

**RESOLUTION NO. 2022 - \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN  
BRUNO ADDING FEES RELATED TO THE COMMERCIAL CANNABIS  
OPERATOR'S PERMIT TO THE MASTER FEE SCHEDULE**

**WHEREAS**, the City Council adopted resolutions updating the Master Fee Schedule and adopting the user fee cost recovery policy on June 22, 2021;

**WHEREAS**, on October 11, 2022, the City Council adopted ordinances to establish regulations related to commercial cannabis businesses and associated permits. An ordinance included amendments to Title 4 (Licenses and Regulations) to add a new chapter 4.70 pertaining to Commercial Cannabis Operators Permits. The CCOP requires an annual permit renewal;

**WHEREAS**, as the CCOP is a new permit type, the City Council must add new fees related to the CCOP to the Master Fee Schedule;

**WHEREAS**, consistent with the City Council policy to maximize cost recovery for development related services, the CCOP fee is proposed to be deposit based with an initial deposit amount set in the Master Fee Schedule. All applicants will be required to submit a deposit for each CCOP application. Time spent by City staff and any City consultant in reviewing applications and administering the application process will be tracked and charged against the initial deposit amount. All direct costs including legal and public notices will be charged to the applicant. The deposit amount is based on the preliminary cost estimates analysis; however, applicants may be required to post an additional deposit, if necessary, for the City to complete the application review processes. Any remaining deposit balance that is unused will be returned to the Applicant;

**WHEREAS**, City staff prepared a Commercial Cannabis Operator's Permit Fee Study ("Fee Study"), provided as Exhibit A. The Fee Study provides preliminary costs estimates for all City staff time required to review and process the Permit. The estimated cost of processing the CCOP based on fully burdened rates by the city is estimated at \$11,161.00. This is the recommended initial deposit for the CCOP application;

**WHEREAS**, based on the Fee Study, the estimated cost of renewal of a CCOP based on fully burdened rates by the city is estimated at \$2,745.00 as shown on Exhibit A;

**WHEREAS**, as part of the CCOP process, applicants will be required to undergo a full background check by the Police Department, and costs related to the background check are required to be paid by the applicant;

**WHEREAS**, staff recommends amending the Master Fee Schedule to include fees for the CCOP process; and

**NOW, THEREFORE, BE IT RESOLVED** that the City Council hereby adopts the following CCOP fees, to be effective on November 10, 2022, and directs such fees to be added to the Master Fee Schedule:

<b>XIII. Other Review Fees (Planning)</b>			
<b>Section</b>	<b>Description</b>		<b>Fee</b>
Sec. 1303	Commercial Cannabis Operator's Permit	Applicant responsible for All Direct Costs, Actual Cost Staff Time and Consultant Time. Deposit required	Initial Deposit: \$11,161.00
Sec. 1304	Commercial Cannabis Operator's Permit Renewal	Applicant responsible for All Direct Costs, Actual Cost Staff Time and Consultant Time. Deposit required	Initial Deposit: \$2,745.00

<b>IX. Cannabis Establishment (Police)</b>	
Commercial Cannabis Operator's Permit Review and Background Checks	Actual Costs of investigations and background checks
Commercial Cannabis Operator's Permit Renewal and Background Checks	Actual Costs of investigations and background checks

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I hereby certify that foregoing **Resolution No. 2022 - \_\_\_\_\_**  
was introduced and adopted by the San Bruno City Council at a regular meeting on  
October 11, 2022, by the following vote:

AYES: Councilmembers:  
NOES: Councilmembers  
ABSENT: Councilmembers:

\_\_\_\_\_  
Vicky S. Hasha, Deputy City Clerk

**Exhibit A:** Commercial Cannabis Operator's Permit Fee Study

Exhibit A

Commercial Cannabis Operator's Permit Fee Study of Estimated Costs  
October 2022

		Planning Fully Burdened Hourly Rate:	Police Fully Burdened Hourly Rate	Fire Fully Burdened Hourly Rate	Building Division Fully Burdened Hourly Rate	
		\$155.54	\$146.59	\$196.51	\$149.73	
<b>Operator's Permit</b>	<b>Estimate d Staff Hours</b>					
Planning Applicant coordination during filing	4	\$ 622.16				
Processing of application by Planning	10	\$ 1,555.40				
Review of application and investigation by Police	20		\$ 2,931.80			
Review of application by Fire	4			\$ 786.04		
Review of application by Building	4				\$598.92	
Planning Coordination w/applicant and departments	10	\$ 1,555.40				
Report to City Council (Planning)	10	\$ 1,555.40				
City Council meeting and follow-up (Planning)	10	\$ 1,555.40				
<b>Totals:</b>	<b>72</b>	<b>\$ 6,843.76</b>	<b>\$ 2,931.80</b>	<b>\$ 786.04</b>	<b>\$ 598.92</b>	<b>\$ 11,161</b>

Operator's Permit Renewal	Estimate d Staff Hours					
Planning Applicant coordination during filing	1	\$ 155.54				
Processing of application by Planning	4	\$ 622.16				
Review of application and investigation by Police	10		\$ 1,465.90			
Review of application by Fire	1			\$ 196.51		
Review of application by Building	1				\$149.73	
Planning Coordination w/applicant and departments/renewal issuance	1	\$ 155.54				
Totals:	18	\$ 933.24	\$ 1,465.90	\$ 196.51	\$ 149.73	\$ 2,745

*Additional Directs Costs will be incurred for any consultant time and public notices (including both mailed notices and newspaper legal ads)*