

RESOLUTION NO. 2023-054

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, AMENDING SECTION VI(A)(2) AND ADDING SECTION VI(A)(4) TO 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, on February 1, 2023 the City Council adopted Resolution No. 2023-005 amending Section VI(A)(3) of the Cannabis Rules and Regs; and

WHEREAS, Section VI(A)(2) of the Cannabis Rules and Regs requires commercial cannabis permit applicants to obtain a City business license to conduct the commercial cannabis business permitted by the commercial cannabis permit within 5 business days of the date the applicant obtains all required State licenses; and

WHEREAS, Section VI(A)(2) of the Cannabis Rules and Regs also authorizes the City Manager to extend the deadline to obtain a City business license for up to 5 additional business days; and

WHEREAS, the City’s business license program is administered by Hinderliter, DeLlamas & Associates (“HdL”); and

WHEREAS, HdL requires an applicant for a business license to specify the date that the business will commence operations and said date must be within 90 days of the date the applicant applies for such business license; and

WHEREAS, Section VI(A)(3) of the Cannabis Rules and Regs gives an applicant at least 180 days from the date the applicant obtains all required State licenses to complete construction and tenant improvements and obtain all building, fire and occupancy permits; and

WHEREAS, the deadlines established in the Cannabis Rules and Regs conflict with HdL’s requirements for a business license application because an applicant is required to obtain a business license well in advance of completing construction on the business and an applicant would not typically know the date that the business will commence operations at the point in time when the applicant is required to obtain a business license; and

WHEREAS, the various deadlines set forth in the Cannabis Rules and Regs, which require an applicant to take action within a certain period of time, including the deadline set forth in Section VI(A)(2) of the Cannabis Rules and Regs, were established to ensure that an applicant for a commercial cannabis permit proceeds with due diligence to obtain final approval for the commercial cannabis permit; and

WHEREAS, the City Council now desires to amend the Cannabis Rules and Regs as follows: (1) amend Section VI(A)(2) to require that an applicant obtain a City business license within the same time period that the applicant is required to obtain all building, fire and occupancy permits; and (2) add subsection (4) to Section VI(A) to authorize the City Manager, in his discretion, to extend the deadlines set forth in Section VI(A) for an additional period of time that the City Manager deems necessary, provided that the applicant has proceeded with due diligence to meet such deadlines and any delays are beyond the applicant’s reasonable control; 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)(2). Section VI(A)(2) (City Business License) of Resolution No. 2021-022 (Cannabis Rules and Regs) is hereby deleted in its entirety and replaced with the following:

“2. City Business License. ~~Within five (5) business days of the date that the applicant obtains all required State licenses, t~~The applicant shall obtain a City business license to conduct the commercial cannabis business permitted by the commercial cannabis permit and pay the license tax, as required by CMC Chapter 5.02, within the time period set forth in Section VI(A)(3) below for the attainment of all building, fire and occupancy permits, as such time period may be extended. ~~The five (5) business day period may be extended by the City Manager for up to five (5) additional business days, if the City Manager determines that the applicant needs additional time to identify the applicant’s preferred premises location.~~If the applicant has not obtained a City business license within the time period set forth in Section VI(A)(3) below for the attainment of all building, fire and occupancy permits, as such time period may be extended by the end of this five (5) business day period or such extended time period permitted by the City Manager pursuant to this Section, the applicant shall be deemed to have forfeited the commercial cannabis permit application and any right to a commercial cannabis permit.”

SECTION 3. Addition – Section VI(A)(4). Section VI(A) (Condition of Final Approval – All Permits) of Resolution No. 2021-022 (Cannabis Rules and Regs) is hereby amended to add a new subsection (4) to read as follows:

“4. Deadline Extensions. Notwithstanding anything in these Rules and Regulations to the contrary, the City Manager may, in his or her sole discretion, extend any deadline set forth in this Section VI(A) for an additional period of time that the City Manager deems necessary, provided that the applicant has proceeded with due diligence to meet such deadlines and any delay in meeting such deadlines is substantially related to circumstances beyond the applicant’s reasonable control.”

SECTION 4. 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 5. 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 21st day of June 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 21st day of June 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 21st day of June 2023.

City Clerk of the City of Corona, California

(SEAL)