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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE, CALIFORNIA, **PURSUANT** TO **RIVERSIDE** MUNICIPAL **SECTION** 5.77.120, TO **FURTHER POSTPONE** THE CITY'S EVALUATION AND REVIEW OF APPLICATIONS FOR STOREFRONT RETAIL COMMERCIAL CANNABIS BUSINESS PERMITS UP TO 30 ADDITIONAL DAYS FOR A TOTAL POSTPONEMENT OF 120 DAYS

WHEREAS, Article XI, Section 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, on November 8, 2016, California voters approved Proposition 64, titled the Adult Use of Marijuana Act and enacted a state statutory scheme legalizing, controlling, and regulating the cultivation, processing, manufacturing, distribution, testing, and sale of nonmedical ("adult-use" or "recreational") cannabis, including cannabis, products, for use by adults twenty-one years of age and older; and

WHEREAS, on June 27, 2017, the Medical and Adult Use Cannabis Regulation and Safety Act was signed into law, which provides a comprehensive regulatory framework for licensing, control, and taxation of medical and adult-use cannabis-related businesses in California; and

WHEREAS, the City Council of the City of Riverside ("City Council") desired to establish a strong and effective regulatory system with regard to cannabis businesses that protects the public health, safety and environmental resources, provides a consistent regulatory pathway for the cannabis industry consistent with state regulations, fosters a healthy, diverse and economically viable cannabis industry that contributes to the local economy, and ensures that environmental, public health, safety and nuisance factors related to the cannabis industry are adequately addressed; and

WHEREAS, in furtherance of these goals, on February 28, 2023, the City Council introduced and on March 14, 2023, adopted, Ordinance 7628, amending Riverside Municipal Code

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Chapter 5.77 (Cannabis Business Activities), in its entirety, Ordinance 7629 amending RMC Title 9 (Peace, Safety and Morals), and Ordinance 7630 amending RMC Title 19 (Zoning) of the RMC; and

WHEREAS, Chapter 5.77 of the RMC regulates Cannabis Business Activities in the City of Riverside ("Cannabis Business Activities Ordinance"), including the types of businesses and maximum number permitted within the City, the permitting of up to 14 storefront retail commercial cannabis businesses and an unlimited number of manufacturing, distribution, and testing laboratories; and

WHEREAS, on October 17, 2023, the City Council adopted Resolution No. 24048 establishing the rules and regulations entitled Storefront Retail Commercial Cannabis Business Permit Procedure Guidelines and Application Review Criteria ("Permit Guidelines"), as required by RMC Section 5.77.130(A); and

WHEREAS, pursuant to the Permit Guidelines, the City reviewed and scored 40 applications for the Storefront Retail Commercial Cannabis Business Permits resulting in the 14 highest scoring applicants advancing to the final phase of the permit application process, including submittal of proposed retail site locations; and

WHEREAS, the proposed retail site locations for the 14 storefront retail commercial cannabis business permit applicants show a geographic density, including nearly half of the proposed locations in one City ward and no proposed locations in two other City wards, resulting in the need for further study of the effects of such concentration on furtherance of the stated purpose of the Cannabis Business Activities Ordinance, including but not limited to retail access by residents and/or protection of health and safety of residents from negative impacts; and

WHEREAS, pursuant to RMC 5.77.120, the City has reserved the right, prior to permit issuance, to modify, postpone, or cancel any request for applications, at any time without liability, obligation, or commitment to any party, firm, or organization, to the extent permitted under California law, and persons submitting applications assume the risk that all or any part of the cannabis business permit program, or any particular category of permit

potentially authorized under Cannabis Business Activities Ordinance, may be cancelled at any time prior to permit issuance; and

WHEREAS, on January 7, 2025, the City Council postponed by 90 days, to April 7, 2025, the Storefront Retail Commercial Cannabis Business Permit application process to study the effects of geographic density, proximity to sensitive receptors and other health and safety concerns, in furtherance of the stated goals of the Cannabis Business Activities Ordinance and the other ordinances referenced herein, including but not limited to retail access by residents and/or protection of health and safety of residents from negative impacts; and

WHEREAS, the City Council desires to extend the postponement of the Storefront Retail Commercial Cannabis Business Permit application process, including all deadlines under the Storefront Retail Commercial Cannabis Business Permit Procedure Guidelines and Application Review Criteria, for an additional 30 days, to May 7, 2025, to allow for possible modification of Riverside Municipal Code 5.77 and the Storefront Retail Commercial Cannabis Business Permit Procedure Guidelines and Application Review Criteria.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Riverside, on the basis of the presentation and staff report and the other evidence submitted to the City Council, as follows:

<u>Section 1</u>: That the above recitals are found to be true and correct and are hereby incorporated as if stated in full.

Section 2: That, pursuant to Riverside Municipal Code section 5.77.120, the City Council hereby extends the postponement of the City of Riverside's evaluation and review of applications for Storefront Retail Commercial Cannabis Business Permits being evaluated in accord with Resolution No. 24048 by an additional 30 days, to May 7, 2025, for further study and possible action by the City. This postponement shall continue the pause of all deadlines under the Storefront Retail Commercial Cannabis Business Permit Procedure Guidelines and Application Review Criteria for up to 30 days. No Storefront Retail Commercial Cannabis Business Permits shall issue during the pendency of this postponement.

1	<u>Section 3:</u> The City hereby finds that this resolution is not subject to review under the
2	California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15061,
3	subdivision (b)(3) (there is no possibility the activity in question may have a significant effect on
4	the environment).
5	Section 4: The provisions of this resolution shall be operative upon adoption.
6	ADOPTED by the City Council this day of, 2025.
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8 9	PATRICIA LOCK DAWSON Mayor of the City of Riverside
10	Attest:
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12	DONESIA GAUSE
13	City Clerk of the City of Riverside
14	I, Donesia Gause, City Clerk of the City of Riverside, California, hereby certify that
15	the foregoing resolution was duly and regularly adopted at a meeting of the City Council of
16	said City at its meeting held on the day of, 2025, by the following
17	vote, to wit:
18	Ayes:
19	Noes:
20	Absent:
21	Abstain:
22	IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal
23	of the City of Riverside, California, this day, 2025.
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26	DONESIA GAUSE City Clerk of the City of Riverside
27 28	\\Rc-citylaw\cycom\WPDOCS\D003\P048\00920510.DOC 22-2104.80 TAT 03/13/25