



Legislation Text

File #: 15-467, **Version:** 1

RESOLUTION Establishing the Annual Dispensary Permit Fee for the Medical Cannabis Dispensary Program (establishes the fee that off-sets the City's staffing, operational and other ancillary costs associated with providing regulatory oversight of the medical cannabis dispensary)

WHEREAS, in December 2013, the City Council approved a medical cannabis dispensary ordinance to facilitate the approval, regulation, and operation of one medical cannabis dispensary in the City of San Leandro; and

WHEREAS, the ordinance provides that the applicant who is issued the dispensary permit shall pay an annual dispensary permit fee. The fee is designed to fully recover the costs to the City of regulating the dispensary's operations over the course of the year; and

WHEREAS, the City Manager and City staff analyzed the anticipated staffing, operational, and other ancillary costs that will be necessary to provide regulatory oversight of the dispensary on an annualized basis, which is expected to include extensive work by staff from several departments, including, but not limited to: City Manager's Office, Finance Department, City Attorney's Office, Community Development Department, Police Department, and the Alameda County Fire Department; and

WHEREAS, due to ongoing efforts by the Legislature to develop statewide regulations for medical cannabis dispensaries, staff anticipates that it will need to work with the City's state advocate, representatives from the medical cannabis industry, and state legislators and officials as new regulations are developed and implemented; and

WHEREAS, staff analyzed the fees that are charged by neighboring jurisdictions for similar permits; and

WHEREAS, based upon that analysis, it is estimated that the annual cost to the City to conduct the regulatory oversight will be approximately \$60,000, which aligns with the cost recovery fee that is presently charged by the City of Oakland for a similar permit.

NOW, THEREFORE, BE IT RESOLVED that the established annual dispensary permit fee shall be set at \$60,000, which may, at the applicant's discretion, be submitted to the City in quarterly installments.