

SPECIAL MEETING MINUTES OF THE TRACY CITY COUNCIL

**April 4, 2023, 5:30 p.m.**

Tracy City Hall, 333 Civic Center Plaza, Tracy, CA.  
and one Council Member attended remotely at the following location:  
Mardi Gras Hotel, 3500 Paradise Road, Las Vegas, Nevada

1. Mayor Young called the meeting to order at 6:02 p.m.
2. No actions required by City Council pursuant to AB 2449.
3. Roll call found Council Members Arriola, Bedolla, Evans, Mayor Pro Tem Davis and Mayor Young present. Council Member Bedolla participated remotely.
4. Items from the Audience: Kimberly Cargile, Tracy Cannabis Collective stated she spoke with the City Attorney and feels they are moving forward. Thanked Council for putting the cannabis item on the April 18 agenda and looks forward to moving forward and opening. The application required them to hold an empty building for two years which cost \$200,000.

Haley Andrew, Tracy Cannabis Collective shared she put her life savings into this process because she believes in her team and cannabis. Ms. Andrew thanked Council for their help to open their doors for the public. Will generate revenue via sales tax and be of service to the community.

Michele Trew stated she is happy cannabis will be on agenda, has passed the background checks, submitted the Community Benefit Plan, hoping to open as soon as possible, look forward to getting back into the community and educating the community and hopes to invite Council to events.

Karen Moore corrected a statement she made previously regarding not having Tracy representation on SJCOG Citizen Advisory. Found out it was Caltrans District 10 – we had done a cleanup for them in Tracy and that is what they were talking about. Ms. Moore stated the last Tracy Earth Project Environment Series was on Justice40 which is the strings attached to the funding with the Inflation Reduction Act which says 40% of the money has to go to disadvantaged communities. According to our census tract we do not have disadvantaged communities in Tracy and that is not correct and urged Council to get the census tract updated to get funding. Ms. Moore suggested hiring someone who will get our disadvantaged communities registered.

Burnell Shull asked for a recap of everything that is spent per person when Council goes on trips. Also asked how many cannabis shops are going to be in Tracy and where are they going to be.

Joseph Devlin, Altamont Wellness thanked Council for agendizing a cannabis item on April 18, spoke about amending the DOJ background check which is duplicative of the state for owners and employees as well as resolving the community benefit agreement. Tracy has 6% gross tax which is high tax. Two issues are preventing them to open and operate. The City has approved 11 dispensaries, but he does not think 11 will open.

5. Staff recommends that the City Council conduct a workshop to review the Five-year forecast for the City's General Fund and provide feedback regarding the development of the FY2023/24 operating and capital budget.

Sara Cowell, Finance Director provided the staff report.

Council questions and comments followed.

Karen Moore stated a few years ago there was a court hearing that blew a hole through Prop 13 and allowed cannabis to pass and the most recent one with the change to the tax, there is a new ballot measure that is coming in the next election that will scare people and close that hole and will roll back all those changes to the fees and special taxes. This is from developers who are going to do this because of the VMT fees. That will break our financial stability.

Robert Tanner hoped the expenditure trends that show current employee contracts expire in June, that the budget currently in process reflects the potential increase that will be approved by Council. Mr. Tanner stated there is no increase forecasted for revenues and he find that odd. There is a tremendous decrease in revenues and slight increase in expenditures which tells him we are really not budgeting.

Council Member comments continued.

There was no action required from Council.

6. Council Items and Comments – None.
7. Adjournment: Time: 6:43 p.m.

**ACTION:** Motion was made by Mayor Pro Tem Davis and seconded by Council Member Arriola to adjourn. Roll call found all in favor; passed and so ordered.

The above agenda was posted at the Tracy City Hall on March 30, 2023. The above are action minutes. A recording is available at the office of the City Clerk.

ATTEST:

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Mayor

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City Clerk