



## PROPOSED URGENCY ORDINANCE TO ESTABLISH MORATORIUM ON ISSUANCE OF NEW TOBACCO RETAIL ESTABLISHMENT PERMITS

### Riverside Police Department

City Council  
September 16, 2025

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1

## BACKGROUND

- **RMC Chapter 6.24** – unlawful to sell tobacco products or tobacco paraphernalia within the City of Riverside without a valid permit
- **RMC 6.24.020(L)** – Tobacco retailer is defined as any person who sells, offers for sale, or does or offers to exchange for any form of consideration, tobacco, tobacco products, or tobacco paraphernalia, or who distributes free or low-cost samples of the same
- **RMC 19.910.200** – Smoke Shops are defined as retail establishments with sales of tobacco products and paraphernalia in excess of 30% of gross sales and/or 30% of net lease area



2

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2

## BACKGROUND

- RMC doesn't differentiate between different types of retail establishments with respect to issuance of Tobacco Retail Establishment Permits, process to obtain permit or enforcement of RMC
- RPD Vice Unit is charged with investigation and enforcement of RMC 6.24 and regulation or enforcement of massage parlors, firearms dealers, pawnshops, secondhand dealers, fortune tellers, driver services, entertainment services, adult entertainment establishments, cannabis sales, alcoholic beverage sales, and illegal gambling, prostitution, and human trafficking.



3

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3

## BACKGROUND

- There are 226 known locations selling tobacco in the City of Riverside
  - 159 have active Tobacco Retail Establishment Permits
    - 31 are classified as Smoke Shops
  - 42 have expired permits and have received renewal reminders
    - 3 are classified as Smoke Shops
  - 20 are selling without a permit
    - 6 are in process to obtain a permit
    - 8 are classified as Smoke Shops
  - 5 are operating after being denied a permit or having a permit revoked
    - All are classified as Smoke Shops



4

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4

## DISCUSSION

- March 2025 – RPD Vice Unit worked with CDTFA and other allied agencies to serve search warrants on 7 smoke shop locations all related to one chain and seized illegal tobacco products, untaxed tobacco products, cannabis products, psilocybin mushroom, narcotics, 11 firearms and other illegal weapons
- Owners were charged with conspiracy, money laundering, cannabis and tobacco excise tax evasion, and operating or maintaining a place to sell narcotics
- All locations involved in investigation were reopened within 24 hours



5

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5

## DISCUSSION

Update on Smoke Chop chain:

- August 2025 – RPD Vice Unit conducted follow up investigations related to ongoing abatement process and found locations continuing to sell illegal products including flavored tobacco, cannabis products, nitrous oxide tanks, and psilocybin mushroom products
- Illegal products were seized but businesses remain open



6

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6

## DISCUSSION

- January 1 through August 12, 2025 – Vice Unit conducted 18 criminal investigations at 13 smoke shops
- Police seized 4,870 units of cannabis products, 76,298 units of illegal tobacco products, 535 nitrous oxide gas tanks, and 182 units of psilocybin mushroom products
- 12 of the 13 businesses remain open and operating
- 3 of the businesses have current Tobacco Retail Establishment Permits and the others are unpermitted



7

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7

## DISCUSSION

- A 3-year analysis of 10 randomly selected Smoke Shops located in all 7 Wards revealed several locations with 100 or more calls for service
- January 1 through August 28, 2025 - Expanded analysis of calls for service at permitted and known-unpermitted tobacco retail establishments of all types revealed excessive calls for service at many permitted establishments
  - 11 permitted tobacco retailers had in excess of 100 calls for service and 2 had over 250 calls for service
  - Retailers in this group were primarily grocery stores, convenience stores, and gas stations
- Call types included subject bothering, loitering, public disorder, weapons violations, assaults, robberies, sexual assaults, indecent exposure, threats, vehicle and property thefts, mental health incidents, burglary, counterfeit currency, drug and alcohol offenses, disturbing the peace, robbery, arson, public intoxication, indecent exposure, overdoses, and other health and safety violations



8

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8

## DISCUSSION

- Penalties for operating without a valid Permit include a small fine and prohibition from obtaining a permit for a specified period of time
  - Fine schedule is \$100 for first offense, \$200 for second offense, and \$500 for each subsequent offense
  - Most businesses are not deterred by fines and continue operating illegally
- 12 new applications for tobacco retail establishment permits (excluding renewals) received to date in 2025
- New and renewal applications processed annually is 87 in 2022, 88 in 2023, and 77 in 2024
- Currently over 200 establishments city-wide presents an ongoing challenge for compliance monitoring
- Adequate resources and an effective regulatory system are required to deter illegal activity to keep Smoke Shops from becoming nuisances <sup>9</sup>



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9

## INTERIM ORDINANCE FINDINGS

In order to protect public safety, health, and welfare, the City may adopt an interim ordinance, with a four-fifths vote, prohibiting any uses that may be in conflict with a contemplated general plan, specific plan or zoning proposal that the legislative body, planning commission or the planning department is considering, studying, or intends to study within a reasonable time.

An interim ordinance is only effective for an initial period of no more than 45 days. Prior to its expiration, the City Council may, after a public hearing, extend the interim ordinance for up to 10-months and 15-days, and be subsequently extended for one year. Extensions also require a four-fifths vote.



10

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10

## INTERIM ORDINANCE FINDINGS

It is necessary to adopt an interim Ordinance due to an immediate threat to the public health, safety, and welfare based on the following:

1. The City is concerned with the observed illegal actions and repeated permit violations of Smoke Shops, as defined under RMC 19.910.200
2. The City is concerned with the public nuisance and negative secondary impacts caused by the permit violations of tobacco retailers, including Smoke Shops within the City
3. The City Council desires to investigate and study the land use and public safety impacts of tobacco retail establishments within the City of Riverside and to develop potential zoning, permitting, or other regulatory tools to address community concerns.



11

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11

## INTERIM ORDINANCE FINDINGS

4. The City Council desires to investigate and study the implications of new state legislation under Health & Safety Code § 104559.5, including the effects of the legislation on tobacco retail establishments and regulation thereof.
5. The City Council desires to investigate and study the regulation of tobacco retail establishments to include the possible effect on and consistency with the City's continued implementation of policies intended to protect the public health, safety and welfare, including Blue Zone policies.
6. Absent the adoption of this Ordinance, the issuance of new Tobacco Retail Establishment Permits within the city, may pose a serious threat to the public health, safety, and welfare.
7. As a result, it is necessary to establish a temporary, forty-five (45) calendar day moratorium on the issuance of new Tobacco Retail Establishment Permits within the City, pending the completion of the City's study.



12

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12

## INTERIM ORDINANCE FINDINGS

A moratorium on the issuance of Tobacco Retail Establishment Permits is necessary to allow the City an opportunity to consider various policy implications and develop a comprehensive approach to addressing the negative impacts to public health, safety, and welfare from activities associated with tobacco retail establishments.

During the moratorium period, City staff should engage with community stakeholders to consider policy priorities with respect to Tobacco Retail Establishment Permit regulations, as well as processes for enforcement of those regulations, and consider recommending appropriate revisions to Chapter 6.24 of the Riverside Municipal Code.



13

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13

## RECOMMENDATION

That the City Council adopt, with a four-fifths vote, an urgency ordinance establishing a moratorium on the issuance of new Tobacco Retail Establishment Permits within the City of Riverside.



14

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14