

CITY OF SEBASTOPOL CITY COUNCIL

AGENDA ITEM REPORT FOR MEETING OF: February 3, 2026

To: Honorable Mayor and City Councilmembers
 From: Sean McDonagh, Chief of Police
 Responsible Department: Police
 Subject: Acceptance of California Department of Justice Tobacco Grant Award

RECOMMENDATIONS:

That the City Council accept the awarding of a grant from the California Department of Justice, Tobacco Grant Program in the amount of \$31,704.

EXECUTIVE SUMMARY:

This item requests Council accept the grant in the amount of \$31,704 from the California Department of Justice, Tobacco Grant Program, to recover operational costs for conducting compliance inspections and sting operations conducted by the Sebastopol Police Department.

BACKGROUND

The Sebastopol Police Department applied for and was tentatively awarded a Tobacco Grant from the State of California, Department of Justice. Final awarding for the grant is pending the passage of a resolution from the City of Sebastopol City Council. The resolution formalizes the acceptance of the grant funds as well as agreement to comply with the terms and conditions of the grant, which is a requirement from the Department of Justice.

The Office of the Attorney General established the California Department of Justice Tobacco Grant Program in 2017 to provide annual funds to local enforcement agencies throughout California. This grant cycle the Tobacco Grant Program will make available a total of \$28.5 million in grant funding to promote a healthier California by reducing illegal sales and marketing of cigarettes and tobacco products, including e-cigarettes, to minors. The grant monies will be utilized to recover the operational costs for compliance inspections and sting operations conducted by the Sebastopol Police Department in addition to community outreach.

DISCUSSION:

The passage of the City of Sebastopol Tobacco Retail Ordinance requires tobacco retailers within the city to obtain and pay fees for an annual license to conduct retail sales operations of tobacco products within the City of Sebastopol. Additionally, the ordinance limits a variety of aspects of tobacco retail sales including but not exclusively limited to: types of products which can be sold and package size, prohibitions of promotional items, pricing and pricing displays and prohibitions on vaping products, electronic cigarettes and flavored tobaccos. The ordinance also contains provisions requiring the city to conduct at least one annual compliance check on each retailer, as well as a requirement to conduct one compliance check annually utilizing persons between the age of 18-20 who attempt to purchase tobacco products from retailers. The ordinance prohibits the sales of tobacco products to persons under the age of 21 and requires retailers to verify the age of any prospective purchasers under the age of 27.

As it stands today, the responsibility of compliance checks and monitoring falls under the purview of the Sebastopol Police Department. These operations come at a cost and due to staffing limitations and workloads, generally must be conducted on an overtime basis utilizing enough personnel to ensure the safety of youthful operatives who will be assisting in compliance checks during underage sales operations.

In order to offset costs incurred by the City of Sebastopol, a grant proposal covering the salary and benefits costs based upon current overtime rates was submitted to the Department of Justice to fund compliance checks and operations. Additionally, funding was requested for the Sebastopol Police Department to provide education to tobacco retailers within the city, through providing copies of the Sebastopol city tobacco retail ordinance and in-person contacts.

After reviewing our grant proposal during a very competitive process, the Department of Justice notified the Sebastopol Police Department that we have been selected to receive all the grant funding we requested, allowing us to achieve all the goals we listed in the proposal, staffing permitting.

The grant period runs from November 21, 2025, until June 30, 2029. All management and reporting requirements for the grant will be conducted by the Sebastopol Police Department.

STAFF ANALYSIS:

Acceptance of this grant will provide valuable financial resources which will allow the Sebastopol Police Department to monitor and inspect tobacco retailers within the city in accordance with the Sebastopol city tobacco retail ordinance.

CITY COUNCIL GOALS/PRIORITIES/ AND OR GENERAL PLAN CONSISTENCY:

This agenda item represents the City Council goals/priorities as follows:

Goal 2: PUBLIC SAFETY

Strengthen the public's safety and improve the quality of life. Includes supporting our first responders (police, fire, public works), responding to emergencies, protecting people, property, and businesses, and engaging in emergency preparedness community outreach, public education and prevention activities.

This agenda item represents the City Council General Plan Consistency (if applicable):

FISCAL IMPACT:

Grant funds are disbursed by DOJ by reimbursement upon receipt of quarterly invoices for approved grant-related activities conducted by the Sebastopol Police Department. It is anticipated that grant funds will offset and cover all operational costs, which will primarily occur on an overtime pay basis, as previously noted incurred as a result of conducting compliance checks with tobacco retailers. Non-acceptance of the grant would then shift the full fiscal responsibility of compliance checks onto the City of Sebastopol thus impacting general fund monies.

COMMUNITY OUTREACH:

This item has been noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to schedule meeting date. The City has also used social media to promote and advertise the City Council Meeting Agenda Items.

As of the writing of this agenda item report, the city has received numerous complaints related to Elderberry Commons which have been included in the statistics above. Staff anticipates additional public comments upon the posting of this agenda report. If staff receives public comment from interested parties following the publication and distribution of this agenda item report, such comments will be provided to the City Council as supplemental materials before or at the meeting and will be posted to the city website.

RESTATEMENT RECOMMENDATION(S):

That the City Council accept the awarding of a grant from the California Department of Justice, Tobacco Grant Program in the amount of \$31,704.

OPTIONS:

1. Accept the awarding of a grant from the California Department of Justice, Tobacco Grant Program in the amount of \$31,704.
2. Deny the award and shifting costs for city tobacco ordinance required compliance checks and operations to the general fund.

ATTACHMENTS:

- Resolution
- MOU with DOJ
- Tobacco Grant Letter Program Letter of Intent
- Tobacco Grant Fact Sheet

APPROVALS:

Department Head Responsible for Agenda Item:

Approval Date: 1/22/26

CEQA Determination (Community Development/Planning):

Approval Date: N/A

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines.

Administrative Services (Financial):

Approval Date: 1/26/26

Costs authorized in City Approved Budget: Yes No N/A

Account Code (if applicable) Income and Expenses will be recorded in Grant Fund 126

City Attorney Approval

Alex Mog Approval Date:

Acting City Manager Approval:

Mary Gourley Approval Date:

CITY OF SEBASTOPOL
RESOLUTION NO. XXXX-2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL TO FORMALIZE THE ACCEPTANCE OF THE AWARDING AND FUNDING OF \$31,704 FROM THE TOBACCO PROGRAM GRANT FROM THE CALIFORNIA DEPARTMENT OF JUSTICE, ATTORNEY GENERAL'S OFFICE

WHEREAS, a local licensing system for tobacco retailers is appropriate to ensure that retailers comply with tobacco control laws and business standards of the City to protect the health, safety, and welfare of our residents; user and regulatory fees and regulations regarding the sales of tobacco products has been established by the City Council; and

WHEREAS, approximately 480,000 people die in the United States from smoking-related diseases and exposure to secondhand smoke every year, making tobacco use the nation's leading cause of preventable death; and

WHEREAS, 5.6 million of today's Americans who are younger than 18 are projected to die prematurely from a smoking-related illness; and

WHEREAS, despite the State's efforts to limit youth access to tobacco, youth are still able to access tobacco products; and

WHEREAS, the State of California, Department of Justice, Attorney General's Office, has made available, grants funds to assist law enforcement, and other various entities with efforts to curb the use of tobacco with an emphasis on curbing underage tobacco use through: retail inspections, law enforcement operations on retail locations, providing education and community outreach, and working in conjunction with community partners; and

WHEREAS, The City of Sebastopol enacted a Tobacco Retail Licensing Ordinance, Chapter 8.06 of the City of Sebastopol Municipal Code; and

WHEREAS, The City of Sebastopol Municipal Code Tobacco Retail Licensing Ordinance requiring tobacco retailers to obtain a tobacco retailer license does not unduly burden legitimate business activities of retailers who sell tobacco products to adults but will, however, allow the City to regulate the operation of lawful businesses to discourage violations of Federal, State, and local tobacco control and youth tobacco access laws, and

WHEREAS, Section 8.06.150 of the City of Sebastopol Municipal Code contains provision that the City shall monitor compliance with Chapter 8.06, that all licensed premises must be open to inspection by City staff or designated persons during regular business hours, and the City shall inspect each tobacco retailer at least one time per 12-month period to ensure compliance with this chapter, and the City will conduct at least one compliance check per 12-month period that involves the participation of persons between the ages of 18 and 20 to enter licensed premises to attempt to purchase tobacco products. (Ord. 1131, 2020); and

WHEREAS, the Sebastopol Police Department is responsible for conducting inspections and operations involving youthful looking potential purchasers as required by Chapter 8.06 of the City of

Sebastopol Municipal Code, and these operations incur costs to conduct and manage; and WHEREAS, the Sebastopol Police Department has applied for and has been selected to receive a \$31,704 award of Tobacco Grant funding over the course of three years from the State of California, Department of Justice, pending the passage of a resolution of acceptance, and agreement to abide by the requirements and provisions of the grant; and

WHEREAS, the acceptance of these grant monies is expected to offset any expected costs to be incurred by the City of Sebastopol Police Department while conducting compliance checks and enforcement operations as required by Chapter 8.06 of the City of Sebastopol Municipal Code; and

WHEREAS, the City Council recognizes the acceptance of this grant award will likely yield positive benefits which will likely enhance the health and safety of our community, particularly for our youth; and

WHEREAS, the City Council recognizes the acceptance of this grant funding for the purpose of offsetting the costs incurred for compliance monitoring by the city as set forth in the Tobacco Retail Licensing Ordinance, not only helps to positively impact the licensing fee structure by potentially stabilizing the fee structure in the foreseeable future, but also falls within the interests of fairness to both the payers of licensing fees and the general public, and therefore the City desires to better recover the costs of providing these services; and

WHEREAS, this action is found to be in compliance with the requirements of California Government Code § 66016 and 66018; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sebastopol:

1. Each WHEREAS paragraph, set forth above, is hereby adopted as a specific finding of this City Council.
2. The City Council hereby agrees to accept the grant award of \$31,704 from the State of California, Department of Justice, Attorney General's Officer Tobacco Grant Award
3. The City Council also agrees to abide by all provisions and reporting requirements as outlined in the attached Exhibit A – Tobacco Grant Fact Sheet, Exhibit B – Letter of Intent to Accept the Tobacco Grant Award, and Exhibit C – Tobacco Grant Program MOU incorporated by this reference or otherwise required by the State of California, Department of Justice, Tobacco Grant Program.

IN COUNCIL DULY PASSED, APPROVED AND ADOPTED this day of February 3, 2026.

VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: _____

Mayor Jill McLewis

ATTEST: _____
Mary Gourley, Interim City Manager/City Clerk, MMC

APPROVED AS TO FORM: _____
Alex Mog, City Attorney



Tobacco Grant Program

Grant Services Branch – Local Assistance

Division of Operations

Sebastopol Police Department

DOJ-PROP56-2025-26-1-054

MEMORANDUM OF UNDERSTANDING

PURPOSE

This Memorandum of Understanding ("MOU") is entered into by the Department of Justice ("DOJ") and the Sebastopol Police Department ("Grantee"), for the purpose of disbursing grant funds to Grantee for reimbursement of expenditures in compliance with the California Code of Regulations and the Fiscal Year 2025-26 Grantee Handbook.

Commencing January 1, 2023, the California Code of Regulations, Title 11, Division 1, Chapter 5: Department of Justice Tobacco Grant Program ("TGP Regulations") shall govern the policies and procedures of the Tobacco Grant Program.

The TGP Regulations, Request for Proposals, Grantee Handbook (dated April 2025), and Summary of Award document are hereby incorporated by reference into this MOU. Grantee will expend funds for the purposes identified in the approved Summary of Award document. Reimbursements are to be funded under the California Healthcare, Research and Prevention Tobacco Tax Act of 2016, approved by the voters as Proposition 56.

COST REIMBURSEMENT

DOJ agrees to reimburse Grantee in arrears, for Grantee's actual expenditures in performing the project or scope of work included in the approved Summary of Award document. Reimbursements for line items in the approved Budget Detail will be made upon receipt of invoices from Grantee and approval of the invoices by DOJ, in accordance with the reimbursement procedures set forth in the TGP Regulations and Grantee Handbook.

BUDGET CONTINGENCY CLAUSE

It is mutually agreed, if the Budget Act of the current fiscal year and/or any subsequent years covered under the MOU does not appropriate sufficient funds, the MOU shall be of no further force and effect. In the event this situation occurs, DOJ shall have no liability to reimburse/pay any funds to Grantee, or to furnish any other considerations under this MOU. As well, Grantee shall not be obligated to continue performing the provisions of this MOU, for which the Grantee would have been reimbursed.

If funding for any fiscal year is reduced or deleted in the Budget Act for purposes of this MOU, DOJ shall have the option to either cancel this MOU with no liability occurring to DOJ or offer an addendum to the Grantee to reflect the reduced amount.

PROJECT BREACH-TERMINATION

Failure of a Grantee to comply with this MOU or the TGP Regulations shall be treated by DOJ as a breach of contract. If an act of noncompliance occurs, DOJ may take actions described within the TGP Regulations, including termination. DOJ may terminate this MOU and be relieved of any obligation to disburse grant funds to Grantee should Grantee fail to perform the scope of work at the time and in the manner provided in this MOU.

MISCELLANEOUS PROVISIONS

Addendum – No addendum or variation of the terms of this MOU is valid unless made in writing and signed by the duly authorized representatives of the parties.

Assignment – This MOU is not assignable by Grantee in whole or in part.

Indemnification – Grantee agrees to indemnify and hold harmless DOJ, its officers, agents and employees from all claims, liabilities, or losses in connection with the performance of this MOU.

Certifications – Grantee certifies that it does not receive funding from a manufacturer, distributor, or advertiser of Cigarettes or Tobacco Products. Grantee further certifies that grant funds will not supplant existing state or local funds dedicated for the same purpose.

TERMS

Grant Duration: **11/21/2025 – 6/30/2029**

Category of Expenditure	Award Amount			
	Budget FY 2025-2026	Budget FY 2026-2027	Budget FY 2027-2028	Budget FY 2028-2029
Personnel Services	\$9,625	\$9,625	\$9,625	\$
Operating Expenses and Equipment	\$440	\$440	\$440	\$
Administrative Costs (Not to Exceed 5%)	\$503	\$503	\$503	\$
TOTAL AWARD AMOUNT	\$31,704			

The time limit for reimbursements against this award ends 6/30/2029. Requests for reimbursement received after 7/15/2029 cannot be considered by DOJ.

GRANTEE CONTACT INFORMATION

Sergeant Salvador Villanueva
Sebastopol Police Department
6870 Laguna Park Way
Sebastopol, CA 95472
707-829-4400
svillanueva@cityofsebastopol.gov

AUTHORIZATION

DOJ and Grantee, by their duly authorized officials, have executed this MOU on the respective dates indicated below. This MOU and any future addendums shall be e-mailed to TobaccoGrants@doj.ca.gov, care of the Division of Operations, Local Assistance Unit, Tobacco Grant Program, and will become fully executed upon completion of signatures from all parties.

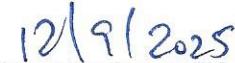
GRANTEE AUTHORIZATIONS



NAME: Sean McDonagh

Title: Chief of Police

Agency: Sebastopol Police Department



Date

NAME:

Date

Title:

Agency:

NAME:

Date

Title:

Agency:

DOJ AUTHORIZATIONS

DOJ GRANT MANAGER

Date

Division of Operations

California Department of Justice

DOJ FISCAL DIRECTOR

Date

Division of Operations

California Department of Justice

DOJ CHIEF OF OPERATIONS

Date

Division of Operations

California Department of Justice



Tobacco Grant Program

Grant Services Branch – Local Assistance

Division of Operations

Tobacco Grant Program – Letter of Intent

The purpose of the Letter of Intent (LOI) is to notify the Department of Justice (DOJ) of an agency's intention to accept the grant award from the Tobacco Grant Program. The LOI must be returned to the DOJ **within 15 calendar days of the date of the Award Letter**. Further documents and next steps will be provided upon return of this LOI.

The following are instructions for drafting the LOI utilizing the template below:

- The LOI must be on agency letterhead of the awarded agency.
- Complete all fields indicated by [].
- Check one of the affirming statements as indicated in the body of the letter.
- Sign and complete the contact fields as indicated under the closing of the letter.
- Email this letter to TobaccoGrantRFP@doj.ca.gov.

12/3/2025

Department of Justice
 Division of Operations
 Tobacco Grant Program
 P.O. Box 160187
 Sacramento, CA 95816-0187

Re: Letter of Intent to Accept Tobacco Grant Program Award (Fiscal Year 2025-26)

Dear Tobacco Grant Program Specialist:

Please accept this letter as indicative of our agency's intent to accept the Tobacco Grant Program award of \$31,704 for the 2025-26 grant cycle. The agency intends to accept the conditions specified in the Summary of Award and Budget Detail documents sent with the award letter.

In addition, on behalf of the agency, I affirm the following (*please check one*):

- The agency will seek a resolution from its governing body to accept the award.
- The agency has a governing body but is not required to seek a resolution from it in order to accept this award.

- [] The agency does not have a governing body and therefore does not require a resolution to accept the award.

Sincerely,



Sean McDonagh
Chief of Police
707-829-4400
smcdonagh@cityofsebastopol.gov

TOBACCO GRANT PROGRAM

The California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56) funding helps promote a healthier California by reducing illegal retail sales and marketing of cigarettes and tobacco products, including e-cigarettes, to minors. The Office of the Attorney General makes these annual funds available to local law enforcement agencies through the California Department of Justice (DOJ) Tobacco Grant Program.

GRANT OPPORTUNITY

This grant solicitation is referred to by the following reference number: **DOJ-PROP56-2025-26-1**

ELIGIBILITY CRITERIA

Any local public agency within the State of California that has authority to enforce tobacco-related state laws or local ordinances related to retail tobacco sales and marketing is eligible to apply. This may include police and sheriffs' departments, district and city attorneys and county counsels, public health departments, cities, counties, and public school/college districts.

Grantees may use grant funds for activities including, but not limited to:

- Enforcement of flavor ban laws/ordinances
- Retailer compliance and licensing checks
- Consumer protection investigation and enforcement actions
- Illegal online sales and marketing, including use of door-to-door delivery services
- Development of task forces (regional working groups) for enforcement operations
- Retailer training and diversion programs

FUNDING DETAILS

TOTAL FUNDING AVAILABLE

An estimated \$28.5 million in funding is available for fiscal year 2025/26 to support local enforcement efforts to reduce illegal retail sales and marketing of tobacco products to minors and youth.

Funding comes from increased taxes on cigarettes and other tobacco products by \$2.00 starting in April 2017. These increased state-level taxes were passed following voter approved Proposition 56 in 2016 that allocates a portion of annual revenue to DOJ.

FUNDING AMOUNTS

Funding amounts will be evaluated based on the submitted grant proposal.

FUNDING TYPE

The Tobacco Grant Program is a reimbursement grant. DOJ will reimburse selected public agencies, in arrears, for approved expenditures upon receipt of invoices, quarterly progress reports, and other required enforcement data.

PROJECT PERIOD

Selected public agencies will be funded for 24 or 36 months. Projects are expected to begin on or about November 1, 2025 and must terminate on or before June 30, 2029.

REQUIREMENTS

In addition to full requirements of the RFP materials, the following are required for selected agencies:

- Resolution from the agency's governing body authorizing acceptance of the grant funding
- Agencies must not use awarded funds to supplant existing funds used for the same purpose
- Agencies must not receive funding from a manufacturer, distributor, or advertiser of cigarettes or tobacco products

GRANT PROPOSAL

OPEN DATE AND DEADLINE FOR SUBMISSIONS

The grant opportunity will open for submissions on **April 21, 2025**.

Submissions must be received by **11:59 PM (Pacific) on June 20, 2025**.

METHOD OF APPLICATION

Applicants must use DOJ's web-based form and submit with all required attachments within the form.

PROPOSAL COMPONENTS

A grant application requires submission of the following major components:

- Completed proposal (online web form)
- Completed budget detail (MS Excel)
- Letter(s) of commitment (required if partnering or contracting with another agency to complete a portion of the grant objectives)

FUNDING PRIORITIES

DOJ's Tobacco Grant Program application process is highly competitive. In accordance with Proposition 56, funds will be awarded to applicants demonstrating strong capacity to support and/or hire enforcement officers for activities specifically aimed at reducing the illegal retail sales and/or marketing of tobacco products to minors and youth.

PRIORITY ACTIVITIES CONSIDERED

Priority activities include, but are not limited to:

- Enforcing state tobacco laws and local ordinances, including the statewide flavor ban (and similar local ordinances) through retailer inspections and enforcement operations (e.g. minor decoy, shoulder tap, undercover buys in stores and online)
- Consumer protection enforcement (investigations and prosecution)
- Compliance checks and inspections of tobacco retailers and online services that deliver tobacco products
- Task force coordination among local agencies
- Retailer education and diversion for retailers violating state tobacco laws
- Education for enforcement officers regarding state tobacco laws and local ordinances

ACTIVITIES NOT CONSIDERED IN THIS FUNDING OPPORTUNITY

Activities that will NOT be considered within this funding opportunity include, but are not limited to:

- School and community-based enforcement of tobacco possession and use, including School Resource Officers and purchase/use of vape detectors
- School and community-based education (including media campaigns)
- Other activities insufficiently related to reducing the illegal retail sales and/or marketing of tobacco products to minors and youth

MORE INFORMATION

PRE-APPLICATION WEBINAR

We highly encourage all applicants to [register for the pre-application webinar](#) to be held on **April 30, 2025, 10:00-11:00 AM (Pacific)** via Zoom. The webinar will be recorded and uploaded to the Tobacco Grant Program webpage.

PROGRAM INFORMATION

To learn more about this grant program and funding opportunity, sign up for the pre-application webinar, or start your application, please visit the [DOJ Tobacco Grant Program webpage](https://oag.ca.gov/tobaccogrants) (<https://oag.ca.gov/tobaccogrants>).

QUESTIONS

Email TobaccoGrantRFP@doj.ca.gov with any questions regarding the application process.