

RESOLUTION NO. 20-78

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
EL CENTRO, CALIFORNIA, ESTABLISHING NEW CITY  
FEES FOR COMMERCIAL CANNABIS PERMITS ALONG  
WITH A CPI ESCALATOR

WHEREAS, California general law cities impose fees for services and activities they provide through provisions of the state Constitution as well as applicable law; and

WHEREAS, cities may perform broad activities related to their local police power and other service authority as defined in Cal Constit. Article XI, Section 7 and 9, and cities also may establish fees for service through the framework defined in Article XIIC, Section 1; and

WHEREAS, the City Council instructed staff to review and update all such fees to confirm, increase, or decrease them to amounts that provided for allowable cost recovery thus reducing the burden on the general fund resources otherwise used to fund individual services; and

WHEREAS, the City contracted with Willdan to conduct an independent, comprehensive analysis of City services, the costs reasonably borne by providing those services, the beneficiaries of those services, and the revenues produced by those paying fees for such services; and

WHEREAS, after determining the cost recovery fees that may be charged to users for a variety of City services, Willdan provided the City with a User Fee Study and a Fee Schedule as set out in Appendix C to the User Fee Study, which Fee Schedule is attached and incorporated as Exhibit 1 to this Resolution; and

WHEREAS, such User Fee Study was adopted by the City Council on April 6, 2019; and

WHEREAS, at that time, the City Council also approved an annual fee adjustment on July 1 of each fiscal year commencing on July 1, 2019, as defined by the Consumer Price Index (San Diego area for all Urban Consumers) with a cap of 3% (the "automatic escalator") which the Council finds will maintain such City fees as the reasonable cost of service provided, plus overhead; and

WHEREAS, without additional Council action the fees will increase by that automatic escalator although the Council may remove one or more fees from the escalator and may examine individual fees; and

WHEREAS, the City now has adopted Chapter 13, Art. X of the City Code permitting commercial cannabis activity as defined therein; and

WHEREAS, as provided by Chapter 13, Art. X, the Community Development Director has developed policies and procedures to receive and review applications for commercial cannabis permits; and

WHEREAS, as further provided, the City Council will set fees referenced by Chapter 13, Art. X based upon the cost of services as determined by the User Fee Study; and

WHEREAS, City has made available the proposed new fee amounts to those requesting special notice and also has duly published notice of a public hearing regarding such fee adjustments; and

WHEREAS, on July 7, 2020 and August 4, 2020, the City Council conducted a duly noticed public hearings and heard comments for and against the adoption of such new fees; and

WHEREAS, the City Council finds from its review of the attached Fee Schedule and the other documents on file for this matter, specifically including the User Fee study (which are made a part of the record of this hearing) that each fee is related to a service or activity on which the fee is imposed that is under the control of the City which is imposing the fee; that the amounts of the fees as set out in the Fee Schedule do not exceed the reasonable cost of service provided, plus direct and indirect overhead; that these fees fall outside requirements for imposition of taxes, special taxes or fees imposed as incidences of property ownership pursuant to the provisions of State law and are not regulatory fees disallowed by Proposition 26; and that such fees are not charges for traditional governmental services; and

WHEREAS, the City Council further finds that the revision of such fees and charges is for the purpose of meeting operating expenses of the City and that such action therefore is statutorily exempt from CEQA under Public Resources Code Section 21080 (b)(8) and Section 15273 of the CEQA guidelines.

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

**SECTION 1. RECITALS:** The Recitals set out above are true and correct.

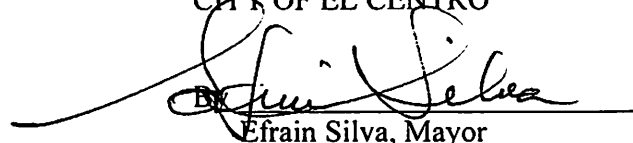
**SECTION 2. CEQA EXEMPTION:** The adoption of fees, rates and charges as set out here is statutorily exempt from CEQA and staff is directed to take all necessary actions to prepare and file a Notice of Exemption immediately after adoption of this Resolution.

**SECTION 3. FEES DETERMINED AND ADOPTED:** The fees as set out in the Fee Schedule attached and incorporated as Exhibit 1 to this Resolution hereby are adopted along with the automatic escalator.

**SECTION 4. EFFECTIVE DATE:** This Resolution shall take immediately upon adoption.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of El Centro, California held on the 4<sup>th</sup> day of August 2020.

CITY OF EL CENTRO

  
Efrain Silva, Mayor

ATTEST:

By Norma Wyles  
Norma Wyles, City Clerk

APPROVED AS TO FORM:  
Office of the City Attorney

By Elizabeth L. Martyn  
Elizabeth L. Martyn, City Attorney

STATE OF CALIFORNIA )  
COUNTY OF IMPERIAL ) ss  
CITY OF EL CENTRO )

I, Norma Wyles, City Clerk of the City of El Centro, California, do hereby certify that the forgoing Resolution No. 20-78 was duly and regularly adopted at a regular meeting of the City Council of the City of El Centro, California, held on the 4th day of August 2020, by the following vote:

AYES: Garcia, Silva, Oliva  
NOES: Jackson, Viegas-Walker  
ABSENT: None  
ABSTAINED: None

By Norma Wyles  
Norma Wyles, City Clerk

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| <b>COMMERCIAL CANNABIS PERMIT APPLICATION FEES</b>  |          |
|---|----------|
| <b>Commercial Cannabis Permit Application</b>   |          |
| <b>a) Phase 1 – Preliminary Determination of Eligibility</b><br>This fee is similar to that for a site plan review with additional requirements regarding cannabis regulations.   | \$1,389  |
| <b>b) Phase 2 – Application Evaluation and Initial Ranking</b><br>This fee is similar to the of an administrative conditional use permit with additional requirements regarding cannabis regulations.                       | \$1,790  |
| <b>c) Phase 3 - Second Ranking, Selection and Issuance of CCP</b><br>This fee is similar to that for a conditional use permit with additional requirements to address cannabis regulations and the selection of Permittees. | \$4,600  |
| Pursuant to City Code Section 13-161(a)(b)(c)(d)(e)   |          |
| <b>OTHER FEES</b>   |          |
| <b>Appeals of Qualification and Ranking Determination Fee</b>   | \$ 1,194 |
| Pursuant to City Code Section 13-163(b)   |          |
| <b>Annual Inspection Fees</b>   | \$ 375   |
| Annual inspection by building inspector/fire and police. Inspection fee rate \$125/hr.  |          |
| Pursuant to City Code Section 13-185(c)   |          |
| <b>Permit Renewal Fee (Three-year renewal)</b>  | \$2,015  |
| The Permit Renewal review process requires the same amount of staff time as the processing of an administrative conditional use permit.   |          |
| Pursuant to City Code Section 13-166(c)   |          |
| <b>Permit Amendment Fee</b>   | \$2,015  |
| The Permit Amendment review process requires the same amount of staff time as the processing of an administrative conditional use permit.   |          |
| Pursuant to City Code Section 13-170  |          |
| <b>Change in Ownership/Transfer Fee</b>   | \$1,389  |
| The review process requires the same amount of staff time as a Preliminary Application review.  |          |
| Pursuant to City Code Section 13-172  |          |
| <b>Change in Location Fee</b>   | \$3,610  |
| The review process requires the same amount of staff time as the processing of a conditional use permit.  |          |
| Pursuant to City Code Section 13-173  |          |