

**RESOLUTION NO. 2021-R<sup>086</sup>**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CULVER CITY, CALIFORNIA (1) INCREASING THE MAXIMUM NUMBER OF DELIVERY-ONLY RETAIL, MANUFACTURING, DISTRIBUTION, AND CULTIVATION COMMERCIAL CANNABIS BUSINESS PERMITS; (2) CHANGING THE TREATMENT OF DISTRIBUTION AND DELIVERY-ONLY RETAIL PERMITS ISSUED TO A MANUFACTURING PERMIT HOLDER; (3) MODIFYING THE PROCEDURES FOR THE APPLICATION AND SELECTION PROCESS FOR COMMERCIAL CANNABIS CULTIVATION, MANUFACTURING, DISTRIBUTION, DELIVERY-ONLY RETAIL, AND TESTING BUSINESSES; AND (4) RESCINDING RESOLUTIONS 2018-R015 AND 2018-R058.**

WHEREAS, pursuant to the provisions of the 2017 California Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA"), the City of Culver City is authorized to adopt ordinances that establish standards, requirements and regulations for the licensing and permitting of commercial medicinal and adult-use cannabis activity; and

WHEREAS, on December 11, 2017, the City adopted an ordinance amending Title 11, "Business Regulations", of the Culver City Municipal Code to add a new Chapter 11.17 "Commercial Cannabis Businesses", also referred to as the Culver City Commercial Cannabis Regulation and Safety Ordinance ("Commercial Cannabis Ordinance"); and

WHEREAS, Section 11.17.105 of the Commercial Cannabis Ordinance provides that the maximum number of each type of commercial cannabis business that will be permitted to operate in the City shall be established by Resolution of the City Council; and

WHEREAS, Section 11.17.110 of the Commercial Cannabis Ordinance provides that the procedures to govern the application process for issuance of Commercial Cannabis Business Permits shall be adopted by Resolution of the City Council, and that the Resolution shall authorize the City Manager to prepare the

1 necessary forms, and adopt any necessary rules, regulations, and processes  
2 concerning the applications and the application process; and

3 WHEREAS, Section 11.17.115.B of the Commercial Cannabis Ordinance  
4 provides that the procedures that govern the selection process for the issuance of  
5 Commercial Cannabis Business Permits for manufacturing, cultivation, distribution,  
6 testing and delivery-only retailers commercial cannabis businesses shall be adopted  
7 by Resolution of the City Council, and that the Commercial Cannabis Business  
8 Permits for these categories of businesses shall be issued by the Permit  
9 Administrator; and

10 WHEREAS, Section 11.17.185 of the Commercial Cannabis Ordinance  
11 authorizes the City Manager to establish any additional rules, regulations and  
12 standards related to the issuance, denial, or renewal of Commercial Cannabis  
13 Business Permits, the ongoing operation and City's oversight of commercial  
14 cannabis businesses, or any other subject determined to be necessary to carry out  
15 the purposes of the Ordinance; and

16 WHEREAS, Section 11.17.200 of the Commercial Cannabis Ordinance  
17 provides that the hours of operation for a commercial cannabis business will be  
18 established by Resolution of the City Council; and

19 WHEREAS, on February 12, 2018, the City Council adopted Resolution  
20 2018-015, providing for the following:

21 (1) Establishing the maximum number of commercial cannabis  
22 manufacturing, cultivation, distribution, testing and delivery-only  
23 retail businesses operating in the City at any one given time;

24 (2) Establishing the application and selection process for  
25 commercial cannabis manufacturing, cultivation, distribution, testing  
26 and delivery-only retail businesses;

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(3) Provided that there are not specific hours of operation for manufacturing, distribution, cultivation or testing permittees, subject to any other requirement of the State of California, the County of Los Angeles, the Culver City Municipal Code, or any other local regulation;

(4) Provided that deliveries may be made by commercial cannabis delivery-only retail permittees between the hours of 8:00 a.m. to 10:00 p.m.; and

WHEREAS, on July 9, 2018, the City Council adopted Resolution 2018-058, modifying the allocation of commercial cannabis business permits, to reduce the maximum number of available permits for commercial cannabis cultivation and increase the maximum number of commercial cannabis permits for manufacturing and distribution, and

WHEREAS, the City desires to increase the maximum number of permits available to potential permittees; and

WHEREAS, currently distribution and/or delivery permits issued to a cannabis manufacturing permit holder on the same property do not count towards the maximum number of distribution or delivery-only permits allowed; the City desires to eliminate this methodology, and instead increase the total number of permits allowed, which will simplify the City's ability to track the permits issued; and

WHEREAS, the City desires to modify its application and selection process for commercial cannabis business permits for cultivation, manufacturing, distribution and delivery-only retail, to make the process more efficient and to accept applications going forward on a rolling basis to prevent acceptance of more applications than allowed by the maximum number of permits.

1           NOW, THEREFORE, the City Council of the City of Culver City, California,  
2 DOES HEREBY RESOLVE:

3           SECTION 1. Any terms used in this Resolution shall have the same  
4 meaning as defined in the Commercial Cannabis Ordinance.

5           SECTION 2. The maximum number of commercial cannabis  
6 manufacturing, cultivation, distribution, testing and delivery-only retail businesses  
7 operating in the City at any one given time shall be as set forth in Exhibit A.

8           SECTION 3. The application and selection process for a Commercial  
9 Cannabis Business Permit for manufacturing, cultivation, distribution, testing and  
10 delivery-only retail businesses is attached hereto as Exhibit B. The City Manager is  
11 authorized to prepare the necessary forms, and adopt any necessary rules,  
12 regulations and processes concerning the applications and the application process.

13           SECTION 4. Applicants for manufacturing, distribution, cultivation, testing  
14 and delivery-only retail Commercial Cannabis Business Permits shall submit all  
15 required application materials, meet all requirements of Section 11.17.110, and  
16 demonstrate compliance with all requirements of the Commercial Cannabis  
17 Ordinance and applicable rules and regulations.

18           SECTION 5. There are not specific hours of operation for manufacturing,  
19 distribution, cultivation or testing permittees, subject to any other requirement of the  
20 State of California, the County of Los Angeles, the Culver City Municipal Code, or  
21 any other local regulation.

22           SECTION 6. Deliveries may be made by commercial cannabis delivery-  
23 only retail permittees only between the hours of 8:00 a.m. to 10:00 p.m.

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