

**RESOLUTION NO. 23-2919**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARTESIA, CALIFORNIA ESTABLISHING A FEE SCHEDULE FOR THE ADMINISTRATION OF THE CITY OF ARTESIA RETAIL CANNABIS PERMIT PROGRAM AND DETERMINING THAT THE ADOPTION OF THIS FEE SCHEDULE IS EXEMPT FROM REVIEW UNDER CEQA PURSUANT TO CEQA GUIDELINES SECTION 15061(B)(3)**

WHEREAS, on June 27, 2017, the Medical and Adult Use Cannabis Regulation and Safety Act (MAUCRSA) was signed into law, which provides a comprehensive regulatory framework for licensing, control, and taxation of medical and adult-use cannabis-related businesses in California;

WHEREAS, in November 2020, Artesia voters approved Measure Q, a ballot measure that would allow for certain taxes to be collected from the cultivation and sale of cannabis in Artesia if the City Council were to lift the current prohibitions on medical and commercial cannabis activities in the City;

WHEREAS, on October 10, 2022, the City Council adopted Ordinance No. 22-929, amending Article 44 of Chapter 2 of Title 9 of the Artesia Municipal Code establishing that retail commercial cannabis may be a permitted use subject to the review and approval of various entitlements within a portion of the Commercial General and Commercial Planned Development zones, as well as in a portion of the Artesia Boulevard Specific Plan, Artesia Boulevard Corridor Specific Plan and South Street Specific Plan areas that are south of State Route 91;

WHEREAS, on November 14, 2022, the City Council adopted Ordinance No. 22-930 adding Article 8 to Chapter 2 of Title 3 of the Artesia Municipal Code regarding Adult Cannabis Businesses and Establishing Permit Criteria and Regulations and Repealing Chapter 21 of Title 5 of the Artesia Municipal Code, and adopted Ordinance No. 22-938 on January 17, 2023, amending Article 8 of Chapter 2 of Title 3 of the Artesia Municipal Code to clarify that a signed lease is not required to be submitted with an application packet;

WHEREAS, State law authorizes the City of Artesia to collect fees and charges for services, provided such fees and charges do not exceed the reasonable cost of providing such service;

WHEREAS, City staff supported by a qualified consultant have analyzed the cost of providing permitting and other services related to the administration of the City's Cannabis Retail Business Permit Program; and,

WHEREAS, the City Council has determined that the adoption of a fee schedule for the administration of the City's Cannabis Retail Business Permit Program reasonably addresses the City's cost for the provision of permitting and other services related to the administration of the City's Cannabis Retail Business Permit Program.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ARTESIA, CALIFORNIA, HEREBY RESOLVES, FINDS AND DETERMINES AS FOLLOWS:

SECTION 1. The City Council hereby specifically finds that all of the facts set forth in the recitals of this Resolution are true and correct and are incorporated herein.

SECTION 2. Adoption of Fee Study. The following cannabis storefront retail business permit related fees are hereby established:

Fee Description	Fee Amount
Application Fee for Cannabis Retail Businesses Permit	\$22,278.66
Annual Regulatory Fee for Cannabis Retail Business Permit Recipients	\$13,153.78
Appeal Fee	\$7,106.28

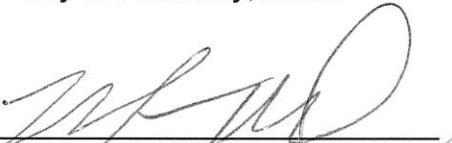
Owner/Manager Background Investigation Fee	\$300.00
Employee Background Investigation Fee	\$100.00

SECTION 3. CEQA Findings. The City Council finds that the adoption of fees for the administration of the City of Artesia Cannabis Retail Business Permit Program is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines. The City Council previously adopted Ordinance No. 22-929 governing the locations of commercial cannabis retail. The City Council also approved Ordinance Nos. 22-930 and 22-938, which regulate the operation of commercial cannabis retail and cannabis delivery in the City. The adoption of the aforementioned fees will allow the City to obtain reasonable and appropriate recovery of costs based on fee studies conducted of public services in the administration of the Cannabis Retail Business Permit Program. Therefore, the adoption of said fees is covered by the common sense exemption in that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Accordingly, the City Council finds the adoption of said fees exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines.

SECTION 4. Effective Date. This Resolution shall take effect upon its adoption.

SECTION 5. Certification. The City Clerk shall certify to the passage, approval, and adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 1<sup>st</sup> day of February, 2023.

  
MONICA MANALO, MAYOR

ATTEST:

  
JENNIFER ALDERETE, ACTING CITY CLERK

APPROVED TO FORM:

  
BEST BEST & KRIEGER, CITY ATTORNEY

I, Jennifer Alderete, Acting City Clerk of the City of Artesia, do hereby certify that the foregoing Resolution was adopted at the Special City Council Meeting held on the 1<sup>st</sup> day of February, 2023, by the following roll call vote:

AYES: COUNCIL MEMBERS: RAMOSO, TREVINO, TAJ, LIMA, MANALO  
NOES: COUNCIL MEMBERS: NONE  
ABSENT: COUNCIL MEMBERS: NONE  
ABSTAIN: COUNCIL MEMBERS: NONE

  
JENNIFER ALDERETE, ACTING CITY CLERK