



Legislation Details (With Text)

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**Title:** Actions pertaining to Commercial Cannabis Activity:  
 1. BILL- (For introduction) Amending Sections 9-3304, 9-3306, 9-3308, and 9-3315 of the Fresno Municipal Code, relating to the regulation of cannabis microbusinesses.  
 2. \*\*\*RESOLUTION - Adopting the 559th Amendment to the Master Fee Schedule Resolution No. 80-420 adding fees relating to Commercial Cannabis Business permit applications (Subject to Mayor's veto).  
 3. Approve the Cannabis Social Equity Assistance Program Services

**Sponsors:** Office of Mayor & City Manager

**Indexes:**

**Code sections:**

**Attachments:** 1. Ordinance, 2. Additional Information - Revised Staff Report.pdf

Date	Ver.	Action By	Action	Result
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**REPORT TO THE CITY COUNCIL**

**September 17, 2020**

**FROM:** WILMA QUAN, City Manager  
Office of the Mayor & City Manager

**THROUGH:** TIM ORMAN, Chief of Staff to the Mayor  
Office of the Mayor & City Manager

**BY:** JENNIFER RUIZ, Project Manager  
Office of the Mayor & City Manager

**SUBJECT**

Actions pertaining to Commercial Cannabis Activity:

1. BILL- (For introduction) Amending Sections 9-3304, 9-3306, 9-3308, and 9-3315 of the Fresno Municipal Code, relating to the regulation of cannabis microbusinesses.
2. \*\*\*RESOLUTION - Adopting the 559<sup>th</sup> Amendment to the Master Fee Schedule Resolution No. 80-420 adding fees relating to Commercial Cannabis Business permit applications (Subject to Mayor's veto).
3. Approve the Cannabis Social Equity Assistance Program Services

## RECOMMENDATION

Staff recommends that the City Council take the following actions:

1. INTRODUCE BILL- Amending Sections 9-3304, 9-3306, 9-3308, and 9-3315 of the Fresno Municipal Code, relating to the regulation of cannabis microbusinesses.
2. APPROVE the Resolution to Adopt the 559<sup>th</sup> Amendment to the Master Fee Schedule Resolution No. 80-420 adding fees relating to Commercial Cannabis Permit Applications.
3. APPROVE the Cannabis Social Equity Assistance Program Services.

## EXECUTIVE SUMMARY

The City will begin accepting applications for Commercial Cannabis Business Permits beginning September 15, 2020. The approval of the actions described herein will introduce an amendment to the Fresno Municipal Code authorizing microbusiness as a commercial cannabis permit type, establish a Cannabis Business Permit Application fee, and authorize the Cannabis Social Equity Assistance Program Services.

## BACKGROUND

1. BILL- (For introduction) Amending Sections 9-3304, 9-3306, 9-3308, and 9-3315 of the Fresno Municipal Code, relating to the regulation of cannabis microbusinesses. This amendment adds language clarifying the option of a commercial cannabis license type of “microbusiness” and amends the definition of “microbusiness” to clarify that it is non-retail. Commercial Cannabis Business Permit applicants would be able to choose “microbusiness” as a type of permit, which would allow a business to conduct cultivation, distribution, and manufacturing activities. Retail is not included with this permit type because the zoning is different for retail than for the other commercial cannabis business types.
4. \*\*\*RESOLUTION - Adopting the 559<sup>th</sup> Amendment to the Master Fee Schedule Resolution No. 80-420 adding fees relating to Commercial Cannabis Business permit applications (Subject to Mayor’s veto): Section 9-3316 (e) of the Fresno Municipal Code (FMC) states that an applicant shall, at the time of filing, pay an application fee established by resolution of the City Council to cover all costs incurred by the City in the application process. This resolution would establish an application fee of \$8,968.00.
2. Section 9-3316 (6) (vii) of the Fresno Municipal Code (FMC) states that an Equity Assistance Program shall be established by the City Manager, contingent upon Council approval. The attached City of Fresno Cannabis Social Equity Program services document lists the technical assistance that will be available to Cannabis Social Equity Applicants. The services will be provided by a qualified vendor and are not expected to exceed \$49,200.00. The actual amount will be determined by the total number of qualified social equity applicants and the type of technical service requested.

## ENVIRONMENTAL FINDINGS

The ordinance amendment is exempt from CEQA under Business and Professions Code Section 26055 (h) which, until July 1, 2021, exempts the adoption of ordinances, rules or regulations on commercial cannabis which require subsequent discretionary review. Further, a microbusiness would only be permitted if it is found to be exempt from CEQA.

Adopting the resolution to add fees to the Master Fee Schedule related to Commercial Cannabis Permit Applications and approving the Cannabis Social Equity Assistance Program Services would not be projects under CEQA in accordance with CEQA Guidelines section 15378(b).

## **LOCAL PREFERENCE**

N/A

## **FISCAL IMPACT**

There will be no impact to the General Fund as the fee is designed to recoup the costs related to issuing the permits.

### **Attachments:**

Ordinance

Resolution

MFS Exhibit A

Cannabis Social Equity Program Summary