



BOARD OF DIRECTORS AGENDA REPORT

MEETING DATE: **APRIL 28, 2022** ITEM: **8B**

SUBJECT: **Review of Cannabis Policy 6.05 and Vote on Recommended Amendments and Further Direction to Staff**

DATE: April 22, 2022

FROM: Michele Richards, CEO & The Governance Committee:
Directors Cervantes and Rubalcava-Garcia

PRESENTATION BY: Michele Richards, CEO

Action Item

BACKGROUND

In October 2017, the California Department of Food & Agriculture published its Cannabis Event Guidelines which included the following criteria that Fair Boards should consider in discussing whether or not to allow cannabis events to be held at their fairgrounds:

- Community values and standards in regards to cannabis as reflected by local city and county cannabis ordinances
- Fairgrounds' proximity to schools, youth recreation centers, parks, and other areas minors congregate
- Potential federal enforcement on cannabis use
- Relationship with California Highway Patrol and/or local law enforcement

In January 2018, staff reviewed the CDFA document and criteria with the Board of Directors and the Board voted to ban cannabis events at the OC Fair & Event Center. A Cannabis Event Policy was drafted by staff and approved by the Board in February 2018.

Between February 2018 and November 2018, staff received many questions from event promoters about the policy and requests to allow for the sale of CBD products and sponsorships from CBD companies. After review, the Board amended the policy at the November 2018 Board of Directors meeting to clarify that while CBD products were not allowed, products derived from hemp seed or hemp seed oil could be included.

During its annual review of Board governance policies, the Governance Committee noted that several factors have changed since the Board last amended the policy in November 2018, especially related to the sale of CBD products. In addition, there have been

numerous requests by event promoters and merchants for further amendments to the policy.

As such the staff and Governance Committee are recommending amending the current policy to allow for the sale, promotion, sponsorship and display of CBD products. The staff and committee are also recommending further review and discussion by the Board regarding cannabis-related sponsorships, sale of glass pipes and smoking devices and cannabis-related events.

RECOMMENDATION

Staff and Governance Committee recommend:

- Approving the sale, promotion, sponsorship and display of independently tested/regulated CBD products on the fairgrounds that contain no more than 0.3% THC.
- The Board discuss and provide further direction on:
 - Cannabis-related sponsorships
 - Sale of glass pipes and smoking devices
 - Cannabis-related events

Cannabis Policy 6.05 attached.

32nd District Agricultural Association
Board Policies

Board Policy 6.05: Cannabis Event Policy

Date Adopted/Last Revised: November 15, 2018

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Policy

The 32nd District Agricultural Association (OC Fair & Event Center) does not book cannabis-related events at the OC Fair & Event Center for several reasons, including without limitation, the City of Costa Mesa's Marijuana Ordinance and the OC Fair & Event Center's close proximity to schools, parks, day care centers and other areas where minors gather. This policy also extends to existing events which are prohibited from including cannabis products or activities, cannabis-related products or activities or drug paraphernalia during events held at the OC Fair & Event Center. The OC Fair & Event Center does not permit any sponsor, vendor or exhibitor to include in any marketing, advertising or information for an event held at the OC Fair & Event Center, any promotion, information or advertisement from cannabis dispensaries or third-parties that sell or promote cannabis-related products or drug paraphernalia. Event sponsors, vendors and/or exhibitors may not distribute, sell or promote cannabis products, cannabis-related products or drug paraphernalia during any event at the OC Fair & Event Center.

Notwithstanding the foregoing, the OC Fair & Event Center permits the sale, promotion and display of products containing seeds derived from industrial hemp or industrial hemp seed oil or hemp seed oil derived from industrial hemp, consistent with California law.