

Agenda Item 1.G
October 5, 2021

From: Rudy Carrasco [REDACTED]
Sent: Tuesday, October 5, 2021 9:02 AM
To: Web - City Manager <CM@cityoftracy.org>
Subject: Open10th street

Handicap people need access to the pharmacy and optometry. It's very difficult for us handicap people to get around that area. We need the extra parking. Please consider the proposal to open up 10th street. Thank you.

Agenda Item 1.G
October 5, 2021

From: ruizmaryr <[REDACTED]>
Sent: Monday, October 4, 2021 7:08 PM
To: Web - City Manager <CM@cityoftracy.org>
Subject: TENTH STREET

It's time to open tenth street!

I would also like to voice my concerns regarding the lack of Handicapped Parking on tenth.

I would like to suggest that the parking spaces on each side of the crosswalk, near Reich on the north, and the pizza parlor on the south side of the street be allocated for that purpose.

Thank you,
Mary Ruiz

October 5, 2021

City of Tracy
Hon. Mayor Young City Councilmembers, City Manager and City Attorney
333 Civic Center Plaza
Tracy, CA 95376
Transmitted via Electronic Mail
% City Clerk - Adrienne.Richardson@cityoftracy.org

Re: Comments on Agenda Item 3.D Introduce an Ordinance Amending Tracy Municipal Code Section 6.36 To Increase The Number of Cannabis Business Permits for Retailers-Storefront (Dispensaries) To One Per 10,000 Residents.

Dear Hon. Mayor Young and Councilmembers:

These comments are submitted on behalf of GOE-Tracy, LLC, C.H.C.C. Inc. (Tracy Cannabis Collective), Bowtie Wellness, Inc., and Jiva TCY LLC (collectively the “Final Applicants”). The Final Applicants greatly appreciate the City Council’s action at the September 7, 2021 Special Meeting and September 21, 2021 Council Meeting to modify the City’s Commercial Cannabis Businesses Permit Application Procedures, Guidelines and Ordinance to allow for up to ten (10) commercial cannabis storefront retails - one for every ten thousand (10,000) residents, with the exception of the 2020/2021 cohort and Staff’s diligent work in preparing the Report and the Amended Ordinance for the upcoming October 5, 2021 meeting.

Final Applicants provide the following comments to address the outstanding issue of how to proceed with the modifications to the Community Benefits Plan. We further request the Council provide direction to Staff to allow Final Applicants the ability to engage in pre-CUP meetings and submissions that would be pending until the Ordinance was active.

I. The Final Applicants Strongly Support the Council to approve submission of CUPs pending the effectiveness of the ordinance.

The Final Applicants support Staff’s recommendation for the City Council to introduce and waive the full reading the Ordinance Amending Chapter 6.36 of the Tracy Municipal Code to increase the number of allowable Cannabis Business Permits for Retailer Storefront (Dispensaries) to one per 10,000 residents, except for permits awarded as part of the 2020/2021 cohort.

II. Comments and Recommendations Regarding Modifications to Community Benefits Plan.

A. Recommendation for all Final Applicants to Submit a Revised Community Benefits Plan as part of the CUP Submission Package.

By establishing a standardized financial commitment, the Final Applicants can meaningfully develop a comprehensive community engagement strategy tailored to the area in which they will operate their businesses as part of their CUP submission. The revised CBP could include, at the Council's discretion, a certain number of volunteer hours. Without a CUP submission, Staff may be forced to engage in unnecessary work. We anticipate that not all members of the 2020/2021 cohort of Final Applicants will either (a) secure property timely and/or (b) file a CUP. Thus, prescribing submission of the CBP with the CUP application will avoid unnecessary burden on staff. Furthermore, the CUP process allows for stakeholders and the community to directly interact with the Final Applicant increasing transparency and effectiveness of the CBP.

In the submission of a revised (or initial for Embarc) CBP (collectively "Updated CBPs"), the 2020/2021 cohort shall include a standardized financial commitment ("Community Benefit Fee"). The City's existing Cannabis Business Permit Procedures & Guidelines provides that "[p]rior to commencing any business operation, a Community Benefit Agreement or a Development Agreement must be executed between the permit holder and the City to ensure completion of the community benefit." Therefore, the City is maintaining continuity with the existing process. The Final Applicants that move forward with the Updated CBPs that will have those incorporated into the City's Community Benefit Agreement or Development Agreement.

We recommend and propose the following standardized Community Benefit Fee language:

Community Benefit Financial Commitment ("Community Benefit Fee") initially established at 1.5% of gross receipts annually with four Retailers operating. If more than 4 Retailers are operating in the City the Community Benefit Fee shall be scaled down such that the 1.5% would be reduced by 25 basis points to a floor of .75%.

By establishing a standardized financial commitment, the Final Applicants can meaningfully develop a comprehensive community engagement strategy tailored to the area in which they will operate their businesses. At the Council's discretion, a certain number of volunteer hours could be established or included as a mandatory component.

B. Allowing a Single Applicant to Submit a Community Benefits Plan after they have had the Opportunity to View All Other Applicants' Plans is unjust and harms the Final Applicants.

Allowing Staff to review and score a single CBP a year after the application process closed and months after the final scores were issued is fundamentally inequitable. Embarc would have the luxury and benefit of reviewing all current Final Applications submissions. Such action would

create an unfair competitive advantage and violate the very fabric and purpose of the competitive process.

The Council should direct Staff to review and score Embarc’s submitted application. In the event that Embarc scores over 80% they would be included in the 2020/2021 cohort of Final Applicants. At that point, they should submit a Community Benefit Plan in the same manner as proposed above for all Final Applicants. This would ensure both fairness and equity in the review process while avoiding an unnecessary burden on Staff.

III. Conclusion

The Final Applicants strongly support the Staff Report recommendation regarding waving a full reading and approving the Amendments to the Ordinance. We strongly encourage moving the Updated CBP to the time of CUP submission to ensure transparency in the process, engagement with the community and saving Staff time and resources. We look forward to continuing to work with the Council and Staff. Thank you for your time and consideration.

Respectfully Submitted,

DocuSigned by:

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