



City of Chula Vista **Public Safety** **Advisory** **Committee**

December 7, 2017





Agenda

- ✓ Welcome & Agenda
- ✓ Services Feedback Dot Exercise
- ✓ Cannabis Update
- ✓ Critical Needs
- ✓ Revenue Options & Estimated Totals
- ✓ Revenue Options Exercise
- ✓ Critical Needs Costing
- ✓ PSAC Comments & Discussions
- ✓ Feedback Exercise and Survey Results
- ✓ Next Steps





Services Feedback Dot Exercise

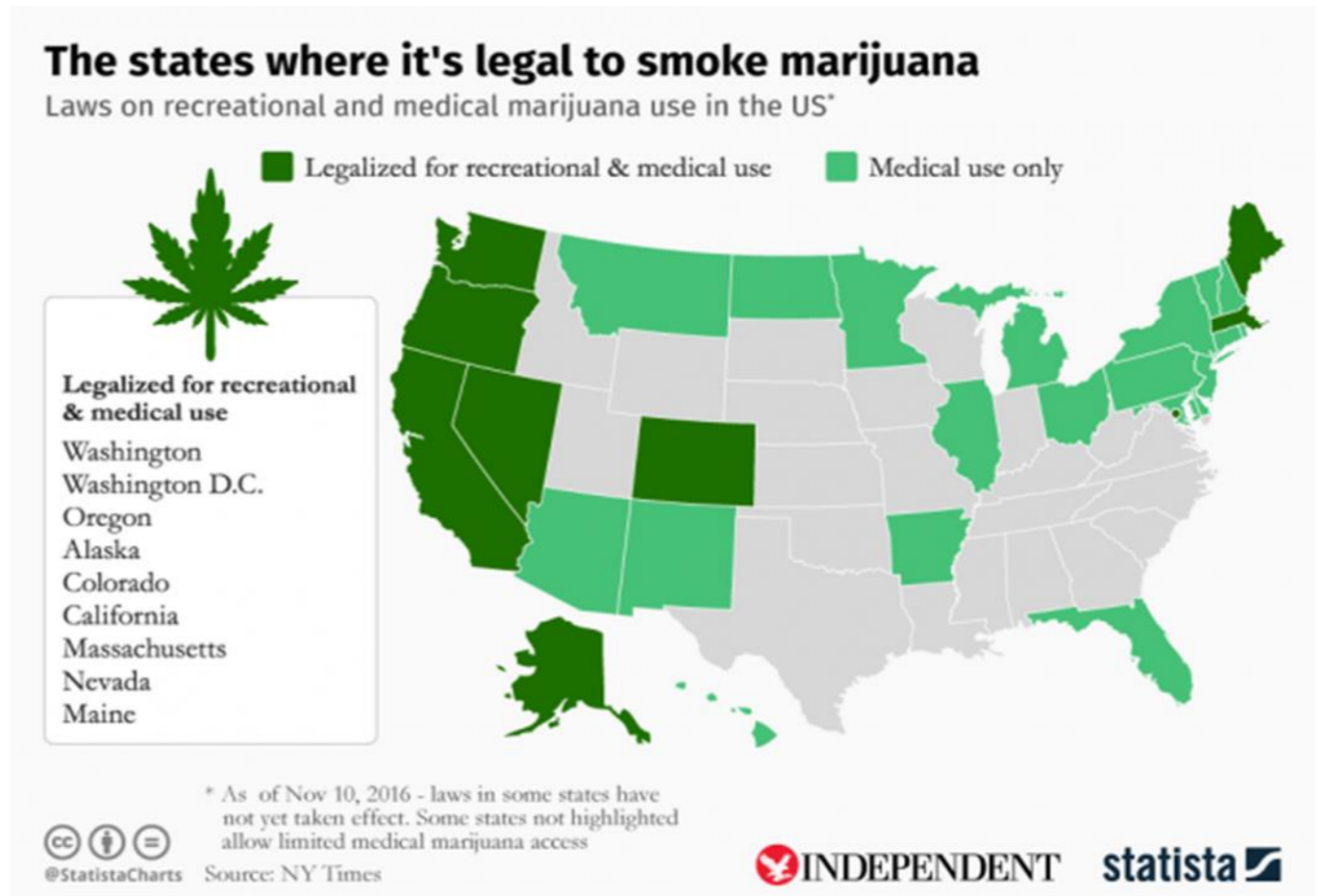




Cannabis Update

National Overview

- ✓ 8 states (Colorado, Washington, Oregon, Alaska, California, Massachusetts, Maine, and Nevada) & the District of Columbia have legalized recreational cannabis
- ✓ 29 States have legalized medicinal cannabis (mixture of senate and ballot measures)
- ✓ The cultivation and/or sale of marijuana currently is illegal in the City of Chula Vista





California Cannabis Law History

- ✓ Prop 216 (1996): decriminalized medicinal cannabis
Medical Marijuana Program – MMP (2005): established collectives and co-ops
- ✓ Medical Cannabis Regulation and Safety Act – MCRSA (2015): regulatory structure for medicinal cannabis businesses
- ✓ Proposition 64 (2016): Adult use of Cannabis Act – decriminalized/provided regulatory structure for non-medicinal cannabis
- ✓ SB 94 Medicinal and Adult-Use Cannabis Regulation and Safety Act – MAUCRSA (2017)





California Cannabis Stats

- ✓ California currently has approximately 5 million cannabis users
- ✓ As of November 2016, 75% of CA cannabis sales were on the black market
- ✓ 10 million pounds of cannabis is produced each year in CA (8 million illegally goes out of state)
- ✓ There are an estimated 50,000 current cannabis cultivation businesses in California (mostly in the “emerald triangle”). In some rural areas of California, cannabis growth now accounts for 15% - 20% of their economy.
- ✓ Most cannabis related jobs are currently in retail. However, it’s anticipated that processing and manufacturing will be where the greatest future growth occurs.





California Cannabis Revenue

- ✓ Approximately **\$100 million** in sales tax from **medical cannabis** dispensaries in 2016
- ✓ 2017 analysis by UC Davis estimates there will be approximately **\$5 billion** in annual **recreational sales** (generating \$750 million in excise tax + \$440 million in sales tax)
- ✓ Researchers estimate that medical sales will drop in January because individuals will not want to take the extra steps to get the state card.
- ✓ City of **San Diego** estimates up to **\$22 million** in revenue from gross receipts by mid-2019





Current California Cannabis Regulations

- ✓ Limited personal use, possession, and cultivation of cannabis is permitted in California for adults, both for medical and recreational uses
- ✓ Beginning January 1, 2018, commercial cannabis activity is permitted with state and local authorization
- ✓ Local jurisdictions retain substantial authority to regulate and/or prohibit commercial activity





Potential Types of Commercial Cannabis Businesses

- ✓ Cultivation - large, medium, or small; indoor or outdoor
- ✓ Manufacturing
- ✓ Testing Laboratories – relevant testing standard protocols to detect potency and contaminate levels (mold, fungal, pesticides)
- ✓ Retailers
- ✓ Distributors
- ✓ Microbusinesses – similar to microbreweries (grown, processed and sold onsite) under 10,000 square feet





Efforts to Minimize Adverse Youth Impacts

- ✓ **CA State Law** (Rev. & Tax. Code Section 34019(f)(1)): a portion of state cannabis tax revenue will be set aside for youth substance abuse education, prevention, early intervention and treatment.
- ✓ Staff recommends that the City coordinate with school districts for education in the schools to support youth in making positive decisions around marijuana with a focus on healthy lifestyles.
- ✓ Staff recommends that the City, if approved, develop prevention efforts coordinating with youth, young adults, parents, businesses, media, schools, youth serving organizations, religious groups, civic organizations and law enforcement.





Product Regulations

- ✓ State Law
 - ✓ Cannabinoid amount, serving delineations, homogenization
 - ✓ Requires edibles to be marked with a universal symbol
 - ✓ Requires edibles to be manufactured and sold under sanitation standards
 - ✓ Further regulations anticipated in November-December
- ✓ Potential Local Restrictions
 - ✓ Limit on total single package cannabinoid amount (10 mg up to 100 mg)
 - ✓ More specifically define packaging that is “attractive to minors”
 - ✓ Limit self-service displays
 - ✓ Limit types of edibles sold





Advertising Regulations

- ✓ State law
 - ✓ Prohibits false/misleading advertisements
 - ✓ Prohibits billboard advertising on certain highways
 - ✓ Prohibits advertising that encourages youth consumption
 - ✓ Prohibits advertising on signs within 1000 feet of a day care center, school, playground or youth center
- ✓ Potential Additional Local Restrictions
 - ✓ City can restrict advertising for banned conduct/behavior
 - ✓ City can regulate cannabis signs in the same manner as other signs
 - ✓ City can post public service announcements in public on its own property





Other Potential Licensee Regulations

- ✓ Comprehensive security measures intended to limit access and prevent diversion/theft
- ✓ Thorough environmental protection and fire safety provisions
Prohibit outdoor commercial cultivation
- ✓ Operating hour restrictions (e.g., 7 a.m. – 9 p.m.)
- ✓ Strict fines and license suspension/revocation if local or state laws are violated, including public nuisance provisions
- ✓ Restrict applicants with previous unlicensed operations or previous sanctions





Potential Zoning Regulations

- ✓ Setbacks be established for schools, parks and licensed daycares.
- ✓ Cultivation, manufacturing, and testing limited to industrial zones.
- ✓ Retail sales limited to industrial and/or commercial zones.





Regulation/Enforcement Costs

- ✓ Resources needed to shut down **illegal** operators (Code, City Attorney, CVPD)
 - ✓ 1 criminal prosecution attorney, 1 paralegal, 1 support staff
 - ✓ 1 code enforcement, 1 police officer
- ✓ Resources needed to regulate **permitted** operators (All Departments)
 - ✓ 1 finance, 1 fire inspector,
 - ✓ 1 Police Officer, ½ attorney
 - ✓ Contract for auditing/compliance





Local Initiative Update & Options

- ✓ Latest information re: status of initiatives
 - ✓ Staff expects an adequate number of signatures have been obtained and validated to qualify for the June 2018 ballot.
- ✓ If the required signatures are obtained, submitted and validated, City Council has the following options:
 - ✓ Adopt the initiative as law in the form presented and place on the next qualifying ballot.
 - ✓ Draft and place their own ballot initiative (must be submitted to registrar by no later than March 9, 2018). A separate tax initiative could also be submitted at the same election.





City Information Resources

- ✓ Resources, information and links
www.chulavistaca.gov/cannabis





Questions





Critical Needs - Police

- ✓ Increase sworn positions in the following areas:
 - ✓ Community Patrol
 - ✓ Homeless Outreach Team
 - ✓ Traffic Enforcement Officers
 - ✓ School Resource Officer Unit
 - ✓ Investigations
- ✓ Increase civilian positions in the following areas:
 - ✓ Dispatch Center
 - ✓ Community Patrol
 - ✓ Police Technology
 - ✓ Detention Facility
 - ✓ Background Investigations





Critical Needs - Police

FTE Balance:	FY19	FY20	FY21	FY22	Total
POLICE SERGEANT	1.00	2.00	2.00	1.00	6.00
POLICE AGENT	1.00	3.00	3.00	3.00	10.00
PEACE OFFICER	6.00	8.00	7.00	6.00	27.00
SWORN TOTAL	8.00	13.00	12.00	10.00	43.00
CIVILIAN BACKGROUND INVESTIGTR	2.00				2.00
COMMUNITY SERV OFFICER		1.00	1.00	1.00	3.00
DETENTION FACILITY MANAGER				1.00	1.00
POLICE COMM SYSTEMS MANAGER				1.00	1.00
POLICE DISPATCHER	2.00	3.00	4.00	2.00	11.00
SR POLICE TECHNOLOGY SPECIALIST		1.00			1.00
CIVILIAN TOTAL	4.00	5.00	5.00	5.00	19.00
POLICE FTE CHANGES TOTAL	12.00	18.00	17.00	15.00	62.00





Critical Needs - Fire

- ✓ Establish four squads companies
- ✓ Add a Public Education Specialist
- ✓ Staff Millenia Fire Station
- ✓ Establish 4.0 staffing at all fire stations
- ✓ Staffing the Bayfront Engine & Truck
- ✓ Adding (2) Deputy Chiefs
- ✓ Add (3) Inspectors/Investigators
- ✓ Add Engine Company to Fire Station 9





Critical Needs - Fire

FTE Balance:	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	Total
Deputy Chief		1.00					1.00			2.00
Fire Captain		4.00	7.00		6.00	3.00				20.00
Fire Engineer			3.00		6.00	3.00				12.00
Firefighter/Paramedic		4.00	7.00		6.00	3.00				20.00
Firefighter	12.00	3.00	12.00	3.00	3.00	3.00				36.00
Fire Inspector/Investigator II							1.00	1.00	1.00	3.00
Public Education Specialist		1.00								1.00
Total FTE Balance:	12.00	13.00	29.00	3.00	21.00	12.00	2.00	1.00	1.00	94.00





Revenue Options & Estimated Totals

Option	Considerations	Estimated Revenue
Sales Tax	<ul style="list-style-type: none"> • General tax (50% + 1) • Special tax (Requires 2/3) • Susceptible to declines during recession 	Up to \$16M
Property Taxes	<ul style="list-style-type: none"> • Requires 2/3 votes • Difficult to get approved 	Every \$1 added, generate approx. \$100,000 per year
Public Safety Community Facilities District	<ul style="list-style-type: none"> • Easier approval process • Only applicable to new development or redevelopment 	No upper limit
Public Safety Fees & Fee Increases	<ul style="list-style-type: none"> • Set fees based on cost of service provided 	Unknown
Transient Occupancy Tax (TOT)	<ul style="list-style-type: none"> • Paid by tourists • Currently at 10% • Not recommended to go higher than 12% at this time 	\$800,000-\$1M per 2% increase

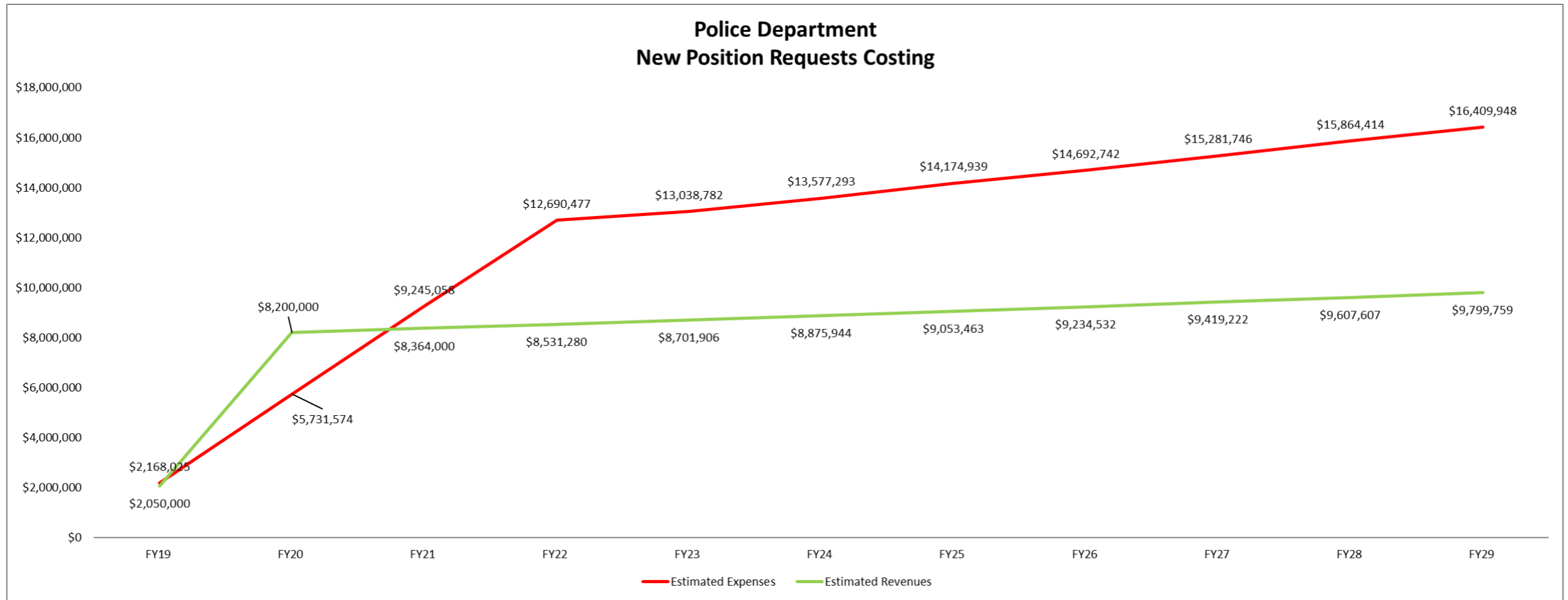


Revenue Option Funding Dot Exercise



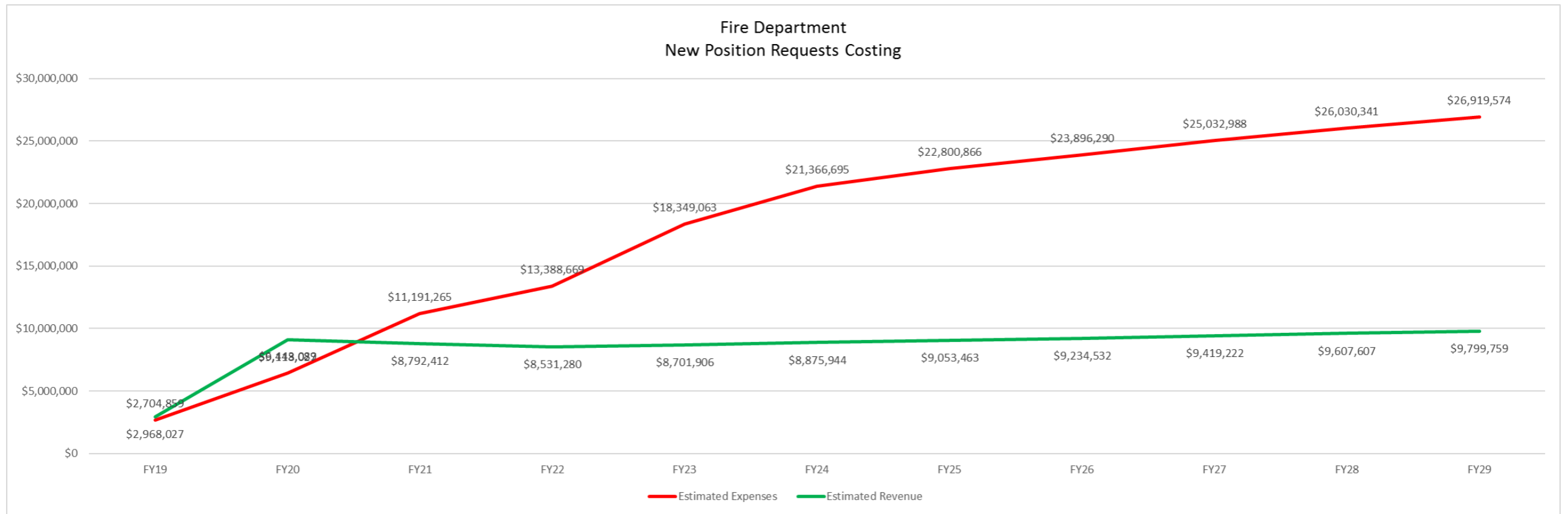


Critical Needs – Police Costing





Critical Needs – Fire Costing





LTFP Forecast Summary (FY2018-FY2022)

Description	Proposed FY 2018	Forecast FY 2019	Forecast FY 2020	Forecast FY 2021	Forecast FY 2022
Major Revenues	\$ 125,865,568	\$ 127,622,000	\$ 131,867,000	\$ 135,052,000	\$ 138,317,000
New Development Revenues	\$ -	\$ 3,410,000	\$ 3,087,000	\$ 4,200,000	\$ 5,179,000
Other Revenues	\$ 40,721,691	\$ 40,682,000	\$ 40,945,000	\$ 41,211,000	\$ 41,039,000
TOTAL GENERAL FUND REVENUES	\$ 166,587,259	\$ 171,714,000	\$ 175,899,000	\$ 180,463,000	\$ 184,535,000
Personnel Services	\$ 87,587,001	\$ 90,696,000	\$ 91,992,000	\$ 93,740,000	\$ 95,524,000
Flex/Insurance	\$ 12,373,118	\$ 12,824,000	\$ 13,763,000	\$ 14,778,000	\$ 15,877,000
PERS	\$ 24,431,563	\$ 27,788,000	\$ 30,527,000	\$ 33,491,000	\$ 36,405,000
Salary Savings (On Going)	\$ (835,614)	\$ (860,000)	\$ (890,000)	\$ (921,000)	\$ (953,000)
New Development Expenditures	\$ -	\$ 2,860,000	\$ 3,818,000	\$ 4,866,000	\$ 8,362,000
Other Expenditures	\$ 43,031,191	\$ 45,647,000	\$ 47,104,000	\$ 48,978,000	\$ 50,840,000
TOTAL GENERAL FUND EXPENDITURES	\$ 166,587,259	\$ 178,955,000	\$ 186,314,000	\$ 194,932,000	\$ 206,055,000
Administrative Actions (Energy Efficiency Projects)	\$ -	\$ 825,000	\$ 1,650,000	\$ 1,650,000	\$ 1,650,000
SURPLUS/(DEFICIT) WITH ADMINISTRATIVE ACTIONS	\$ -	\$ (6,416,000)	\$ (8,765,000)	\$ (12,819,000)	\$ (19,870,000)





LTFP Forecast Summary (FY2023-FY2027)

Description	Forecast FY 2023	Forecast FY 2024	Forecast FY 2025	Forecast FY 2026	Forecast FY 2027
Major Revenues	\$ 141,668,000	\$ 145,108,000	\$ 148,637,000	\$ 152,258,000	\$ 151,097,000
New Development Revenues	\$ 6,122,000	\$ 7,094,000	\$ 8,017,000	\$ 8,990,000	\$ 10,501,000
Other Revenues	\$ 41,312,000	\$ 41,585,000	\$ 41,865,000	\$ 42,144,000	\$ 42,429,000
TOTAL GENERAL FUND REVENUES	\$ 189,102,000	\$ 193,787,000	\$ 198,519,000	\$ 203,392,000	\$ 204,027,000
Personnel Services	\$ 97,344,000	\$ 99,202,000	\$ 101,098,000	\$ 103,033,000	\$ 105,008,000
Flex/Insurance	\$ 17,067,000	\$ 18,356,000	\$ 19,753,000	\$ 21,268,000	\$ 22,912,000
PERS	\$ 39,065,000	\$ 41,279,000	\$ 43,890,000	\$ 45,169,000	\$ 47,169,000
Salary Savings (On Going)	\$ (984,000)	\$ (1,013,000)	\$ (1,045,000)	\$ (1,070,000)	\$ (1,100,000)
New Development Expenditures	\$ 9,709,000	\$ 11,118,000	\$ 12,669,000	\$ 14,262,000	\$ 16,005,000
Other Expenditures	\$ 51,981,000	\$ 53,063,000	\$ 54,166,000	\$ 55,311,000	\$ 51,382,000
TOTAL GENERAL FUND EXPENDITURES	\$ 214,182,000	\$ 222,005,000	\$ 230,531,000	\$ 237,973,000	\$ 241,376,000
Administrative Actions (Energy Efficiency Projects)	\$ 1,650,000	\$ 1,650,000	\$ 1,650,000	\$ 1,650,000	\$ 1,650,000
SURPLUS/(DEFICIT) WITH ADMINISTRATIVE ACTIONS	\$ (23,430,000)	\$ (26,568,000)	\$ (30,362,000)	\$ (32,931,000)	\$ (35,699,000)





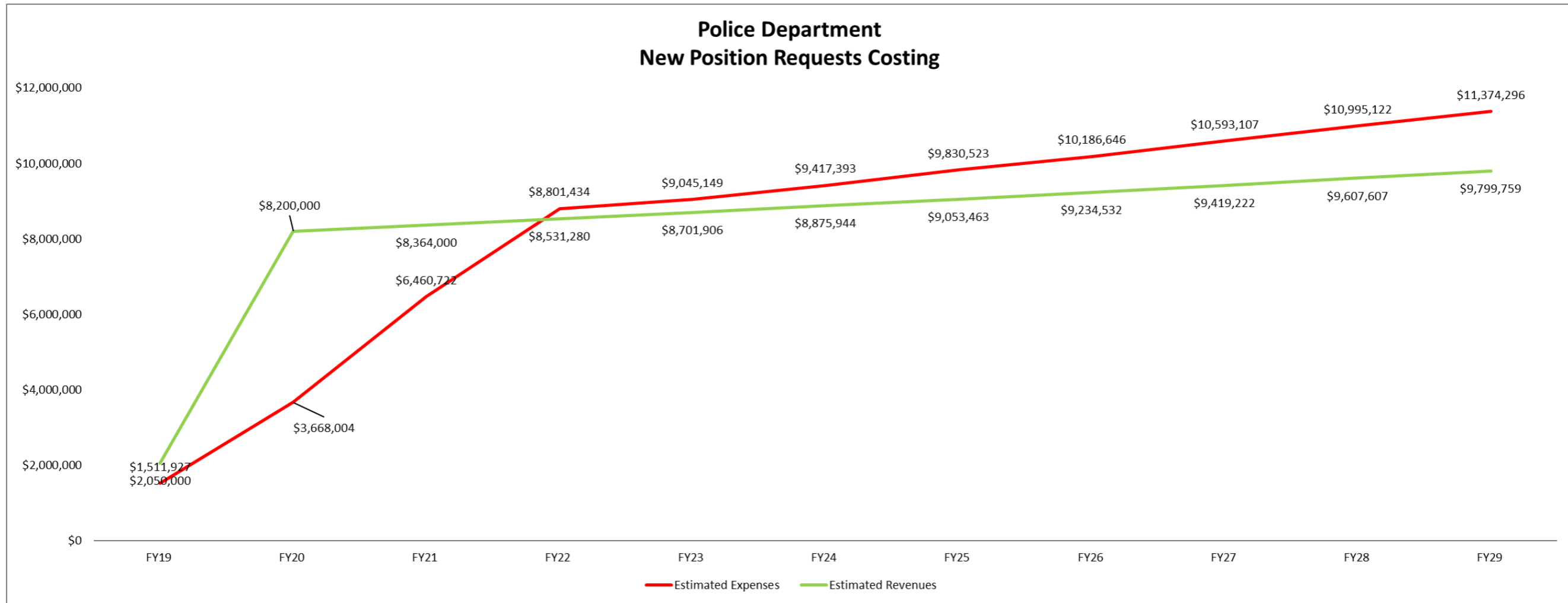
Half Cent Sales Tax Staffing- Police

FTE Balance:	FY19	FY20	FY21	FY22	Total
POLICE SERGEANT		2.00	2.00	1.00	5.00
POLICE AGENT	1.00	2.00	3.00	2.00	8.00
PEACE OFFICER	4.00	3.00	5.00	4.00	16.00
SWORN TOTAL	5.00	7.00	10.00	7.00	29.00
CIVILIAN BACKGROUND INVESTIGTR	2.00				2.00
COMMUNITY SERV OFFICER			1.00	1.00	2.00
DETENTION FACILITY MANAGER				1.00	1.00
POLICE COMM SYSTEMS MANAGER				1.00	1.00
POLICE DISPATCHER	2.00	3.00	2.00		7.00
CIVILIAN TOTAL	4.00	4.00	3.00	3.00	14.00
POLICE FTE CHANGES TOTAL	9.00	11.00	13.00	10.00	43.00





Revised Staffing Based on Half Cent Sales Tax





Half Cent Sales Tax Staffing- Fire

FTE Balance:	FY19	FY20	FY21	Total
Deputy Chief		1.00		1.00
Fire Captain		4.00	4.00	8.00
Firefighter/Paramedic		4.00	4.00	8.00
Firefighter	12.00	3.00	3.00	18.00
Public Education Specialist		1.00		1.00
Total FTE Balance:	12.00	13.00	11.00	36.00





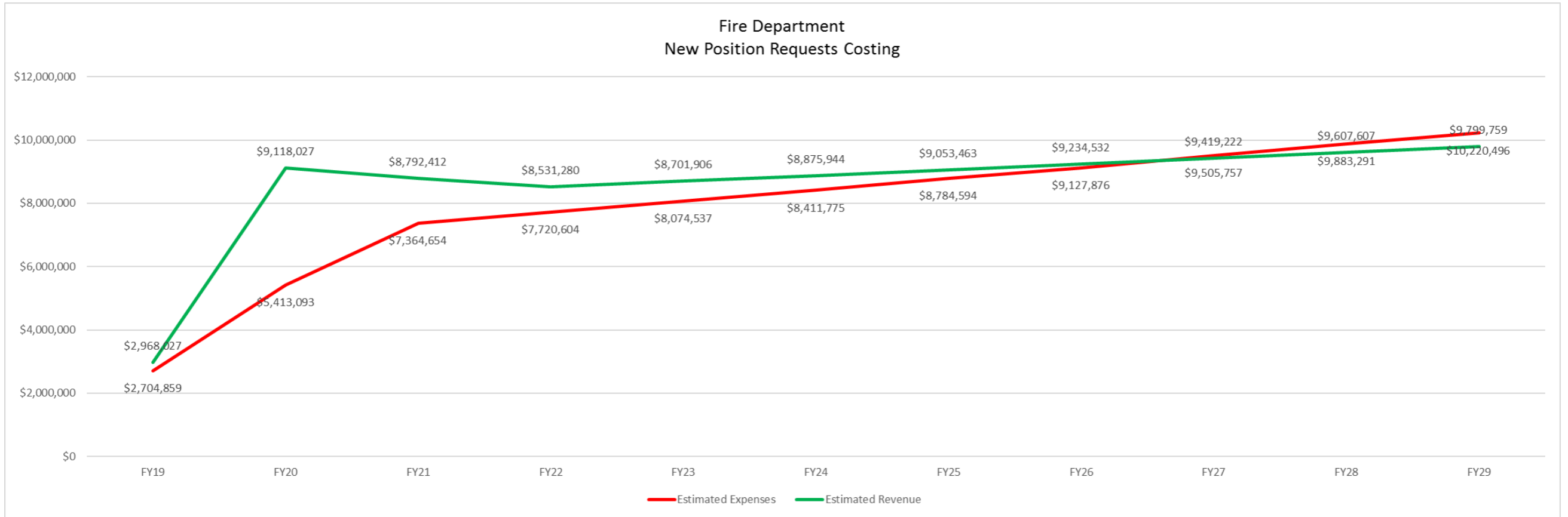
Critical Needs - Fire

- ✓ Establish four squads companies
- ✓ Add a Public Education Specialist
- ✓ Staff the 4th Firefighter at the Millenia Fire Station
- ✓ Establish 4.0 staffing on (4) Engines
- ✓ (1) Deputy Chief





Revised Staffing Based on Half Cent Sales Tax





PSAC Comments & Discussion





Report Out on Feedback & Survey

Service	Favor	Oppose
Provide quick responses to 9-1-1 emergencies	87	9
Reduce gang activity and drug-related crimes	85	10
Keep public areas clean and free of graffiti	85	9
Provide police services, including crime prevention and investigations	84	10
Provide fire protection and paramedic services	83	11
Hire additional police officers and increase the number of neighborhood police patrols	81	13
Provide services to seniors	79	13
Hire additional firefighters and increase the number of fire emergency response units	79	14
Address the homeless problem	78	15
Provide services for youth and teens to keep them off the streets and away from drugs and gangs	78	15
Maintain and protect natural open space areas	77	16
Increase the number of school safety officers to keep schools safe and prevent gang activity	75	17
Attract new employers and good-paying jobs to the City	73	18
Improve wildfire response and prevention	72	19
Prevent fires by inspecting old buildings	67	22





Report Out on Feedback & Survey

Section 8: Final Ballot Test

Now that you have heard a bit more about the measure, let me read you a summary of it one more time.

Q9 To provide the funding needed to maintain and improve general city services including:

- ◇ Neighborhood police patrols, crime prevention and investigations
- ◇ Reducing gang and drug-related crimes
- ◇ Providing fire, paramedic, and 9-1-1 emergency response services
- ◇ Addressing homelessness
- ◇ And keeping public areas clean and free of graffiti

shall the City of Chula Vista establish an ongoing one-half cent sales tax until ended by voters, providing 16 million dollars annually for city services, and requiring citizen oversight, independent audits, and all funds controlled locally?

If the election were held today, would you vote yes or no on this measure? *Get answer, then ask: Would that be definitely (yes/no) or probably (yes/no)?*

1	Definitely yes	29%
2	Probably yes	33%
3	Probably no	12%
4	Definitely no	19%
98	Not sure	6%
99	Prefer not to answer	1%





Next Steps

- ✓ Presentation from Research Consultant on public opinion survey
- ✓ City Council Report & Presentation – December 19
 - ✓ Process to identify critical needs
 - ✓ Involvement of the Public Safety Advisory Committee
 - ✓ Outlining the critical needs for the Police & Fire Departments
 - ✓ Funding options

