license is required under the Medical Marijuana Regulation and Safety Act or the Control, Regulate and Tax Adult Use of Marijuana Act.~~
- ~~D. **Public Nuisance.** Any use or condition caused, or permitted to exist, in violation of any provision of this section shall be, and hereby is declared to be, a public nuisance and may be summarily abated by the city pursuant to Code of Civil Procedure Section 731 or any other remedy available to the city.~~
- ~~E. **Civil Penalties.** In addition to any other enforcement permitted by this section, city counsel may bring a civil action for injunctive relief and civil penalties, as permitted by law, against any person or entity that violates this section. In any civil action brought pursuant to this section, a court of competent jurisdiction may award reasonable attorneys' fees and costs to the prevailing party.~~

SECTION 4: Title 17 (Zoning), Chapter 17.16 (Use-Specific Regulations), Section 17.16.XXX is amended to read as follows:

17.16.XXX Commercial cannabis businesses.

- A. **Applicability.** This section applies to all commercial cannabis activities.
- B. **Permit Requirements.**
1. Any application for a commercial cannabis use must specify the State cannabis license type under which the business will operate.
 2. A commercial cannabis business shall be subject to and in conformance with the provisions of Oroville Municipal Code Chapter 5.XX, including the requirement for a

Cannabis Business Permit.

- C. **Buffers.** The following limitations shall apply to all commercial cannabis uses:
1. A commercial cannabis use shall provide a minimum one thousand hundred (1000)-foot buffer from a school providing instruction in kindergarten or any grade one (1) through twelve (12), day care centers, public parks, the Downtown Historic Overlay District (DHO), churches with 20 or more members, or youth centers as defined in Business and Professions Code section 26001 that is in existence at the time the permit is issued. All undeveloped parklands are excluded from the 1000-foot buffer.
 2. The distance specified in this subsection shall be the horizontal distance measured in a straight line from the property line of the school or center to the closest property line of the lot on which the permittee is to be located without regard to intervening structures.
- D. **Separation requirements between Cannabis Retail Businesses.** Cannabis retail businesses shall not be permitted or allowed to operate within one thousand (1000) feet of each other.
- E. **Maximum Number of Cannabis Retail Businesses.** No more than three (3) cannabis retail businesses shall be permitted or allowed to operate within the jurisdictional limits of the City of Oroville.
- F. **Development and Operational Standards.** Commercial cannabis uses shall comply with site development standards specified in the applicable zoning district, and must be located and operated in compliance with the following standards:
1. Regulations Applicable to All Commercial Cannabis Uses. All commercial cannabis uses shall comply with the following site development and operational standards:
 - a. Parking. Commercial cannabis uses shall comply with the parking requirements set forth in Oroville Municipal Code Chapter 17.12.070.
 - b. Lighting. Commercial cannabis uses shall comply with the lighting requirements set forth in Oroville Municipal Code Chapter 17.12.010.
 - c. Fencing, Screening and Landscaping. All commercial cannabis uses must comply with the fencing, screening, and landscaping requirements set forth in Oroville Municipal Code Chapter 17.12.020 and 17.12.050.
 - d. Odor. A sufficient odor-absorbing ventilation and exhaust system shall be installed to ensure that odor generated by the use is not detected outside the building, anywhere on adjacent properties or public rights-of-way, or within any other unit located within the same building or property as the commercial cannabis use. The escape of odors when delivering or transferring cannabis or cannabis products shall be prevented.
 - e. Signs. Signs for commercial cannabis uses shall comply with Oroville Municipal Code Chapter 17.20. In addition, commercial cannabis uses shall comply with the following provisions:
 - i. A sign shall be posted stating that the consumption of cannabis or cannabis products on or near the premises is prohibited;
 - ii. A sign shall be posted on the door or in view of the entrance stating that no person under the age of 18 (for medical cannabis uses) or 21 (for recreational cannabis use) is allowed on site. The operator of the establishment shall require all customers to show proof of age; and

- iii. A sign shall be posted stating that loitering on or near the premises is prohibited.
 - iv. All other signage shall be approved through a conditional use permit.
 - f. Property Maintenance. To prevent and deter crime, the site shall be maintained free of debris, litter, and trash.
 - g. Consumption. No use, inhalation, smoking, eating, ingestion, or other consumption of cannabis on the premises, are permitted. The term "premises" includes the actual building, as well as any accessory structures, parking lot or parking area(s), walks or other immediate surroundings.
 - h. Transactions. No transactions outside, or partially outside, of an enclosed building are permitted.
- 2. Regulations Applicable to Storefront Cannabis Retail Uses. All storefront cannabis retail uses shall comply with the following site development and operational standards:
 - a. The site shall not include patio or café seating, unless used exclusively for employees.
 - b. No alcohol or tobacco shall be consumed, made available, sold, offered for sale, given, distributed, traded, or otherwise provided to patrons, employees, guests, visitors, or volunteers of retail cannabis stores. The term "patron" refers to a customer, consumer, visitor, or guest of a retail establishment.
 - c. No advertisement signs shall be allowed.
- 3. Regulations Applicable to Non-Storefront Cannabis Retail Uses. All non-storefront cannabis retail uses shall comply with the following site development and operational standards:
 - a. The site shall not be open to the general public.
 - b. No alcohol or tobacco shall be consumed, made available, sold, offered for sale, given, distributed, traded, or otherwise provided to patrons, employees, guests, visitors, or volunteers of retail cannabis stores. The term "patron" refers to a customer, consumer, visitor, or guest of a retail establishment.
 - c. No organized and advertised tours shall be permitted.
 - d. No exhibition or product sales area or retail sales are permitted on the site.
 - e. No advertisement signs shall be allowed.
- 4. Regulations Applicable to Cannabis Manufacturing Uses. All cannabis manufacturing uses shall comply with the following operational standards:
 - a. The site shall not be open to the general public.
 - b. No organized and advertised tours shall be permitted.
 - c. No exhibition or product sales area or retail sales are permitted on the site.
 - d. No advertisement signs shall be allowed.
- 5. Regulations Applicable to Cannabis Distribution Uses. All cannabis distribution uses shall comply with the following operational standards:
 - a. The site shall not be open to the general public.
 - b. No organized and advertised tours shall be permitted.
 - c. No advertisement signs shall be allowed.

6. Regulations Applicable to Cannabis Testing Uses. All cannabis testing uses shall comply with the following operational standards:
 - a. The site shall not be open to the general public.
 - b. No organized and advertised tours shall be permitted.
 - c. No advertisement signs shall be allowed.
7. Regulations Applicable to Cannabis Cultivation Uses. All cannabis cultivation uses shall comply with the following operational standards:
 - a. All cultivation shall occur indoors.
 - b. Cultivation shall not be visible from any exterior location.
 - c. Cultivation may rely on artificial lighting or mixed light, which is a combination of natural and supplemental artificial lighting.
 - d. The site shall not be open to the general public.
 - e. No organized and advertised tours shall be permitted.
 - f. No exhibition or product sales area or retail sales are permitted on the site.
 - g. No advertisement signs shall be allowed.
8. Regulations Applicable to Cannabis Nursery Uses. All cannabis cultivation uses shall comply with the following operational standards:
 - a. All nursery operations, including cultivation, shall occur indoors.
 - b. Cultivation shall not be visible from any exterior location.
 - c. Cultivation may rely on artificial lighting or mixed light, which is a combination of natural and supplemental artificial lighting.
 - d. The site shall not be open to the general public.
 - e. No organized and advertised tours shall be permitted.
 - f. All sales shall be wholesale transactions between licensed cannabis operators. No retail sales are permitted on the site.
 - g. No advertisement signs shall be allowed.
9. Regulations Applicable to Cannabis Microbusiness Uses.
 - a. Microbusinesses with Storefront Retail. All cannabis microbusiness uses that include storefront retail shall comply with the following operational standards:
 - i. The site shall not include patio or café seating, unless used exclusively for employees.
 - ii. No alcohol or tobacco shall be consumed, made available, sold, offered for sale, given, distributed, traded, or otherwise provided to patrons, employees, guests, visitors, or volunteers of retail cannabis stores. The term “patron” refers to a customer, consumer, visitor, or guest of a retail establishment.
 - iii. All cultivation shall occur indoors.
 - iv. Cultivation shall not be visible from any exterior location.
 - v. Cultivation may rely on artificial lighting or mixed light, which is a combination of natural and supplemental artificial lighting.
 - vi. No advertisement signs shall be allowed.

b. Microbusinesses with Non-Storefront Retail. All cannabis microbusiness uses that include non-storefront retail shall comply with the following operational standards:

- i. The site shall not be open to the general public.
- ii. No organized and advertised tours shall be permitted.
- iii. No exhibition or product sales area or retail sales are permitted on the site.
- iv. All cultivation shall occur indoors.
- v. Cultivation shall not be visible from any exterior location.
- vi. Cultivation may rely on artificial lighting or mixed light, which is a combination of natural and supplemental artificial lighting.
- vii. No advertisement signs shall be allowed.

SECTION 5: Title 17 (Zoning), Chapter 17.28 (Residential Districts), Section 17.28.010 is amended to read as follows:

17.28.010 Allowed uses in residential districts.

Land Use	Zoning Districts											Use-Specific Regulations	
	UR-10	UR-5	RA	RR-1	RR-20	RR-10	RL	R-1	R-2	R-3	R-4		RP
<i>Residential</i>	—	—	—	—	—	—	—	—	—	—	—	—	
Marijuana dispensary	—	—	—	—	—	—	—	—	—	—	—	—	—

SECTION 6: Title 17 (Zoning), Chapter 17.32 (Commercial Districts), Section 17.32.010 is amended to read as follows:

17.32.010 Allowed uses in commercial districts.

Land Use	Zoning Districts							Use-Specific Regulations
	CN	C-1	C-2	CH	CLM	OF		
<i>Retail</i>								
Cannabis Marijuana Retail	—	CUP	CUP	CUP	CUP	CUP		17.16.XXX
<i>Services</i>								
Cannabis Testing	—	CUP	CUP	CUP	CUP	CUP		17.16.XXX

SECTION 7: Title 17 (Zoning), Chapter 17.34 (Mixed-Use Districts), Section 17.34.020 is amended to read as follows:

17.34.020 Allowed uses in mixed-use districts.

Land Use	Zoning Districts			Use-Specific Regulations
	MXD	MXN	MXC	
<i>Retail</i>				
Marijuana dispensary	—	—	—	—

SECTION 8: Title 17 (Zoning), Chapter 17.36 (Industrial Districts), Section 17.36.010 is amended to read as follows:

17.36.010 Allowed uses in industrial districts.

Land Use	Zoning Districts			Use-Specific Regulations
	ABP	M-1	M-2	
<i>Retail</i>				
Cannabis Marijuana Retail	—	CUP	CUP	17.16.XXX
<i>Manufacturing, Wholesale, Repair and Storage</i>				
Cannabis Cultivation	—	CUP	CUP	17.16.XXX
Cannabis Distribution	—	CUP	CUP	17.16.XXX
Cannabis Manufacturing	—	CUP	CUP	17.16.XXX
Cannabis Microbusiness	—	CUP	CUP	17.16.XXX
Cannabis Nursery	—	CUP	CUP	17.16.XXX
Cannabis Testing	—	CUP	CUP	17.16.XXX

SECTION 9: Title 17 (Zoning), Chapter 17.40 (Special Purpose Districts), Section 17.40.010 is amended to read as follows:

17.40.010 Allowed uses in industrial districts.

Land Use	Zoning Districts		Use-Specific Regulations
	PQ	OS	
<i>Retail</i>			
Marijuana dispensary	—	—	—

SECTION 10: Severability.

If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each and every section, subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

SECTION 11: Effective Date.

This ordinance shall take effect thirty (30) days after the date of its final adoption. The City Clerk shall certify to adoption thereof and cause its publication according to law.

I HEREBY CERTIFY that the foregoing ordinance was introduced and read by the City Council of the City of Oroville on the 7th day of August, 2018, and was duly read and adopted at a regular meeting on the 4th_ day of December, 2018, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Linda Dahlmeier, Mayor

ATTEST:

FORM APPROVED

JACKIE GLOVER, Assistant City Clerk

SCOTT HUBER, City Attorney

ORDINANCE NO. 1831

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OROVILLE,
CALIFORNIA, AMENDING TITLE 5 (BUSINESS LICENCES AND REGULATIONS)
OF THE OROVILLE MUNICIPAL CODE BY ADDING CHAPTER 5.XX
(COMMERCIAL CANNABIS) TO REGULATE THE ESTABLISHMENT AND
OPERATION OF ALL COMMERCIAL CANNABIS ACTIVITIES IN THE CITY OF
OROVILLE**

WHEREAS, in 1996, the California electorate approved Proposition 215, the Compassionate Use Act of 1996, which allows a patient, with a doctor's recommendation, to use cannabis for medical purposes without the fear of prosecution or arrest; and

WHEREAS, in 2003, the California legislature passed Senate Bill 420 (Medical Marijuana Program Act) which amended the Health and Safety Code to permit the establishment of medical cannabis dispensaries for the distribution of cannabis for medical purposes; and

WHEREAS, in 2005 the California Board of Equalization began issuing seller's permits for sales consisting of medical cannabis; and

WHEREAS, in 2008 the California Attorney General issued guidelines for the security and non-diversion of cannabis grown for medical use; and

WHEREAS, in 2015, the Governor signed into law Senate Bill 643, Assembly Bill 266, and Assembly Bill 243, collectively referred to as the Medical Marijuana Regulation and Safety Act ("MMRSA") further amended in 2016 as the Medicinal Cannabis Regulation and Safety Act ("MCRSA"), which established regulations and a state licensing system for medical cannabis cultivation, manufacturing, delivery, and dispensing; and

WHEREAS, in 2016 the voters of the State of California approved and passed Proposition 64 also known as the Adult Use of Marijuana Act ("AUMA"); and

WHEREAS, Health & Safety Code Section 11362.83 provides that cities are free to adopt and enforce local ordinances that regulate the location, operation, or establishment of medical cannabis dispensaries and cultivation; and

WHEREAS, after studying various alternatives for the regulation of commercial cannabis considering input from stakeholders and a public hearing, and reviewing the legal status of cannabis under applicable law, the City Council finds that the regulation of commercial cannabis activities is necessary to protect the public health, safety, and welfare by mitigating the adverse secondary effects from the operations of these uses; and

WHEREAS, the City of Oroville has a compelling interest in ensuring that cannabis is not distributed in an illicit manner, in protecting the public health, safety and welfare of its residents and businesses, in preserving the peace and quiet of the neighborhoods in which these uses may operate, and in providing access of cannabis to residents; and

WHEREAS, the City has conducted a CEQA review of all proposed commercial cannabis projects and no further environmental analysis is required. This action has been determined to be exempt from the California Environmental Quality Act (CEQA) review pursuant to Title 14, California Code of Regulations, Section 15061(b)(3) “General Rule Exemption” and Section 15305 “Minor Alterations in Land Use Limitations.”

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF OROVILLE DOES ORDAIN AS FOLLOWS:

SECTION 1: Findings.

The City Council of the City of Oroville adopts and finds as true and correct the aforementioned recitals and incorporate them herein as findings.

SECTION 2: Title 5 of the Oroville Municipal Code is hereby amended adding Chapter 5.XX (Cannabis) with a title to read as follows:

CANNABIS

Sections:

- 5.XX.010 Purpose and Intent.**
- 5.XX.020 Land Use Reference.**
- 5.XX.030 Zoning Compliance and Cannabis Business Permit Required.**
- 5.XX.040 Definitions.**
- 5.XX.050 Compliance with State and Local Licensing Requirements.**
- 5.XX.060 General Provisions for All Commercial Cannabis Activity.**
- 5.XX.070 Operational Standards for All Commercial Cannabis Businesses.**
- 5.XX.080 Additional Regulations for Cannabis Retail Businesses.**
- 5.XX.090 Additional Regulations for Cannabis Retail Delivery Services.**
- 5.XX.100 Additional Regulations for Cannabis Manufacture Businesses.**
- 5.XX.110 Additional Regulations for Cannabis Testing Laboratory Businesses**
- 5.XX.120 Additional Regulations for Cannabis Distribution Businesses.**
- 5.XX.130 Additional Regulations for Cannabis Cultivation Businesses.**
- 5.XX.140 Additional Regulations for Microbusiness Businesses.**
- 5.XX.150 Cannabis Business Permit Application Procedures.**
- 5.XX.160 Cannabis Business Permit Selection Process.**
- 5.XX.170 Cannabis Business Permit Annual Renewal**
- 5.XX.180 Appeal and Denial of Cannabis Business Permit.**
- 5.XX.190 Suspension or Revocation of Cannabis Business Permit.**
- 5.XX.200 Enforcement.**
- 5.XX.210 Fees and Taxes.**
- 5.XX.220 Limitations on City’s Liability.**

Section 5.XX.010 Purpose and Intent.

The purpose and intent of this Chapter is to regulate commercial cannabis activities in order to ensure the health, safety and welfare of the residents of the City of Oroville ("City") by establishing regulations necessary for a commercial cannabis business to obtain and maintain a Cannabis Business Permit ("CBP"). All commercial cannabis facilities shall at all times operate in accordance with the State law and any applicable provisions of the Code. All commercial cannabis business shall comply with the conditions of approval associated with the applicable zone for the parcel of real property upon which the commercial cannabis activities are conducted. Any commercial cannabis business shall qualify for and receive a CBP from the City of Oroville as provided by this ordinance and operate only in an allowable zone as defined in Title 17, Zoning of the Oroville Municipal Code, before commencing any commercial cannabis activity. Any commercial cannabis business without a State license, CBP, and a Land Use Permit is in violation of this ordinance. The regulations in this article, in compliance with the Compassionate Use Act, the Medical Marijuana Program Act, SB 94, Proposition 64, and the California Health and Safety Code (collectively referred to as "State Law") do not interfere with the right to use cannabis or medicinal cannabis as authorized under State Law, nor do they criminalize the possession or commercial activities of cannabis or medicinal cannabis as authorized under State Law.

Section 5.XX.020 Land Use Reference.

This Chapter corresponds with Title 17 Zoning and will be taken together with the provisions of Title 17 Zoning to determine whether a cannabis business is permitted and to determine the approval process. Any commercial cannabis business in the City of Oroville must also operate in compliance with the City's zoning ordinance.

Section 5.XX.030 Zoning Compliance and Cannabis Business Permit Required.

Commercial cannabis activities are expressly prohibited in all zones in the City of Oroville; however, certain commercial cannabis businesses are allowed with a Conditional Use Permit, pursuant to the provisions of Title 17 Zoning. No commercial cannabis business may operate in the City of Oroville without a CBP. As a requisite for obtaining a CBP, commercial cannabis businesses shall conduct business only in the appropriate zones as described in Title 17 Zoning.

Section 5.XX.040 Definitions

The definitions are incorporated herein as fully set forth and are applicable to this ordinance. All definitions are intended to comply with those set forth by the State of California for all commercial cannabis activities.

"Applicant" means a person who is required to file an application for a permit under this Chapter, including an individual owner, managing partner, officer of a corporation, or any other operator, manager, employee, or agent of a commercial cannabis business.

"Cannabis" means all parts of the Cannabis sativa Linnaeus, Cannabis Indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from marijuana. "Cannabis" also means marijuana as defined by Section 11018 of the California Health and Safety Code as enacted by Chapter 14017 of the

Statutes of 1972. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, "cannabis" does not mean industrial hemp as that term is defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

"Cannabis business" means any enterprise engaged in the cultivation, possession, manufacture, processing, storage, laboratory testing, labeling, distribution, delivery, or retail sale of cannabis or a cannabis product.

"Cannabis business permit (CBP)" means a permit issued by the City to a cannabis business pursuant to this Chapter.

"Cannabis goods" means cannabis, including dried flower, and manufactured cannabis products.

"Cannabis products" shall have the meaning set forth in Health and Safety Code section 11018.1.

"Cannabis retail business", "cannabis retailer", or "retailer" means a business where cannabis goods, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination for retail sale, including an establishment that delivers cannabis or cannabis products as part of a retail sale.

"Cannabis waste" means waste that is not hazardous waste, as defined in Public Resources Code section 40191, that contains cannabis and that has been made unusable and unrecognizable in the manner prescribed by the State.

"Canopy" means all of the following:

- (1) The designated area(s) at a licensed premise that will contain mature plants at any point in time;
- (2) Canopy shall be calculated in square feet and measured using clearly identifiable boundaries of all area(s) that will contain mature plants at any point in time, including all of the space(s) within the boundaries;
- (3) Canopy may be noncontiguous, but each unique area included in the total canopy calculation shall be separated by an identifiable boundary such as an interior wall or by at least 10 feet of open space; and
- (4) If mature plants are being cultivated using a shelving system, the surface area of each level shall be included in the total canopy calculation.

"Commercial cannabis activity" includes the cultivation, possession, manufacture, processing, storage, laboratory testing, labeling, distribution, delivery, or retail sale of cannabis or cannabis products, and shall be read together with any applicable definitions contained within Business and Professions Code Section 26001, except as set forth in Section 19319 of the Business and Professions Code, related to qualifying patients and primary caregivers. "Commercial cannabis activity" shall be used interchangeably with "commercial cannabis business." This section is intended to provide the broadest possible definition for the term.

“Cultivation” means any activity involving the propagation, planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

“Delivery” means the commercial transfer of cannabis or cannabis products to a customer. “Delivery” also includes the use by a retailer of any technology platform owned and controlled by the retailer, or independently licensed under this division, that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of cannabis or cannabis products.

“Delivery employee” means an individual employed by a licensed cannabis retailer who delivers cannabis goods from the licensed retail business to a customer at a physical address.

“Dispensary” see “Cannabis retail business”.

“Display” means cannabis goods that are stored in the licensed cannabis retail business during the hours of operation.

“Distribution” means the procurement, sale, and transport of cannabis or cannabis products between licensed cannabis businesses.

“Distributor” means a person or entity engaged in distribution, as defined by Business and Professions Code section 26001(r), of cannabis or cannabis products.

“Edible cannabis product” means manufactured cannabis that is intended to be used, in whole or in part, for human consumption. An edible medicinal cannabis product is not considered food as defined by Section 109935 of the California Health and Safety Code or a drug as defined by Section 109925 of the California Health and Safety Code.

“Free sample” means any amount of cannabis goods provided to a medicinal cannabis patient, or purchaser of cannabis, or primary caregiver without cost or payment or exchange of any other thing of value.

“License” means a license issued by the State of California, or one of its departments or divisions under State Law, to engage in commercial cannabis activity.

“Licensee” means any person to which the State of California, or one of its departments or divisions, has issued a license under State Law, to engage in commercial cannabis activity.

“Limited-access area” means an area in which cannabis goods are stored or held and is only accessible to a licensee and its employees and contractors.

“Manufacture” means to compound, blend, extract, infuse, process or otherwise make or prepare a cannabis product.

“Manufacturer” means a business producing, preparing, propagating, manufacturing or compounding cannabis and cannabis products including businesses involving the extraction of a substance from a cannabis plant, the infusion or mixture of cannabis into another substance, the

preparation of an edible item that contains cannabis, and the packaging and labeling of cannabis or cannabis products.

“Medicinal cannabis patient” is a person whose physician has recommended the use of cannabis to treat a serious illness.

“Microbusiness” means the cultivation of cannabis on an area less than 10,000 square feet and to act as a licensed distributor, Level 1 manufacturer (non-volatile) as defined by the State, and retailer, provided such licensee can demonstrate compliance with all requirements imposed by the State on licensed cultivators, distributors, Level 1 manufacturers, and retailers to the extent the licensee engages in such activities.

“Operating hours” means the hours within a day during which a licensed retail facility may allow cannabis purchasers and primary caregivers to enter the premises and purchase cannabis goods.

“Ownership interest” means an interest held by a person who is an owner as defined by State of California commercial cannabis regulations or who has a financial interest in the commercial cannabis business of 20% or more.

“Package” and “Packaging” means any container or wrapper that may be used for enclosing or containing any cannabis goods for final retail sale. “Package” and “packaging” does not include a shipping container or outer wrapping used solely for the transport of cannabis goods in bulk quantity to a licensee.

“Person” includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit.

“Physician’s recommendation” means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.

“Premises” means the designated structure(s) and land specified in the application that are in possession of and used by the applicant or licensee to conduct the commercial cannabis activity.

“Primary Caregiver” has the same meaning as that term is defined in Section 11362.7 of the Health and Safety Code.

“Private security officer” has the same meaning as that term as defined in the State of California Business and Professions Code section 7574.01.

“Publicly owned land” means any building or real property that is owned by a city, county, state, federal, or other government entity.

“Purchase” means obtaining cannabis goods in exchange for payment.

“Purchaser” means a person who is engaged in a transaction with a licensee for purposes of obtaining cannabis goods.

“Security monitoring” means the continuous and uninterrupted attention to potential alarm signals that can be transmitted from a security alarm system for the purpose of summoning law enforcement.

“Sell,” “sale,” and “to sell” include any transaction whereby, for any payment, title to cannabis is transferred from one person to another and includes the delivery of cannabis goods pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same but does not include the return of cannabis goods by a licensee to the licensee from whom such cannabis goods were purchased.

“State” means the State of California.

“Testing” means a facility, entity, or site that offers or performs tests of cannabis or cannabis products, and that is accredited as operating to ISO standard 17025 by an accrediting body, and registered with the State Department of Public Health

“Vehicle alarm system” is a device or series of devices installed to discourage theft of the commercial vehicle or its contents and is intended to summon general attention or to summon law enforcement as a result of an indication of an attempted breach of the commercial vehicle.

“Volatile solvent” means a solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures. “Volatile solvent” does not include carbon dioxide used for extraction or ethanol used for extraction and post-extraction processing.

Section 5.XX.050 Compliance with State and Local Licensing Requirements.

Commercial cannabis activity as defined by the State of California or the City of Oroville shall operate in conformance with all regulations and standards set forth in this Chapter of the Municipal Code to ensure that the operations of the retailer, cultivator, manufacturer, distributor, testing facility or any other commercial cannabis activity as defined by the State of California or allowed by the City of Oroville are in compliance with local and State law and are established to mitigate any adverse secondary effects from its operations. Cannabis businesses shall be required to obtain a State license and shall comply with any applicable State licensing requirements, such as operational standards and locational criteria. Multiple commercial cannabis activities and licenses proposed on any one site shall occur only if authorized by the State and the City of Oroville and only if all uses proposed are allowed pursuant to the City’s Zoning Code.

Section 5.XX.060 General Provisions for All Commercial Cannabis Activity.

A. Cannabis Business Permit Required.

1. Each business shall have a CBP specific to the business activity defined by the State pertaining to that activity and whether the activity is medicinal or adult-use or any other commercial cannabis activity the State may define and as they may be amended. Following is a list of current permit types:
 - a. Cultivation

- b. Distribution
 - c. Manufacturing
 - d. Microbusiness
 - e. Nurseries
 - f. Retail (Dispensaries)
 - g. Testing
2. It shall be unlawful for any person, association, partnership or corporation to engage in, conduct or carry on, in or upon any premises within the City of Oroville any commercial cannabis business without a CBP. A commercial cannabis business shall register and obtain a CBP from the City of Oroville prior to operation. The CBP applicant shall pay an annual non-refundable regulatory fee in an amount and at a frequency established by the City Council.
 3. A copy of the CBP shall be displayed at all times in a place visible to the public.
 4. A CBP shall be valid for one (1) year, unless sooner revoked. No permit granted herein shall confer any vested right to any person or business for more than the above-referenced period.
 5. A CBP shall not be issued to a person with felony convictions as reported by a Department of Justice "Live Scan", as specified in subdivision (c) of Section 667.5 of the Penal Code and subdivision (c) of Section 1192.7 of the Penal Code; with criminal convictions that substantially relate to the qualifications, functions, or duties of a business or profession, including a felony conviction involving fraud, deceit, or embezzlement, or with a criminal conviction for the sale or provision of controlled substances without specific written permission from the City.
 6. A Cannabis Business shall not employ any individuals with felony convictions as reported by a Department of Justice "Live Scan", as specified in subdivision (c) of Section 667.5 of the Penal Code and subdivision (c) of Section 1192.7 of the Penal Code; with criminal convictions that substantially relate to the qualifications, functions, or duties of a business or profession, including a felony conviction involving fraud, deceit, or embezzlement, or with a criminal conviction for the sale or provision of controlled substances without specific written permission from the City.
 7. A CBP shall be issued to the specific person or persons listed on the Cannabis Permit Application.
 8. A CBP may not be transferred from one person to another person. A CBP is not does not run with the land or with the business. Any change to the business location, organizational structure, or ownership requires a new application with associated fees.

B. Maintenance of Records and Reporting.

1. Licensing authorities may examine the records of a licensee and inspect the premises of a licensee as the licensing authority, or a state or local agency, deems necessary to perform its duties under this division. All inspections and examinations of records shall be conducted during standard business hours of the licensee or at any other reasonable time.

Licensees shall, make available at the licensee's premises, and/or deliver records to, and as directed by the licensing authority, upon request. Records shall be kept in a manner that allows the records to be produced for the City in either hard copy or electronic form, whichever the City requests.

2. All records for the commercial cannabis business of the following activities shall be maintained and available to the City of Oroville for at least 7 years. Records shall be produced within 24 hours of a request by an authorized City representative:
 - a. The business shall obtain and maintain a valid Seller's Permit from the California Department of Fee and Tax Administration (CDTFA) or its successor agency.
 - b. Financial records include, but are not limited to: bank statements, sales invoices, receipts, tax records, and all records required by the California State Board of Equalization or its successor agency under Title 18 California Code of Regulations section 1968.
 - c. The printed full name, date of birth, and present address and telephone number of the licensed individual, as well as for all persons with any financial interest in the commercial cannabis business.
 - d. Personnel records, including each employee's full name, address, phone number, date of beginning employment, and date of termination of employment if applicable.
 - e. Training records, including but not limited to the content of the training provided and the names of the employees that received the training.
 - f. Contracts with other licensees regarding commercial cannabis activity.
 - g. Permits, licenses, and other local authorizations to conduct the licensee's commercial cannabis activity, including valid Seller's Permit.
 - h. Security records.
 - i. Proof of building ownership or written permission from landlord permitting the cannabis business type to be operated on the leased premises.
 - j. Proof of insurance.
 - k. The City may also request access to recordings not specifically listed above as outlined in that California Business and Professions Code, Chapter 16, Records.

C. Child Support Obligations:

1. Prior to the issuance of an initial or renewal CBP under this Chapter, and at all times while holding a permit, applicants and Licensees shall be current or in good standing with their monthly child support obligations. If the applicant or Licensee has an account with past due child support arrears, he/she must have that balance at zero or have verification from

the Butte County Department of Child Support Services that they have been in and remain in compliance with a court ordered payment plan.

2. Licensees shall provide the Butte County Department of Child Support Services a quarterly list of all employees employed by Licensee at any time during the quarter. Reports are due by the 15th of the month following the end of the quarter. (March, June, September, and December). The list shall include names, addresses, phone numbers and social security numbers for all employees.
3. If Licensee uses a payroll withholding process, Licensee must comply with any income withholding order for child support for any employee in Licensee's employ. In addition, if the income withholding order is for an owner or part-owner of the business, the business shall also comply with the income withholding order and provide necessary tax information for purposes of determining accurate child support orders.

Section 5.XX.070 Operational Standards for All Commercial Cannabis Businesses.

- A. Interior and exterior locations of the business property shall be monitored at all times by closed circuit cameras for security purposes. The cameras and recording system shall be of adequate quality, color rendition and resolution to allow the sufficient identification of any individual committing a crime on the location premises, with a minimum of 15 frames per second. Cameras shall record 24 hours a day.
- B. The surveillance system storage device or cameras shall be transmission control protocol/TCP capable of being accessed through the internet by the City or their designee on request. Licensee shall provide secure, constant, and continuous electronic access to all cameras to City at all times, and expressly waives any warrant or other legal process requirements. Licensee shall conspicuously post signage at the entrance(s) to the premises advising all persons including employees and purchasers of the existence of the cameras and law enforcement's access to the cameras.
- C. All controlled access areas, security rooms and all points of ingress/egress to limited access areas and all point of sale (POS) areas shall have fixed camera coverage capable of identifying activity occurring within a minimum of twenty (20) feet. Camera video recordings shall be maintained unaltered in a secure location, stored digitally, for a period of not less than ninety (90) calendar days and be available for inspection at any time. The City or law enforcement may request the recordings in connection with an investigation. If the recordings are not voluntarily provided, the City or law enforcement may seek a warrant or court order for the recordings.
- D. Recorded images shall clearly and accurately display the time and date. Copies of the recordings shall be provided within 7 business days to the City of Oroville, the Oroville Police Department, or other law enforcement agency upon request. Failure to promptly comply with law enforcement request for recordings may subject licensee to revocation of license and/or CBP.
- E. All commercial cannabis businesses shall create and maintain an active account within the State's track and trace system prior to commencing any commercial cannabis activity. In the

event of system failure, the business shall keep a hard copy record and transfer the information to the track and trace system within 24 hours of the system being available.

- F. No physical modification of the licensed premises is allowed without written prior permission by the City, compliance with applicable building permit, inspection and approval processes, and payment of any additional fees required by the City.
- G. The commercial cannabis business shall minimize nuisances such as trash, litter, and graffiti.
- H. All commercial cannabis facilities shall be required to provide an air treatment system that ensures off-site odors shall not result from its operations. This requirement at a minimum means that the facility shall be designed to provide sufficient odor absorbing ventilation and exhaust systems so that any odor generated inside the location is not detected outside the building, on adjacent properties or public rights-of-way, or within any other unit located within the same building as the facility, if the use occupies only a portion of a building.
- I. A commercial cannabis business entity that remains inoperative for more than 90 calendar days shall be deemed “abandoned” and the permit shall be forfeited. A business may temporarily suspend operations for a period of time as may be reasonably required to affect upgrades, modifications, repairs, or other property issue mitigations as approved by the City Administrator or designee.
- J. The cannabis business shall comply with all State regulations regarding testing, labeling and storage of all cannabis products.
- K. The cannabis business shall meet all State and local regulations for the storage, use, and disposal of all cannabis goods and cannabis waste, and any materials used in conjunction with processing, distribution and cultivation of cannabis as well as any unsold cannabis or cannabis products.
- L. The cannabis business shall conform to all State and County regulations regarding the use of appropriate weighing devices.
- M. The cannabis business shall conform to all State and local regulations regarding water usage. No liquids of any kind shall be discharged into a public or private sewage or drainage system, watercourse, body of water or into the ground, except in compliance with applicable regulations of the California Regional Water Quality Control Board (California Administrative Code, Title 23, Chapter 27).
- N. All aspects of the commercial cannabis business premises shall comply with all State and local regulations including the California Building Code and California Fire Code, as adopted by the City of Oroville.
- O. The commercial cannabis business shall at all times maintain insurance policies of the types and with the terms, coverages, endorsements as shall be set forth in the application for CBP.
- P. All agents, private security officers or other persons acting for or employed by a licensee shall display a laminated identification badge at least 2” X 2” in size, issued by the licensee. The badge, at a minimum, shall include the licensee’s “doing business as” name and license

number, employee's first and last name, and a color photo of the employee that shows the full front of the employee's face.

- Q. The commercial cannabis business shall have a centrally-monitored fire and burglar alarm system which shall include all perimeter entry points and perimeter windows. In addition, the alarm system shall be equipped with silent panic alarm buttons at the main counter and money storage area.
- R. A commercial cannabis business shall ensure that a licensed alarm company operator or one or more of its registered alarm agents installs, maintains, monitors and responds to the alarm system. The alarm company shall obtain a City business license. The alarm company shall notify the Oroville Police Department public safety dispatch center (9-1-1 Center) of any alarm activations.
- S. No free samples of any cannabis goods may be distributed at any time.
- T. All persons hiring employees to engage in commercial cannabis activities shall document compliance with the following employee safety practice:
 - 1. Emergency action response planning as necessary
 - 2. Employee accident reporting and investigation policies
 - 3. Fire prevention
 - 4. Hazard communication policies, including maintenance of material safety data sheets
 - 5. Materials storage and handling policies
 - 6. Personal protective equipment policies
 - 7. Operation manager contacts
 - 8. Emergency responder contacts
 - 9. Poison control contacts
 - 10. Department of Justice "Live Scan" for all employees
- U. All persons with ownership interest, and all employees, agents, officers and other persons acting on behalf of a licensee must be at least 21 years of age.
- V. Shipments of cannabis goods may only be accepted during regular business hours.
- W. Inventory shall be secured and locked in a room, safe, or vault, and in a manner reasonably designed to prevent diversion, theft, and loss during non-business hours.
- X. No cannabis goods shall be visible from the exterior of the business.
- Y. Smoking, ingesting or otherwise consuming cannabis on the premises of a commercial cannabis business, or within 100 feet of the premises, is prohibited.

Section 5.XX.080 Additional Regulations for Cannabis Retail Businesses.

- A. A licensed cannabis retail facility shall comply with all State regulations contained in California Code of Regulations Title 16, Division 42 and as it may be amended from time to time.
- B. Only three (3) dispensaries shall operate within the Oroville City Limits unless the City Council by resolution determines another number is appropriate.

- C. All cannabis goods available for sale shall be securely locked and stored.
- D. Display of cannabis goods shall be limited to only an amount necessary to provide a visual sample for customers.
- E. The use of vending machines (i.e., a machine that dispenses articles when a coin, bill, or token is inserted) to dispense cannabis goods is strictly prohibited.
- F. At all times, the cannabis retailer is open, the retailer shall provide at least one security guard who is registered with Bureau of Security and Investigative Services and possesses a valid and current security guard registration card on their person while on-duty.
- G. The security guard and cannabis retail personnel shall monitor the site and the immediate vicinity of the site to ensure that patrons immediately leave the site and do not consume cannabis in the vicinity of the retailer or on the property or in the parking lot.
- H. Retailers selling medicinal cannabis shall maintain the full name, address and telephone number(s) of all patient members to whom the business provides medicinal cannabis, and a copy of a physician-issued recommendation card for all patient members.
- I. Hours of operation shall be limited to no earlier than 9 a.m. Pacific Time and no later than 9 p.m. Pacific Time unless zoning regulations specify more restrictive hours.
- J. On-site consumption of cannabis or cannabis products is specifically prohibited on the premises at all times. The following information shall be provided on a sign posted in a conspicuous location inside the cannabis retail business: "Smoking, ingesting or consuming cannabis on this property or within 100 feet of the business is prohibited".
- K. No one under the age of 21 shall be allowed to enter this facility unless they are either a qualified patient or a primary caregiver.
- L. No recommendations from a doctor for medicinal cannabis shall be issued on-site.
- M. There shall be no on-site sales of alcohol or tobacco products, and no on-site consumption of alcohol, tobacco or cannabis by patrons.

Section 5.XX.090 Additional Regulations for Cannabis Retail Delivery Services.

- A. All deliveries shall comply with Sections 5415 through 5421, inclusive, of Title 16 of the California code of Regulations.
- B. Commercial cannabis deliveries to locations within the jurisdictional boundaries of the City may be made only from a cannabis retailer with a CBP issued by the City in compliance with this Chapter, or from a licensed cannabis retailer from outside the City, and in compliance with all State regulations.
- C. All employees who deliver cannabis shall have valid identification and a copy of the retailer's CBP at all times while making deliveries.

- D. Proof of insurance, of the types and with the terms, coverages, and endorsements as shall be set forth in the application for CBP for any and all vehicles being used to transport cannabis goods.
- E. All deliveries shall only take place during normal business hours of the retail business.
- F. Delivery vehicles shall not be marked in any way indicating that it is a cannabis delivery vehicle. This includes any exterior advertising of the retail business on the vehicle.
- G. A retailer shall maintain a list of all deliveries, including the address delivered to, the amount and type of product delivered, and any other information required by the City.
- H. The maximum limit of any cannabis goods carried by the delivery vehicle may not exceed the limit set by State Law.

Section 5.XX.100 Additional Regulations for Cannabis Manufacture Businesses.

- A. At all times, the cannabis manufacturer will be compliant with all State regulations for cannabis manufacturing including California Code of Regulations Title 17 Division 1, Chapter 13, as it may be amended from time to time.
- B. A licensed cannabis manufacturer may conduct all activities permitted by the State.
- C. Any manufacturing activity that will be conducted by the licensee shall be included on the application. No additional manufacturing activity can be conducted without applying for and receiving written permission, after inspections and permitting (if applicable), from the City for that additional activity.
- D. Inspections by the Fire Chief, Building Official, and Butte County Division of Agriculture or their respective designees may be conducted anytime during the business's regular business hours, in addition to any other inspections allowed by other persons/entities as set forth in State or local law.
- E. Cannabis manufacturing facilities shall not contain an exhibition or product sales area or allow for retail distribution of products at that location.

Section 5.XX.110 Additional Regulations for Cannabis Testing Laboratory Businesses.

- A. A licensed cannabis testing business shall comply with all State regulations contained in California Code of Regulations Title 16, Division 42 and as it may be amended from time to time.
- B. Any cannabis testing facility shall maintain all certifications required by the State.
- C. A licensed cannabis testing facility business, its owners and its employees may not hold an interest in any other cannabis business except another testing business.

- D. Inspections by the Fire Chief, or Police Chief, or Building Official, or their designee may be conducted anytime during the business's regular business hours, in addition to any other inspections allowed by other persons/entities as set forth in State or local law.

Section 5.XX.120 Additional Regulations for Cannabis Distribution Businesses.

- A. A licensed cannabis distribution business shall comply with all State regulations contained in California Code of Regulations Title 16, Division 42 and as it may be amended from time to time.
- B. Any cannabis distribution facility shall provide proof of a bond of at least five thousand dollars to cover the costs of destruction of cannabis or cannabis products if necessitated by a violation of licensing requirements.
- C. Inspections by the City Police Chief or his/her designees may be conducted anytime during the business's regular business hours, in addition to any other inspections allowed by other person/entities as set forth in State or local law.

Section 5.XX.130 Additional Regulations for Cannabis Cultivation Businesses.

- A. A licensed cannabis cultivation facility shall comply with all State regulations contained in California Code of Regulations Title 3, Division 8 and as it may be amended from time to time.
- B. Outdoor cultivation of cannabis is expressly prohibited. All cannabis cultivation activities shall occur within a fully enclosed and secured structure that fully encloses the premises. Said facility shall not violate any other ordinance, code Section, or provision of law regarding the height, location, materials, or other fencing restrictions and shall not be constructed or covered with plastic or cloth. All screening shall conform to the requirements of applicable area, community, specific and design plans.
- C. Cultivation area shall not exceed that authorized by license issued by the State of California.
- D. The cannabis business shall register with the Department of Pesticide Regulation if using any pesticides.
- E. From a public right-of-way, there shall be no exterior evidence of cannabis cultivation.
- F. The Building Official may require additional specific standards to meet the California Building Code and Fire Code.
- G. Compliance with Section 13149 of Water Code as enforced by the State Water Resources Control Board.
- H. The use of generators for cultivation is prohibited, except for temporary use in the event of a power outage or emergency.

Section 5.XX.140 Additional Regulations for Microbusiness Businesses.

- A. In order to hold a State Microbusiness license, a licensee must engage in at least three (3) of the following commercial cannabis activities: cultivation, manufacturing, distribution, and retail sale. Areas of the premises for manufacturing and cultivation shall be separated from the distribution and retail areas by a wall and all doors between the areas shall remain closed when not in use, as regulated per California Code of Regulations Title 16 Division 42 Chapter
- B. Any cannabis activity that is to be conducted as part of a microbusiness shall comply with all commercial cannabis activity regulations pertaining to each activity, as set forth in this Chapter.

Section 5.XX.150 Cannabis Business Permit Application Procedures.

The City Administrator or his/her designee will prepare cannabis application forms and a related administrative policy. Each Applicant interested in operating pursuant to this Chapter may submit an application together with a non-refundable processing fee in an amount established by the City Council.

Section 5.XX.160 Cannabis Business Permit Selection Process.

- A. Cannabis Business Permit Selection Process Overview.
 - 1. The CBP selection process will be conducted in two phases, Phase 1 and Phase 2. In Phase 1, each Applicant interested in operating a commercial cannabis business will pay an application fee in an amount established by the City Council by resolution. The application will be reviewed for completeness by the City Administrator or designee.
 - 2. In Phase 2, the applicant will pay an application fee in an amount established by the City Council and a complete background check of the business owner and review of the business plans will be conducted by the City Administrator to ensure compatibility with State and local regulations.
 - 3. For commercial cannabis activities restricted by number of permits available, the City has established a competitive selection process using a merit-based scoring system and a selection panel to objectively award permits in the event that there are more applications than there are permits available for a specific license type, as described in subsection (D).
 - 4. If any of the items listed in the application process are not met, the City Administrator shall notify the applicant of the deficiency within thirty (30) calendar days, after which the applicant will have ten (10) calendar days from receipt of notice to correct the deficiency. If the deficiency is not corrected within ten calendar days, the City Administrator may deny the permit and notify the applicant of this determination in writing within ten calendar days.
 - 5. Official issuance of the commercial cannabis business permit(s), however, is conditioned upon the prevailing applicant(s) obtaining all required land use approvals.
 - 6. Issuance of a commercial cannabis business permit does not create a land use entitlement or serve as a building permit. Furthermore, no permittee may begin operations, notwithstanding the issuance of a permit, unless all of the state and local laws and regulations, including but not limited to the requirements of this Chapter, applicable

building permits, and conditions of the commercial cannabis business permit, have been complied with.

B. Cannabis Business Permit Selection – Phase 1 – Initial Review.

The City Administrator or designee(s) shall determine whether each application demonstrates compliance with the minimum requirements in Phase 1 Initial Review and proceed to the Phase 2 review process. These requirements include, but are not limited to:

1. Phase 1 application fee is paid;
2. All application documents required in the City's Phase 1 application package are submitted;
3. Application forms are filled out completely;
4. Business Owner(s) / Applicant(s) referenced on the application completes a Live Scan that was conducted within 14 days prior to submitting the application;
5. A zoning clearance letter that the proposed location of the cannabis business on the application meets the zoning criteria established in Title 17 Zoning including, but not limited to, any and all sensitive use separation criteria.

C. Cannabis Business Permit Selection – Phase 2 – Final Review.

The City Administrator or designee, after reviewing the applications approved in Phase 1 and reviewing the information below will make a recommendation to the City Council to approve or reject the application for the CBP for cannabis businesses that are not restricted by the number of permits available.

1. Phase 2 application fee is paid;
2. A comprehensive background check of anyone holding an ownership interest is completed to the satisfaction of the Chief of Police;
3. A comprehensive review of the business plans will be conducted by the City Administrator to ensure compatibility with State and local regulations;
4. A CBP will only be issued once the applicant has obtained the appropriate land use authorization. Nothing in this Chapter shall prevent a potential applicant from applying for a land use permit prior to any selection process.

D. Cannabis Business Permit Selection – Phase 2 – Competitive Selection Process.

The City has established a competitive selection process to objectively award permits for which there are a limited number of permits available.

1. Notice of the competitive application period shall be published by means determined by the City Administrator to provide public notice of the opportunity to apply.
2. The City Administrator shall open the competitive application period and make permit applications available. The competitive application period shall be thirty (30) calendar days from the date the applications are released. Should the 30th day fall on a day when City Hall is closed, the application period shall be extended to the next open day at 4:00 p.m. Following the close of the competitive application period, the City Administrator or designee shall stop accepting applications and review all applications received.
3. The City Administrator or designee(s) shall determine whether each application demonstrates compliance with the minimum requirements in Phase 1 Initial Review. Each application that is complete and in compliance with the application requirements in Phase 1, shall be placed into a pool of applicants for further review and selection shall be made on merit.
4. The City Administrator shall convene a Selection Panel to make the final decision, based on a merit-based scoring system, of the highest-ranking applicant or applicants to recommend to the City Council for the approval of the CBP. A complete description of the merit-based scoring system shall be included with the application forms.

Section 5.XX.170 Cannabis Business Permit Annual Renewal

- A. Applications for the renewal of a permit shall be filed with the City Administrator at least sixty (60) calendar days before the expiration of the current permit. Any permittee allowing their permit to lapse, or which permit expired during a suspension shall be required to submit a new application, pay the corresponding original application fees and be subject to all aspects of the selection process.
- B. Any person desiring to obtain a renewal of their respective permit shall file a written application under penalty of perjury on the required form with the City Administrator who will conduct a review. The application shall be accompanied by a nonrefundable filing fee established by the City Council to defray the cost of the review required by this Section. An applicant shall be required to update the information contained in their original permit application and provide any new and/or additional information as may be reasonably required by the City Administrator to determine whether said permit should be renewed.
- C. Following the submission of written application for renewal, all establishments issued a CBP may be subject to a regulatory inspection as part of the renewal evaluation process.
- D. Each commercial cannabis business permit issued pursuant to this Chapter shall expire twelve (12) months after the date of its issuance. Commercial cannabis business permits may be renewed as provided in this Chapter.

Section 5.XX.180 Appeal of Denial of Cannabis Business Permit

- A. The City Administrator will review all CBP applications and all other relevant information and determine if a permit should be granted. If the City Administrator determines that the permit

shall not be granted, the reasons for denial shall be provided in writing to the applicant. The applicant shall have seven (7) calendar days from the date of the receipt of the written denial to correct the reasons for denial and request in writing reconsideration of permit issuance along with submission of an amended permit application. Following review of the amended permit application, the City Administrator will approve or deny the permit by providing written notice to the applicant.

- B. The City Administrator's decision to deny or issue a CBP is only appealable by the applicant whose cannabis application was denied.
- C. An applicant who disagrees with the Selection Panel's decision may appeal the final decision to the Oroville City Council by submitting a written appeal to the City Clerk within seven (7) calendar days from receipt of the written denial. The City will then inform the applicant in writing of the date and time the appeal will be heard. The decision of the City Council shall be final.

Section 5.XX.190 Suspension or Revocation of Cannabis Business Permit

- A. The City Administrator or his/her designee may suspend or revoke a CBP when the permittee or the permittee's agent or employee has committed any one or more of the following acts:
 - 1. Any act which would be considered a ground for denial of the permit in the first instance.
 - 2. Violates any other provision of this section or any City of Oroville or State law, statute, rule or regulation relating to the business's permitted activity.
 - 3. Engages in or permits misconduct substantially related to the qualifications, functions or duties of the permittee.
 - 4. Conducts the permitted business in a manner contrary to the health, safety, or welfare of the public.
 - 5. Fails to take reasonable measures to control patron conduct on or near the premises, where applicable, resulting in disturbances, vandalism, or crowd control problems occurring inside of or outside the premises, traffic control problems, or creation of a public or private nuisance, or obstruction of the operation of another business.
 - 6. Violates or fails to comply with the terms and conditions of the CBP.
- B. The Chief of Police or City Administrator may issue an order suspending a CBP for a period not exceeding ten (10) calendar days without a hearing if they determine that the continued use of the permit will cause immediate hazard to the public safety, health or welfare.
- C. Notwithstanding Section 2 above the City Administrator shall provide the permittee with written notice of the City's intent to suspend or revoke the license, and the effective date of the suspension or revocation (which shall be no less than thirty calendar days from the date of the written notice), along with written notice of the permittee's right to a hearing. The notice shall contain a brief statement of the grounds to be relied upon for revoking or suspending the

permit. Such written notice shall be served on the permittee either personally or by certified U.S. mail, postage prepaid. Within seven (7) calendar days of the date of mailing or personal service, the permittee shall submit a written request for hearing to the City Administrator. Failure to timely submit a request for hearing constitutes waiver of the right to a hearing. Upon receipt of a timely submitted request for hearing, the City shall provide the permittee written notice of the time and place of such hearing, which shall be served upon the permittee at least ten (10) calendar days prior to the date set for such hearing. Notice may be given either by personal delivery or by certified U.S. mail, postage prepaid. The applicant shall bear all expenses involved in printing, mailing and posting such notice. Failure to appear at the hearing shall constitute waiver of the right to a hearing. The decision of the Selection Panel shall be final, and shall be served on the permittee either personally or by certified U.S. mail within ten (10) days after the hearing.

Section 5.XX.200 Enforcement

- A. A violation of the regulations in this ordinance by an act, omission, or failure of an agent, officer or other person acting for or employed by a licensee within the scope of their employment or office, shall be deemed the act, omission, or failure of the licensee.
- B. A permittee shall notify the Chief of Police or his/her designee of the City of Oroville upon discovery of any of the following situations:
 - 1. A discrepancy of more than \$1,000 in inventory over a period of 24 hours or \$3,000 over period of 7 days.
 - 2. A reason to suspect diversion, loss, theft or any other criminal activity pertaining to any aspect of the operation of the commercial cannabis business.
 - 3. The loss or alteration of records related to cannabis goods, registered medicinal cannabis patients, caregivers or the permittee's employees or agents.
 - 4. Distribution/sale of cannabis which exceeds the daily individual cannabis quantity allowance permitted under State law.
 - 5. Any other reason to suspect any other breach of security.
- C. A violation of this Section shall be subject to all remedies and enforcement measures authorized by SCCC 1.05.070. Additionally, as a nuisance per se, any violation of this article shall be subject to injunctive relief, revocation of the business's CBP, disgorgement and payment to the City of any and all monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or equity. The City may also pursue any and all remedies and actions available and applicable under local and state laws for any violations committed by the cannabis business and persons related or associated with the cannabis business.
- D. City Officials or their designees may enter and inspect the location of any commercial cannabis business during normal business hours to ensure compliance. In addition, law enforcement may enter and inspect the location of any cannabis business and the recordings and records maintained as required by this Section, except that the inspection and copying of

private medical records shall be made available to law enforcement only pursuant to a properly executed search warrant, subpoena, or court order. A person engaging in commercial cannabis business without a permit and associated unique identifiers required by this chapter shall be subject to civil penalties of up to twice the amount of the permit fee for each violation, and the department, state or local authority, or court may order the destruction of cannabis associated with that violation. A violator shall be responsible for the cost of the destruction of cannabis associated with the violation, in addition to any amount covered by a bond required as a condition of licensure. Each day of operation shall constitute a separate violation of this section.

Section 5.XX.210 Fees and Taxes.

All Cannabis Operations shall pay applicable fees and taxes, which may include one or more of the following:

- A. Initial Application Fees. The Business Applicant shall submit a non-refundable fee to cover the cost of processing an initial application for the commercial cannabis business. These fees may be divided into two fees according to Initial Review (Phase 1) and Final Review and Scoring. (Phase 2).
- B. Application Renewal Fees. The Business Owner shall submit a non-refundable fee to cover the cost of processing an application renewal annually.
- C. Business License Fee. The Business Owner shall at all times maintain a current and valid business license and pay all business taxes required by the Oroville Municipal Code.
- D. Commercial Cannabis Regulatory Fee. The Business Owner shall pay an annual municipal fee ("Regulatory Fee") to cover the costs of anticipated monitoring, enforcement, and other actions relating to the commercial cannabis business. The amount of the fee shall be set by Resolution of the City Council in accordance with State law. The Regulatory Fee shall be due and payable prior to opening for business and thereafter on or before the anniversary date. The Regulatory Fee may be amended from time to time.
- E. All required taxes including but not limited to sales and use taxes, business, payroll, etc.
- F. Additional cannabis-specific gross receipts, excise, cultivation or any other tax approved by the voters of the City of Oroville.
- G. The City shall be entitled to recover its cost of enforcement, including but not limited to its attorney's fees and costs.

Section 5.XX.220 Limitations on the City's Liability

To the fullest extent permitted by law, the City shall not assume any liability whatsoever, with respect to approving any CBP pursuant to this chapter or the operation of any cannabis facility approved pursuant to this chapter. As a condition of approval of a CBP as provided in this chapter, the applicant or its legal representative shall:

- A. Execute an agreement indemnifying the City from any claims, damages, injuries, or liabilities of any kind associated with the registration or operation of the cannabis facility or the prosecution of the applicant or licensee or its members for violation of federal or state laws;
- B. Maintain insurance in the amounts and of the types that are acceptable to the City, and name the City as an additional insured on the required policies;
- C. Agree to defend, at its sole expense, or at its carrier's expense, any action against the City, its Council, its agents, officers, volunteers, and employees related to the approval of a CBP; and
- D. Agree to reimburse the City for any court costs and attorney fees that the City may be required to pay as a result of any legal challenge related to the City's approval of a CBP. The City may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve the operator of its obligation hereunder.

SECTION 3. Severability.

If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each and every section, subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

SECTION 4. Effective Date.

This ordinance shall take effect thirty (30) days after the date of its final adoption. The City Clerk shall certify to adoption thereof and cause its publication according to law.

I HEREBY CERTIFY that the foregoing ordinance was introduced and read by the City Council of the City of Oroville on the 7th day of August, 2018, and was duly read and adopted at a regular meeting on the 4th day of December, 2018, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

LINDA DAHLMEIER, Mayor

ATTEST:

FORM APPROVED

JACKIE GLOVER, Assistant City Clerk

SCOTT HUBER, City Attorney

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

FROM: BILL LAGRONE, ASSISTANT CITY ADMINISTRATOR

RE: HAVEN OF HOPE RESOURCE CENTER REQUEST FOR FUNDING FOR REHABILITATION AND REMODEL OF FACILITY

DATE: December 4, 2018

SUMMARY

Council may provide staff direction on how to proceed with the request from the Haven of Hope Resource Center for repairs and improvements to their facility.

DISCUSSION

The Haven of Hope Resource Center has requested funding for repair and improvements to their facility.

The Haven of Hope Resource Center is requesting funding for their building at 3010 Myers Street. The Haven of Hope Resource Center is in the process of transforming this facility to meet their needs for Office space. The Haven of Hope Resource Center request funding to assist with the rehabilitation of the inside and outside of the building, to include ADA upgrades. No specific amount for this request was provided.

This request will need extensive review and detailed plans. If the Council chooses to move forward on this request staff will need to work with the requestor to obtain specific plans and multiple cost estimates to support those plans. This type of project would need to be sent to our Bond Counsel for review and recommendation prior to any disbursement of funds.

On August 29, 2018 other projects were sent to our consultant for advice and direction on how to best proceed. On September 6, 2018 staff spoke with our Bond Counsel, and Bond Consultant, to ensure those projects complied with the intended uses of this funding. This new request has not been through this process and should be prior to funding the request.

FISCAL IMPACT

None at this time

RECOMMENDATION

Provide Staff Direction

ATTACHMENTS

1. Request from Haven of Hope Resource Center

Good morning Chief,

Thank you for the heads up, under the circumstances we totally understand. I just wanted to make you aware that we are no longer asking for the City to assist us with the purchase of the building (Resource Center) we are needing to revise our request to assist with the rehab of the inside & outside of the building. Please let us know what you will need for us to provide as we will provide it accordingly. I hope all is well with you and your family, I'm not sure if you've been personally affected by the fires. Please know that you are in our thoughts and prayers at this time.

Kind Regards,
Keesha

Good afternoon chief/ Tom

Could I please schedule a sit down with you to discuss the Haven of Hope resource center located in the city of Oroville.as you know we formed a group with local service providers Being the Hope Center, The Mission I'm hoping that we will be able-to possibly submit a joint proposal for ADA funding for our projects. It should not take more than 20 minutes of your precious time. thank you.

Pastor Kevin

From: Kevin Thompson <osciaceo@outlook.com>

Sent: Wednesday, November 7, 2018 5:43 PM

To: goodson janet; Linda Draper; mard1955@yahoo.com; Bill LaGrone

Cc: Tom Lando

Subject: Re: Oroville Southside Community Improvement Association, Inc

Hello everyone,

I forgot to mention that the amount for the purchase of the building is \$300K. I also forgot to add another individual who is extremely important & that's Tom Lando.

Mr. Tom Lando, please accept my apology for not including you in the first email (please see the email above).

Thank you again everyone for everything, we are truly grateful for the City of Oroville & all of your efforts.

Thank you,
Pastor Kevin Thompson

From: Kevin Thompson <osciaceo@outlook.com>
Sent: Wednesday, November 7, 2018 4:21 PM
To: goodson janet; Linda Draper; mard1955@yahoo.com; Bill LaGrone
Subject: Oroville Southside Community Improvement Association, Inc

Hello Everyone,

I hope your afternoon finds you well. I wanted to thank each & everyone of you for all of your hard work & dedication in seeing that the O.S.C.I.A (in association with our program Haven of Hope on Wheels) receive funding for our first hygiene unit to provide the much needed services to our homeless population. To give you all a brief update, our unit is being customized & outfitted as we speak. I am always in contact with our vendor & everything is moving forward as planned. We have purchased our truck locally & are looking forward to providing our services as soon as our trailer unit arrives.

Because we are quickly approaching the arrival of our unit our team is working diligently to ensure that our program is a success & as you all know that program includes a fully functioning Resource Center to provide follow up to those we serve with our hygiene trailer. In addition to follow up our Resource Center will provide job training, readiness & preparedness as well as assisting with some health services. With that being said, O.S.C.I.A. would like to return to the City of Oroville to request additional RDA funding. This request would be to **purchase the Resource Center outright at 3010 Myers Street** rather than paying rent each month. What this would do for Haven of Hope is allow more funding to be freed up for what matters most; that is to provide our services to our underserved population in the City of Oroville, rather than dealing with the larger overhead costs of monthly rent. If this is something that is feasible I am hoping to hear back from you by email. I would like for this to be placed on the City Council agenda as soon as possible. Thank you again for everything, I look forward to touching basis with you all soon. One last request, we don't have Jack's personal email, would one of you be so kind as to forward this email to Mr. Jack Berry?

Thank you,

Pastor Kevin Thompson

CEO, O.S.C.I.A.

PH: 530-693-0728

FX: 530-693-4605

E: osciaceo@outlook.com

www.havenofhopeonwheels.org

Board of Directors

Kevin Thompson, President
Rev. Eunice A. Wallace, Secretary
Caroline K. Payne, CFO/Treasurer
Elder Deborah Thompson
Mr. Sou Vang
Dr. Malik Daniels

Legal Advisor, Mr. Richard Harriman

**Oroville Southside
Community Improvement
Association
2959 Lower Wyandotte Road
Oroville, CA 95966**

November 20, 2018

Mr. Thomas Lando, Interim City Administrator
City Administrator's Office
1735 Montgomery Street
Oroville, CA 95965

William LaGrone, Chief of Police
& Assistant City Administrator
Oroville Police Department
2055 Lincoln Street
Oroville, CA 95965

RE: Haven of Hope Modification of Funding Request

Dear Messers. Lando and LaGrone:

Haven of Hope researched and made inquiries regarding the feasibility and usage of Excess Bond Funds for the City of Oroville. Haven of Hope made an official request, via email on November 7, 2018, to propose use of those funds towards the purchase of the Haven of Hope Resource Center, 3010 Meyers Street, Oroville, CA.

The recent events of the Camp Fires not only affected Butte County and the Paradise communities but has directly impacted the Oroville community. As a result of the Camp Fires, the OSCIA Board recently decided that purchasing the building on behalf of Haven of Hope at this time would not be feasible and is requesting a modification of the use of those funds.

The modification would be to use those funds to renovate the Haven of Hope Resource Center. The renovation would meet multiple and complex long-term goals and concerns of the community such as employment, relocation, homeless, and Veteran services as well as serving as a temporary emergency shelter for residents.

Mr. Thomas Lando, Interim City Administrator
Chief William LaGrone
November 20, 2018
Page 2

We have enclosed our proposal, which includes architectural drawings, and the estimated materials list from a consultant we contacted initially, for renovation to be presented to the Mayor and City Council for consideration. We believe that helping the residents of our community is of the highest priority and this would be the greatest use of those funds and greatly benefit the Oroville community.

Should you have any additional questions, please do not hesitate to contact us.

Very truly yours,



Kevin Thompson
President

Rev. Eunice A. Wallace

Rev. Eunice A. Wallace
Secretary

KT/EAWD
cc: OSCIA Board
Enclosures

PROPOSAL FROM THE OROVILLE SOUTHSIDE COMMUNITY IMPROVEMENT ASSOC., FOR THE HAVEN OF HOPE RESOURCE CENTER

Scope of Projects presented by OSCIA:

The Oroville Southside Community Improvement Association (OSCIA) is proposing to begin two new projects to benefit communities within Butte County & beyond. These projects are called Haven of Hope on Wheels (HOHOW) & Haven of Hope Resource Center (HOHRC). Haven of Hope on Wheels (HOHOW) is a mobile, self-contained hygiene shower and laundry trailer created to reach out to homeless encampments and areas where the homeless congregate. Along with our mobile shower unit we are anticipating the opening of our Haven of Hope Resource Center (HOHRC) which will supply the basic needs, programs & services to eligible individuals & families. As we are serving the homeless population with our mobile unit, this will reinforce our goals of helping our target population towards becoming self-sufficient. Our mission will be to focus on these low-income & marginalized community members. OSCIA's leadership have developed an implementation & management plan for both HOHOW & HOHRC. The proposal that OSCIA is presenting seeks to work collaboratively with key stakeholders in the City of Oroville to address the issues of homelessness by providing these services.

The mission statement of the OSCIA entails community engagement and is as follows:
To develop a functional and well community that supports the interest and wellbeing of each member.

Over the years, the OSCIA has responded to the needs of the community by coordinating local engagement and outreach efforts that have focused on healthcare, health education, employment and training needs of residents, and their relationship with local government. The OSCIA partners with local health clinics and hospitals, for example, to organize an annual health fair at the Southside Oroville Community Center that serves as an opportunity for community members to become knowledgeable about current health resources, healthy lifestyle practices, and signs and symptoms of when health interventions are necessary. This has been widely received in the community, and there has been a steady rise in community attendance since its inception with more than 400 residents attending the most recent event in 2015.

According to the last Butte County Homeless Census Point-In-Time (PIT) that was completed on January 25th, 2017, Butte County Housing Authority along with other community organizers were able to survey 1,983 individuals who are currently experiencing homelessness in Butte County. This marks an 76% increase from the 2015 PIT and reflects the largest count captured in the county to date.

Nearly half (47%) of the individuals surveyed (929) met the definition of chronically homeless (which is a combination of time spent homeless and the existence of a disabling condition)

implying that individuals and families are remaining homeless for long periods of time, and doing so while trying to manage persistent physical, mental, and/or developmental conditions. These staggering statistics show that many homeless individuals including families do not have adequate access to showers and laundry services.

Haven of Hope Resource Center (HOHRC):

The OSCIA intends to maintain their headquarters at Southside Oroville Community Center (2959 Lower Wyandotte Rd., Oroville, CA 95926) but will also have an office located at HOHRC. Day-to-day decision-making will be the responsibility of the on-site management staff, based on policies established by the Board of Directors.

Our programs offered through our Resource Center will be to help the disenfranchised with counseling, intake & evaluations to help meet the physical, mental & spiritual needs of the men, women & children. We will offer life skills classes, job training & placement & case management services to the unhoused individuals.

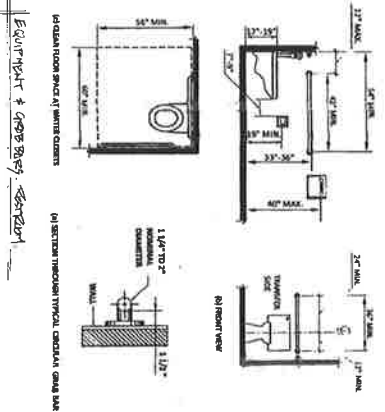
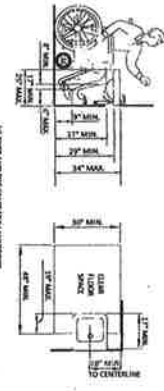
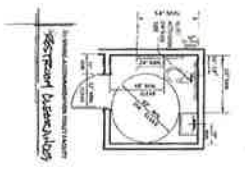
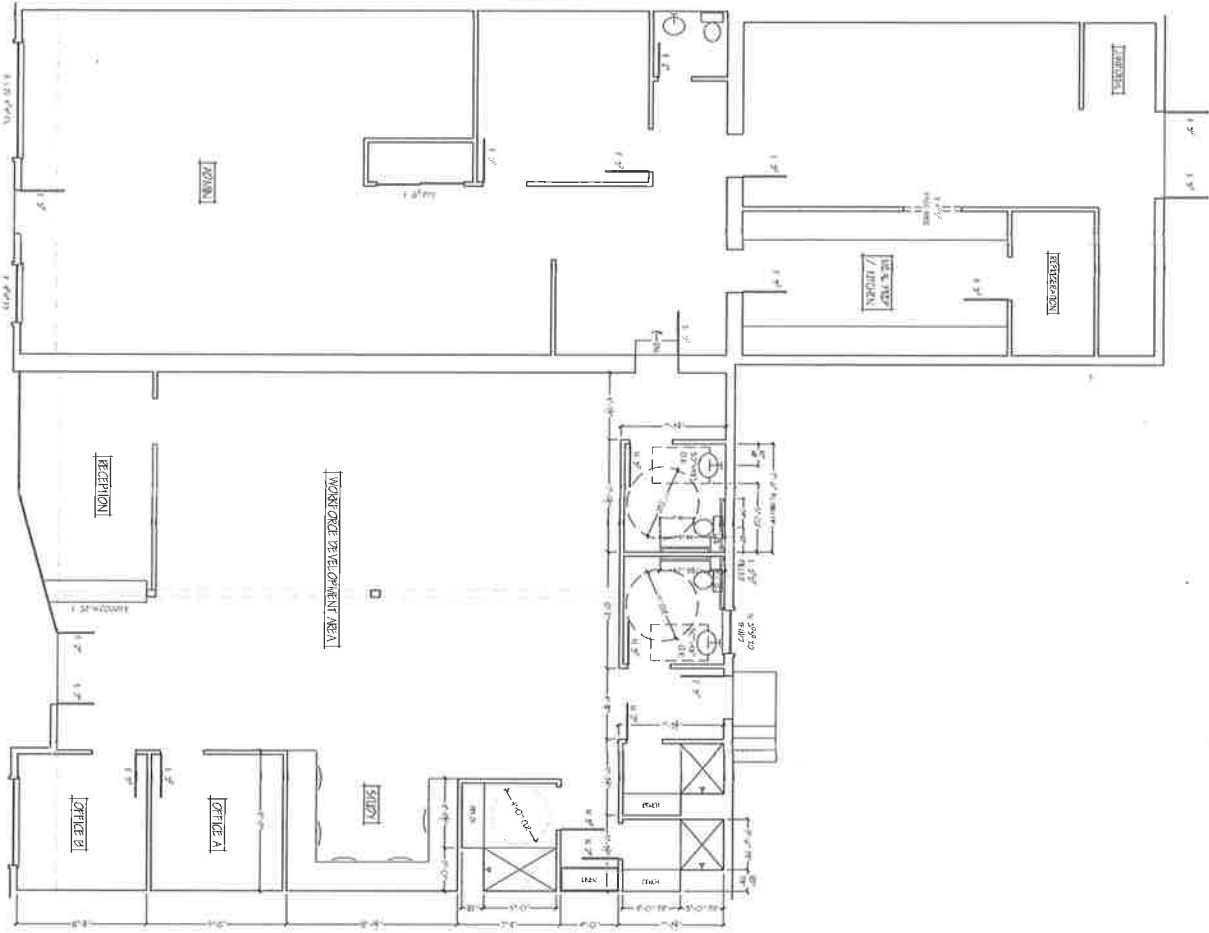
Our goal is to hire 7 staff members to run the Resource Center. These staff members include: A Director of the Haven of Hope programs, Director of Nursing, Licensed Clinician, Case Manager, Intake Specialist, Office Manager and a Receptionist. We realize that we are currently positioned to utilize our volunteer list at this time, but our hopes are to hire for these positions in the future. The case management team will assist clients with goal settings, health services, dental care, job training & placement, housing assistance & transportation, as an extension of our services, Haven of Hope Resource Center will collaborate with the City of Oroville, to identify & provide services to our community homeless population.

Proposal Vision:

OSCIA is seeking support to renovate 3010 Myers Street to provide workforce training, medical services as well as provide 10 nightly emergency shelter beds to the City of Oroville's homeless residents. Our hope and expectation is that given the excellent services OSCIA provides, that the City of Oroville will want to continue the relationship that we have.

For our emergency shelter, potential clients include people dwelling in automobiles as well as others residing in places not intended for habitation. In addition to sleeping accommodations, dinner, continental breakfast, daily showers, weekly laundry, and case management for 10 unhoused City of Oroville residents would be provided. Providing emergency shelter with case management services aimed at helping the unhoused obtain housing and the life stability that is a prerequisite to obtaining housing, we believe are consistent with the intent of the City of Oroville on Homelessness.

REVISED FLOOR PLAN 4-12-12



Renovation of Haven of Hope Resource Center
 Violence Development Area:
 ADA compliant restrooms (2)
 ADA compliant kitchen (2)
 ADA compliant laundry room (2)
 LVT for all flooring
 Fresh two new private rooms (address walkway)
 Paint and finish restrooms (address walkway)
 Paint and finish kitchen (address walkway)
 Paint and finish laundry room (address walkway)
 Paint and finish room
 Repair south wall - draw wall notes
 Assess and replace any faulty electrical outlets
 Install modern deflection light outside rear door

DATE	PROJECT
BY	SCALE
CHECKED	DATE
DESIGNED	PROJECT

PLANS FOR RENOVATION
 HAVEN OF HOPE RESOURCE CENTER
 3010 MYERS ST.
 OROVILLE, CA 95966

SHEET 1: FLOOR PLAN.

HIS
 DESIGN
 PLANS

1453 Downer St. Suite D
 Oroville, CA 95966
 (530) 633-1510
 hendersonplans@gmail.com

REVISIONS	BY



California Region
3055 Comcast Place
Livermore, CA 94551-9559

November 26, 2018

City Administrator's Office
City of Oroville
1735 Montgomery Street
Oroville, CA. 95965

Re: Xfinity TV Channel Updates

Dear Sir or Madam,

We are committed to keeping you and our customers informed with Xfinity TV changes and enhancements. Below we share details regarding new programming that we are launching, the likely drop of Fuse from our line-up, and a general reminder about expiring programming contracts.

New Xfinity TV Channels

For our Digital Preferred customers, in December we will begin offering AFRO. AFRO, a channel from Afrotainment, is a 24-hour polycultural black network mainly broadcasting top-rated Nollywood and black movies, dramas, sitcoms, music, talk, and late night comedy shows. In January, we are launching CLEO TV as part of our Digital Preferred package. CLEO is a new channel from TV One and provides viewers with 24-hour lifestyle and entertainment programming, targeting Millennial and Gen X women of color.

Also starting in December, we are launching i24NEWS for our Digital Preferred customers with our X1 set-top boxes. i24NEWS is an Israeli international 24-hour news and current affairs television channel, which broadcasts in French, English, and Arabic.

We are also going to launch Newsmax TV starting in mid-December, which will be available on both our Digital Starter and Instant TV Sports & News genre pack. Newsmax TV is an American-based news and opinion network, currently reaching over 50 million homes.

Loss of Fuse Anticipated Effective January 1, 2019

We also wanted to remind you that Comcast's programming agreement with Fuse expires on December 31, 2018, and we will no longer be able to distribute Fuse's programming starting on January 1, 2019. We are communicating this likely change to our customers through a bill message.

General Reminder About Programming Contract Expirations

We regularly inform our customers in their bills and annual notices that we maintain an updated website (<https://my.xfinity.com/contractrenewals/>) and toll free number ((866) 216-8634) to reflect the programming contracts that are set to expire in the coming months and the channels we might lose the rights to continue carrying.

We are excited about the additions to our robust entertainment offerings and for the opportunity to continue enhancing our Xfinity TV product. Please feel free to contact me at (925) 424-0207 if you have any questions or issues.

Sincerely,



Mitzi Givens-Russell
Franchise Operations Manager
Comcast California