

RESOLUTION NO. 24467

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, ESTABLISHING FEES FOR CANNABIS RELATED BUSINESS AND ACTIVITIES, PERMIT AND REGULATORY FEES.

WHEREAS, the City, under various statutory provisions under California Government Code, may set and collect fees for the costs of providing various public services to the community; and

WHEREAS, notice of a June 20, 2018 public hearing regarding all matters related to this resolution was mailed, published, posted and distributed in accordance with the provisions of the California Government Code; and

WHEREAS, on July 26, 2017, the City Council of the City of Palm Springs approved and adopted Ordinance 1933, codified in Palm Springs Municipal Code (PSMC) 5.45 and 5.55; and

WHEREAS, pursuant to PSMC Sections 5.45.120 and 5.55.120, the City Council, by resolution, may establish various fees and charges related to the cannabis permit application process, and ongoing administrative and regulatory services arising from and related to commercial cannabis businesses and activities in the City; and

WHEREAS, the City Council finds that revenues since the effective date of Ordinance 1933, and continuing through and including the effective date of this Resolution, fees for cannabis-related services subject to the Mitigation Fee Act and proposed for adoption by this Resolution, did not exceed the actual cost of providing the services for which the fees were collected; and

WHEREAS, the City Council further finds that City revenues from the effective date of this Resolution through the end of fiscal year 2018-19 from fees for cannabis-related services subject to the Mitigation Fee Act, and reflected in the fee schedule adopted pursuant to this Resolution, will not exceed the estimated amount of funds required to provide the services for which they will be charged; and

WHEREAS, on June 20, 2018 and continuing on July 11, 2018, at a duly noticed public meeting, the City Council considered establishment of various fees arising from and relating to commercial cannabis businesses and activities; and

WHEREAS, the City Council has considered any verbal and/or written testimony, and has reviewed and considered the information in the fee study and supporting data presented in support of this Resolution, together with information provided at the public hearing by staff and the public; and

WHEREAS, the City Council finds that the fees established by this Resolution are based upon the reasonable cost of providing the administrative and regulatory services that necessarily arise from and relate to commercial cannabis businesses and activities in the City; and.

WHEREAS, the City Council now approves the adoption of the fees reflected in the schedule attached hereto as Exhibit "A."

THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, HEREBY RESOLVES, DETERMINES AND APPROVES AS FOLLOWS:

SECTION 1. The true and correct recitals above are incorporated by this reference herein as the basis and foundation for the City's adoption of this Resolution.

SECTION 2. Commencing on the effective date of this Resolution, and continuing through fiscal year 2018-19, the fees and charges reflected in the schedule attached hereto, and incorporated by this reference herein as Exhibit "A," are adopted.

SECTION 3. The fees and charges reflected in Exhibit "A," all of which are new, and some of which are subject to the Mitigation Fee Act, codified at California Government Code Section 66000 *et seq.*, shall be effective not earlier than sixty (60) days after the adoption of this Resolution, to wit, Monday, September 10, 2018.

SECTION 4. Pursuant to the terms under which they applied for their respective permits, all applicants for permits to engage in cannabis business and activities in the City prior to the effective date of this Resolution will have the duty to pay the City's cannabis businesses and activities permit application fee as now adopted. All cannabis permittees and applicants who currently have applications being processed by the City will make payment of the first half (½) of the application fee at or before the close of business on Monday, September 10, 2018, and the second half (½) of the application fee at or before the close of business on Thursday, October 11, 2018. Future applicants will pay the entire application fee at the time when they file their applications with the City.


SECTION 5. The Director of Finance is hereby authorized and directed to incorporate the fees and charges documented in Exhibit "A" into the City's Comprehensive Fee Schedule.

SECTION 6. The City Council declares that the City will adhere to its policy for consideration of adjustment to the fees and charges now adopted that are subject to the Mitigation Fee Act as stated in Resolution number 24408, adopted May 2, 2018.

SECTION 7. The City Clerk of the City of Palm Springs shall certify to the passage and adoption of this Resolution and its approval by the City Council and shall cause the same to be listed in the records of the City.


SECTION 8. This Resolution shall be effective immediately upon adoption.

PASSED, APPROVED AND ADOPTED BY THE PALM SPRINGS CITY COUNCIL
THIS 11th DAY OF JULY, 2018.



David H. Ready, Esq. Ph.D.
City Manager

ATTEST:



Anthony J. Mejia, MMC
City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, ANTHONY J. MEJIA, City Clerk of the City of Palm Springs, hereby certify that Resolution No. 24467 is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on the 11th day of July, 2018, by the following vote:

AYES: Councilmembers Holstege, Kors, Middleton, Mayor Pro Tem Roberts, and Mayor Moon

NOES: None

ABSENT: None

ABSTAIN: None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Palm Springs, California, this 26th day of July, 2018.



Anthony J. Mejia, MMC
City Clerk

EXHIBIT “A”

The following fees are established for and applicable to City services arising from and related to commercial cannabis businesses and activities, as described in Chapters 5.45 and 5.55 of the Palm Springs Municipal Code:

- **Cannabis Application Fee: \$4,000**
- **Use Specific Cannabis-Related Fire Inspection Fees:**

Task	Cost
Application Reviews	\$234
Dispensary Inspections	\$181
Cultivation Inspections	\$457
Manufacturing Inspections	\$545
Dispensary w/ Cultivation Inspections	\$638
Cultivation w/ Manufacturing Inspections	\$1,002
Dispensary w/ Cultivation & Manufacturing Inspections	\$1,183
Fire Code Research Fees (if required)	\$234
Compressed Gases (CO ²) [cultivation; manufacturing]	\$474
Hazardous Materials [manufacturing]	\$474
High Piled Storage	\$474
Industrial Ovens [manufacturing]	\$474
Gas Detection Systems [manufacturing; cultivation]	\$474
Plant Extraction Systems [manufacturing]	\$474

- **Use Specific Cannabis Related Engineering/Public Works Inspection Fee**

Task	Cost
Public Works Inspection (1 hour) ¹	\$93

¹ Applies to cannabis projects involving work that proves necessary in right-of-way, or in a ground-up build.

- **Use Specific Cannabis Related Police Inspection Fees**

Task	Cost
Dispensary Inspection	\$153
Cultivation/Manufacturing Inspection	\$153
Cannabis Related Live Scan Review (for non-owners/operators)	\$35/employee

- **Cannabis Appeal Fee: \$3,500**
- **Cannabis Permit Re-Issuance/Replacement Fee: \$100**