TO: THE HONORABLE MAYOR AND CITY COUNCILMEMBERS

SUBJECT: ADOPT RESOLUTION NO. ___-19 APPROVING APPLICATION TIME PERIOD, FEE, AND SCORING CRITERIA FOR CANNABIS RETAILER BUSINESS PERMITS

SYNOPSIS

The attached Resolution sets an application period, fee and reviewing criteria for up to two, medical use, delivery only, Cannabis Retailer Business Permits. Applications will be accepted during the stated time period and, after review by Planning Division staff, the Planning Commission will hold a public hearing to review and make a recommendation to the City Council for final selection of up to two, medical use, delivery only, cannabis retailers in the City of Pleasant Hill.

DISCUSSION

Background

Currently, there is a Council adopted moratorium in place for commercial cannabis uses in the City of Pleasant Hill. This moratorium expires at midnight on December 4, 2019.

In August, 2019, the City Council adopted Ordinance 931 to allow up to two medical use, delivery only, cannabis retailers in the City of Pleasant Hill and concurrently, adopted Ordinance 932 setting business regulations for the allowed cannabis retailers. The third and final step in the City’s regulation of commercial cannabis is for the Council to approve an application fee, set an application time period and approve criteria for review of medical use, delivery only, Cannabis Retailer Business Permit applications.

Analysis

The attached Resolution sets an application period that commences upon the conclusion of the cannabis moratorium. Applications will be accepted at the Planning Division counter from 9:00 a.m. on December 5, 2019, during regular business hours, up through and until 1:00 p.m. on January 31, 2020.

The attached Resolution establishes a fee of $1500 that must accompany each Cannabis Retailer
Business Permit application. Fees are set to recoup staff time to review and process the applications through the Planning Commission and City Council. As stated in Chapter 6.60 of the Pleasant Hill Municipal Code, the application fee does not include the costs of fingerprinting, photographing or costs for conducting a background check. These costs must be paid by the applicant separate and apart from the Business Permit application fee.

Finally, the attached Resolution approves criteria to be used by staff, the Planning Commission and City Council during their reviews of the qualifying applications. The suggested reviewing criteria includes a total of 35 points for Business Qualifications and Business Plan; a total of 35 points for Quality of Operating Plan; and a total of 30 points for Public Benefits. A minimum qualifying score is 80 points. The minimum qualifying score is to be used as an indication of an acceptable application as opposed to an application that does not measure up to the stated standards. Regardless of the preliminary score, however, all of the applications will be referred to the City Council with the accompanying preliminary score.

The City Council will conduct a second public hearing and the applicants will provide a presentation to the City Council. The City Council members shall consider the Planning staff’s recommendation to the Planning Commission, the Planning Commission’s preliminary scoring, the presentation before the City Council and any other information in the record or received at or before the City Council’s public hearing. Each of the available permits, initially two permits, shall be considered and voted on separately. The City Council may direct staff to take the direction received from the Council’s discussion and preliminary vote on the permits, draft a conforming resolution and place the resolution on the next available City Council agenda for final action.

**FISCAL IMPACT**

Staff time to review and process the Cannabis Retailer Business Permit applications will be recouped through the application fee paid by each applicant.

**PUBLIC CONTACT**

Public contact was made through posting of the City Council agenda on the City’s official notice bulletin board, in the City Clerk’s office, at the Pleasant Hill Library, and at the Pleasant Hill Police Department. The agenda and staff report are posted on the City’s web page and are available in the City Clerk’s office.

**RECOMMENDED CITY COUNCIL ACTION**

Approve the attached Resolution setting an application period, application fee and reviewing criteria for Cannabis Retailer Business Permits.

**ALTERNATIVES TO RECOMMENDED ACTION**

Provide direction to staff to modify the attached Resolution and return to a future Council meeting for consideration.
ATTACHMENT(S):

Proposed resolution.

Prepared by:  Troy Fujimoto, Acting City Planner and Janet Coleson, City Attorney

Approved by:  June Catalano, City Manager