

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE AFFIRMING THE DENIAL OF A CANNABIS STOREFRONT RETAIL LOCAL LICENSE AND DENYING THE APPEAL OF TAT OCEANSIDE, LLC

WHEREAS, on August 6, 2025 the City Council of the City of Oceanside adopted a resolution endorsing cannabis storefront retail application materials, procedures, and format (*Storefront Cannabis Retail License Application Procedure Guidelines and Review Criteria*) consisting of a multi-phase competitive application process for a limited number of potential licenses; and

WHEREAS, on August 20, 2025, the City Council adopted an ordinance amending Chapter 7 Article XIII of the Oceanside City Code to allow up to four storefront retail cannabis local licenses, which were to be awarded pursuant to the competitive application process adopted on August 6, 2025; and

WHEREAS, staff opened a storefront retail cannabis application window in October and November 2025 and received 17 applications; and

WHEREAS, Phase 1 of the storefront retail cannabis license application reviews was largely completed in January 2026 by an external consultant and confirmed by City Planning staff, with all of the 17 applicants proceeding to Phase 2 of the storefront retail cannabis license application reviews; and

WHEREAS, two of the four available storefront retail cannabis local licenses were issued to the City's existing operators in February 2026 after meeting the minimum Phase 2 application score pursuant to the City Council's adopted process with the Phase 2 priority scoring for the existing local license holders; and

WHEREAS, the balance of the Phase 2 storefront retail cannabis license application reviews were completed in April 2026 and all Phase 2 scores made public at that time; and

WHEREAS, pursuant to the *Storefront Cannabis Retail License Application Procedure Guidelines and Review Criteria*, the top eight scoring applications of Phase 2 may proceed to Phase 3 merit interviews to compete for the remaining two storefront retail licenses, and there were nine

1 applications which tied for first place thus all nine were invited to interview with five pre-identified
2 panelists from City staff; and

3 WHEREAS, Phase 3 panel interviews were held on the 15th and 16th of June 2026, and were
4 comprised of the City Manager, Assistant City Manager, Deputy City Manager, Chief of Police,
5 and Director of Financial Services; and

6 WHEREAS, the Phase 3 panelists did not access to any of the application materials,
7 including ownership interests, prior to the interviews; and

8 WHEREAS, during the interviews, the Chief of Police first learned that one of owners of
9 Appellant had a close familial relationship with an Oceanside Police Department employee with
10 whom the Chief has a direct working relationship; and

11 WHEREAS, the Chief of Police promptly alerted legal counsel of a potential conflict of
12 interest; and

13 WHEREAS, based on concerns raised by the Chief of Police, staff removed the Chief from
14 the final scoring process and communicated the issue to the Phase 3 contenders; and

15 WHEREAS, the City Clerk tabulated the Phase 3 results using an anonymous ranked-choice
16 voting system as required by the *Storefront Cannabis Retail License Application Procedure*
17 *Guidelines and Review Criteria* with the Chief of Police removed from the final scoring process and
18 the results of the remaining reviewers were communicated to the Phase 3 contenders on July 7,
19 2026; and

20 WHEREAS, TAT Oceanside, LLC was ranked sixth out of nine applications and was
21 therefore denied one of the two available local licenses; and

22 WHEREAS, Section 7.129 of the Oceanside City Code allows aggrieved parties to appeal
23 the denial of a cannabis local license to the City Council within 20 days of the decision; and

24 WHEREAS, TAT Oceanside, LLC submitted a timely appeal of the license denial to the
25 City Clerk on July 13, 2026 claiming that the removal of one panelist's rankings materially affected
26 their ranking; and

27 WHEREAS, on August 5, the City Council of the City of Oceanside held a duly noticed
28 public hearing and heard and considered evidence and testimony by all interested parties concerning
the TAT Oceanside, LLC storefront retail cannabis local license appeal.

1
2 NOW, THEREFORE, the City Council of the City of Oceanside does resolve as follows:

3 1. The City Council independently evaluated and weighed all evidence presented at the
4 August 5, 2026 appeal hearing and based on such evidence, testimony, and staff reports, this
5 Council has determined that the claims of the appeal are unfounded and unsubstantiated.

6 2. The Council overrules the appeal of TAT Oceanside, LLC and affirms the denial of the storefront
7 retail cannabis local license.

8 3. Notice is hereby given that the time within which judicial review must be sought on this decision
9 is governed by Code of Civil Procedure section 1094.6(b) as set forth in Oceanside City Code sections
10 1.10 and 1.11.

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12 /////

13
14 PASSED and ADOPTED by the City Council of the City of Oceanside, California
15 this ____ day of _____, by the following vote:

16
17 AYES:

18 NAYS:

19 ABSENT:

20 ABSTAIN:
21

22
23 _____
Mayor of the City of Oceanside

24
25 ATTEST:

26
27 APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

28 _____
City Clerk

City Attorney