



STAFF REPORT
11/10/2021

TO: Honorable Mayor and City Council Members

FROM: Gabriel Martin, City Manager
Best Best & Krieger LLP, City Attorney

SUBJECT: Ordinance No. 1185 Regarding Labor Peace Agreement Requirements for Cannabis Businesses (*Second Reading*)

RECOMMENDATION

Adopt an ordinance entitled “An Ordinance of the City Council of the City of Coachella, An Ordinance of the City Council of the City of Coachella, California, Amending Coachella Municipal Code Sections 5.68.040 and 5.69.030 Regarding Cannabis Business Labor Peace Agreements.

DISCUSSION

The proposed ordinance was introduced, discussed, and amended at the August 25, 2021 City Council meeting to require cannabis businesses with **ten (10) or more employees** to provide proof that the business has entered into and will abide by the terms of a labor peace agreement.

FISCAL IMPACT

It is expected that expanding the requirement of Labor Peace Agreements will have a positive fiscal impact to the City, in that such agreements prohibit labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with the cannabis businesses. Those activities have a negative impact on the cannabis industry within the City. As such, by reducing those negative impacts on cannabis business’ activities, the City would be expected to realize additional tax revenue from those cannabis businesses.

ATTACHMENT

Ordinance 1185