

Resolution 2019-013

**Adopted by the City of South Lake Tahoe
City Council**

March 5, 2019

Adopting the Cannabis Public Safety Impact Mitigation Fee and Cost Recovery Deposit Amounts for Cannabis Use Permit and Development Agreement for Manufacturers and Distributors, authorizing the addition of one Police Officer position to the 2018/2019 allocated position listing, and amending the 2018/2019 Operating Budget

BACKGROUND

- A. On August 21, 2018, City Council adopted Resolution 2018-84, which established the Cannabis Public Safety License Fee and Renewal Fee, Cost Recovery Deposit Amounts, and Fees for Annual Review of Cannabis Businesses.
- B. Following the successful citizen-initiated petition on the Cannabis Use Permit Ordinance, City Council revised that Ordinance to establish a Public Safety Impact Mitigation Fee and to allow Manufacturer and Distributor business types, among other revisions.
- C. On February 5, 2019 the City Council adopted the revised Cannabis Use Permit Ordinance 2019-1126 establishing requirements to obtain a Cannabis use permit and development agreement with the City in order to establish and operate Cannabis businesses within the City of South Lake Tahoe.
- D. Ordinance No. 2019-1126 enacts South Lake Tahoe City Code sections 6.55.750 and 6.55.790, which authorize the City Council to, by resolution, establish the amount of the cost recovery deposit to be required by the City for reviewing development agreement applications, processing of a cannabis use permit applications and preparing and considering a development agreement and the amount of a public safety impact mitigation fee based on pro-rata share of the annual enforcement costs for cannabis businesses within the city; and fee amounts for annual review of cannabis businesses for full compliance with the South Lake Tahoe City Code and the terms of the development agreement.
- E. The FY 2018/2019 allocated position listing does not include the requested additional police officer required to establish, monitor and maintain a Cannabis program.
- F. The FY 2018/2019 budget does not include revenues or expenses related to the establishment of a Cannabis program.
- G. The proposed Public Safety Impact Mitigation Fee is a regulatory fee under Proposition 26, and the amount of the fee is necessary to recover the reasonable regulatory costs to the City for performing investigations, inspections, and audits of cannabis businesses and the administrative and enforcement adjudication thereof.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED, that the City Council of the City of South Lake Tahoe:

1. Approves the following fee and cost recovery deposit amounts:

Public Safety Mitigation Fee Amounts	
Retailer	\$13,750
Microbusiness with Retail	\$21,250
Testing Lab / Manufacturer / Cultivator / Distributor / Microbusiness without Retail	\$7,500
Delivery Component	\$5,000
Cost Recovery Deposit Amounts for Cannabis Use Permit and Development Agreement	
Manufacturing / Distribution	\$20,913.00


2. Approves the following changes to the 2018-2019 Operating Budget:

Cannabis Fees		
Description	Account Number	Amount
Public Safety Mitigation	223-02110-32301	\$142,500
Public Safety License	223-02110-32300	\$7,865
Police Officer (8 months)	223-02110-41015	\$92,000

3. Adds One Allocated Permanent Police Officer Position

Adopted by the City of South Lake Tahoe City Council on March 5, 2019 by the following vote:

Yes: Collin, Laine, Middlebrook and Wallace
 Absent: Bass (Recuse)



 Brooke Laine, Mayor

Attest: 

 Susan Blankenship, City Clerk



Date: 3/6/19