

City of Santa Paula

City Council Special

MAYOR CARLOS JUAREZ
VICE MAYOR JENNY CROSSWHITE
COUNCILMEMBER LESLIE CORNEJO
COUNCILMEMBER PEDRO A. CHAVEZ
COUNCILMEMBER GABRIELA ORNELAS



CITY COUNCIL SPECIAL MEETING OF THE SANTA PAULA CITY COUNCIL SPECIAL

MONDAY, APRIL 6, 2026

6:30 PM - City Council Special Meeting

SANTA PAULA COMMUNITY CENTER
530 W MAIN STREET
SANTA PAULA, CA 93060

JULIE LATSHAW, CITY CLERK
DAN SINGER, CITY MANAGER
MONICA CASTILLO, CITY ATTORNEY

THIS SPECIAL MEETING WILL STREAM LIVE THROUGH YOU TUBE ON THE CITY WEBSITE UNDER PUBLIC MEETINGS

BRINGING ITEMS BEFORE THE CITY COUNCIL

You are invited to participate in all Regular City Council meetings. Agendas are posted in the front of Santa Paula City Hall, 970 Ventura Street, Santa Paula, 72 hours in advance of the scheduled meetings. The City Council's regular meetings start at 6:30 p.m. the first and third Wednesday of each month in the City Hall Council Chambers located at 970 Ventura Street in Santa Paula. Special and Closed Sessions vary by date and time.

HOW TO PARTICIPATE IN PERSON DURING THE MEETING: If you wish to speak at a City Council meeting, please fill out a **Public Comment Form** noting your name and address and submit the form to the City Clerk. Include the Agenda item number you wish to speak on. Members of the public may address the Council on items on this agenda only. **Public Comments are limited to 3 minutes.**

HOW TO PARTICIPATE BEFORE THE MEETING: Members of the public are encouraged to submit email correspondence on any agenda item by sending an email to cityclerk@spcity.org. All public correspondence received by three hours before the meeting date will be provided to the legislative body before the meeting. Public Comments received after, will be provided to the legislative body the next day.

Your Participation in this meeting is in the public domain; meetings are cablecast; minutes of this meeting will reflect your participation in this meeting and are posted on the city's website.

PLEASE NOTE: *Be advised that if you bring a legal challenge to an action, you may be limited to raising only those issues you or someone else raised at the meeting described in this Agenda, or in written correspondence delivered to the City Council at or before the meeting. Any action is subject to the ninety-day time period set forth in Code of Civil Procedure § 1094.6.*

*In compliance with the **Americans with Disabilities Act**, if you need special assistance to participate in this meeting, please contact the City Clerk at (805) 933-4208. Notification 48 hours before the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35, 102-35.104 ADA Title II). Written materials distributed to the City Council within 72 hours of the City Council meeting are available for public inspection immediately upon distribution in the City Clerk's office.*

MEETING ENVIRONMENT

To maintain a public meeting environment conducive and welcoming to receive public comments from all members of the public, the audience is discouraged from engaging in displays of support or opposition to staff reports or public comments, including clapping, yelling, booing, hissing, or cheering, that may create a disruptive environment for the public who wish to express their views during the meeting are encouraged to do so in silent, non-disruptive ways -- such as raising a hand, shaking hands, or another quiet gesture of support or opposition that does not obstruct views or interrupt proceedings.

Members of the public holding signs are asked to hold the signs on their person in front of them or move to the back of the room so as not to obstruct the view of other members of the public wishing to participate in the meeting.

SPECIAL MEETING - SANTA PAULA COMMUNITY CENTER

1. CALL TO ORDER

REMINDER: in order to minimize distractions during public meetings, all personal communication devices should be turned off or put in a non-audible mode.

2. FLAG SALUTE

3. ROLL CALL

4. PUBLIC COMMENT

At this time, members of the public may comment on any item appearing on the agenda only. Individual Councilmembers may briefly respond to Public Comments or ask questions for clarification. **Public Comments are limited to three minutes.**

5. ACTION ITEMS

5.A **CANNABIS BALLOT MEASURE DISCUSSION** **RECOMMENDATION:**

On behalf of the Cannabis Standing Committee, staff recommends the City Council take the following action:

1. Provide direction to staff to prepare language and background materials to evaluate the feasibility of a potential ballot measure related to the regulation of commercial cannabis activities within the City of Santa Paula; and
2. Authorize the City Manager to secure a professional public opinion survey firm to gauge local voter sentiment and to help inform the specifics of any ballot measure language; and
3. Authorize the City Manager to enter into a Professional Services Agreement with Grassroots Labs, to assist with the exploration, outreach and determination of a ballot measure.

6. ADJOURNMENT

State of California)-

County of Ventura)- ss

City of Santa Paula)-

I declare under penalty of perjury that I posted this City Council Agenda on the bulletin board near the front door of City Hall, 970 Ventura Street, Santa Paula, California.

On _____ at _____ Signed: _____

Julie Latshaw

City Clerk

**CITY OF SANTA PAULA
MEMORANDUM**

To: Honorable Mayor and Members of the City Council Special

From: James Mason, Community & Economic Development Director

Subject: CANNABIS BALLOT MEASURE DISCUSSION

Date: April 6, 2026

Agenda Item: 5.A

RECOMMENDATION:

On behalf of the Cannabis Standing Committee, staff recommends the City Council take the following action:

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BACKGROUND:

In 2016, California voters approved Proposition 64, which legalized adult-use cannabis and authorized local jurisdictions to regulate or prohibit commercial cannabis activities. State law permits cannabis businesses; however, cities retain local control over whether to allow these uses and how they are regulated through zoning, permitting, and taxation. The City of Santa Paula currently prohibits most commercial cannabis activities within city limits.

On November 6, 2018, the voters of Santa Paula approved Measure N, a local cannabis tax initiative. Measure N authorized the City to impose a tax on cannabis businesses operating within city limits at:

- Up to 10 percent of gross receipts for cannabis retail and other cannabis business activities, and
- Up to \$25 per square foot of space used for cannabis cultivation or processing.

The ballot measure was presented to voters as a general tax that could generate revenue for street repair, police enforcement, and other general municipal purposes until ended by voters. It passed with approximately 71.7 percent voter approval as part of the November 2018 election.

Following its passage, the City adopted the tax through Ordinance 1261, which added a cannabis business tax to the Santa Paula Municipal Code. Staff notes that, although the tax was approved by voters, the City has not yet implemented regulatory permitting to allow cannabis businesses to operate. Since 2018, cannabis markets in Ventura County and across the state have shifted, with nearby cities such as Ojai and Port Hueneme experiencing reductions in operating dispensaries and related tax revenues due to market competition and tax burdens. These conditions provide context for evaluating whether the City should pursue regulatory changes or modifications to the 2018 tax framework.

Regional Market Trends

Several jurisdictions in Ventura County have authorized cannabis dispensaries, including Ojai and Port Hueneme and more recently Oxnard and Ventura. As the retail market has expanded in the area, sales have shifted. In addition, the State has made the delivery of cannabis mandatory, which has contributed to a shifting market.

Recent sales tax information from Port Hueneme and Ojai for 2025 indicate annual revenues of \$1,105,000 and \$160,000, respectively.

Potential Benefits and Considerations

If voters approve a cannabis ballot measure and the City adopts regulatory ordinances, potential benefits may include new general fund revenue, occupancy of vacant commercial properties, local job creation and more stringent regulatory oversight of cannabis activities. Residents seeking cannabis and CBD products would have the convenience of supporting local vendors, reducing travel to neighboring jurisdictions.

Potential concerns regarding voter approval of a cannabis ballot measure include community character impacts, public safety perceptions, youth access concerns and land use compatibility.

A ballot measure allows voters to determine whether cannabis businesses should be permitted, where they should be permitted, and what, if any, limitations should be placed on the number of businesses.

Projected Cannabis Tax Revenue Ranges

Cannabis tax revenue varies significantly depending on number of licensed operators, type of cannabis businesses permitted, local tax rate, market demand and competition. Actual revenue would depend on the adopted tax rate and market conditions. A rough estimate of anticipated revenues for Santa Paula, depending on the established tax rate, would realistically range from \$300,000 to \$600,000, annually.

Many cities also allow additional cannabis uses such as manufacturing, distribution, and testing laboratories. These uses can generate additional tax revenue but typically produce lower revenue than retail sales.

Enacted January 1, 2024 SB 1186 prohibits local jurisdictions from banning medical cannabis delivery. Under SB 1186, a city or county cannot adopt or enforce any regulation *that has the*

effect of prohibiting the retail sale by delivery of medicinal cannabis to qualified patients or their primary caregivers. This means that cities must allow licensed delivery of medicinal cannabis within their borders, even if they otherwise ban other cannabis business types. The legislation defines delivery access standards and it requires that delivery services be permitted in a manner that is *timely and readily accessible* and able to meet local patient demand. Although cities cannot ban medicinal cannabis delivery or non-storefront medicinal cannabis delivery facilities, they still retain authority to regulate zoning, licensing, and other aspects of commercial cannabis businesses, including adult use cannabis operations.

Cannabis Tax Rates in Ventura County

Cities in Ventura County have adopted varying cannabis tax structures:

CITY	RETAIL CANNABIS TAX RATE
Ojai	Up to approx. 10 percent of gross receipts
Port Hueneme	Up to approx. 8-10 percent of gross receipts
Ventura	Approx. 5-10 percent depending on activity
Oxnard	Approx. 6-10 percent
Santa Paula	Up to approx. 10 percent of gross receipts

Potential Land Use Locations

If the City were to allow cannabis businesses, zoning regulations would determine where such uses could operate. Common regulatory approaches used by California cities include:

Commercial Corridors

Retail cannabis businesses are often permitted in commercial districts such as highway commercial zones, downtown commercial districts and regional retail corridors.

Industrial Areas

Cannabis retail, manufacturing, distribution, and testing facilities are typically allowed in Light industrial and Business Park zones.

Separation Requirements

Many jurisdictions adopt buffer requirements to separate cannabis businesses from sensitive uses such as schools, parks, community centers and residential zones.

Buffers from these areas commonly range from 500 to 1,000 feet.

ANALYSIS:

Ballot Measure Options for Council Consideration

Staff has identified three potential approaches for pursuing a cannabis ballot measure, depending on the level of public input and engagement, as well as professional assistance, desired by the Council. These options are:

Option 1 - Basic Approach

Council directs placement of a cannabis measure on the November ballot.

Steps:

- I. Council directs staff to place a measure on the ballot
- II. Work with Best, Best & Krieger LLP to establish ballot language
- III. Staff prepares FAQs and fiscal analysis
- IV. City Clerk coordinates ballot process with the Ventura County Elections Division
- V. Conduct election

Cost Estimate:

ITEM	COST
Legal Services	\$10,000
Ballot Costs	\$15,000

Estimated Total: \$25,000

Option 2 - Moderate Approach

Council supports a public survey to gauge community support prior to placing a measure on the ballot.

Steps:

- I. Hire survey firm to conduct local opinion survey
- II. Return to Council to consider next steps based on results
 - a. Strong support: Consider adopting an ordinance
 - b. Moderate support: Place measure on ballot
 - c. Negative results: Discontinue effort
- III. If measure proceeds, work with Best, Best & Krieger LLP to draft ballot language

Cost Estimate:

ITEM	COST
Public Survey	\$25,000
Legal Services	\$0-\$10,000
Ballot Costs	\$15,000

Estimated Total: \$25,000 – \$50,000

Option 3 - Comprehensive Approach

Utilize outside experts to conduct surveys, public outreach, and tax analysis prior to placing a measure on the ballot.

Steps:

- I. Hire survey firm for public opinion survey
- II. Hire consultant for public education and outreach
- III. Conduct cannabis tax structure analysis
- IV. Work with Best, Best & Krieger LLP to prepare ballot language
- V. Conduct election through the Ventura County Elections Division

Cost Estimate:

ITEM	COST
Public Survey	\$25,000
Public Outreach Consultant	\$30,000
Tax Structure Analysis	\$10,000
Legal Services	\$10,000
Ballot Costs	\$15,000

Estimated Total: \$90,000

It should be noted that Santa Paula city staff have limited time to facilitate an involved process and even less experience with this topic. If Council is inclined to move forward in any capacity, consideration should be given to bringing in subject experts who have experience navigating this topic.

Ballot Measure Timing (Key Dates for the November 3, 2026 Election)

By state law, a city must submit resolutions calling for the measure and setting forth the exact question wording to the County elections official by approximately 127 days before Election Day. For a November 3, 2026 election, that typically falls in late June 2026.

Activity schedules from Ventura County recommends submitting the resolution earlier, by mid June 2026, to allow time for all related filings (full text of measure, endorsements and rebuttal submittals) with the County elections office.

If the City Council decides to adopt the ballot measure resolution it should be finalized by early June to ensure timely placement on the November ballot. This timing will allow for submission of a resolution to accommodate all procedural steps and review periods.

STRATEGIC PLAN:

In alignment with City Council Strategic Goal of Economic Development considering cannabis as a legal retail option could provide a new opportunity to increase the City's revenue base, create local jobs, and fill vacant commercial space.

FISCAL IMPACTS:

Depending on the options selected, the cost to pursue a ballot measure could range from approximately \$25,000 to \$90,000, as detailed above. Staff would need to return to Council for additional allocation if Council seeks to pursue this option.

If voters approve a cannabis measure, the City could generate new general fund revenues ranging from approximately \$300,000 to \$600,000 annually, depending on the number of permitted operators and adopted tax rates, as well as product demand.

OPTIONS:

Next Steps

If the City Council wishes to proceed, staff would return with:

- Proposed ballot measure language
- Public input from an engagement campaign
- Draft cannabis regulatory ordinance
- Revenue projections
- Potential zoning locations
- Results of survey sentiments, if desired

ATTACHMENTS:

[Exhibit A - GrassrootsLab Santa Paula Proposal 3.31.25.docx](#)



February 25, 2026

TO: City of Santa Paula

FROM: GrassrootsLab

RE: Proposal: Consulting Services for Public Information and Education

Thank you for the opportunity to discuss collaboration on public information efforts surrounding revenue and cannabis issues in your City. Our firm has a long and successful history of working with cities and counties on these issues and we would welcome the opportunity to continue assisting Santa Paula in this effort.

The deadline to refer such a measure would fall 88 days ahead of the planned election, which for a November measure would fall in early August. This provides a window of approximately four months during which time the City can provide residents with public information about its fiscal outlook, and gather additional feedback. We propose to lead that outreach effort, as we have done successfully in dozens of other municipalities in recent years.

Approach and Proposed Scope of Work

We would advise the City to engage a reputable public opinion firm to evaluate cannabis issues in your City. We would be happy to collaborate with a firm on development of the survey and evaluation of results. Based on learnings from your research phase, GrassrootsLab will collaborate with your City Attorney to develop a legally permissible public outreach and education campaign that would provide factual, objective and balanced information to update and inform the community.

We believe the City should endeavor to make presentations to community-based groups as well as potentially convene Town Hall meetings. These can be promoted via direct mail, social media and partnerships with community groups.

Included in a comprehensive program would be the development of collateral materials including Frequently Asked Questions, fact sheets and online assets. We may also distribute additional survey response mechanisms to residents, to promote engagement and augment the findings of the formal opinion survey.

Also vital will be properly structured community outreach presentations for civic groups to provide information about the City's finances and planning processes. GrassrootsLab will

collaborate with City staff to plan these presentations, develop materials and assist in presentation, if desired.

As deliverables for this Scope of Work:

- Develop print and digital assets including, but not limited to, Presentations, Frequently Asked Questions, talking points, key messages, etc.
- Collaborate with City staff on social media content.
- Draft content for City Newsletters.
- Work with City staff to develop informational video content for use on the City's website and social media channels.
- Provide Graphic Design services for related materials.
- Draft press releases, as needed, to support the effort.
- Develop and design community informational mailer(s), as pertinent.
- Develop, distribute and collect responses to a community survey document.
- Be available as needed for in-person and/or virtual meetings and events.
- Support development of community meetings and townhall events.
- Produce written and/or oral reports on activities as requested by City Staff.

All above subject to the review and approval of the City Attorney and designated City staff.

Timeline and Budget

April 2026:

- Develop outreach plan with City Attorney and City staff
- Develop Materials, including presentation Deck, FAQs, webpage, video content.
- Identify key groups and opinion leaders
- Develop Online survey, to be hosted on City website, promoted through existing City channels (social media, newsletters, etc)
- Initiate meetings with key stakeholders, e.g. major employers, opinion leaders, etc.
- Collaborate on the development of a public opinion poll with a city-selected public opinion firm

April – May 2026

- Initiate Community Meetings with Key Groups, e.g. HOAs, Service Clubs, Chamber, etc
 - Presentation on fiscal matters and current issues/challenges with service delivery
- Ongoing Stakeholder and Community Meetings
- Optional Mailer Inviting Public Participation in Survey and Townhall Meetings. Include QR code and/or return card to all households. Include letter from senior agency administrator (e.g. City CAO)

May – June 2026

- Conduct Town Hall meetings, open to public.
- Evaluate Program
- Review of public opinion poll results

June - July 2026

- Prepare for council discussion.

Engagement Term: April 2026 to July 2026

We ask a retainer of \$7,000 per month, with a not-to-exceed total of \$30,000.

Our firm will cover our own travel expenses, as needed. Any printed and/or mailed materials are reimbursable only with prior written approval from the City.

Thank you for the opportunity to work with you. Please contact our firm's Principal with questions.

SINCERELY,



Robb Korinke

robb@grassrootslab.com

FIRM BACKGROUND**GRASSROOTSLAB COMPANY PROFILE**

GrassrootsLab specializes in local government outreach, campaigns and communications in California. In addition to numerous local officials and candidates, our firm maintains ongoing client relationships with several key statewide organizations and, through online assets, maintains a weekly communication channel with local government stakeholders across the state.

With offices in Sacramento and Long Beach, GrassrootsLab has built a foundation on communicating the importance and relevance of local government services to California residents. The firm and its principles have crafted and executed campaigns for many of the central issues in local government, including successful revenue enhancements and other public information efforts. Firm co-founder Robb Korinke was a co-author of the League of California Cities handbook on local revenue measures "Countdown to Success".

We have also worked on successful public information and measure development efforts with the Counties of Madera, Orange and Los Angeles, as well as Cities of La Canada Flintridge, South Pasadena, Turlock, Monterey Park, Palm Desert, Pismo Beach, Foster City, Sebastopol, Santa Ana, Oxnard, Goleta, Agoura Hills, Ripon and Sacramento. Our firm principals were also involved in statewide measures to protect local revenues, Propositions 1A (2004) and 22 (2010).

The firm has also assisted the League of California Cities, California City Management Foundation, the California School Boards Association, the Municipal Information Services Association and numerous other local government advocates on strategic communications and advocacy efforts.