RESOLUTION NO. 2019-35

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING AN AMENDMENT TO THE CITY'S MASTER FEE SCHEDULE FOR CANNABIS BUSINESS RELATED APPLICATION AND PERMIT FEES

WHEREAS, on November 6, 2018, the citizens of the City of Marina passed an Ordinance allowing Cannabis Business Activity and Establishing Taxes and Fees for Such Businesses within the City of Marina; and

WHEREAS, the voter initiative established Chapter 19 of the City of Marina Municipal Code, titled the City of Marina Commercial Cannabis Activities Ordinance, and made amendments to Chapter 5 Business Taxes, Licenses and Registrations and Chapter 17 Zoning; and

WHEREAS, said Ordinance took effect on April 1, 2019; and

WHEREAS, said Ordinance provides for application and permit fees to be set, subject to specific caps, by City Council resolution and included in the City's Master Fee Schedule; and

WHEREAS, on February 5, 2019, the City Council approved a contract with HdL Companies to provide cannabis program subject matter expertise, to develop and manage the process to select permitted cannabis businesses, to provide inspection compliance services and to conduct a cost recovery study for the creation of application fees consistent with the voter approved Cannabis Ordinance; and

WHEREAS, City staff has worked with HdL staff to conduct a full cost recovery analysis and propose fees as provided for in the City of Marina Commercial Cannabis Activities Ordinance; and

WHEREAS, said full cost recovery analysis and fee recommendations are included in Exhibit "A" Dispensary Permit Application Fees and Exhibit "B" Cannabis Non-Dispensary Fee Cost Summary; and

WHEREAS, notice of the public hearing and a general explanation of the changes proposed was given in accordance with Government Code Section 6062a and there were no written requests for mailed notice of meetings or the public hearing on file with the City; and

WHEREAS, the cost of services benefiting individuals and not the entire community should be borne by the individuals receiving the service. Therefore, determining the cost of services ensures that fees recover only costs reasonably borne, as established by Section 8(c) of Proposition 4, now Article XIIIB of the California Constitution; and

WHEREAS, appropriate data has been available to the public since March 20, 2019, indicating the cost or estimated cost required to support the fees and charges for which changes are proposed; and

WHEREAS, on April 2, 2019, the City Council held a public hearing, for which notice was provided in accordance with Government Code Section 6062a and took oral or written testimony from members of the public and information from staff regarding the Cost of Service Study for Commercial Cannabis Activities.

Resolution No. 2019-35 Page Two

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Marina does hereby:

1. Approve the Amendment to the "City of Marina Master Fee Schedule" incorporating the Cannabis Business related fees recommended ("EXHIBIT A") and ("EXHIBIT B"). attached hereto and incorporated herein by this reference, and direct that all new fees and services charges shall take effect as of April 3, 2019.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 2nd day of April 2019, by the following vote:

AYES: COUNCIL MEMBERS: Berkley, Urrutia, Morton, Delgado NOES: COUNCIL MEMBERS: O'Connell ABSENT: COUNCIL MEMBERS: None ABSTAIN: COUNCIL MEMBERS: None	
ATTEST:	Bruce C. Delgado, Mayor
Anita Sharp, Deputy City Clerk	

Exhibit "A" Cannabis Dispensary Fee Cost Summary

		Full Cost		
		Recovery	Pro	posed Fees
Dispensary Permit Application Fee (\$8	,00	0 max)		
Phase 1	\$	2,979.00	\$	2,883.00
Phase 2	\$	4,136.00	\$	4,040.00
Phase 3	\$	1,173.00	\$	1,077.00
Total Dispensary Permit Application Fee*	\$	8,288.00	\$	8,000.00
*deposit charged against staff & consultant time				
Cannabis Dispensary Application CUP Fee	(\$7	,000 max)		
Cannabis Dispensary Application Conditional	\$	7,070.00		
Use Permit Fee			\$	7,000.00
Other Fees				
Cannabis LiveScan Fee			\$	168.00
Cannabis Zoning Verification Letter			\$	200.00
Cannabis Background Review			\$	300.00
Cannabis Appeal Process Fee			\$	1,986.00
Initial Security Inspection				tbd
Semiannual/Annual Security Inspection				tbd

Cannabis LiveScan, ZVL and Appeal Fees

Activity	Position	Hoi	Hourly	Hours spent Permit fee cost	: Per	mit fee cost	
Zoning Verification Letter	Planning Services Manager	\$	100.04	2.0	2.00 \$	200.08	
Fingerprinting DOJ abstract review DOJ/FBI CORI fee LiveScan Fee	Police Commander Police Commander	"	119.21	0.50	0.50 \$	59.61 59.61 49.00 168.21	
Background Review (Provisional) HdL Background Provisional Review	HdL staff	₩	300.00 flat	flat	↔	300.00	
Appeal Process Fee Assistant City Manager Planning Services Manager Police Commander City Attorney	सं सं सं सं ∽ ∽ ∽ ∽	143.46 100.04 119.21 100.00	8 7 7 4	\$ 1,147.68 \$ 200.08 \$ 238.42 \$ 400.00 \$ 1,986.18		w Appeal, Application, conduct hear w Appeal, Application, conduct hear w Appeal, Application, conduct hear w Appeal, Application, conduct hear	Review Appeal, Application, conduct hearing and provide final recommendation Review Appeal, Application, conduct hearing and provide final recommendation Review Appeal, Application, conduct hearing and provide final recommendation Review Appeal, Application, conduct hearing and provide final recommendation

Commercial Cannabis Business Permit Cost Recovery by Phases Phase-1: Determination of Eligibility and Application

		HOURS FO	OR	
NAME	RATE	PHASE 1	L	TOTAL
Staff				
Assistant City Manager	\$ 143.46		24 \$	3,443.04
Deputy City Clerk	\$ 66.23		6 \$	397.38
Police Commander	\$ 119.21		6 \$	715.26
Planning Services Manager	\$ 100.04		6 \$	600.24
City Attorney Office				
City Attorney	\$ 100.00		6 \$	600.00
HdL Companies				
Subject matter expertise and technical support	\$ 250.00		10 \$	2,500.00
Application Development and Submittal Requirements	\$ 250.00		40 \$	10,000.00
Cost recovery fee analysis	\$ 250.00		10 \$	2,500.00
			Ş	15,000.00
		Subtotal	Ş	35,755.92

Total

Per applicant

OVERHEAD

COSTS WORK COMPLETED (i.e. inspections, meetings, counter call/permits, etc.)

Program Development Project Manager, meetings and reports

Program Development meetings and reports Program Development meetings and reports Program Development meetings and reports

Program Development, legal advise, meetings and report review

n/aPer approved contractn/aPer approved contractPer approved contract

\$ -

- \$ 35,755.92
- \$ 2,979.66 assuming 12 applicants

Commercial Cannabis Business Permit Cost Recovery by Phases Phase-2: Initial Ranking

		HOURS FO	R			C	VERHEAD
NAME	RATE	PHASE 2			TOTAL		COSTS
Staff							
Assitant City Manager	\$ 143.46		12	\$	1,721.52		
Police Commander	\$ 119.21		6	\$	715.26		
Planning Services Manager	\$ 100.04		6	\$	600.24		
City Attorney Office							
City Attorney	\$ 100.00		6	\$	600.00		
HdL Companies							
Subject matter expertise and technical support	\$ 250.00		12	\$	3,000.00		n/a
Application Review and Initial Ranking	\$ 250.00		80	\$	20,000.00		n/a
				\$	23,000.00		
		Subtotal		\$	49,637.02	\$	-
				Tot	al	\$	49,637.02
				Per	applicant	\$	4,136.42

WORK COMPLETED (i.e. inspections, meetings, counter call/permits, etc.)

1 hour per applicant (assuming 12 applicants)

30 minutes per applicant (assuming 12 applicants)

30 minutes per applicant (assuming 12 applicants)

30 minutes per applicant (assuming 12 applicants)

Per approved contract Per approved contract

assuming 12 applicants

Commercial Cannabis Business Permit Cost Recovery by Phases Phase-3: Second Ranking

		HOURS F	OR			(OVERHEAD
NAME	RATE	PHASE	3		TOTAL		COSTS
Staff							
Assitant City Manager	\$ 143.46		12	\$	1,721.52		
Police Commander	\$ 119.21		6	\$	715.26		
Planning Services Manager	\$ 100.04		6	\$	600.24		
City Attorney Office							
City Attorney	\$ 100.00		6	\$	600.00		
HdL Companies							
Preparation and Interview panel support	\$ 250.00		36	\$	9,000.00		n/a
Selection Committee Interview Panel							
Assitant City Manager	\$ 143.46		4	\$	573.84		
Police Commander	\$ 119.21		4	\$	476.84		
Planning Services Manager	\$ 100.04		4	\$	400.16		
		Subtotal		\$	14,087.86	\$	-
				Tot	al	\$	14,087.86
				Per	applicant	\$	1,173.99

WORK COMPLETED (i.e. inspections, meetings, counter call/permits, etc.)

Plans and prepares interview process and participates in Selection Committee panel Not required for Phase 3 see below Selection Committee panel Not required for Phase 3 see below Selection Committee panel

30 minutes per applicant (assuming 12 applicants)

Per approved contract

Selection Committee - Up to 12 interviews - 1 hours each with 1 hour follow-up Selection Committee - Up to 12 interviews - 1 hours each with 1 hour follow-up Selection Committee - Up to 12 interviews - 1 hours each with 1 hour follow-up Selection Committee - Up to 12 interviews - 1 hours each with 1 hour follow-up

assuming 12 applicants

Commercial Cannabis Business Permit Cost Recovery by Phases Phase-4: Public Meeting and City Manager Recommendation

-		HOURS FOR			O	VERHEAD
NAME	RATE	PHASE 4		TOTAL		COSTS
Staff						
Assitant City Manager	\$ 143.46	72	\$	10,329.12		
Police Commander	\$ 119.21	72	\$	8,583.12		
Planning Services Manager	\$ 100.04	144	\$	14,405.76		
City Attorney Office						
City Attorney	\$ 100.00	66	\$	6,600.00		
HdL Companies						
Final selection and presentation to Council	\$ 250.00	10	\$	2,500.00		n/a
		Subtotal	\$	42,418.00		
			Tot	al	\$	42,418.00
			Per	applicant	\$	7,069.67

WORK COM LLIED HICH HISDCCHOHS, HICCHHES, COMHCH CAIL BCHHILS, CLC.	WORK COMPLETED	(i.e. ins	pections	. meetings.	counter	call/	permits	. etc.
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Memo preparation, and final recommendations Attend public meeting/Council meeting/assist in final recommendation report Attend public meeting/Council meeting, prepare final recommendationreport

Memo review, final procedures, and meetings related to final recommendations

Per approved contract and HdL will attend Public Meeting

assuming 6 applicants will be issued permits

Cannabis Non-Dispensary Fee Cost Summary

		Full Cost Recovery	Pro	posed Fees
Non-Dispensary Permit Application	n Fee (\$8,000 max)		
Phase 1	\$	2,979.00	\$	2,883.00
Phase 2	\$	4,136.00	\$	4,040.00
Phase 3	\$	1,173.00	\$	1,077.00
Total Non-Dispensary Permit Application Fee*	\$	8,288.00	\$	8,000.00
*deposit charged against staff & consultant time				
Cannabis Non-Dispensary Application Adminstra	ative Us	e Permit Fee (\$3,000 max)		
Non-Dispensary Cannabis Application	\$	3,023.00		
Administrative Use Permit Fee			\$	3,000.00
Other Fees				
Cannabis LiveScan Fee			\$	168.00
Cannabis Zoning Verification Letter			\$	200.00
Cannabis Background Review			\$	300.00
Cannabis Appeal Process Fee			\$	1,986.00
Initial Security Inspection				tbd
Semiannual/Annual Security Inspection				tbd

Cannabis LiveScan, ZVL and Appeal Fees

Activity	Position	Hoi	Hourly	Hours sper	ıt Pe	Hours spent Permit fee cost	
Zoning Verification Letter	Planning Services Manager	er Ş	100.04	2	2.00 \$	200.08	
Finger printing DOJ abstract review DOJ/FBI CORI fee LiveScan Fee	Police Commander Police Commander	« «	119.21	0 0	\$ 05.0 \$ 0.50 \$ \$ \$	59.61 59.61 49.00 168.21	
Background Review (Provisional) HdL Background Provisional Review	HdL staff	↔	300.00 flat	flat	•	300.00	
Appeal Process Fee Assistant City Manager Planning Services Manager Police Commander City Attorney	ዏ ዏ ዏ ዏ	143.46 100.04 119.21 100.00	8 7 7 4	\$ 1,147.68 \$ 200.08 \$ 238.42 \$ 400.00 \$ 1,986.18	147.68 Re 200.08 Re 238.42 Re 400.00 Re 986.18	view Appeal, Applicati view Appeal, Applicati view Appeal, Applicati view Appeal, Applicati	Review Appeal, Application, conduct hearing and provide final recommendation Review Appeal, Application, conduct hearing and provide final recommendation Review Appeal, Application, conduct hearing and provide final recommendation Review Appeal, Application, conduct hearing and provide final recommendation

Commercial Cannabis Business Permit Cost Recovery by Phases Phase-1: Determination of Eligibility and Application

		HOURS FOR		
NAME	RATE	PHASE 1		TOTAL
Staff				
Assistant City Manager	\$ 143.46	24	. \$	3,443.04
Deputy City Clerk	\$ 66.23	ϵ	\$	397.38
Police Commander	\$ 119.21	6	\$	715.26
Planning Services Manager	\$ 100.04	ϵ	\$	600.24
City Attorney Office				
City Attorney	\$ 100.00	ϵ	\$	600.00
HdL Companies				
Subject matter expertise and technical support	\$ 250.00	10	\$	2,500.00
Application Development and Submittal Requirements	\$ 250.00	40	\$	10,000.00
Cost recovery fee analysis	\$ 250.00	10	\$	2,500.00
			\$	15,000.00
		Subtotal	\$	35,755.92

Total

Per applicant

OVERHEAD

COSTS WORK COMPLETED (i.e. inspections, meetings, counter call/permits, etc.)

Program Development Project Manager, meetings and reports

Program Development meetings and reports Program Development meetings and reports Program Development meetings and reports

Program Development, legal advise, meetings and report review

n/aPer approved contractn/aPer approved contractPer approved contract

- \$ -
- \$ 35,755.92
- \$ 2,979.66 assuming 12 applicants

Commercial Cannabis Business Permit Cost Recovery by Phases Phase-2: Initial Ranking

		HOURS FO	R			C	VERHEAD
NAME	RATE	PHASE 2			TOTAL		COSTS
Staff							
Assitant City Manager	\$ 143.46		12	\$	1,721.52		
Police Commander	\$ 119.21		6	\$	715.26		
Planning Services Manager	\$ 100.04		6	\$	600.24		
City Attorney Office							
City Attorney	\$ 100.00		6	\$	600.00		
HdL Companies							
Subject matter expertise and technical support	\$ 250.00		12	\$	3,000.00		n/a
Application Review and Initial Ranking	\$ 250.00		80	\$	20,000.00		n/a
				\$	23,000.00		
		Subtotal		\$	49,637.02	\$	-
				Tot	al	\$	49,637.02
				Per	applicant	\$	4,136.42

WORK COMPLETED (i.e. inspections, meetings, counter call/permits, etc.)

1 hour per applicant (assuming 12 applicants)

30 minutes per applicant (assuming 12 applicants)

30 minutes per applicant (assuming 12 applicants)

30 minutes per applicant (assuming 12 applicants)

Per approved contract Per approved contract

assuming 12 applicants

Commercial Cannabis Business Permit Cost Recovery by Phases Phase-3: Second Ranking

	HOURS FOR					(OVERHEAD	
NAME	RA		PHASE 3			TOTAL		COSTS
Staff								
Assitant City Manager	\$	143.46	1	2	\$	1,721.52		
Police Commander	\$	119.21		6	\$	715.26		
Planning Services Manager	\$	100.04		6	\$	600.24		
City Attorney Office								
City Attorney	\$	100.00		6	\$	600.00		
HdL Companies								
Preparation and Interview panel support	\$	250.00	3	6	\$	9,000.00		n/a
Selection Committee Interview Panel								
Assitant City Manager	\$	143.46		4	\$	573.84		
Police Commander	\$	119.21		4	\$	476.84		
Planning Services Manager	\$	100.04		4	\$	400.16		
			Subtotal		\$	14,087.86	\$	-
					Tot	al	\$	14,087.86
					Per	applicant	\$	1,173.99

WORK COMPLETED (i.e. inspections, meetings, counter call/permits, etc.)

Plans and prepares interview process and participates in Selection Committee panel Not required for Phase 3 see below Selection Committee panel Not required for Phase 3 see below Selection Committee panel

30 minutes per applicant (assuming 12 applicants)

Per approved contract

Selection Committee - Up to 12 interviews - 1 hours each with 1 hour follow-up Selection Committee - Up to 12 interviews - 1 hours each with 1 hour follow-up Selection Committee - Up to 12 interviews - 1 hours each with 1 hour follow-up Selection Committee - Up to 12 interviews - 1 hours each with 1 hour follow-up

assuming 12 applicants

Commercial Cannabis Business Permit Cost Recovery by Phases Phase-4: Public Meeting and City Manager Recommendation

	_	•					
		HOURS FOR				0	VERHEAD
NAME	RATE		PHASE 4		TOTAL		COSTS
Staff							
Assitant City Manager	\$	143.46	30	\$	4,303.80		
Police Commander	\$	119.21	12	\$	1,430.52		
Planning Services Manager	\$	100.04	96	\$	9,603.84		
City Attorney Office							
City Attorney	\$	100.00	18	\$	1,800.00		
HdL Companies							
Final selection and presentation to Council	\$	250.00	4	\$	1,000.00		n/a
			Subtotal	\$	18,138.16		
				Tot	al	\$	18,138.16
				Per	applicant	\$	3,023.03

WORK COMPLETED (i.e. inspections, meetings, counter call/permits, etc.) Memo preparation, and final recommendations assist in final recommendation report prepare final recommendationreport Memo review, final procedures, and meetings related to final recommendations Per approved contract and HdL

assuming 6 applicants will be issued permits

HdL Fees

\$ 48,300.00

March 21, 2019 Item No: **9c**

Honorable Mayor and Members of the Marina City Council

City Council Meeting of April 2, 2019

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2019-, APPROVING CANNABIS BUSINESS APPLICATION AND PERMIT RELATED FEES CONSISTENT WITH THE 2018 VOTER APPROVED CITY OF MARINA COMMERCIAL CANNABIS BUSINESS ACTIVITIES ORDINANCE

REQUEST:

It is requested that City Council consider:

- Adopting Resolution No. 2019-, approving Cannabis Business fees in accordance with the 2018 Voter Approved City of Marina Commercial Cannabis Business Activities Ordinance; and
- 2. Authorizing Finance Director to update the City-wide fee schedule accordingly.

BACKGROUND:

On November 6, 2018, the citizens of the City of Marina passed an Ordinance allowing Cannabis Business Activity and Establishing Taxes and Fees for Such Businesses within the City of Marina. The final tally was 4,351 votes in favor of the Ordinance and 2,130 votes against the passage of the Ordinance.

The voter initiative establishes Chapter 19 of the City of Marina Municipal Code (MMC), titled the City of Marina Commercial Cannabis Activities Ordinance (the Ordinance), and makes amendments to MMC Chapter 5 Business Taxes, Licenses and Registrations and Chapter 17 Zoning. Per the voter approved initiative, these municipal code additions and amendments will take effect on April 1, 2019. As approved by the voters, the Ordinance provides the regulatory framework for the Commercial Cannabis Activities program that the City will be implementing. Additionally, the Ordinance provides for the City to seek cost recovery fees for the processing of commercial cannabis business applications and permits.

On February 5, 2019, the City Council approved a contract with HdL Companies not to exceed \$49,500 to provide cannabis program subject matter expertise, to develop and manage the process to select permitted cannabis businesses, to provide inspection compliance services and to conduct a cost recovery study for the creation of application fees consistent with the voter approved Cannabis Ordinance. This contract fee is fully recoverable from the application and permit proposed to be included in the City's Master Fee Schedule for Cannabis Businesses.

ANALYSIS:

The Ordinance provides for certain fees to be set, subject to specific caps, by City Council resolution and included in the City's Master Fee Schedule. Section 19.02.020 C of the ordinance states, "All applicants shall pay an application fee, a permit fee, and all inspection fees that may be required as part of the application process..." The application fees include a dispensary (and non-dispensary) permit application fee not to exceed \$8,000, a Cannabis Dispensary Application Conditional Use Permit fee of \$7,000, and a Cannabis Non-dispensary Application Administrative Use Permit Fee of \$3,000.

The attached "**EXHIBIT A**" contains a full cost recovery analysis, with proposed fees, for Dispensary Cannabis Businesses (retail) and "**EXHIBIT B**" contains a full cost recovery analysis, with proposed fees, for Non-Dispensary Cannabis Businesses (non-retail). The following is a summary of the proposed processes and fee structures provided for in the Ordinance.

Dispensary Cannabis Businesses ("EXHIBIT A")

- Dispensary Permit Application Fee \$8,000 deposit that will be charged against staff and consultant time for three phases of review. If an applicant does not pass from one phase to the next, the remaining funds will be returned to the applicant. Prior to submitting this application, applicants must obtain a cannabis zoning verification letter at a cost of \$200 and pay LiveScan/Background check fees of \$468.
 - Phase 1 \$2,979 Applications reviewed to determine if complete and applicants eligible.
 - Phase 2 \$4,136 Applicant application materials and backgrounds are thoroughly reviewed.
 - o Phase 3 \$1,173 Application packages are provided initial scoring and ranking.
- Cannabis Dispensary Application Conditional Use Permit fee \$7,000 Applicants meeting the minimum requirements and passing Phase 3 of the Dispensary Permit Application Fee process will be invited to apply for a Cannabis Dispensary Application Conditional Use Permit in order of their ranking and scoring. In conformance with the Ordinance, only three Cannabis Dispensary Application Conditional Use Permits will be issued for Medical Cannabis dispensaries in the City of Marina at any one-time and only three Cannabis Dispensary Application Conditional Use Permits will be issued for Adult Cannabis dispensaries in the City at any one time. Each Cannabis Dispensary Application Conditional Use Permit will require a recommendation from the Planning Commission during a public hearing and approval by the City Council in a public hearing.

Non-Dispensary Cannabis Businesses ("EXHIBIT B")

- Non-Dispensary Permit Application Fee \$8,000 deposit that will be charged against staff and consultant time for three phases of review. If an applicant does not pass from one phase to the next, the remaining funds will be returned to the applicant. Prior to submitting this application, applicants must obtain a cannabis zoning verification letter at a cost of \$200 and pay LiveScan/Background check fees of \$468.
 - Phase 1 \$2,979 Applications reviewed to determine if complete and applicants eligible.
 - Phase 2 \$4,136 Applicant application materials and backgrounds are thoroughly reviewed.
 - Phase 3 \$1,173 Application packages are provided initial scoring and ranking.
- Cannabis Non-dispensary Administrative Use Permit Fee \$3,000. Applicants meeting the minimum requirements and passing Phase 3 of the Non-Dispensary Permit Application will be eligible to submit for a Cannabis Non-Dispensary Application Administrative Use Permit. This permit will be issued by the Community Development Director.

FISCAL IMPACT:

The Ordinance provides for certain fees to be set, subject to specific caps, by City Council resolution and included in the City's Master Fee Schedule. The caps include an \$8,000 application

fee, a \$7,000 permit fee for retail cannabis dispensaries, and a \$3,000 permit fee for non-dispensary cannabis businesses.

As part of the HdL Consultant Services contract approved by the City Council on February 5, 2019, HdL has assisted the City with a model to realize full cost recovery of the City's expenses in processing and permitting Cannabis Businesses. This model includes the fully burdened rate of key staff members, their estimated time involved, and the costs of the HdL contract. This model makes conservative assumptions as to the number of applications that will be received when the Cannabis Business application period opens shortly after April 2nd. As with any new service fee analysis, the number of applicants is a best guess estimate based on HdL's experience.

The attached **EXHIBIT A** contains a full cost recovery analysis, with proposed fees, for Dispensary Cannabis Businesses (retail). This analysis demonstrates that based on 12 Dispensary Permit Applications received, with all twelve passing each three Phases of the application process, the costs to provide this service will be \$8,288 (fee is capped at \$8,000). Additionally, if six Cannabis Dispensary Application Conditional Use Permits are applied for the cost to issue these permits will be \$7,070 each (fee is capped at \$7,000).

The attached "**EXHIBIT B**" contains a full cost recovery analysis, with proposed fees, for Non-Dispensary Cannabis Businesses (non-retail). This analysis demonstrates that based on twelve Non-Dispensary Permit Applications received, with all twelve passing each three Phases of the application process, the costs to provide this service will be \$8,288 (fee is capped at \$8,000). Additionally, if six Cannabis Non-dispensary Administrative Use Permits are applied for the cost to issue these permits will be \$3,023 each (fee is capped at \$3,000).

CONCLUSION:

Adopting the attached Resolution will approve Cannabis Business fees in accordance with the 2018 Voter Approved City of Marina Commercial Cannabis Business Activities Ordinance.

Respectfully submitted,
Matt Mogensen
Assistant City Manager
City of Marina
Reviewed and Concurred by,
Layne Long
City Manager
City of Marina