Summary Title: Adoption of Tobacco Retail Permit Ordinance

Title: Adoption of Amendments to the City of Palo Alto Tobacco Retailer Permit Ordinance (PAMC Chapter 4.64) to Further Restrict Electronic Cigarette Products and Flavored Tobacco Products (Continued From June 8, 2020)

From: City Manager

Lead Department: Public Works

Recommendation
Per Council direction at the May 18, 2020 Council meeting, staff recommends that Council adopt revisions to Chapter 4.64 of the Palo Alto Municipal Code (Attachment A) to mirror the Santa Clara County Department of Health Tobacco Permit Ordinance, which will further restrict sales of flavored tobacco and electronic cigarette products.

Background
At the December 9, 2019 Council meeting, Council directed staff to adopt an ordinance prohibiting the sale and distribution of all electronic cigarettes and flavored tobacco products, in alignment with the County of Santa Clara's recent approach, with as few exemptions as possible (Colleagues' Memo From Council Members Cormack, Fine, and Tanaka Regarding Anti-Vaping Measures, December 9, 2019). Following a stakeholder engagement process with affected businesses, staff returned with a proposed ordinance, which mirrored the Santa Clara County ordinance, but which proposed an exemption for adult-only stores (those which serve customers only age 21 and older) because of the severe financial impact and potential closure of five retailers in Palo Alto (Staff Report #11005, May 4, 2020). The proposed ordinance was at first scheduled as a Consent Item but was rescheduled as an Action Item for Council discussion at the May 18 Council meeting. Subsequently, a staff memo and additional ordinance adjustments reflecting public feedback received after May 4 were presented for Council consideration (Memo to Staff Report #11332).

At the May 18, 2020 meeting, Council reviewed the proposed ordinance and directed staff to return with ordinance revisions that mirror the Santa Clara County ordinance requirements. The attached proposed ordinance (Attachment A) mirrors the Santa Clara County ordinance requirements.
Stakeholder Engagement
Stakeholder engagement to affected businesses was conducted and is discussed in Staff Report #11005. In addition, staff attended several public meetings and met with community members to hear concerns about youth vaping. A summary of stakeholder input is summarized in Memo to Staff Report #11332 (Attachment A—Summary of Major Public Comments About Palo Alto’s Proposed Tobacco Retail Permit Ordinance).

Environmental Review
This proposed ordinance would not be subject to environmental review under the California Environmental Quality Act (CEQA) because it does not cause a direct physical change in the environment or a reasonably foreseeable indirect change in the physical environment.

Attachments:
- Attachment A - Ordinance Amending Chapter 4.64 of the Municipal Code to Adopt the County's Tobacco Retailer Permit Ordinance