

Date: April 1, 2025

To: Honorable Mayor and City Council

From: Cindy Allen, Councilwoman, Second District
Mary Zendejas, Councilwoman, First District

Subject: Ordinance Amendments to Allow for Cannabis Special Events

RECOMMENDATION

Recommendation to request that the City Attorney prepare an ordinance to amend Chapter 5.92 of the LBMC to authorize cannabis special events, following successful completion of the meet and confer process with impacted labor groups, to include specifically that special event permits should be limited to 12 per year per individual, business entity, business owner, and event organizer or promoter and that said special event permits require an Equity Plan as determined by the Office of Cannabis Oversight and Special Events & Filming; and,

Request that the City Attorney amend Chapter 8.68 to provide a temporary waiver allowing public cannabis consumption during cannabis special events.

DISCUSSION

On August 6, 2024, the City Council directed the City Manager to collaborate with the Office of Cannabis Oversight and other relevant departments to conduct a feasibility study on hosting cannabis special events in Long Beach. This study aimed to explore potential venues, policy considerations, and community concerns. On October 22, 2024, an update was presented to the Council, summarizing preliminary findings from surveys, roundtable discussions, and initial policy research.

On January 23, 2025, a memorandum was released providing a full feasibility study review and City Staff's final findings.¹ The memorandum specified the lens utilized by the Office of Cannabis Oversight, which is: Cannabis is a legal and growing industry in California, and therefore, as regulators, we must not treat it any differently than regulating alcohol or tobacco. It is our responsibility to help destigmatize cannabis by providing education on what is legal as well as best practices in other jurisdictions.

¹ View full memo: <https://www.longbeach.gov/globalassets/city-manager/media-library/documents/memos-to-the-mayor-tabbed-file-list-folders/2025/january-23--2025---cannabis-special-events-feasibility-study->

The report includes state regulations for cannabis use, restrictions to cannabis use, and community survey results. The survey indicates a strong interest in conducting cannabis special events, with over half of responses indicating support for events like music festivals with onsite consumption and educational conferences.

Several successful cities were also highlighted in the report to illustrate the potential benefits of hosting cannabis special events. Notable cities like Oakland, Sacramento, and San Francisco have successfully implemented cannabis special events, showcasing the potential benefits these events can bring to local economies and communities. For instance, Oakland has hosted high-profile events such as the Emerald Cup, which featured music, art, and onsite cannabis consumption. These events have generated significant economic activity, attracted tourists, and created opportunities for local cannabis businesses to engage directly with consumers. Similarly, Sacramento has leveraged large venues like Cal Expo to host cannabis events as part of the California State Fair, integrating cannabis education, sales, and consumption into a family-friendly atmosphere while ensuring public health and safety through strict regulations. San Francisco's framework for cannabis events prioritizes equity and local participation, ensuring that cannabis businesses owned by equity applicants receive opportunities to thrive. These examples illustrate how cannabis special events can be thoughtfully planned to drive tourism, bolster local businesses, and establish a safer, regulated alternative to underground markets, benefiting both the local community and the legal cannabis industry.

Long Beach has the opportunity to reap significant economic and social benefits by hosting special cannabis events. Prioritizing local business participation ensures that licensed cannabis retailers in Long Beach can directly benefit from these events, creating new revenue streams and strengthening the local industry. By highlighting Long Beach as a cannabis-friendly city, these events can also attract visitors and boost tourism, similar to the success seen in cities like Oakland and Sacramento, where cannabis events have generated economic activity and increased foot traffic to local businesses such as restaurants, hotels, and retail stores.

Hosting regulated cannabis events supports the legal industry by providing a safe, structured platform for sales and consumption, reducing reliance on the illicit market. These events can help diminish underground cannabis activities, promoting compliance with state and local regulations while fostering community trust.

This matter has been reviewed by Budget Manager Rebecca Bernstorff on March 5, 2025.

FISCAL IMPACT

By authorizing a permit for cannabis special events, this recommendation could lead to additional permit fees and cannabis tax (Measure MA) revenue from the sale of cannabis at special events. However, the amount of the fiscal impact is currently unknown and will depend on the number of permitted events that take place. Additionally, this recommendation will require staff to complete the meet and confer process with employees represented by impacted labor groups, including FFA, POA, IBEW, IAM, LBMA, and CAA. Once this process is completed, staff can return to City Council with a draft ordinance as recommended. The requested action is

anticipated to require a moderate level of staff hours beyond the budgeted scope of duties and have a moderate impact on meeting other City Council priorities.

SUGGESTED ACTION

Approve recommendation.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Cindy Allen". The signature is fluid and cursive, with the first name "Cindy" written in a larger, more prominent script than the last name "Allen".

Cindy Allen, Councilwoman, Second District

A handwritten signature in black ink, appearing to read "Mary Zendejas". The signature is fluid and cursive, with the first name "Mary" written in a larger, more prominent script than the last name "Zendejas".

Mary Zendejas, Councilwoman, First District