



The following information comprises the minutes for a regular meeting of the City Council, a joint meeting of the Banning City Council and Banning Utility Authority and a joint meeting of the Banning City Council and the Banning City Council sitting in its capacity as the Successor Agency Board.

**MINUTES
CITY COUNCIL**

5/10/2022

REGULAR MEETING

COUNCIL MEMBERS PRESENT:

Council Member Mary Hamlin
Council Member David Happe
Council Member Alberto Sanchez
Mayor Pro Tem Colleen Wallace
Mayor Kyle Pingree

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT:

Doug Schulze, City Manager
Kevin Ennis, City Attorney
Marie Calderon, City Clerk
Caroline Patton, Deputy City Clerk
Art Vela, Director of Public Works
Adam Rush, Community Development Director
Thomas Miller, Electric Utility Director
Suzanne Cook, Finance Director
Matthew Hamner, Chief of Police
Ralph Wright, Parks and Recreation Director
Laurie Sampson, Executive Assistant
John Garside, Multimedia Specialist

1. CALL TO ORDER

Mayor Pingree called the regular meeting to order at 5:05 p.m.

- 1.1. Invocation – Chief Hamner gave the invocation.
- 1.2. Pledge of Allegiance – Council Member Happe led the Pledge of Allegiance.
- 1.3. Roll Call

COUNCIL MEMBER	PRESENT	ABSENT
Hamlin, Mary	×	
Happe, David	×	
Pingree, Kyle	×	
Sanchez, Alberto	×	
Wallace, Colleen	×	

2. AGENDA APPROVAL

2.1. Approve Agenda

Motion to approve the agenda.

Motion by Mayor Pro Tem Wallace
Seconded by Council Member Happe

COUNCIL MEMBER	YES	NO	ABSTAIN	RECUSE	ABSENT
Hamlin, Mary	✗				
Happe, David	✗				
Pingree, Kyle	✗				
Sanchez, Alberto	✗				
Wallace, Colleen	✗				

Motion approved by a vote of 5-0.

3. PRESENTATION(S)

3.1. Proclamation – Kids to Parks Day May 21, 2022

City Clerk Calderon read the proclamation.

3.2. Proclamation – National Police Week

Deputy City Clerk Patton read the proclamation.

3.3. Banning Beautification Award for March and April 2022

City Manager Doug Schulze said the Banning Beautification Award for March was awarded to the Sizzler Restaurant and Dr. Choe's Dental was awarded for the month of April.

4. REPORT ON CLOSED SESSION

City Attorney Ennis reported on closed session agenda items.

- For Special Meeting Agenda Item 3.1, Council gave direction to the City's negotiators and there was no final or reportable action.
- For Agenda Item 3.2, there was discussion with no final or reportable action.
- For Agenda Item 3.3, direction was given to the City's negotiators with no final or reportable action.
- For Agenda Item 3.4, there was staff discussion with Council, having no final or reportable action.

5. PUBLIC COMMENTS, CORRESPONDENCE, APPOINTMENTS, CITY COUNCIL COMMITTEE REPORTS, CITY MANAGER REPORT, AND CITY ATTORNEY REPORT

5.1. PUBLIC COMMENTS

Ellen Carr spoke about upcoming Tender Loving Critters events and consider making arrangements related to care of your pets after death.

Inge Schuler said that at the last Planning Commission meeting Community Development Director Rush spoke to public involvement in the General Plan update. She said the community had been left out of the process.

Maggie Scott said that she felt the notice provided to residents regarding a project on Hathaway Street was insufficient. She asked if everyone in Banning had received the notice about this industrial park on Hathaway Street, saying she thought they should know about the project also.

5.2. CORRESPONDENCE

None

5.3. APPOINTMENTS

5.3.1. Appointment of Two Parks and Recreation Commissioners to Fill Two Vacancies

Motion to appoint Cynthia Morquecho and Peggy Murphy to the Parks and Recreation Commission.

Motion by Mayor Pro Tem Wallace
Seconded by Council Member Sanchez

COUNCIL MEMBER	YES	NO	ABSTAIN	RECUSE	ABSENT
Hamlin, Mary	X				
Happe, David	X				
Pingree, Kyle	X				
Sanchez, Alberto	X				
Wallace, Colleen	X				

Motion approved by a vote of 5-0.

5.4. CITY COUNCIL COMMITTEE REPORTS

Mayor Pro Tem Wallace reported on meetings with the Riverside Conservation Authority (RCA) and Southern California Council of Governments (SCAG).

Council Member Hamlin reported on a meeting with the CalCities Riverside County Division and said she would be attending a Riverside County

Transportation Commission (RCTC) meeting regarding the proposed Los Angeles to Coachella rail line.

Council Member Happe reported on a recent Western Riverside County Council of Governments (WRCOG) meeting.

Mayor Pingree reported on an upcoming Student of the Year award event at Nobel Creek Park. He said he had several constituent meetings this week and heard concerns from citizens, particularly in regard to safety issues at Lions Park.

5.5. CITY MANAGER REPORT

City Manager Schulze showed City Council the City's new Zen City platform, that allows staff to track conversations occurring over social media. He also presented the City's Civil Space platform that provides information to the public on City projects. He highlighted a recent tour of the So Cal West Coast Electric headquarters currently under construction.

5.6. CITY ATTORNEY REPORT

City Attorney Ennis reported on attending a City Attorneys' event at the CalCities conference and learning a lot of new information on various topics.

6. CONSENT ITEMS

- 6.1. Approval of Minutes of the April 26, 2022 City Council Meetings
- 6.2. Second Reading of Ordinance 1582 which would Approve a Military Equipment Use Policy Pursuant to Assembly Bill 481 and Government Code §7070 et seq.
- 6.3. Consideration of Resolution 2022-52, Awarding an Agreement for Fire and Intrusion Alarm Equipment, Installation, Monitoring, Maintenance and Repair Services for City Facilities to Vision Security Systems
- 6.4. Consideration of Resolution 2022-53, Approving a Professional Services Agreement with TransTrack Solutions Group for Consulting Services to Support the City of Banning's Transit Operations in the Amount of Not-to-Exceed \$75,000
- 6.5. Consideration of Resolution 2022-54, Approving Amendment No. 2 to the Contract with Acculine Consulting, LLC to the amount of \$682,000 and Extending the Date to June 30, 2024 for Continuation of Project Software Development and Field Inventory
- 6.6. Consideration of Resolution 2022-55, Approving the Execution of California Department of Transportation Program Supplemental Agreement No. 00000A022 to the existing Administering Agency-State Master Agreement including all related documents for the "Development and Preparation of the Local Roadway Safety Plan (LRSP)"
- 6.7. Consideration of Resolution 2022-56, Approving Amendment No. 1 to the Agreement with Mariposa Landscapes, Inc. for City Parks Landscape Maintenance in Fiscal Year 2022-23 for a Not-to-Exceed Amount of \$101,639

- 6.8. Consideration of Resolution 2022-04 UA, Approving the Lease of a 2023 Freightliner Diesel Vactor Truck Plus Jet Rodder from Haaker Equipment Company and Financed through Jules and Associates in the Amount of \$475,374.05 Over a Five-Year Term, or \$95,274.81 per Annum
- 6.9. Approving the Renewal of the Landscape Operation and Maintenance Contract for Landscape Maintenance District (LMD) No. 1 with Artistic Maintenance, Inc. of Lake Forest, California for Fiscal Year 2022/2023 in the Amount of \$64,104

Public Comments

None

Motion to approve the consent agenda as presented.

Motion by Mayor Pro Tem Wallace
Seconded by Council Member Hamlin

COUNCIL MEMBER	YES	NO	ABSTAIN	RECUSE	ABSENT
Hamlin, Mary	✗				
Happe, David	✗				
Pingree, Kyle	✗				
Sanchez, Alberto	✗				
Wallace, Colleen	✗				

Motion approved by a vote of 5-0.

7. PUBLIC HEARING(S)

- 7.1. Public Hearing and Consideration of Resolution 2022-51, Adopting the Banning Electric Utility Wildfire Mitigation Plan Version 2.1

Electric Utility Director Tom Miller introduced Brandon Robinson, Electrical Engineering Supervisor, to present the staff report.

Public Comment

Kevin Walton asked if the plan had been reviewed by a qualified firefighter.

Brandon Robinson confirmed they were required to have an independent evaluator to finalize the report.

Motion to adopt Resolution 2022-51.

Motion by Council Member Happe
Seconded by Council Member Hamlin

COUNCIL MEMBER	YES	NO	ABSTAIN	RECUSE	ABSENT
Hamlin, Mary	✗				
Happe, David	✗				
Pingree, Kyle	✗				

Sanchez, Alberto	X
Wallace, Colleen	X

Motion approved by a vote of 5-0.

Mayor Pingree announced a recess at 6:34 p.m. The meeting reconvened at 6:44 p.m.

8. REPORTS OF OFFICERS

8.1. Cannabis Ad Hoc Committee Report and Discussion Regarding Increasing the Existing Cap on Cannabis Retailers and Method For Selection if Cap is Increased, Allowing Cannabis Retailers in the General Commercial Zone, Allowing Cannabis Distribution in the Business Park Zone, Allowing Cannabis Microbusinesses in the General Commercial Zone, and Allowing Shared Use Cannabis Manufacturing Facilities in the Industrial Zone

Community Development Director Adam Rush presented the staff report.

Public Comment

Umberto Bagnara commented that he was on the original Ad Hoc Committee and he felt the Council was going back over five years of decisions. He said he was trying to establish his business in the right way.

Jerry Liversage said he was a local pastor and founder of a local non-profit serving those facing addiction. He said he felt the city had undergone a spiritual demise and was bowing to the economic impact.

April Griffith said she was concerned for the future of Banning and its children with additional cannabis businesses making drugs readily accessible. She said there were better ways to increase revenue.

Donald Dyke said he was a longtime resident and former town council member. He said he felt the proposed locations were too close to Banning High School and there was already a large homeless encampment in town. He made several points in opposition to cannabis in the city, including increased crime, illicit drug markets, burden on law enforcement, shifting regulations, adverse impact on children.

Donna Deer said authority should have accountability. She said the children deserved standing up to fight for what was right.

Maggie Scott asked for clarification on what City residents voted to allow and what the Council was considering. She said the east side of town had no markets and questioned wanting to add additional cannabis retailers. She suggested the city find something instead of cannabis to bring additional revenue.

Gina Gregory spoke in opposition to cannabis in the city to protect children. She suggested adding more shopping to attract additional tax revenue.

Robert Ybarra said he understood the arguments against cannabis but his son had cancer and used cannabis as a pain management tool. He said the Council had discussed this issue at length without making a decision and he felt it was time to move on.

Laura Leindecker said there would be three retail dispensaries open and operating once Nourish is completed in September. She said it was a decision that needs to be made and the Council has discussed the matter at length.

Jeff Brown of Harvest Corner said he was in opposition to adding additional retail licenses. He said the City's consultant said it had the right number of retail license based on demand and the number of residents. He implored Council to listen to its citizens.

Ellen Carr said the Council needed to listen and that the residents voted to allow three locations – one for every 10,000 residents. She said she felt they needed to give the three existing facilities a chance to grow.

Kenny of "Budutopia" said that he was in favor of expanding the number of retail locations allowed and microbusinesses. He suggested the city capitalize on its location by becoming a cannabis powerhouse. He said cannabis creates good jobs that will help bring larger retailers to the area.

Chasom Brown with Culture Cannabis said that the City asked existing retailers, consultants, and residents whether to add additional retailers and all of them said no.

City Clerk Calderon said that John Hagen submitted comment on this agenda item, which was provided to City Council.

— **Straw poll on whether to allow additional retail licenses.**

COUNCIL MEMBER	YES	NO
Hamlin, Mary		×
Happe, David	×	
Pingree, Kyle		×
Sanchez, Alberto		×
Wallace, Colleen	×	

— **Straw poll on whether to allow microbusinesses in the same commercial zones as retail cannabis businesses.**

COUNCIL MEMBER	YES	NO
Hamlin, Mary		×
Happe, David	×	
Pingree, Kyle		×
Sanchez, Alberto		×
Wallace, Colleen	×	

— **Straw poll on whether to allow manufacturing and distribution in the business park zone.**

COUNCIL MEMBER	YES	NO
Hamlin, Mary	×	
Happe, David	×	
Pingree, Kyle		×
Sanchez, Alberto	×	
Wallace, Colleen	×	

8.2. Discuss the Draft Short Range Transit Plan for Fiscal Year 2022/2023 – 2024/2025

Director of Public Works, Art Vela presented the staff report.

Public Comment

None

8.3. Consideration of Resolution 2022-50, Approving an Employment Agreement for the Position of Finance Director with Lincoln Bogard

City Manager Doug Schulze presented the staff report.

Public Comment

None

Motion to approve Resolution 2022-50.

Motion by Council Member Happe
Seconded by Council Member Sanchez

COUNCIL MEMBER	YES	NO	ABSTAIN	RECUSE	ABSENT
Hamlin, Mary	×				
Happe, David	×				
Pingree, Kyle	×				
Sanchez, Alberto	×				
Wallace, Colleen	×				

Motion approved by a vote of 5-0.

9. DISCUSSION ITEM(S)

None

10. ITEMS FOR FUTURE AGENDAS

10.1. New Items

Council Member Happe asked for an update on street vendor enforcement. City Manager Schulze said enforcement was ongoing.

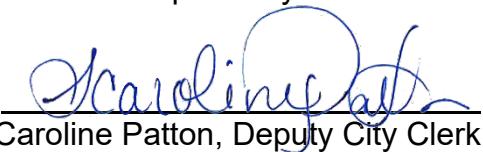
10.2. Pending Items:

1. Permanent Homeless Solution
2. Shopping Cart Ordinance Update
3. Golf Cart/EV Ordinance (On hold)
4. Airport Advisory Commission
5. Business-Friendly Zoning (Wallace)
6. Community Garden Project (Sanchez)
7. Internship Program (Hamlin)

11. ADJOURNMENT

Mayor Pingree adjourned the meeting at 9:24 p.m.

Minutes Prepared by:



Caroline Patton, Deputy City Clerk

This entire meeting may be viewed here:
<https://banninglive.viebit.com/index.php?folder=City+Council+Meetings>

All documents related to this meeting are available here:
<http://banning.ca.us/ArchiveCenter/ViewFile/Item/2638>

ATTACHMENTS:

- Exhibit A – Agenda Item 5.5. City Manager Report Presentation
- Exhibit B – Agenda Item 7.1. Handout on Electric Utility Costs
- Exhibit C – Agenda Item 7.1. Electric Utility Wildfire Mitigation Plan 2.1 Presentation
- Exhibit D – Agenda Item 8.1. Cannabis Ad Hoc Committee Discussion Presentation
- Exhibit E – Agenda Item 8.1. Staff Handout on Decision Points
- Exhibit F – Agenda Item 8.1. Public Comment

CITY MANAGER'S REPORT

May 10, 2022



ZEN CITY ENGAGE BANNING

- Social Media Analytics
- Community Engagement

<https://engagebanning.civilspace.io>

Exhibit A - Agenda Item 5.5 Presentation

SO CAL WEST
COAST
ELECTRIC

- Company Headquarters
 - 200 jobs
 - Local, Family-owned
 - Anticipate move to new building by end of June
- Industrial Building
 - CED (Consolidated Electrical Distributors)



Exhibit B - Agenda Item 7.1 Handouts

Thomas Miller

From: Patrick Welch <pwelch@cmua.org>
Sent: Tuesday, May 10, 2022 10:34 AM
To: Patrick Welch
Subject: CMUA Heads of Utilities: State Energy Leaders Identify Summer Reliability Challenges and Ongoing Affordability Issues
Attachments: Reliability and Rates Media Briefing (2).pdf

Warning

This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender's email address and know the content is safe.

City of Banning Information Technology

May 10, 2022

To: CMUA heads of Utilities

Cc: CMUA Legislative & Regulatory Committees

From: Patrick Welch

Subject: State Energy Leaders Identify Summer Reliability Challenges and Ongoing Affordability Issues

You may have seen on Friday that the state's energy regulators and managers announced a potential energy shortfall of 1,700 MWs this summer. There were rotating outages in August 2020, but they were avoided in 2021. The state has also identified shortfalls in the summer through at least 2025. The shortfall could grow to 4,000 – 5,000 MWs in an extreme weather and fire risk scenario. Attached is the PowerPoint slide deck on the issue provided to CMUA by the Governor's office. CMUA met with the Governor's Senior Energy Advisor yesterday on the issue, who said load growth and resource retirements have outpaced the development of new projects, which accounts for the shortfall. The slides, in summary, not only outline summer reliability challenges, but also provide information on residential affordability issues for IOU customers. IOU bills are increasing at an annual rate of between 12%-16%. We're also engaging on the affordability issue.

The Governor's office is still considering a suite of solutions for this summer and beyond. Based on our discussions with them, it appears that their focus this summer will likely be to find demand reductions and for 2023-25 we think the Governor may propose funding for supply-side projects. We anticipate that additional details on the Governor's approach to summer reliability issues will be outlined in his May Revise budget, which will be released on Friday. His proposals will be subject to Legislative input and will have to be approved by the Legislature by June 15.

I want to put this important issue on your radar. CMUA will remain in touch with the Governor's office and will monitor the release of the May Revise budget for additional details. Given the magnitude of the potential shortfall this summer and in coming summers, this issue may necessitate a robust level of engagement from the public power community.

Please let me know if you have any questions or concerns. We will keep you apprised of developments.

Energy Reliability and Affordability Media Briefing

May 6, 2022

CA State of Play

California faced back to back years of energy reliability challenges driven by climate change in 2020 and 2021

In summer of 2020, multi day extreme heat across the west led to outages across the state.

CAISO/CPUC/CEC were directed to conduct a root cause analysis of the outages which showed:

- demand/supply estimates did not adequately account for accelerated impacts on the grid from climate change
- extreme weather including drought and wildfire both reduce our ability to generate as well as increase demand.

In 2021, California experienced another hot and dry summer -

- Hydropower at Oroville's Hyatt Powerplant was shut down for the first time ever due to lack of water supply representing a loss of more than 600MWs
- Oregon Bootleg fire took out interstate transmission lines cutting off 4,000 MW of energy imports into California - 3,000 into CAISO

In addition, there are planned retirements of facilities accounting for 6,000 MWs by 2025.

COVID-19 pandemic, supply chain challenges and tariff issues have delayed California's ability to bring the projects we need to maintain energy reliability online.

California's Actions to Date

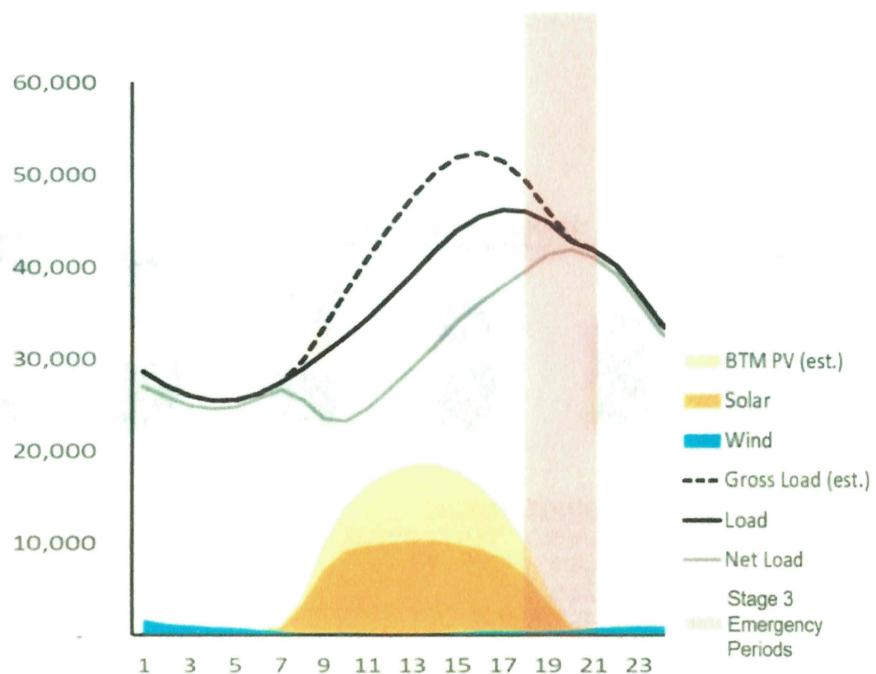
To address these challenges California has:

- Revised forecasts to better reflect climate impacts
- Mandated an unprecedented amount of energy procurement - 11,500 MW in 2021
- Accelerated projects including rapid deployment of energy storage
 - Went from 200 MW to nearly 4,000 MW battery storage in just 2.5 years
- Maximized demand response
 - Launched new Flex alert campaign, introduced customer payment program and auto enrolled low-income Californians.
 - Established Emergency load reduction program
 - Increased demand response programs by energy providers
 - New smart thermostat incentive program
- Installed emergency DWR generators
- Delayed planned retirement dates for existing power plants

Even with these actions, climate change continues to cause unprecedented stress on California's energy system - it continues to threaten reliability and put Californians at risk of additional outages.

Net Peak vs. Gross Peak

- The net peak period is now when the grid experiences the greatest challenge, especially in summer and early fall.
- While the load at the time of the net peak is only slightly lower than that gross peak, the solar production drops by thousands of megawatts between gross and net peak.
- As a result, planning and operation require a focus on additional resource capacity that can reliably produce during and immediately after sunset.



September peak day conditions: 2022-2025

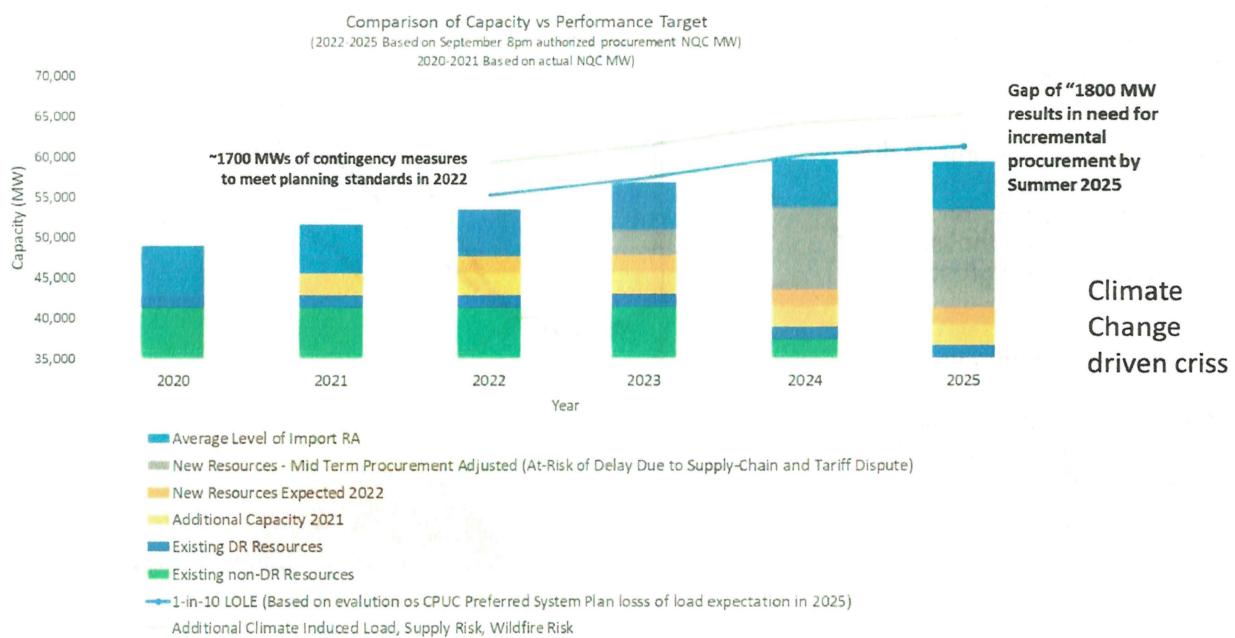
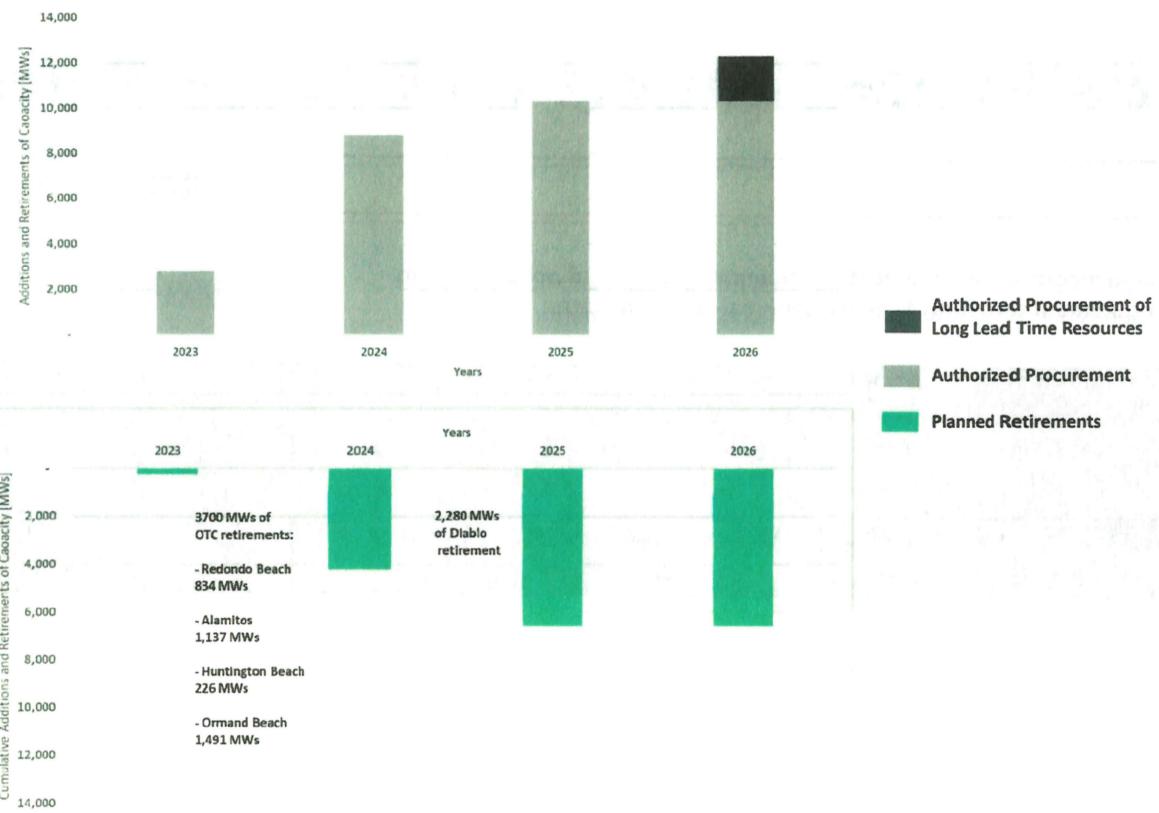


Exhibit B - Agenda Item 7.1 Handouts

Expected Additions



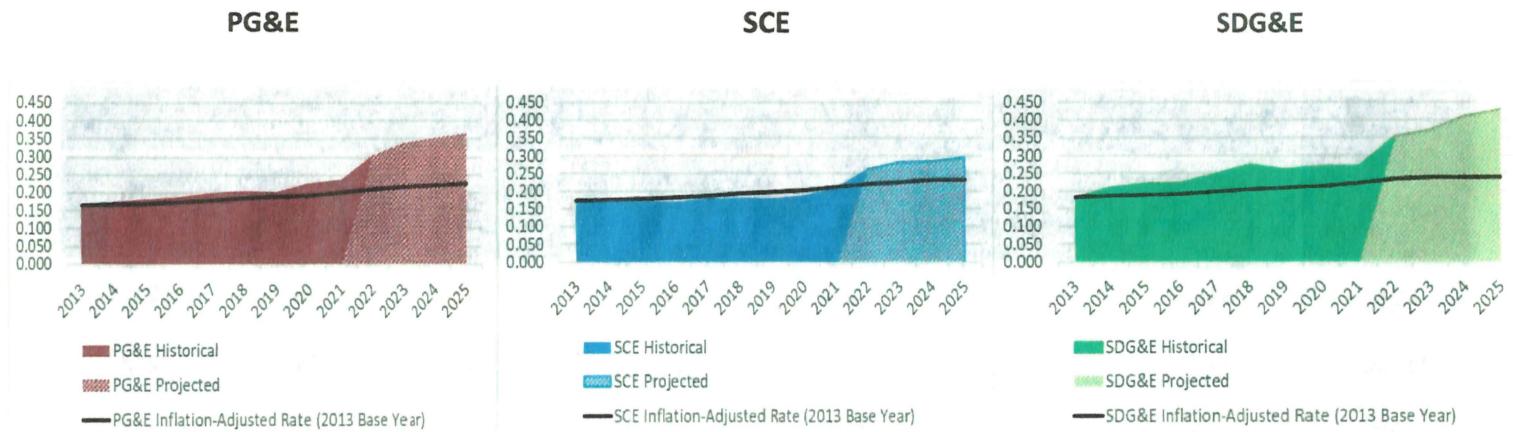
Planned Retirements

Estimated Impact on Energy Reliability

	2022	2025
Lag in incorporation of updated demand forecasts and policy goals in procurement targeting 1-in-10 traditional planning metric	1,700 MWs	1,800 MWs
Extreme weather and fire risks to energy assets not completely captured in a 1-in-10 traditional planning efforts	4,000 - 5,000 MWs	
Project Development Delay Scenarios (estimated)	600 MWs	1,600 - 3800 MWs

Exhibit B - Agenda Item 7.1 Handouts

Projected Residential Rate Growth Expected for California IOUs (\$/kWh)



By 2030, bundled residential rates are forecasted to be approximately **40% (PG&E)**, **20% (SCE)**, and **70% (SDG&E)** higher than they would have been if 2013 rates for each IOU had grown at the rate of inflation.

Recent Electric Bill Trends and Mid-term (2025) Projections

Bundled Residential Monthly Electric Bill Impact Estimates*

Utility	Actual				Projection		
	2019 Bill	Annual Growth Rate**	Total Bill Increase from 2019	Current Bill (2022 YTD)	Annual Growth Rate**	Total Bill Increase from Current Bill	Projected 2025 Bill
PG&E	\$121	12%	\$44	\$165	9%	\$46	\$211
SDG&E	\$128	11%	\$43	\$171	8%	\$42	\$213
SCE	\$100	16%	\$50	\$150	4%	\$18	\$168

* For Non-CARE customers. Based on PG&E & SCE residential average consumption = 500 kWh/mo.; SDG&E = 425 kWh/mo.

** Growth rate accounts for partial year of 2022 YTD

2022 Cost Drivers

Residential Average Bill Impacts of Principal Cost Drivers that Went into 2022 Rates*

Driver	PG&E	SCE	SDG&E
Fuel & Purchased Power (Gas Prices)	11.6% increase	5.8% increase	5.7% increase
Transmission Costs (Approved at FERC)	5.7% increase	1.3% increase	2.5% increase
Distribution & Wildfire Costs	3% increase	4% increase	2.6% increase
Arrearages (Pre-pandemic)	0.8% increase	0.1% increase	N/A

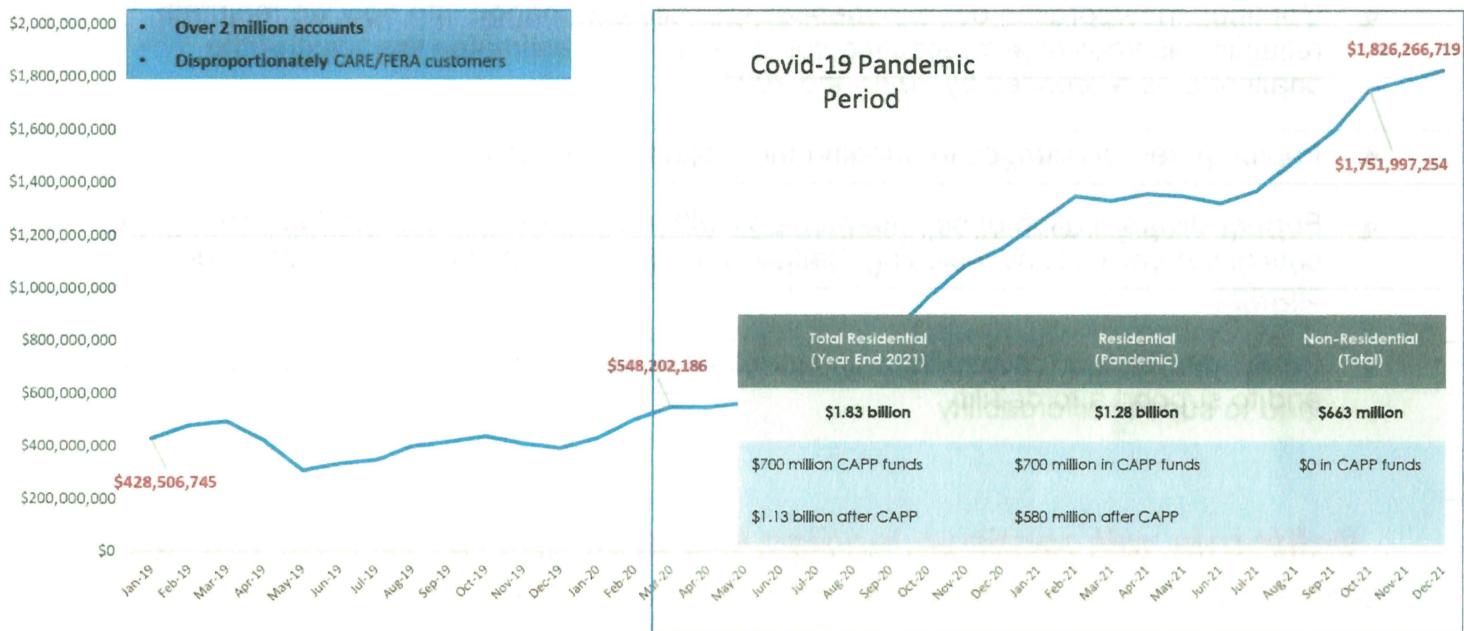
*Examples of other costs include: Summer Reliability, AB 841, and SB 350 TE Programs. Data based on rates that went into effect Jan 1 and/or Mar 1, depending on utility.

Unquantified Costs not included in Rate Projections

- Additional wildfire mitigation
- The most aggressive alternatives being considered in 2022 scoping plan including 2035 carbon neutrality
 - Most accelerated timelines for electrification and zero carbon targets
 - Distribution grid upgrades for high electrification (CARB ACC2 for LDV and ACF for MDV/LDV)
- Transmission costs beyond 10-Year IRP assumptions
 - CAISO 20-year conceptual transmission outlook estimates \$30 billion system costs in addition to other network and local upgrade costs.

Exhibit B - Agenda Item 7.1 Handouts

Total Residential Arrearages Among 4 largest IOUs



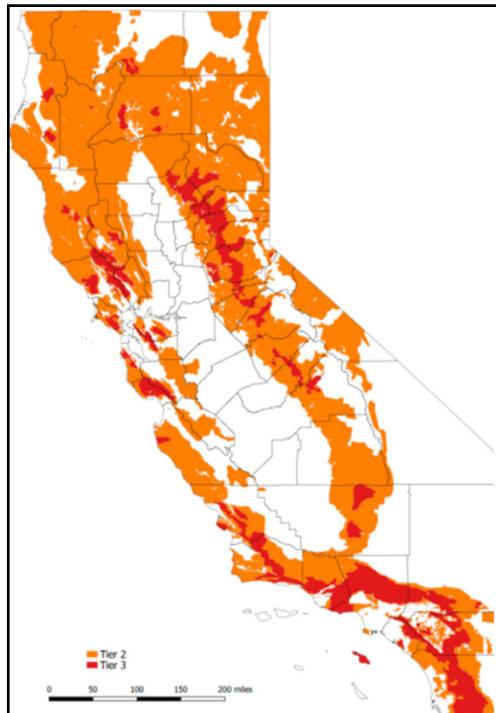
What's Next?

- Continue incorporating our experiences with climate change into how we maintain reliability as traditional forecasting consistently underestimates the scale of the challenge as evidenced by 2020 and 2021.
- Factor in new challenges to bringing the projects we need online
- Further diversification of our clean energy with resources that can produce during the critical net peak period including: battery storage, wind, geothermal and pumped storage
- Develop additional actions to maintain reliability during our transition to clean energy and to support affordability

California will continue leading the fight against climate change and take necessary actions to ensure energy reliability during the clean energy transition.

BANNING ELECTRIC UTILITY WILDFIRE MITIGATION PLAN

VERSION 2.1



CPUC Fire Threat Map Evolution

- ▶ CPUC first adopted interim fire maps and associated regulations in 2009
- ▶ In 2012, the CPUC adopted the FRAP Map created by CAL Fire
- ▶ In 2016, Governor Brown signs SB 1028 requiring POU's to identify and mitigate wildfires in areas where overhead electric lines and equipment posed a significant risk
- ▶ In 2018, developed a statewide Fire Threat Map, or Fire Map 2 (pictured)
 - ▶ Tier 1: Low or No Hazards/Risk - 95% of distribution system
 - ▶ Tier 2: Elevated Risk - 3% of distribution system
 - ▶ Tier 3: Extreme Risk - 2% of distribution system

Exhibit C - Agenda Item 7.1 Presentation

California Wildfires

Top 20 Largest California Wildfires

FIRE NAME (CAUSE)	DATE	COUNTY	ACRES	STRUCTURES	DEATHS
1 MENDOCINO COMPLEX <i>(Under Investigation)</i>	July 2018	Colusa County, Lake County, Mendocino County & Glenn County	459,123	280	1
2 THOMAS (Powerlines)	December 2017	Ventura & Santa Barbara	281,893	1,063	2
3 CEDAR (Human Related)	October 2003	San Diego	273,246	2,820	15
4 RUSH (Lightning)	August 2012	Lassen	271,911 CA / 43,666 NV	0	0
5 RIM (Human Related)	August 2013	Tuolumne	257,314	112	0
6 ZACA (Human Related)	July 2007	Santa Barbara	240,207	1	0
7 CARR (Human Related)	July 2018	Shasta County, Trinity County	229,651	1,614	8
8 MATILIJJA (Undetermined)	September 1932	Ventura	220,000	0	0
9 WITCH (Powerlines)	October 2007	San Diego	197,990	1,650	2
10 Klamath Theater Complex (Lightning)	June 2008	Siskiyou	192,038	0	2
11 MARBLE CONE (Lightning)	July 1977	Monterey	177,866	0	0
12 LAGUNA (POWERLINES)	September 1970	San Diego	175,425	382	5
13 BASIN COMPLEX (Lightning)	June 2008	Monterey	162,818	58	0
14 DAY FIRE (Human Related)	September 2006	Ventura	162,702	11	0
15 STATION (Human Related)	August 2009	Los Angeles	160,357	209	2
16 CAMP FIRE (Powerlines)	November 2018	Butte	153,336	18,804	85
17 ROUGH (Lightning)	July 2015	Fresno	151,623	4	0
18 McNALLY (Human Related)	July 2002	Tulare	150,696	17	0
19 STANISLAUS COMPLEX (Lightning)	August 1987	Tuolumne	145,980	28	1
20 BIG BAR COMPLEX (Lightning)	August 1999	Trinity	140,945	0	0

There is no doubt that there were fires with significant acreage burned in years prior to 1932, but those records are less reliable, and this list is meant to give an overview of the large fires in more recent times.

^{**}This list does not include fire jurisdiction. These are the Top 20 regardless of whether they were state, federal, or local responsibility.

5/6/2019



California Wildfires

Top 20 Largest California Wildfires

FIRE NAME (CAUSE)	DATE	COUNTY	ACRES	STRUCTURES	DEATHS
1 AUGUST COMPLEX (Lightning)	August 2020	Mendocino, Humboldt, Trinity, Tehama, Glenn, Lake, & Colusa	1,032,648	935	1
2 DIXIE (Powerlines)	July 2021	Butte, Plumas, Lassen, Shasta & Tehama	963,309	1,329	1
3 MENDOCINO COMPLEX <i>(Human Related)</i>	July 2018	Colusa, Lake, Mendocino & Glenn	459,123	280	1
4 SCU LIGHTNING COMPLEX <i>(Lightning)</i>	August 2020	Stanislaus, Santa Clara, Alameda, Contra Costa, & San Joaquin	396,624	222	0
5 CREEK (Undetermined)	September 2020	Fresno & Madera	379,895	853	0
6 LNU LIGHTNING COMPLEX <i>(Lightning/Arson)</i>	August 2020	Napa, Solano, Sonoma, Yolo, Lake, & Colusa	363,220	1,491	6
7 NORTH COMPLEX (Lightning)	August 2020	Butte, Plumas & Yuba	318,935	2,352	15
8 THOMAS (Powerlines)	December 2017	Ventura & Santa Barbara	281,893	1,063	2
9 CEDAR (Human Related)	October 2003	San Diego	273,246	2,820	15
10 RUSH (Lightning)	August 2012	Lassen	271,911 CA / 43,666 NV	0	0
11 RIM (Human Related)	August 2013	Tuolumne	257,314	112	0
12 ZACA (Human Related)	July 2007	Santa Barbara	240,207	1	0
13 CARR (Human Related)	July 2018	Shasta County & Trinity	229,651	1,614	8
14 MONUMENT (Lightning)	July 2021	Trinity	223,124	50	0
15 CALDOR (Human Related)	August 2021	Alpine, Amador, & El Dorado	221,835	1,003	1
16 MATILIJJA (Undetermined)	September 1932	Ventura	220,000	0	0
17 RIVER COMPLEX (Lightning)	July 2021	Siskiyou & Trinity	199,343	122	0
18 WITCH (Powerlines)	October 2007	San Diego	197,990	1,650	2
19 Klamath Theater Complex (Lightning)	June 2008	Siskiyou	192,038	0	2
20 MARBLE CONE (Lightning)	July 1977	Monterey	177,866	0	0

There is no doubt that there were fires with significant acreage burned in years prior to 1932, but those records are less reliable, and this list is meant to give an overview of the large fires in more recent times.

^{**}This list does not include fire jurisdiction. These are the Top 20 regardless of whether they were state, federal, or local responsibility.

*Numbers not final.

1/13/2022

Exhibit C - Agenda Item 7.1
Presentation

Requirements of the Wildfire Mitigation Plan

► SB 1028

- (1) An accounting of the responsibilities of persons responsible for executing the plan.
- (2) The objectives of the plan.
- (3) A description of the preventive strategies and programs adopted by the electrical corporation to minimize the risk of its electrical lines and equipment causing catastrophic wildfires.
- (4) A description of the metrics the electrical corporation plans to use to evaluate the plan's performance and the assumptions that underlie the use of those metrics.
- (5) A discussion of how the application of previously identified metrics to previous plan performances has informed the plan.
- (6) A description of the processes and procedures the electrical corporation will use to do the following:
 - (A) How the utility intends to monitor and audit the implementation of the plan.
 - (B) How the utility will identify any deficiencies in the plan or the plan's implementation and correct those deficiencies.
 - (C) How the utility will monitor and audit the effectiveness of electrical line and equipment inspections, including inspections performed by contractors, carried out under the plan and other applicable statutes and commission rules.
- (7) Any other information that the Wildfire Safety Advisory Board (WSAB) may require.

Requirements of the Wildfire Mitigation Plan

► AB 1054

- directs utilities to “construct, maintain, and operate its electrical lines and equipment in a manner that will minimize the risk of wildfire posed by those electrical lines and equipment.”
- develop means to mitigate the impacts and potential damage resulting from wildfires

California Wildfire Safety Advisory Board

- ▶ Advise CPUC of wildfire safety and mitigation performance of plans written by utilities
- ▶ Develop an appropriate scope and process for assessing the safety culture of an electric utility
- ▶ Objectives:
 - ▶ Evaluate each utility's WMPs from 2020 and 2021
 - ▶ Provide an advisory opinion of what should be included in the 2022 and future versions of each utility's WMP

BEU Safety Risks - Cause of Outages

- ▶ Ranking of Factors causing BEU outages
 1. Equipment deterioration or failure
 2. Vegetation
 3. Vehicle damage
 4. Animal contact
 5. Mylar balloons
 6. Lightning
 7. Vandalism
- ▶ BEU power lines have not caused any wildfires over the past several years as reported by CAL Fire

Exhibit C - Agenda Item 7.1 Presentation

Current Regulatory & Mitigation Efforts

- ▶ Increased patrols and vegetation clearance in HFTD since 2017
 - ▶ Worked with CAL Fire to identify 173 utility poles in Tier 2/3 areas
- ▶ UG conversion of infrastructure in Tier 3 area near Jennifer Way, west of San Gorgonio Ave (completed in 2021)
- ▶ Applying for grant funding to complete line hardening in Mias Canyon Tier 3 area
- ▶ Increased inspection frequencies as required by GO 165

Inspection	Tier 1	Tier 2	Tier 3
Patrol	5 Years	2 Years	1 Year
Detailed - Includes pole-butt tests and/or intrusive testing	10 Years	10 Years	5 Years

- ▶ Install “spark-limiting” fuses (ELFs) on all overhead lines
- ▶ Install wildlife protection (polymer equipment covers) in Tier 2/3 areas

BEU Wildfire Mitigation Plan Objectives

- ▶ Protect public safety while continuing to provide reliable and sustainable power to customers
- ▶ Set forth actionable and measurable plan to reduce the risk of potential wildfire-causing ignitions associated with BEU’s electrical infrastructure
- ▶ Implement measures to harden the electric system against wildfires and improve system resiliency
- ▶ Enhance wildfire suppression by improving coordination with emergency management personnel
- ▶ Reduce the impact of wildfires on BEU’s customers
- ▶ Communicate with customers, community groups, and other stakeholders about how to prevent, prepare for, and mitigate the effects of wildfire

Exhibit C - Agenda Item 7.1 Presentation

Mitigation Strategies

Inspections

- ▶ Enhanced overhead inspections on delivery and distribution structures in HFTD
- ▶ Continue various existing inspections (poles, switches, circuits, relays, etc.)
- ▶ Continue vegetation management at utility poles and power lines as required and implement a strategy for removal of hazard (dead/dying) trees
- ▶ Investigate use of infrared or high definition (HD) imagery
- ▶ Effective communications and engagement with emergency services, customers and other utilities
- ▶ Investigate the use of weather stations within HFTD

Operations

- ▶ Investigate and implement various system hardening activities (e.g., composite poles, current limiting fuses (ELFs), remote automatic reclosers (RARs), Fast Curve settings)
- ▶ Evaluate feasibility of covered conductor in HFTD
- ▶ Evaluation of targeted undergrounding in HFTD
- ▶ Perform other evaluations and pilots of alternative technologies

Action Plan for Tier 3 Areas

Location	Fire Threat Tier	Electric Assets	Risk Description	Targeted Action/s	Timeframe
Banning Canyon	3	12.47kv OH distribution - 2 miles	Overhead line feeds 8 water distribution wells needed for fresh water and fire protection	Joint project with SCE - covered conductor, avian protection, fire-retardant wrap at base of poles, and 12.47kV recloser near base of the canyon.	During City of Banning budget cycle for FY 22/23 & FY 23/24. Coordination with SCE on shared cost will be required.
Mias Canyon	3	BEU provides OH 12.47kv and 7.2kv through Mias Canyon to 14 SCE customers	No disconnect device (recloser) exists to disconnect power to SCE customers in case of fire emergency. Operating procedures with SCE have not been established	Install ELF disconnects, reclosers, covered conductor, FRP poles. Apply for grants to fund project. Increase monitoring and limit fuels	Design is currently at 60% (as of May 2022). Application for grant Funding thru FEMA has been submitted. Construction tentatively scheduled for Q3 2023.

Exhibit C - Agenda Item 7.1
Presentation

WSAB 2022 Guidance Opinion

Purpose

- ▶ To assume an independent advisory role, which is distinct from a regulatory role
- ▶ To “guide” and “advise” POUs toward specific action
- ▶ Encourage POUs to respect the expertise that leads to guidance recommendations

BEU Evaluation of Guidance Opinion and Recommended Action

- ▶ Resubmit 2021 WMP for adoption through Public Hearing Process
- ▶ Include in 2022 WMP the recommendations that are reasonable and appropriate
- ▶ Include in 2023 WMP “Comprehensive Review” the recommendations that are appropriate for further consideration and collaboration

Administrative Corrections per Guidance Opinion

Corrective Action #1

- ▶ Adopt 2021 WMP Version 2.1 thru Public Hearing process
 - ▶ previously adopted by City Council in July 2021

Corrective Action #2

- ▶ Update City website to include links to the most recent WMP and Independent Evaluation (IE) Report as well as older plans to allow perusal of WMP history immediately following adoption of WMP Version 2.1

Corrective Action #3

- ▶ Provide to WSAB a “redline” version of WMP Version 2.1 identify the updates/changes as compared to the 2020 WMP

Exhibit C - Agenda Item 7.1
Presentation

Functional Corrections per Guidance Opinion

Corrective Action #4

- ▶ Include in WMP Version 2.1 budget process for any potential or expected mitigation expenses
 - ▶ Pursuit of grant funding
 - ▶ Documented completion of Jennifer Way project in 2021
- ▶ Discuss effort in facilitating joint projects with Southern California Edison (SCE) for jointly owned infrastructure in the Tier 2/3 areas

Corrective Action #5

- ▶ Include an informational response that was derived from a template endorsed by WSAB in BEU's 2022 WMP update

Corrective Action #6

- ▶ Provide an IE Report with the 2022 WMP update and 2023 WMP Comprehensive Review

Functional Corrections per Guidance Opinion (Cont'd)

Corrective Action #7

- ▶ Complete analysis or description of the wildfire risk tradeoffs of development in HFTD areas in 2022 WMP update

Corrective Action #8

- ▶ Consider the impacts of potential higher wind speeds and an earlier fire season (historically begins September 1)
 - ▶ Direct response to CAL Fire's 2022 updated table that shows most of the top wildfires having occurred months earlier

Exhibit C - Agenda Item 7.1 Presentation

De-Energization Public Safety Power Shutoff (PSPS)

Justifications for de-energization

- ▶ Local fire or request by safety officers for a specific circuit to be de-energized as a result of an ongoing event
- ▶ Pre-emptive de-energization to reduce fire risk (Red Flag Warnings)

Typical but not required response to weather-related Red Flag Warnings

- ▶ During Extreme weather events where wind gusts exceed 25 mph, activate the appropriate operations requirements in response to the weather which may include public advisory through various communication channels
- ▶ During Red Flag weather events where wind gusts exceed 50 mph, activate the appropriate operations requirements in response to the weather, which will include public notice to customers of a potential PSPS event

Notification should occur 72 hours prior to an event

SCE PSPS Map

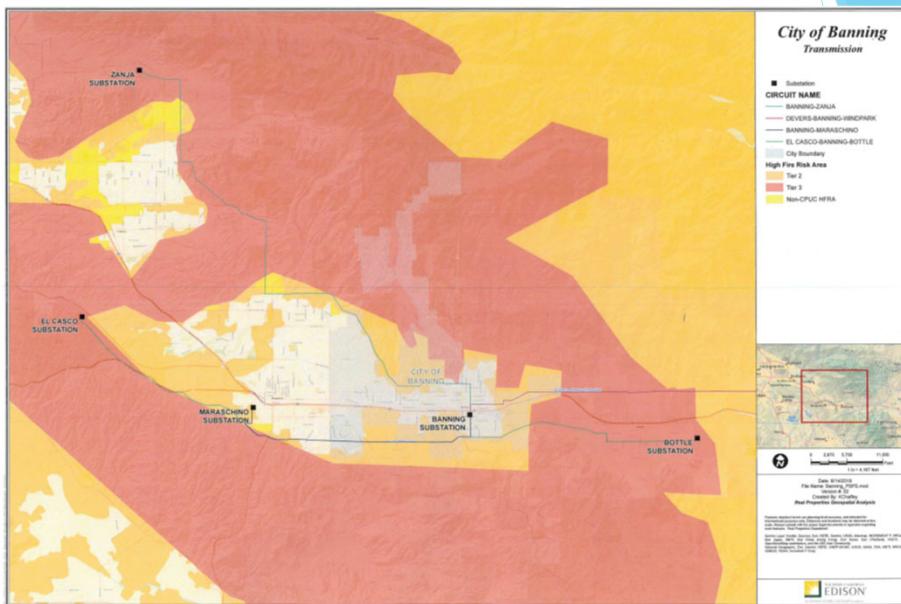


Exhibit C - Agenda Item 7.1 Presentation

Notifications & Outreach

- ▶ Banning Electric on Twitter, Facebook, and Instagram
- ▶ City of Banning at Nixle
- ▶ Develop Key Accounts Notification Protocol

- ▶ Topics for further discussion
 - ▶ Climate change impacts on wildfires
 - ▶ Grid hardening and other engineering practices
 - ▶ Vegetation management
 - ▶ Weather monitoring as it relates to elevated/extreme threat and red flag events
 - ▶ PSPS protocol if defined
 - ▶ Safety during outages

Next Steps

- ▶ Resubmit 2021 WMP Version 2.1 with corrections to WSAB
- ▶ Submit 2022 version of WMP to the California Wildfire Safety Advisory Board for review and approval in July 2022
- ▶ Continued outreach to discuss plan updates
- ▶ Coordinate with SCE, CAL Fire and other safety personnel
- ▶ Report WMP Comprehensive Review to City Council in July 2023
 - ▶ Evaluate performance metrics over the previous three years

Exhibit D - Agenda Item 8.1
Presentation



CITY COUNCIL AGENDA
Report of Officers
ITEM 8.1
(May 10, 2022)

Report to Council of the Cannabis Retailers “Ad Hoc” Committee, which was established to investigate the existing Cannabis Program, interview existing business owners, interest and potential cannabis retailers, and subject-matter experts in the field of Cannabis Retail sales tax revenue, financial auditing, and industry consulting.

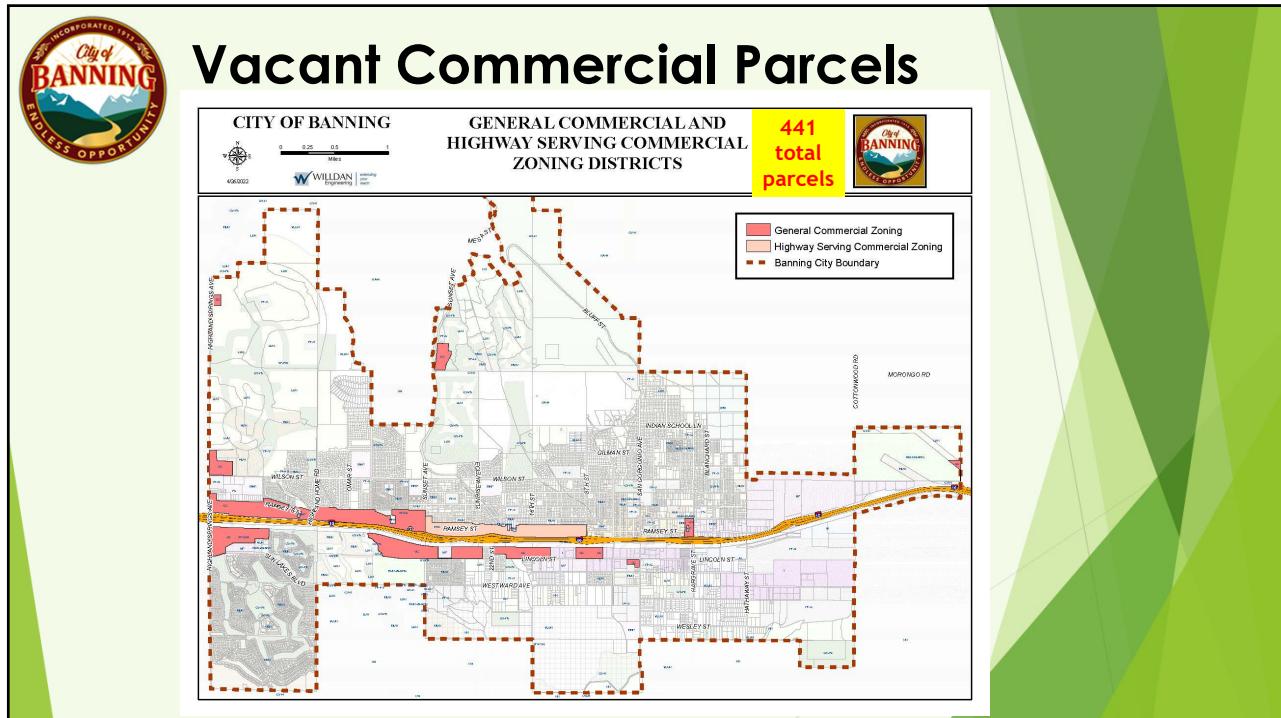


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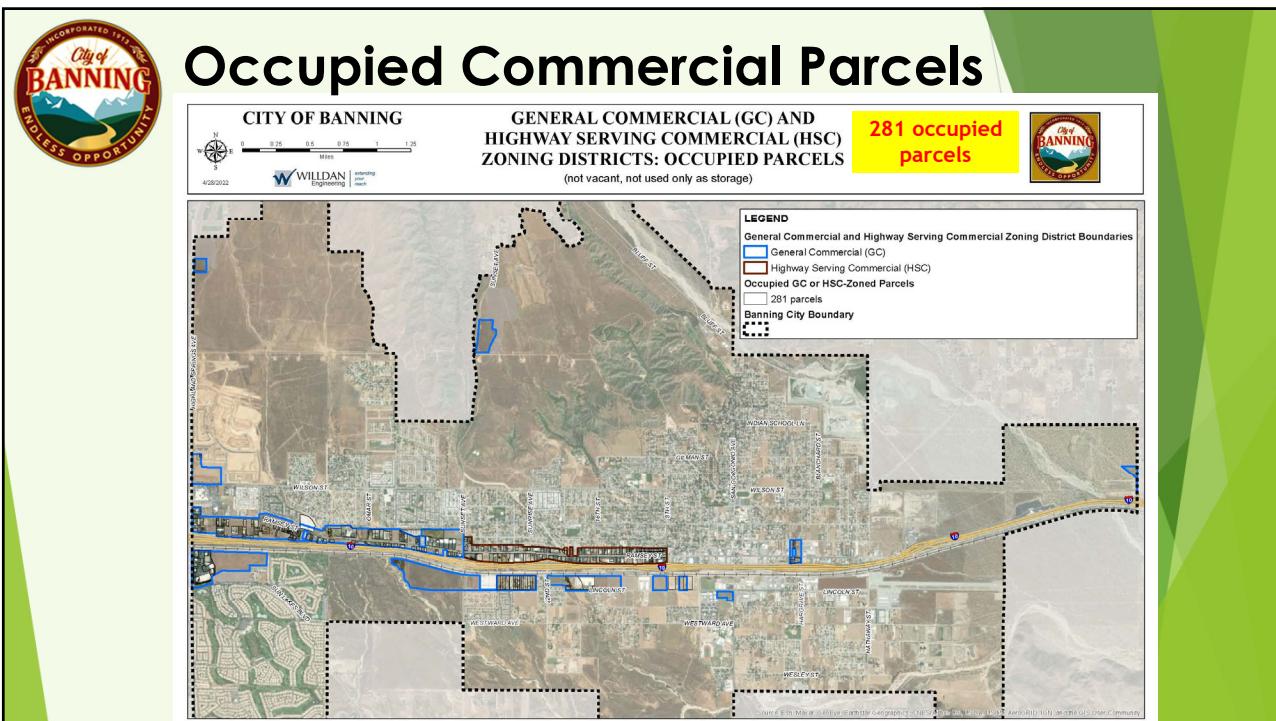
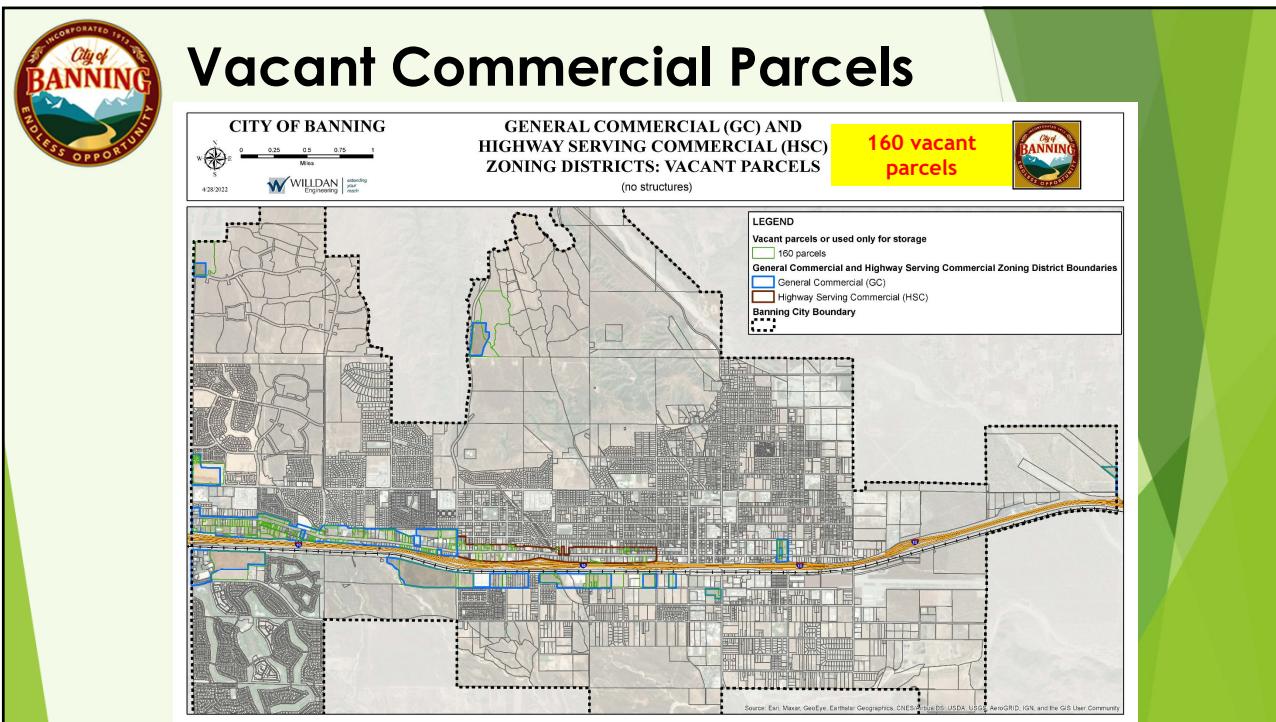


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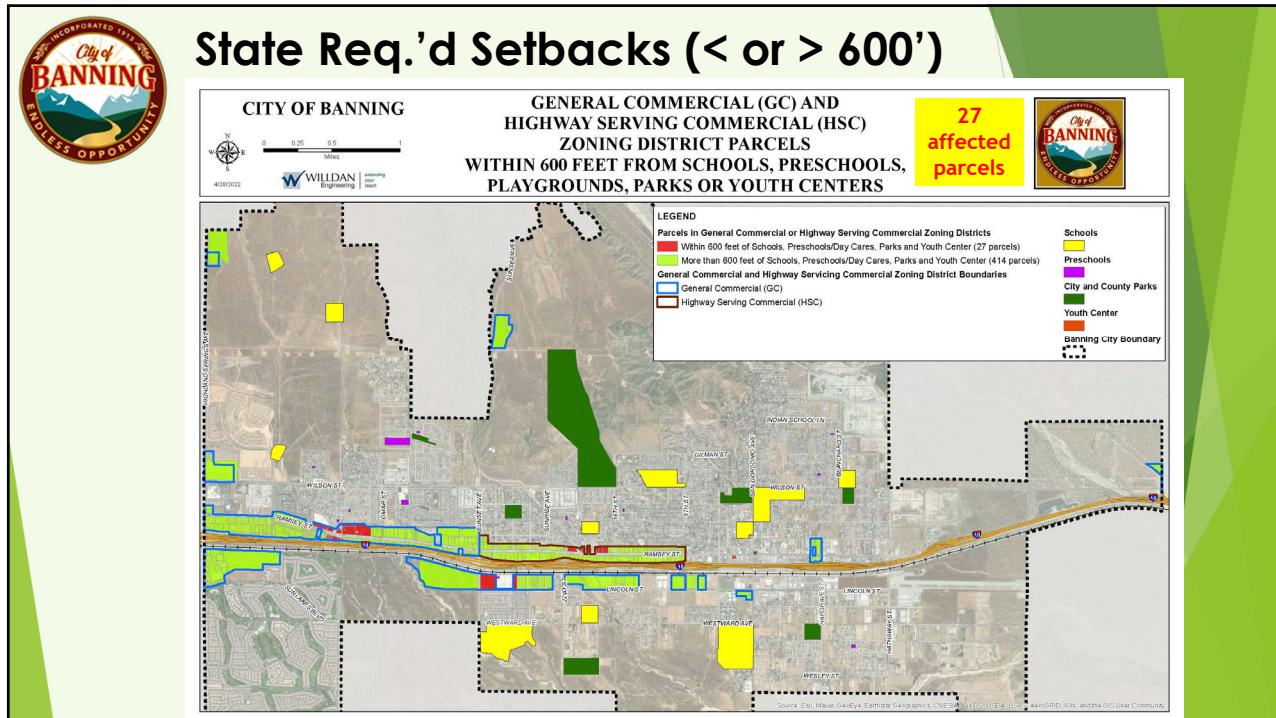
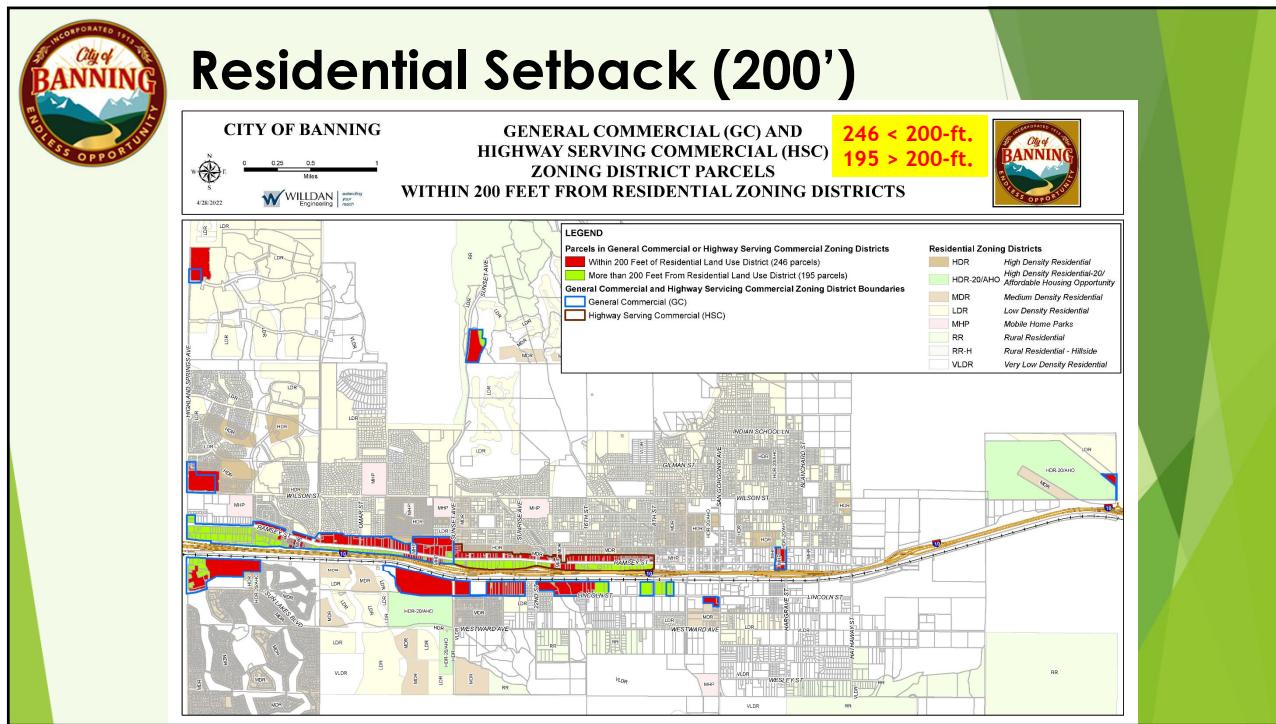
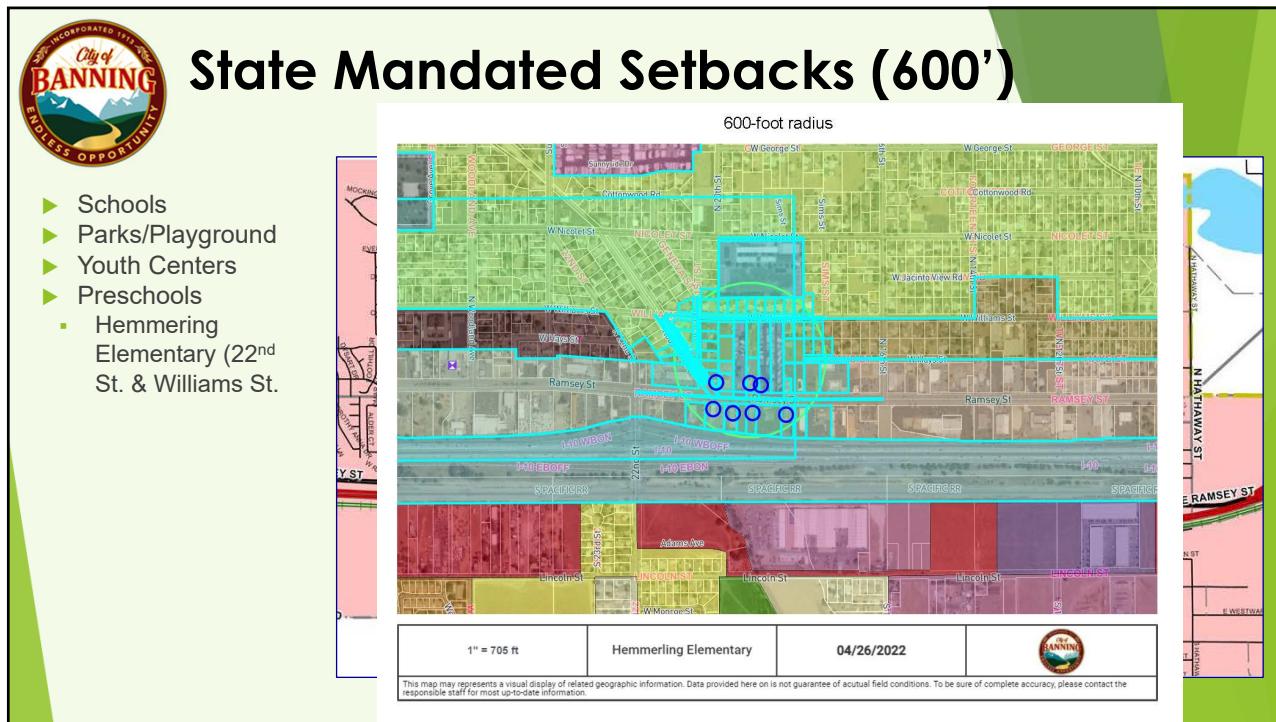


Exhibit D - Agenda Item 8.1 Presentation




Affected Zoning District

PARCEL CATEGORY	TOTAL NUMBER OF PARCELS	TOTAL ACREAGE	CANNABIS BUSINESS <u>PERMITTED</u>	CANNABIS BUSINESS <u>PROPOSED</u>
General Commercial (GC)	269	728.47	N/A	Retail
Highway-Serving Commercial (H-SC)	154	87.63	Retail*	Retail
Number of Occupied Parcels	266	TBD	Retail*	N/A
Number of Vacant Parcels	156	TBD	Retail*	N/A

**Retail Only Permitted with a CUP and Regulatory Permit, which have all been assigned.*

Exhibit D - Agenda Item 8.1 Presentation



Ad Hoc Committee Summary

► March 10th

- Establishment of Committee Expectations
- Committee Members provide desired level of staff support
- The Committee invited existing CUP holders (current Cannabis Businesses):
 - ✓ Culture c/o Chasom Brown
 - ✓ Jeff Moa w/ Harvest Corner
 - ✓ Macy Newell c/o Nourish Earth
 - ✓ Summary of Items Discussed:
 - Existing Cannabis Retailers expressed stress from increasing regulations and possible overconcentration in the Retail Cannabis Industry.
 - Lack of regulations in advertising, juxtaposed to the cost, places further financial stress on business models.
 - The inability to enjoy common business "write-offs" (e.g., labor, overhead, etc.) places further competition stress.
 - Initial Capital Investments have soured past \$700,000
 - Amortization of investment takes 3-5 years to "break even".



Ad Hoc Committee Summary

► March 17th:

The Committee invited HDL and Kosmont Companies who are both subject-matter experts in the Retail Cannabis Industry:

HDL Companies:

- Over 1,800 Cannabis Retailers in their Portfolio
- HDL conducts audits to verify tax revenue and assess financial health
 - ✓ There is still room in the regional market of Banning, Beaumont, Calimesa, & unincorporated Riverside County.
 - ✓ A Total Addressable Market (TAM) in excess of 100,000 residents = 5 Cannabis Retailers (>2)
- According to HDL, 30% of the market consist of illicit sales
 - ✓ Delivery Service is Key to a successful business

Exhibit D - Agenda Item 8.1 Presentation

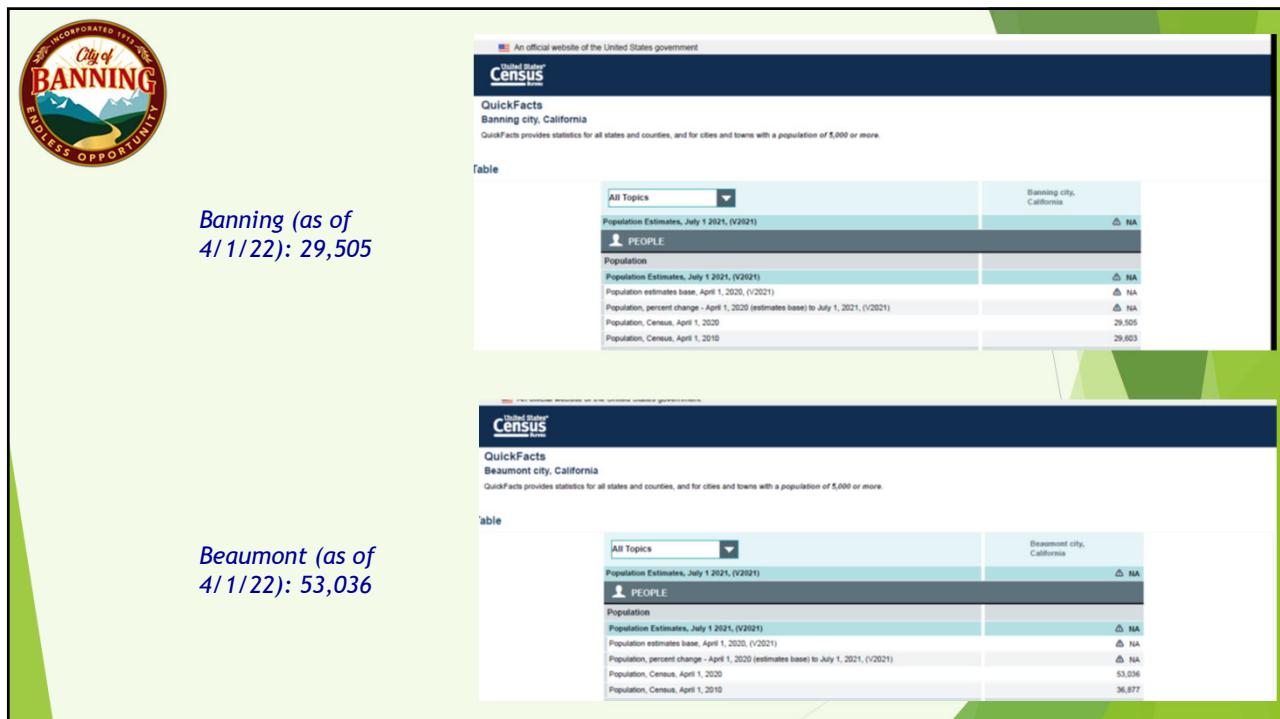
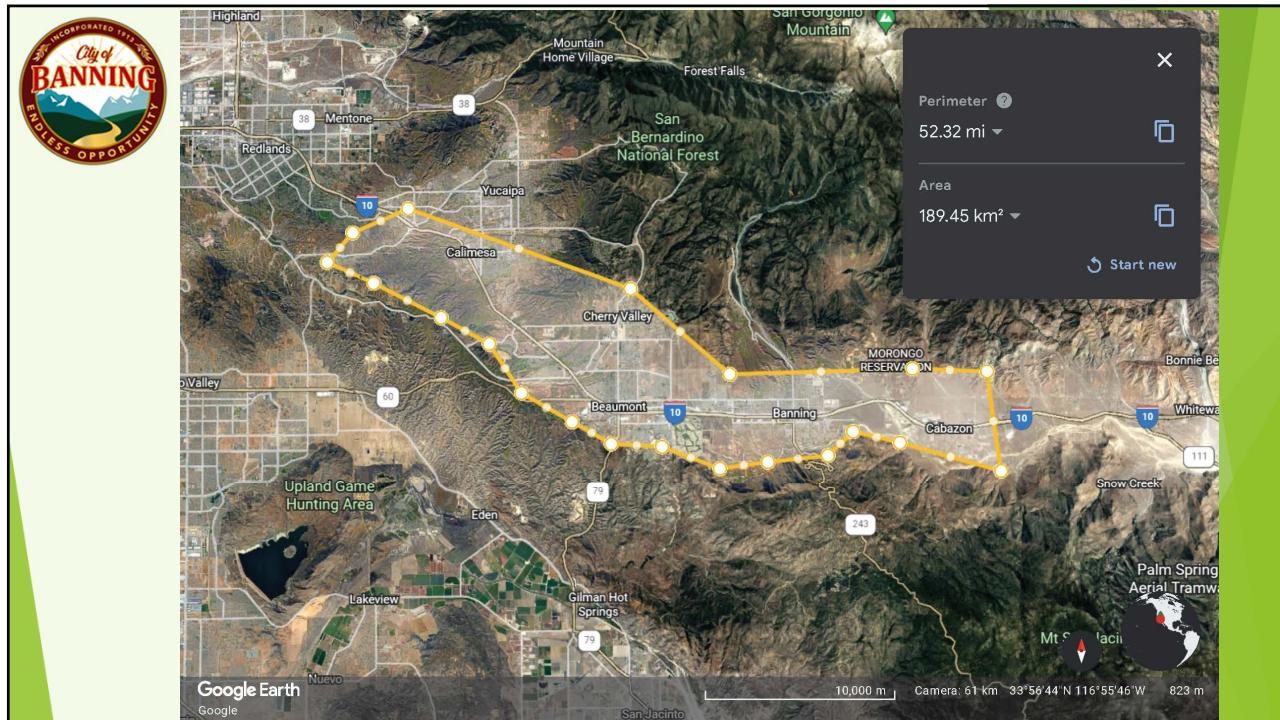


Exhibit D - Agenda Item 8.1 Presentation

The slide features the City of Banning logo in the top left corner. The main content is a table of population data from the United States Census. The table includes columns for 'Topic' (Population Estimates, July 1 2021, (V2021)), 'Category' (PEOPLE), and 'Value' (Calimesa city, California). The data shows a population of 10,026 for Calimesa and 2,629 for Cabazon. A note at the bottom states: '* Does Not Include Unincorporated County Population'.

All Topics	Calimesa city, California
Population Estimates, July 1 2021, (V2021)	10,026
PEOPLE	
Population	
Population Estimates, July 1 2021, (V2021)	10,026
Population estimates base, April 1, 2020, (V2021)	10,026
Population, percent change - April 1, 2020 (estimates base) to July 1, 2021, (V2021)	10,026
Population, Census, April 1, 2020	10,026
Population, Census, April 1, 2010	7,879

Calimesa (as of 4/1/22): 10,026

Cabazon (as of 4/1/22): 2,629

Total* (as of 4/1/22): 86,196

** Does Not Include Unincorporated County Population*

The slide features the City of Banning logo in the top left corner. The main title is 'Ad Hoc Committee Summary'. Below the title, a bullet point lists the date: '► March 17th (cont'd):'. A sub-section titled 'Kosmont & Associates:' follows, with a bulleted list of points. The points include: 'The City is losing tax revenue from Retail Delivery Services from outside City Boundaries', 'Raising the cap will create more competition with pricing and product, in the opinion of Kosmont.', 'Use of Data Analytics: the location mobile data can tell you more about patterns of travel and what constitutes a trip.', 'This data is used in a wide variety of direct-to-consumer advertising', 'Current land use demands are:', and 'Residential and Industrial real-estate – What parcels are available after meeting all criteria.'

Ad Hoc Committee Summary

► March 17th (cont'd):

Kosmont & Associates:

- ✓ *The City is losing tax revenue from Retail Delivery Services from outside City Boundaries:*
 - *Raising the cap will create more competition with pricing and product, in the opinion of Kosmont.*
 - *Use of Data Analytics: the location mobile data can tell you more about patterns of travel and what constitutes a trip.*
 - *This data is used in a wide variety of direct-to-consumer advertising*
- ✓ *Current land use demands are:*
 - *Residential and Industrial real-estate – What parcels are available after meeting all criteria.*

Exhibit D - Agenda Item 8.1 Presentation



Ad Hoc Committee Summary

► March 24th

- ✓ The Committee invited businesses interested in opening a Retail Cannabis Store in Banning
- ✓ Dana Cisneros (representing Butter®) and Nicolas Frasier (representing himself) attended.
- ✓ Other potential business owners were contacted but did not respond or were unable to attend.
- ✓ The Committee held a Q&A with each potential applicant about raising the "CAP" on Cannabis Retailers
- ✓ Each company expressed significant interest to invest in Banning, given our location, access to freeway travelers, and untapped TAM.



Cannabis Site Selection

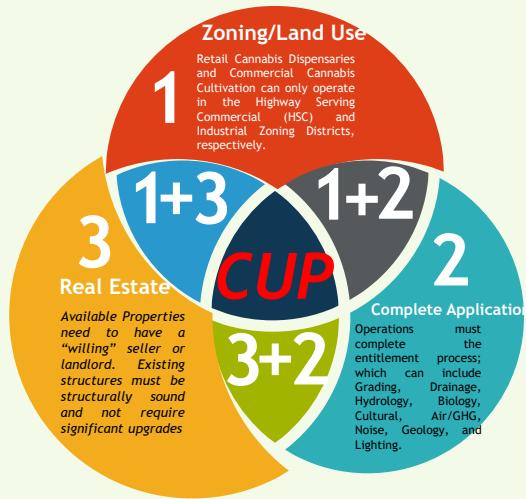


Exhibit D - Agenda Item 8.1
Presentation

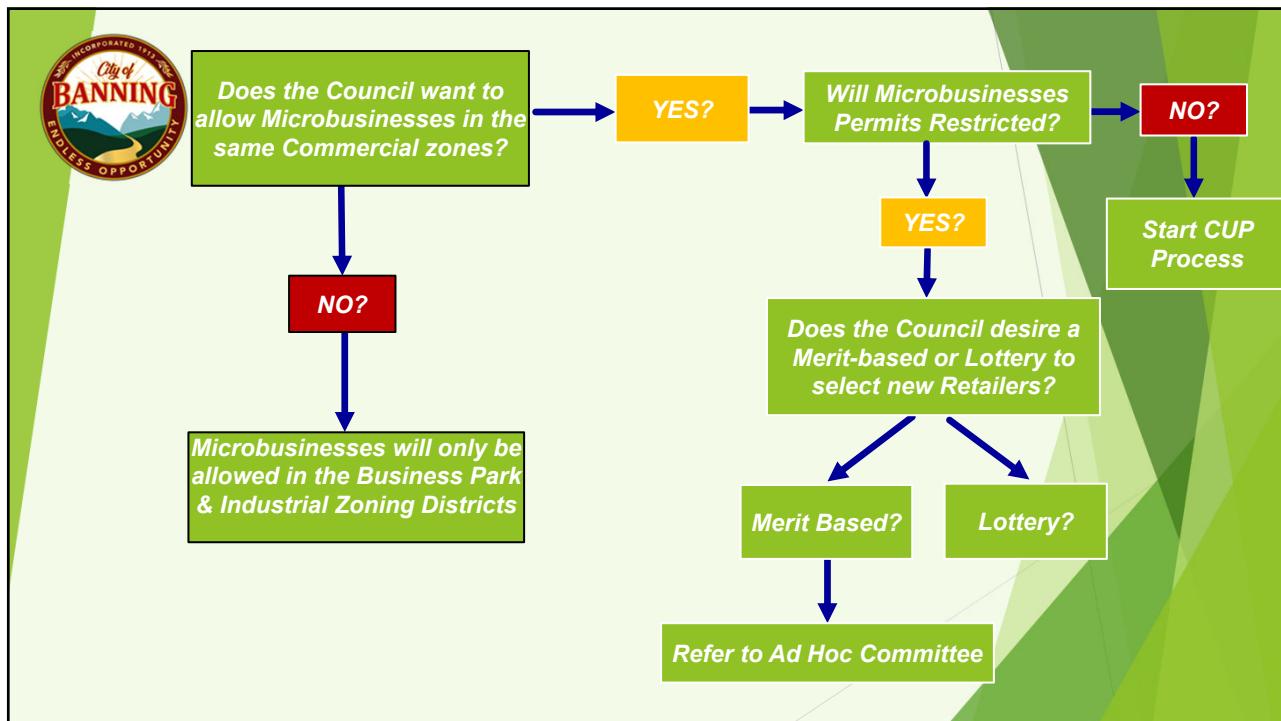
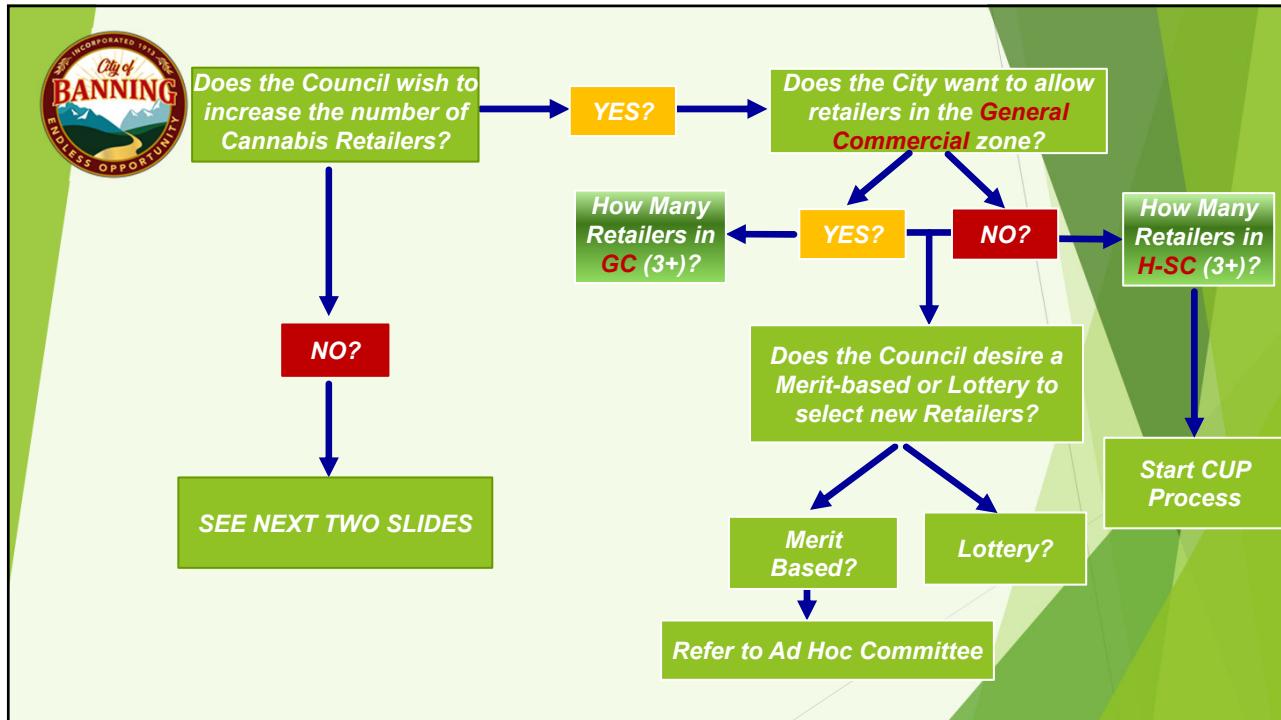


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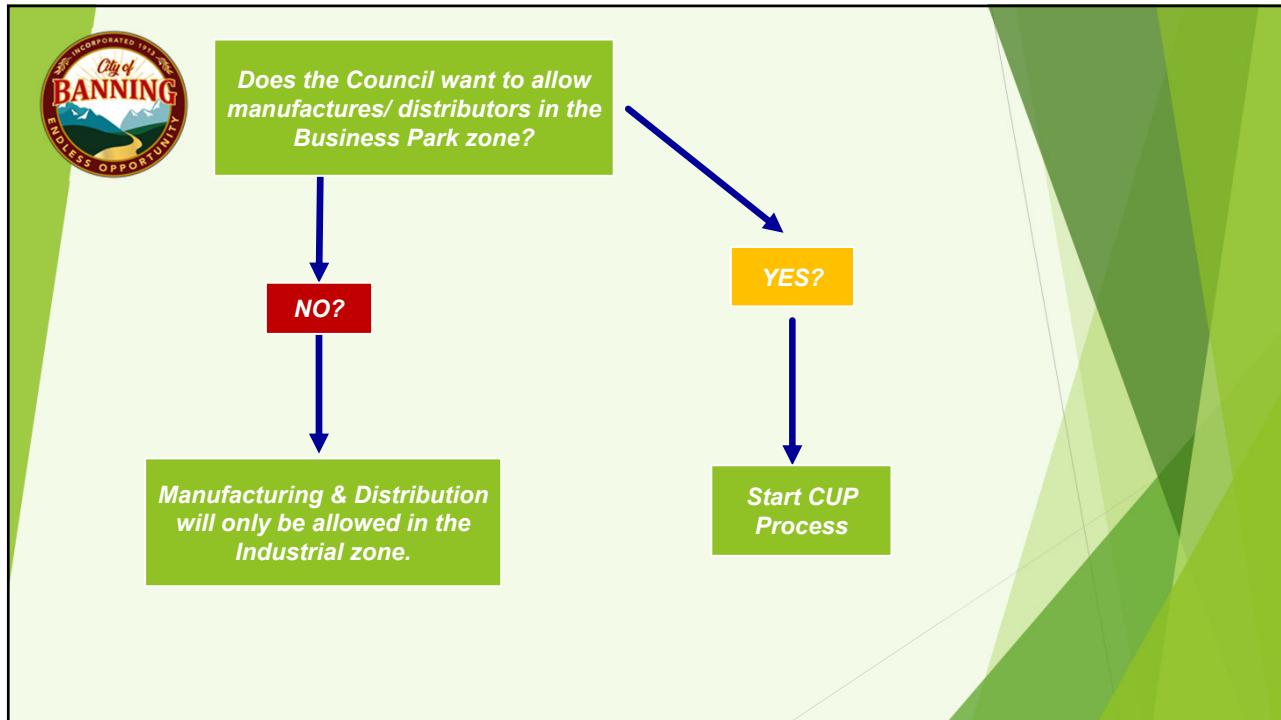


Exhibit D - Agenda Item 8.1
Presentation



Article I. Does the City Council desire to increase the number of Cannabis Retailers

If yes, does the City want to allow more Cannabis Retailer Licenses in the General Commercial Zoning District

(a) NO?

(i) If NO, then how many additional licenses will be allowed in the **Highway Serving Commercial Zoning District (H-SC)** where Cannabis Retailers are currently authorized and permitted.

(b) YES?

(i) If YES, then how many additional licenses will be allowed in the **General Commercial (GC) Zoning District (GC)** where **NEW** Cannabis Retailers would be allowed.

Section 1.02 Does the Council desire a Merit-based or Lottery to select new Retailers (in either H-SC or GC, as stated above)?

(a) Merit Based?

(i) Procedure Recommendations Referred Back to Ad Hoc Committee

(b) Lottery?

Article II. Does the Council want to allow Microbusinesses in the same Commercial zones?

(a) YES?

(i) If YES, will Microbusinesses Permits Restricted?

a) If Yes, does the Council desire a Merit-based or Lottery to select new Retailers (in either H-SC or GC, as stated above)?

a. Merit Based?

i. Procedure Recommendations Referred Back to Ad Hoc Committee

b. Lottery?

(b) NO?

a) Applicants start the CUP process

Article III. Does the Council want to allow Manufacturers and/or Distributors in the Business Park Zoning District?

(a) YES?

a) If YES, Applicants start the CUP process

(b) NO?

Exhibit E - Agenda Item 8.1
Handouts

(i) Manufacturing & Distribution will only be allowed in the Industrial zone.

Exhibit F - Agenda Item 8.1 Public Comment

Caroline Patton

From: jhsam1@yahoo.com
Sent: Tuesday, May 10, 2022 1:59 PM
To: Caroline Patton; Sandra Calderon
Subject: Agenda Item 8.1 May 10, 2022
Attachments: cap limitations.docx

Follow Up Flag: Follow up
Flag Status: Completed

please read into record and distribute to all council members prior to the vote on tonight's agenda item 8.1.

Thank You. John Hagen

Exhibit F - Agenda Item 8.1 Public Comment



To Banning City Council,

May 10, 2022

I am submitting this letter to urge the council to vote NO of Agenda item 8.1 on tonight's agenda.

Ever since this cannabis issue was considered for the City there have been countless attempts to remove all the safeguards and limitations that were promised to the voters in order to get their foot in the door to get the initiative passed. It seems that ever other month something is proposed to expand its growth. Staff has been blinded by the imaginary dollar signs that they visualize that will never be seen.

Before any of the businesses even opened up they were insisting that the sales were not generating the prospected income. They continue to fall into the same pitfalls as every other city that has tried this refusing to learn by others mistakes. They have methodically reworked the intended ordinances to just about eliminate any restrictions.

Council falls back on the argument that the vote was to allow cannabis or not was the only vote on the ballot. What they fail to consider in that the argument in favor promised cap limitations, set backs and zoning regulations only allowing sales in the Freeway Commercial zones. They have already done away with the set backs, and opened up the zoning, and now they want to remove the cap and open it up to general commercial zones.

It is obvious that the council will not be satisfied until they have opened this city to uncontrolled growth for the cannabis industry.

I know you have already made up your minds that this is going to pass as you lack the foresight in what this will do to the city.

We need to keep the cap limitations as over saturation of any product is not a good move. You can only sell so much MJ and the consumer will go to where it is sold. There is no need to expose the general commercial areas to this. Ask yourself why all these Cannabis businesses require the extra security? It is simply because this type of product as the propensity to attract more crime. I have news for you, that extra security is not there for public safety, its there to protect their product. They could care less about the surrounding area crime rate. You need to keep these sales areas to a minimum and make them destination locations not exposing the general

Exhibit F - Agenda Item 8.1 Public Comment

public to the added potential crime. Once a shopping area has lost its feeling of security people will shop elsewhere and any existing businesses will fade and die, and new businesses will not be interested. It is almost impossible to regain that secure feeling once it is lost. The way this is going you will soon be able to buy it at the guard shacks entering the gated communities as the guards and cameras are already there.

I have attempted to get the set back policy brought forward on the agenda items to reinstate the set back between the grow facilities and the residential areas as they create a substantial safety hazard and this city has turned a blind eye toward the residence of this city and catered to the cannabis industry. You can find case after case of fires in these warehouses. This city has no fire stations on the south side and to allow these structures to be built next to a residential area with no set back is absurd and shows the disregard this council demonstrates to the residents.

Please vote no on the removal of the Cap on retail outlets, Do not open this city's general commercial areas to this. Once you do you have lost any controls and will not be able to get it back, and also reconsider reinstating the set backs.

Thank You,
John Hagen, Banning resident.

Exhibit F - Agenda Item 8.1 Public Comment

Dear Councilmembers,

April 27, 2022

I am sending this letter out of extreme concern. My partner and I are shocked that councilmembers are still considering more cannabis retail in the City of Banning.

After already investing close to a half million dollars, we were already concerned with amount of time it will take to achieve our ROI. With the cannabis market already being defined in the City over the last year, the opening of our doors are set to dilute the market-not increase it. More retailer storefronts do not translate to more tax dollars, it only hurts the businesses that have already invested so much in the City of Banning.

There was an argument made that the professionally advised population to retail ratio wasn't a sound formula for the City, as it is next to the Freeway. This assessment is simply untrue. We have studied other Cities with the same advantage (Santa Ana, Moreno Valley & Los Angeles) and the numbers do not support the theory that freeways are a lifeline.

There was another argument made that cannabis operators should welcome competition like restaurants do with each other. This is another very skewed belief. Studies show that only 12% of the population use cannabis, and out of that percentage almost half is catered to by the black market. A restaurant has the benefit of knowing that 100% of the population must eat. On top of that, a restaurant doesn't have to: pay for 24hr armed security, compete with tax evading black-market operators, pay over market for rental space and comply with 280E Tax Code.

The arguments could go on and on, but the simple question that should be asked is, 'What data suggests that this is a good idea?' We asked this question in the meeting and never received any substantive response. We ask that the City bases their decisions on facts and data alone. When all three stores are open for several years, the City will have the data to make decisions based on fact, not on gut instincts or intuition. Please don't let us pay the price for impatience of some.

Sincerely,

Macy Newell