

RESOLUTION NO. 6170(18)

A Resolution of the City Council of the City of Lompoc, County of Santa Barbara, State of California, Rescinding Resolution No. 6148(17) and Amending the Master Schedule of Fees and Charges for City Services

WHEREAS, the City Council of the City of Lompoc (City) established a Master Schedule of Fees and Charges for City Services by the adoption of Resolution No. 6009(16) on January 5, 2016; and

WHEREAS, the City Council adopted Ordinance No. 1640(17) on November 7, 2017, amending Chapter 9.36 of the Lompoc Municipal Code (LMC) to provide for the City's issuance of commercial cannabis use licenses for operations of commercial cannabis activities except for outdoor cultivation; and

WHEREAS, LMC section 9.36.040 recognizes every person conducting either or both commercial cannabis activity or personal cannabis cultivation must comply with the terms, spirit, and intent of all State laws, as defined in LMC section 9.36.020; and

WHEREAS, LMC subdivision 9.36.080 E. 4. provides all commercial cannabis uses must comply with all the requirements of LMC Chapter 9.36 and the rules and regulations established by Resolution of the City Council, including payment of fees and filing a complete cannabis application, which requirements and fees shall be recommended to the City Council by the City Manager after consultation with the Chief of Police, Fire Chief and Economic Development Director/Assistant City Manager, Management Services Director or their designees (Applicable Employees); and

WHEREAS, at the City Council meeting of December 5, 2017, the Applicable Employees provided the City Council their recommendations for fees for cannabis uses within the City; and

WHEREAS, at its meeting of December 5, 2017, the City Council considered those recommendations and public comments, and, based thereon, adopted Resolution No. 6148(17); and

WHEREAS, the City Council's intention is to recover 100% of the direct and indirect costs of providing services related to the processing, review and auditing of applications and commercial cannabis use licenses for each operation of a commercial cannabis activity allowed pursuant to LMC chapter 9.36; and

WHEREAS, this Resolution incorporates and amends Resolution No. 6009(17) to provide for the necessary fees, charges and deposits for implementation of the City's cannabis licensing processes.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOMPOC, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Resolution No. 6148(17) is hereby rescinded.

SECTION 2. Each applicant shall pay all personnel and related direct and indirect costs, including payment to City's third party consultants, for the review, processing and auditing of the application and ongoing operation of the subject commercial cannabis use. A deposit for such payment, as designated in Section 3., below, shall be made at the time the subject application is submitted (Deposit).

SECTION 3. Direct costs include, but are not limited to, such things as staff payroll and outside consultant costs for (i) processing and review of the application for completeness and compliance with the LMC by all applicable City departments and divisions, (ii) telephone and written communications with the applicant/property owner and each of their representatives, (iii) noticing, (iv) outside consultants, (v) preparation of staff reports, (vi) attendance by staff at public hearings, (vii) ongoing review of those operations, and (viii) auditing of those operations. Indirect costs, include, but are not limited to, fully allocated overhead cost based on the then current Lompoc Cost Allocation Plan applied to those direct costs.

SECTION 4. The Deposit paid at the time of application are estimates based on the typical amount of staff time and other costs required to process an application. In the event the deposit is not sufficient to reimburse the City for processing the application, the applicant shall provide additional deposits to the City sufficient to complete the processing of the application. If, at any time, the remaining Deposit retained by the City is below \$2,000.00 after deductions for the fees incurred to date, then, within 15 days after receipt of written notice from the City of that fact, the applicant/licensee shall deposit an additional \$8,000.00 with the City. Other than those services required to ensure public safety and compliance with all laws and regulations, the City shall not perform any further review of the application for commercial cannabis activity until the applicant/business operator submits the Deposit or the required increase to the Deposit. No interest shall accrue on amounts deposited. Any unused portion of the Deposit will be returned to the applicant/business operator within 60 days following the denial of the license, the revocation of the commercial cannabis use license, or the surrender of the commercial cannabis use license to the City's City Manager.

SECTION 5. The Deposit, at the time an application is filed, is hereby established as \$11,900 per application, plus \$1,100 per applicant and each person with a financial interest in the subject commercial cannabis activity.

SECTION 6. Effective Date. The effective date of this Resolution is upon the date it is adopted.

The foregoing Resolution was proposed by Council Member Starbuck, seconded by Council Member Vega, and was duly passed and adopted by the Council of the City of Lompoc at its regular meeting on April 3, 2018, by the following vote:

- AYES: Council Member(s): Dirk Starbuck, Victor Vega, James Mosby, and Jenelle Osborne.
- NOES: Council Member(s): Mayor Bob Lingl.
- ABSENT: Council Member(s): None

/s/
Bob Lingl, Mayor
City of Lompoc

ATTEST:

/s/
Stacey Haddon, City Clerk
City of Lompoc