

STAFF REPORT

3/11/2025

AGENDA ITEM

- TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
- FROM: CARLO TOMAINO CITY MANAGER
- BY: MATTHEW E. RICHARDSON CITY ATTORNEY

SUBJECT:

PROPOSED REGULATIONS AMENDING THE CITY'S MUNICIPAL CODE TO ALLOW FOR THE SALE OF FIREWORKS

<u>Summary:</u>

At the February 25, 2025, City Council meeting, the City Council provided direction to staff to place on a future agenda an item related to allowing the sale of "safe and sane" fireworks. Specifically, the City Council expressed interest in allowing fireworks stands as a fundraising vehicle for local nonprofit organizations.

The purpose of this staff report is to present the City Council with a framework for allowing the sale of "safe and sane" fireworks, including a review of various issues that require further direction from the City Council. These issues include criteria required for a nonprofit organization to receive a permit to operate a fireworks stand, the number of fireworks stands to be allowed, and the locations where these may be permitted.

To assist the City Council's evaluation of this issue, staff has included a draft ordinance permitting the sale of "safe and sane" fireworks with this item. In addition to allowing for the sale of certain fireworks, the ordinance proposes the adoption of a framework governing the manner and criteria by which eligible entities will be allowed to sell fireworks within the City.

<u>Strategic Plan Goal(s):</u>

Goal No. 2 Community Safety: Maintain community safety by supporting public safety services and increasing emergency preparedness.

Recommendation:

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Review and provide feedback on the proposed ordinance and regulatory scheme, including whether and how the City Council would like to permit the sale of "safe and sane" fireworks in the City.

Fiscal Impact:

No fiscal impact associated with the recommended action.

Background:

Legal Framework

The City is authorized by California Constitution, Article XI, Section 5 to make and enforce within its limits all local, police, sanitary and other ordinances and regulations with respect to municipal affairs not in conflict with its charter and general laws.

The State of California has a robust statutory regime dealing with fireworks, which can be found in California Health and Safety Code Sections 12500 et seq. As part of this statutory scheme, the Health and Safety Code authorizes cities to establish their own local fireworks prohibitions and regulations. Cities are authorized to adopt regulations as strict or stricter than State law and regulations related to the sale and possession of fireworks.

The City previously adopted the Los Angeles County Fire Code via Chapter 15.08 of its Municipal Code. Section 5601.1.3 of the Los Angeles County Fire Code prohibits the possession, manufacture, storage, sale, handling and use of fireworks with an exception for "safe and sane fireworks" that are explicitly allowed by local ordinance.

Existing City Regulations

The City's regulations governing fireworks are codified in Chapter 9.28 (Fireworks) of the Signal Hill Municipal Code. The City's existing regulations generally prohibit the possession, use, and sale of fireworks subject to certain exceptions; thus, unless the City Council amends the Municipal Code, fireworks stands are not permitted in the City.

Analysis:

To assist the City Council in analyzing whether to permit fireworks stands in the City and the manner in which this use should be regulated, staff has drafted a sample ordinance permitting and regulating the sale of "safe and sane" fireworks. This sample ordinance can be found in Attachment A to this report.

Proposed Ordinance

The Ordinance would comprehensively update the existing Signal Hill Municipal Code Chapter 9.28 (Fireworks) to allow for the temporary sale of "safe and sane" fireworks. Specifically, the sample ordinance does the following:

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- Allows for sale of safe and sane fireworks only. Safe and sane fireworks are defined by Section 12529 of the Health and Safety Code as, "[a]ny fireworks that have been approved by the United States Consumer Product Safety Commission and that have been carefully examined and tested by the State Fire Marshal and determined by the State Fire Marshal that the fireworks meet and are in compliance with the general and specific standards for design, construction, performance, and labeling for safe and sane fireworks, as set forth in Chapter 6 (commencing with Section 979) of Division 1 of Title 19 of the California Code of Regulations, as it reads on July 1, 2023."
- *Limited Duration of Sale*. Fireworks may only be sold in line with the minimum limit set by State law which authorizes that sales commence at 12:00 noon on the 28th day of June and end at 12:00 p.m. on the 6th day of July each year.
- *City Permit Required*. Sale is only permitted pursuant to a permit issued by the City.
- *Eligible Applicants*. Sale is solely permitted by a nonprofit organization that satisfies specific criteria.
- *Regulations Concerning Operation of Firework Stands*. Sale is only permitted from within a temporary stand subject to operation regulations, including regulations regarding the age of persons authorized to sell fireworks, the size of the stand, the proximity of the stand to flammable substances, and other measures aimed at reducing the risk of injury.

The proposed regulations are merely suggestions. The City may choose to adopt different provisions, so long as they are within the limits of authority granted to the City under the applicable legal framework discussed earlier in this report.

Primary Policy Issues

While the sample ordinance provides an outline of a possible fireworks ordinance, staff needs guidance on several central policy issues related to the proposed regulatory scheme.

First, staff needs guidance on the City Council's desired criteria for a nonprofit organization to qualify for a permit to operate a fireworks stand. To assist the City Council in this process, staff reviewed the approaches taken by several Southern California cities, several of which are included below.

Fontana

- Eligible nonprofit organizations are described as follows:
 - a non-profit organization, or a group which is an integral part of a recognized national organization having such tax-exempt status or an organization affiliated with and officially recognized by an elementary, junior high and/or high school and/or school district that serves, in whole or in part, the residents of the city or public and/or private community college, college and/or university which is located within the boundaries of the city;

- Shall be organized primarily for veterans, patriotic, welfare, civic betterment, educational, youth development or charitable purposes;
- Must have its principal and permanent meeting place within the city;
- Must provide direct and regular community services and benefits to the residents of the city;
- Has a minimum membership of at least 20 members who either reside in the city, are employed in the city, or are owners or operators of a business or other establishment located in the city;
- Has not been found by any court of competent jurisdiction or city administrative hearing officer to be in violation of any civil or criminal local, state or federal law relating to fireworks within 24 calendar months prior to the organization's submittal of an application for a permit to sell; and
- Has not had a permit to sell revoked within 24 months prior to the organization's submittal of an application for a permit to sell.

Coachella

- Qualifying applicants must meet all of the following criteria:
 - Must be a nonprofit organization organized primarily for civic betterment, youth activities, recreational activities, school activities, military or veterans affairs, or other like charitable purposes.
 - Must have its principal and permanent meeting place within the territorial limits of the city; must maintain a bona fide membership of at least twenty (20) members the majority of whom reside in the city; and must have been organized and established for a minimum of two years continuously preceding the filing of the application for a fireworks permit hereunder.
 - If it is an organization that is affiliated with a school outside the territorial limits of the city but within the boundaries of the Coachella Valley Unified School District and organized primarily for civic betterment, youth activities, recreational activities, school activities, military or veterans affairs, or other like charitable purposes. Organization must have been organized and established for a minimum of two years continuously preceding the filing of the application for a fireworks permit hereunder.

Hawaiian Gardens

 Nonprofit associations or corporations organized primarily for veteran, patriotic, welfare, civic betterment or charitable purposes. Each such organization must have been organized and established for a minimum of two years continuously preceding the filing of the application for

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the permit and must have a bona fide membership of at least 20 members. No permit shall be issued to any organization or person unless such organization shall be based within the corporate limits of the City or unless such organization shall directly serve the youth and/or the citizens of the City; this determination shall be made by the City Clerk.

Second, staff needs guidance on the process by which nonprofit entities would be selected for a fireworks stand permit. There are two general approaches used by cities to select fireworks stand permit recipients: (1) selecting on a first-come first-served basis; or (2) selecting on a random basis pursuant to a lottery system. Whichever approach is selected, care should be taken to ensure that the selection framework is structured in a manner that eliminates the possibility that any entity receives an unfair advantage.

Third, staff needs guidance on the number of fireworks stands to be permitted in the City. Cities take various approaches to this issue. Some set the number of stands based on total population (e.g., one stand per 10,000 residents) while others set no limit on the number of stands. The City would also be permitted to set an arbitrary cap on the number of stands permitted in the City.

Fourth, and related to the question of the number of stands permitted in the City, is the question of where the stands would be permitted. Because Signal Hill is geographically compact, the City Council may wish to provide guidance regarding the general locations in the City where firework stands would be permitted.

Recommendations:

Staff requests further guidance from the City Council on the following issues:

- 1. Whether the City should amend the Signal Hill Municipal Code to permit fireworks stands.
- 2. The City Council's desired criteria for a nonprofit organization to qualify for a permit to operate a fireworks stand.
- 3. The process by which nonprofit entities would be selected for a fireworks stand permits (lottery or first-come, first served).
- 4. The number and location of permitted fireworks stands in the City.

Reviewed for Fiscal Impact:

Siamlu Cox

Attachment(s):

A. Sample Ordinance