



Administrative Report

N.3., File # 25-1106

Meeting Date: 8/12/2025

To: MAYOR AND CITY COUNCIL
From: JANE CHUNG, ASSISTANT TO THE CITY MANAGER

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE HIRING OF A CONSULTANT TO CONDUCT A PUBLIC OPINION SURVEY ON THE CITY'S COMMERCIAL RETAIL CANNABIS REGULATORY PROGRAM AND THE POTENTIAL SOLICITATION OF COMMERCIAL RETAIL CANNABIS PERMIT APPLICATIONS

EXECUTIVE SUMMARY

On July 1, 2025, the City Council considered initiating the City's Commercial Retail Cannabis Permit Application process. Following the discussion, the City Council approved a motion directing staff to engage a public opinion research firm to determine the cost and options to survey residents on the City's potential Request for Commercial Retail Cannabis Permit Applications (RFA).

Staff obtained a proposal from Fairbanks, Maslin, Maullin, Metz & Associates, Inc. (FM3), the firm that assisted the City with Measure FP, for a resident survey regarding cannabis permits. The maximum proposed cost of the survey is \$38,750. The options and costs associated with the type and number of residents to be interviewed are described below. Should the City Council direct staff to proceed with the survey, staff would return with a professional services agreement and a budget resolution to appropriate the funding needed for the desired work.

BACKGROUND

In March 2025, the City Council adopted three ordinances to codify the Commercial Retail Cannabis (CRC) Regulatory Program in the Redondo Beach Municipal Code (RBMC), which gave the City discretion in deciding whether to invite applications for commercial retail cannabis permits. On July 1, 2025, the City Council considered initiating the City's CRC Permit Application Process and authorizing the release of a Request for CRC Permit Applications (RFA). Following the discussion, the City Council directed staff to engage a public opinion research firm to survey residents before reconsidering the release of the RFA.

To advance this effort, the City solicited a proposal from Fairbanks, Maslin, Maullin, Metz & Associates, Inc. (FM3) to conduct a public opinion survey. FM3 is a highly regarded firm known for delivering statistically valid surveys. It is also the firm the City used for public opinion work related to the City's consideration of a public safety facilities improvement bond in 2024, which later became Measure FP.

The interviews to be conducted by FM3 would be through telephone and online communication

methods. Potential participants would be contacted via telephone, email, and/or text invitations, and the survey would be available in both English and Spanish.

Below is a breakdown of possible survey costs based on the audience type and the number of conducted interviews:

| Survey # | Registered Voters | Residents (Ages 18+) | Margin of Error |
|----------------|-------------------|----------------------|-----------------|
| 400 Interviews | \$31,500 | \$34,750 | +/- 4.9% |
| 500 Interviews | \$34,750 | \$38,750 | +/- 4.4% |

FM3 has offered different pricing for interviewing registered voters in the City vs. residents. As the decision before the City Council regarding the solicitation of cannabis permit applications does not involve a ballot measure, and is meant to determine the sentiment of people living in the City, not necessarily voting in the City, staff recommends surveying a sample of residents ages 18 and over. Staff also recommends a sample size of 500 residents, which would result in a margin of error of +/- 4.4%, a 0.5% improvement over the smaller, 400 sample size.

In addition to confirming the preferred audience type and sample size, staff is seeking the City Council's guidance on the desired level of involvement in developing the survey questionnaire. The options are as follows:

- **Full Participation:** City Council proposes topics, assists in drafting questions, and reviews the final questionnaire before proceeding with the survey.
- **Moderate Participation:** City Council provides general parameters and reviews the drafted survey questionnaire to provide feedback before initiating interviews.
- **Minimal Participation:** City Council provides input on the general goals/parameters of the survey and delegates the work to City Staff and FM3.
- **No Participation:** FM3 independently develops the survey with input from City, and no City Council review.

Should the City Council direct staff to proceed with conducting the public opinion survey, staff would return with a proposed agreement with FM3 and a budget resolution to appropriate the funding needed for the work.

COORDINATION

The report was prepared by the City Manager's Office.

FISCAL IMPACT

There is no dedicated funding in the adopted Fiscal Year 2025-26 Budget for the proposed survey work. A budget resolution approved by 4 members of the City Council would be required to appropriate the necessary funding. The final budget motion left roughly \$75,000 of General Funds unallocated.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Quote - FM3 Proposal, July 28, 2025