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Desert Hot Springs council supports medical marijuana

Council members see collectives as an opportunity to bring in revenue to the cash-strapped city. Staff is directed to draft an ordinance by June 5

DESERT HOT SPRINGS – Medical marijuana collectives are on track to be legalized in Desert Hot Springs after the City Council voiced unanimous support Tuesday and directed staff to draft an ordinance by June 5 to regulate dispensaries.

While some city council members disagreed on the regulatory details, all agreed that marijuana could be an opportunity to bring in much-needed revenue to the cash-strapped city.

If passed, Desert Hot Springs would become the second city in Riverside County that allows dispensaries to operate within its limits. Palm Springs currently is the only one.

“I believe this would be good for our city,” resident Larry Buchanan told the council. “There are some people who are too poor to go outside of town.”

Not allowing marijuana collectives also allows the illegal sale of “marijuana to flourish and helps keep the gangs going,” Buchanan said.

City Attorney Steve Quintanilla said he will present the council with a draft that includes all the items agreed on, while leaving enough wiggle room to amend the items debated.

The consensus among council members included a tax of some sort and limiting the number of collectives in the city.

However, some debated how the dispensaries should be audited, whether they should have 21-and-over age restriction and if they should be required to have a security plan.

Councilman Scott Matas wants a security plan and the city to audit and regulate them.

“It just gives the city a tool, if needed,” he said.

Mayor Pro Tem Russell Betts disagreed, saying there are already regulations at the state level and he doesn't want the city to get bogged down with its own.

"We don't have the staffing to do that," Betts said. "Piggybacking off of what Palm Springs is doing doesn't work for me."

Councilman Joe McKee disagreed with Matas on the security issue.

The city didn't have to tell banks to have security, McKee said. "They did that on their own."

As far as the auditing is concerned, McKee said the city can do "the same auditing we do for hoteliers" and treat collectives just like any other business.

Councilwoman Jan Pye said the records that would be requested during the auditing process would be for "identification of the caregiver and the recommendation."

"It's not that we are checking anyone's diagnosis," she said.

Pye and Matas also said that a special marijuana commission should be formed that reviews applicants and recommends action to the city council.

McKee and Betts disagreed, saying that collectives should be reviewed by the city's planning commission.

An audit conducted last year by Palm Springs of its three legal dispensaries revealed they combined garner \$4.5 million in sales annually. In February, the Palm Springs City Council approved a fourth dispensary, which is expected to open in July.

Palm Springs has a 10 percent sales tax on its three legal marijuana dispensaries, which is expected to generate \$450,000 yearly.

In Riverside, medical marijuana advocates turned in signatures to place a measure on the June 3 election ballot that would rescind the city's ban on medical marijuana.

Medical marijuana was approved by California voters under the Compassionate Use Act of 1996. However, it is still federally illegal.