

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHULA VISTA AMENDING CHAPTER 4 (GENERAL
BUSINESS FEES) OF THE CITY'S MASTER FEE SCHEDULE
TO MODIFY VARIOUS CANNABIS-RELATED FEES

WHEREAS, in March 2018, the City Council voted to approve Ordinance 3418, which created a licensing and regulatory structure for the operation of lawful cannabis businesses in the City of Chula Vista; and

WHEREAS, Ordinance 3418 was contingent on voter approval of a cannabis tax measure to be placed on the November 2018 ballot (Measure Q), which was ultimately approved by voters and was certified by the City Council on December 11, 2018; and

WHEREAS, Ordinance 3418 became effective and was codified as Chula Vista Municipal Code Chapter 5.19; and

WHEREAS, Section 5.19.080(T) states that fees and charges associated with commercial cannabis activity will be established by resolution of the City Council, and staff initially recommended and proposed the establishment of cannabis application fees and other cannabis-related fees to City Council in December 2018 for the 2019 application period; and

WHEREAS, City intends to open a second application period and, in preparation for this 2020 application period, staff have reviewed the actual time spent on the 2019 round of cannabis applications and determined that the cannabis application fees, and other cannabis-related fees, should be modified for the 2020 application period; and

WHEREAS, an analysis of staff effort and the current fully burdened hourly rates for impacted staff associated with processing cannabis licenses and related activities has been conducted to determine the cost of service associated with providing these permitting services; and

WHEREAS, the City Council wishes to amend application and background fees for the licensing of cannabis related businesses; and

WHEREAS, in order to achieve full and equitable cost recovery for cannabis application and licensing process, the City Council wishes to amend Chapter 4 (General Business Fees) of the City's Master Fee Schedule, as set forth in Exhibit 1, attached hereto and incorporated herein by reference as if set forth in full; and

WHEREAS, the proposed fees do not exceed the estimated reasonable cost of providing the associated services; and

WHEREAS, Article XIII C of the California Constitution requires a vote of the electorate to increase any levy, charge, or exaction imposed by a local government, unless specifically exempted; and

WHEREAS, the proposed fees fall within the exceptions enumerated in Article XIII C Section 1(e), including but not limited to, subsections 1(e)(2) and 1(e)(3), and, therefore, are not subject to the vote requirement; and

WHEREAS, the proposed amendments to the Master Fee Schedule Chapter 4 shall become effective upon adoption of this Resolution by the City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it does hereby amend Chapter 4 (General Business Fees) of the City's Master Fee Schedule to set the amounts of the Cannabis Application and Background fees as set forth in Exhibit 1 to this Resolution.

Presented by

Approved as to form by

David Bilby
Director of Finance

Glen R. Googins
City Attorney