

RESOLUTION NO. 2023-005

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, AMENDING SECTION VI(A)(3) OF RESOLUTION 2021-022 (RULES AND REGULATIONS FOR PERMITTING COMMERCIAL CANNABIS BUSINESSES)

WHEREAS, Article XI, § 7 of the California Constitution authorizes cities to make and enforce within their jurisdictional limits ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens; and

WHEREAS, the City Council adopted Ordinance No. 3321 amending Chapter 5.36 of the Corona Municipal Code (“CMC”) to establish development standards and permitting requirements to allow certain types of commercial cannabis businesses (storefront retail, non-storefront retail, manufacturing, distribution, testing laboratories, and microbusinesses) within the City’s manufacturing/industrial zones (M-1, M-2, M-3 and M-4 zones); and

WHEREAS, the City Council also adopted Ordinance No. 3323 amending Title 17 (Zoning) of the CMC to permit certain types of commercial cannabis businesses (storefront retail, non-storefront retail, manufacturing, distribution, testing laboratories, and microbusinesses) within the City’s manufacturing/industrial zones (M-1, M-2, M-3 and M-4 zones); and

WHEREAS, pursuant to CMC §5.36.040(A)(1), the City Council is required to adopt, by resolution, rules and regulations for permitting commercial cannabis businesses; and

WHEREAS, on October 7, 2020, the City Council adopted Resolution No. 2020-126 adopting rules and regulations for permitting commercial cannabis businesses pursuant to Corona Municipal Code Chapter 5.36 (“Cannabis Rules and Regs”); and

WHEREAS, on March 17, 2021, the City Council adopted Resolution No. 2021-015 amending the Cannabis Rules and Regs and repealing Resolution No. 2020-126; and

WHEREAS, on April 21, 2021, the City Council adopted Resolution No. 2021-022 amending the Cannabis Rules and Regs and repealing Resolution No. 2021-015; and

WHEREAS, Section VI(A)(3) of the Cannabis Rules and Regs requires commercial cannabis permit applicants to obtain all building, fire and occupancy permits within 180 days of the date that the applicant obtains all required State licenses; and

WHEREAS, Section VI(A)(3) of the Cannabis Rules and Regs also authorizes the City Manager to extend the deadline to obtain all building, fire and occupancy permits for up to 60 additional calendar days; and

WHEREAS, in mid to late June of 2022, when City staff notified certain applicants that their permits had been provisionally approved pursuant to Section V(A)(5) of the Cannabis Rules and Regs, City staff mistakenly indicated that the City Manager could extend the deadline to obtain all building, fire and occupancy permits by 180 days, instead of 60 days; and

WHEREAS, on November 23, 2022, City staff notified the applicants of the error and informed the applicants that the deadline to obtain all building, fire and occupancy permits could only be extended by 60 days; and

WHEREAS, certain storefront retailer applicants obtained their state license prior to receipt of the City's November 23, 2022 correction notification and, thus, may have detrimentally relied upon the erroneous statement in the provisional approval letters sent in June 2022 and thought they had 180 additional days to obtain building, fire and occupancy permits, rather than 60 days; and

WHEREAS, the City Council now desires to amend Section VI(A)(3) of the Cannabis Rules and Regs to: (1) extend the deadline to obtain building, fire and occupancy permits for those storefront retailers who obtained their state license prior to November 23, 2022 by the same time period between their June 2022 provisional approval letter and the November 23, 2022 correction notice; and (2) to authorize the City Manager, in his discretion, to extend the deadline for non-storefront retailers, distributors, testing laboratories, and microbusinesses (other than storefront retail microbusinesses) to obtain building, fire and occupancy permits; and

WHEREAS, in connection with the adoption of Ordinance No. 3321, the City Council approved a Negative Declaration ("Neg Dec"), which was prepared pursuant to California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"), the State CEQA Guidelines and the City of Corona Local CEQA Guidelines and which included an analysis of the environmental impacts of the rules and regulations set forth in this Resolution. The Negative Declaration indicated that all potential environmental impacts from the adoption of such rules and regulations were less than significant.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, AS FOLLOWS:

SECTION 1. CEQA Findings. As the decision-making body for this Resolution, the City Council has reviewed and considered the information contained in the Neg Dec, the initial study and the administrative record for this Resolution, including all written and oral evidence provided to the City Council. Based upon the facts and information contained in the Neg Dec, the initial study and the administrative record, including all written and oral evidence presented to the City Council, the City Council finds that the approval of this Resolution is consistent with and in furtherance of the Neg Dec because this Resolution implements the requirements of Chapter 5.36 and makes minor amendments to permitting deadlines. The City Council further finds, on the basis of substantial evidence in the light of the whole record, that the approval of this Resolution

would not have a significant effect on the environment and none of the conditions described in State CEQA Guidelines Section 15162 exist. Therefore, the prior analysis is adequate and no further environmental review is required.

SECTION 2. Amendment – Section VI(A)(3). Section VI(A)(3) (Building, Fire and Occupancy Permits) of Resolution No. 2021-022 (Cannabis Rules and Regs) is hereby deleted in its entirety and replaced with the following:

“3. Building, Fire and Occupancy Permits.

(a) Initial Deadline – All Applicants. Within one hundred eighty (180) calendar days of the date the applicant obtains all required State licenses, the applicant shall take all necessary actions to open its commercial cannabis business, including, but not limited to, completing all construction and tenant improvements and obtaining all building, fire and occupancy permits that will permit the applicant to open the commercial cannabis business to the public.

(b) Deadline Extension. The deadline set forth in Section VI(A)(3)(a) above may be extended by the City Manager for up to sixty (60) additional calendar days, if necessary, for the applicant to obtain the required building, fire and occupancy permits provided that the applicant has proceeded with due diligence to obtain such permits.

(c) Additional Extension – Certain Storefront Retailers and Storefront Retail Microbusinesses. In addition to the extension authorized by Section VI(A)(3)(b) above, the deadline to obtain the required building, fire and occupancy permits for those storefront retailers who obtained all required State licenses prior to November 23, 2022 shall be extended by the same time period between the date that the applicant’s commercial cannabis permit was provisionally approved by the City pursuant to Section V(A)(5) and November 23, 2022.

(d) Additional Extension – Non-Storefront Retailers, Distributors, Testing Laboratories, and Microbusinesses Other than Storefront Retail Microbusinesses. In addition to the extension authorized by Section VI(A)(3)(b) above, the City Manager, in his or her sole discretion, may extend the deadline for non-storefront retailers, distributors, testing laboratories and microbusinesses other than storefront retail microbusinesses for an additional period of

time that the City Manager deems necessary, provided that the applicant has proceeded with due diligence to obtain such permits.

(e) Forfeiture of Permit Application. If the commercial cannabis business is not fully permitted and operating by the end of the one hundred eighty (180) calendar day period provided for in Section VI(A)(3)(a) above, as may be extended pursuant to the applicable provisions of this Section VI(A)(3), the applicant shall be deemed to have forfeited the commercial cannabis permit application and any right to a commercial cannabis permit.”

SECTION 3. Custodian of Records. The documents and materials that constitute the record of proceedings on which the findings set forth in this Ordinance have been based are located at City of Corona City Hall, 400 S. Vicentia Avenue, Corona, California 92882. The custodian for these records is Joanne Coletta, Community Development Director.

SECTION 4. Effective Date. The Mayor shall sign this Resolution and the City Clerk shall attest thereto, and this Resolution shall take effect immediately.

PASSED, APPROVED AND ADOPTED this 1st day of February 2023.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, Sylvia Edwards, Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution was regularly passed and adopted by the City Council of the City of Corona, California, at a regular meeting thereof held on the 1st day of February 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 1st day of February 2023.

City Clerk of the City of Corona, California

(SEAL)