

**RESOLUTION NO. 24-XXX, SERIES 2024**

**RESOLUTION AUTHORIZING THE CITY MANAGER TO RENEW MEMORANDA OF UNDERSTANDING WITH FIRST FIVE YOLO AND WITH DAVIS JOINT UNIFIED SCHOOL DISTRICT FOR USE OF CANNABIS COMMUNITY BENEFIT FUNDS**

WHEREAS, the City Council of the City of Davis adopted Ordinance 2514 to amend the Zoning Code and authorize certain cannabis retailers to locate and operate in the City, subject to the granting of a conditional use permit; and

WHEREAS, the City Council additionally adopted Ordinance 2515 to impose reasonable regulations on the business operations of cannabis retailers, and to require that cannabis retailers obtain a cannabis business permit in order to lawfully operate in the City; and

WHEREAS, a cannabis business permit requires an applicant to, among other things, include a description of the community benefit the business will provide, or proposes to provide, to the surrounding Davis community, as well as a neighborhood responsibility plan to address potential effects of the retail cannabis business on the surrounding neighborhood; and

WHEREAS, the City Council is aware that both community benefits and potential adverse impacts may result from the operation of cannabis retailers in the city, and therefore desires to make sure all such impacts are adequately mitigated and offset by the potential community benefits those businesses can provide to the City and its residents; and

WHEREAS, the City Council established a community benefit fund that is used for positive community development that offsets and mitigates potential impacts caused by cannabis retailers, and to further address unknown and anticipated effects of cannabis retailers located in the City; and

WHEREAS, for the past five years, the City has maintained Memoranda of Understanding (MOUs) with First 5 Yolo and with Davis Joint Unified School District each to receive annual contributions of Cannabis Benefit Fund dollars to address potential adverse impacts of the operation of cannabis retailers in the city. Those MOUs have expired and are proposed to be renewed for an additional five year period, through June 30, 2028, at an amount of \$55,000 per year so that the work of each organization can continue.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Davis does hereby authorize the City Manager to renew the Memoranda of Understanding with First 5 Yolo and with Davis Joint Unified School District for the period October 1, 2023 through June 30, 2028 to provide cannabis benefit funds to each organization in an amount not to exceed \$55,000 per year per organization, dependent on the revenue the City receives from cannabis retailers.

PASSED AND ADOPTED by the City Council of the City of Davis on this 20th day of February, 2024, by the following vote:

AYES:

NOES:

Josh Chapman  
Mayor

ATTEST:

Zoe S. Mirabile, CMC  
City Clerk