

## RESOLUTION NO. 2019-15

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA REGARDING AUTHORIZING THE IMPLEMENTATION OF THE CANNABIS SOCIAL EQUITY PROGRAM AND ADOPT A ZERO-DOLLAR FEE FOR PROGRAM PARTICIPANTS**

**WHEREAS**, on January 27, 2016, the City Council passed and adopted Ordinance No. 1083, which established a regulatory permit process for medical cannabis cultivation, manufacturing, distribution, testing and transportation facilities; and

**WHEREAS**, on November 8, 2016, the People of the City of Coachella passed, approved and adopted Ordinance No. 1101 “Measure II”, which established a tax on cannabis business operations within the City of Coachella; and

**WHEREAS**, on November 9, 2016, California voters approved Proposition 64, the Control, Regulate and Tax Adult Use of Marijuana Act (“AUMA”); and

**WHEREAS**, on April 26, 2017, the City Council passed and adopted Ordinance No. 1103, which established amendments to the City’s municipal code and regulations for the industrial park overlay zone; and

**WHEREAS**, on June 27, 2017, Senate Bill 94, signed by the Governor, reconciled the standards for medical marijuana with the standards for adult-use cannabis activity under a single law, entitled Medical and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”); and

**WHEREAS**, on July 12, 2017, the City Council passed and adopted Ordinance No. 1108 and 1109, which established amendments to the City’s municipal code and regulations to allow commercial cannabis activity zoning and regulatory permits; and

**WHEREAS**, on February 14, 2018, the City Council passed and adopted Ordinance No. 1115, which established and regulated the retail cannabis overlay zone; and

**WHEREAS**, Staff has developed the attached, Cannabis Social Equity Program (“Program”), set forth in (“Exhibit A”). The Program is designed to assist individuals who have been negatively impacted by the disproportionate enforcement of cannabis-related crimes by providing them assistance and opportunity to participate in the cannabis industry; and

**WHEREAS**, the Program will contribute to the City cannabis tax revenue and support the revitalization of neighborhoods and new businesses development through the reinvestment of funds and the establishment of business owned by Program participants.

**WHEREAS**, the Program will have access to various resources and support for the development of cannabis-related business plans, workforce development and business education, job training, mentoring, technical assistance, regulatory compliance, priority processing of Program applicants permit applications, and assistance with the expungement of criminal

records; and

**WHEREAS**, Program participants will benefit from a zero-dollar fee for cannabis permit fees, The City may set fees at less than full recovery to ensure program access and viability;

**WHEREAS**, the Program may be revised at the direction of the City Council and will be contingent on grant funding authorized by the California Equity Act of 2018; and

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED** by the City Council of the City of Coachella, as follows:

**Section 1. Incorporation of Recitals.** The City Council hereby finds and determines that the foregoing Recitals of this Resolution are true and correct and hereby incorporated into this Resolution as though fully set forth herein.

**Section 2.** This resolution establishes and adopts the two-year pilot Cannabis Social Equity Program (“Exhibit A”).

**Section 3.** City staff will continue to monitor and evaluate the Program to address any disparate, negative impacts of cannabis-related regulations and enforcement within the City of Coachella.

**Section 4.** The City Manager, or the City Manager’s designee, is authorized to select a vendor to facilitate the Program on behalf of the City through the City’s competitive selection process in accordance with the City Municipal Code.

**Section 5.** The City Manager, or the City Manager's designee, is authorized to make amendments that are not substantive to the Program. Substantive amendments must be approved by resolution of the City Council.

**Section 6.** The fee for cannabis business permits for qualified Program participants shall be zero dollars (\$0). This fee shall expire upon the expiration of the Program.

**Section 7.** Excess revenue from cannabis-related business operations tax shall be utilized to recover the associated cost of processing business permits for qualified Program participants by the City.

**Section 8.** Exhibit A is part of this resolution.

**Section 9.** The resolution shall be effective on March 28, 2019.

**PASSED, APPROVED and ADOPTED** this 27<sup>th</sup> day of March 2019.



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Steven A. Hernandez  
Mayor

**ATTEST:**



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Angela M. Zepeda  
City Clerk

**APPROVED AS TO FORM:**



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Carlos Campos  
City Attorney

STATE OF CALIFORNIA            )  
COUNTY OF RIVERSIDE        ) ss.  
CITY OF COACHELLA            )

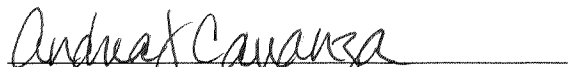
**I HEREBY CERTIFY** that the foregoing Resolution No. 2019-15 was duly adopted by the City Council of the City of Coachella at a regular meeting thereof, held on the 27<sup>th</sup> day of March, 2019 by the following vote of Council:

AYES:            Councilmember Bautista, Councilmember Beaman Jacinto, Councilmember Gonzalez, Mayor Pro Tem Martinez, and Mayor Hernandez.

NOES:           None.

ABSENT:        None.

ABSTAIN:       None.

  
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Andrea J. Carranza, MMC  
Deputy City Clerk