

RESOLUTION NO. RES-2017-249

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA TO IMPLEMENT THE CITY'S CANNABIS PROGRAM AND ENSURE EFFECTIVE OUTREACH, EDUCATION, PERMITTING, TAXATION, MONITORING AND ENFORCEMENT BY AMENDING FY 17-18 POSITION ALLOCATIONS FOR VARIOUS DEPARTMENTS BY ADDING 7.0 FTE STAFF MEMBERS, INCREASING APPROPRIATIONS FOR STAFFING AND SUPPORT COSTS FOR A TOTAL OF \$931,000 FROM ANTICIPATED FY17-18 CANNABIS BUSINESS TAX AND CANNABIS PERMIT FEE REVENUE

WHEREAS, pursuant to its police powers, and as authorized by the California Compassionate Use Act, the California Medical Cannabis Regulation and Safety Act ("MCRSA"), the Adult Use of Marijuana Act ("AUMA"), SB 94 and the Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA"), the City may enact laws or regulations pertaining to cannabis cultivation, dispensing, manufacturing, distribution, transporting, and testing within its jurisdiction; and

WHEREAS, on December 12, 2017, the Santa Rosa City Council held a duly noticed public hearing and introduced an ordinance enacting comprehensive regulations for cannabis; and

WHEREAS, since January 19, 2016, the City has worked with the community to develop a comprehensive cannabis ordinance that furthers the City's goals in permitting and supporting the industry in compliance with local preferences and state law. Part of this process included the adoption and implementation of interim measures upon which to learn more about the industry as it transitions into a legitimate land use in the City. This phase also included extensive community engagement and the preparation and adoption of a Cannabis Business Tax; and

WHEREAS, the next phase in the process includes the adoption of a comprehensive cannabis ordinance, and prior to its effective date, the timely procurement of staffing and resources necessary to initiate, implement and enforce the comprehensive ordinance. Initial steps to establish an operable Cannabis Program will include the hiring and training of staff, development of public handouts and applicant checklists, program development particularly for new dispensary applications, the preparation of tax collection procedures, reporting procedures, continued compliance and alignment with state law, and code enforcement; and

WHEREAS, a phased staffing approach has been developed: Immediate needs for setting up and accepting applications and tax payment protocols within FY 2017-18, and later needs as part of the regular Fiscal Year cycles, beginning in FY 2018-19; and

WHEREAS, costs to implement the City's Cannabis Program will require amending Fiscal Year 2017-18 (adding 7 FTE staff members plus support costs) for a total of \$931,000 to be fulfilled by anticipated FY 17-18 Cannabis Business Tax and General Fund revenue from cannabis business taxes, permit and inspection fees.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa hereby approves an amendment to the Fiscal Year 2017-18 salary and compensation plan by adding 1 FTE CD Technician, 1 FTE Senior Administrative Assistant, 1 FTE Senior Planner, 1 FTE Program Specialist and 1 FTE Building Plans Examiner within the Planning and Economic Development Department; 1 FTE Senior Code Enforcement Officer within the Housing and Community Services Department and 1 FTE Field Collection Representative within the Finance Department.

BE IT FURTHER RESOLVED that the Council approves an amendment to the Fiscal Year 2017-18 adopted budget to appropriate additional amounts of \$655,500 in the Planning and Economic Development Department, \$112,500 in the Finance Department and \$163,000 in the Housing and Community Development Department from the General Fund's fund balance.

IN COUNCIL DULY PASSED this 12th day of December, 2017.

AYES: (6) Vice Mayor Rogers, Council Members Combs, Olivares, Sawyer, Schwedhelm, Tibbetts

NOES: (0)

ABSENT: (1) Mayor Coursey

ABSTAIN: (0)

ATTEST: _____
City Clerk

APPROVED: _____
Mayor

APPROVED AS TO FORM:

City Attorney