

1 RESOLUTION NO.

2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE,  
3 CALIFORNIA, AMENDING THE CITY'S MASTER FEES AND CHARGES  
4 SCHEDULE IN RESOLUTION NO. 21960, AS AMENDED,  
5 ESTABLISHING SEVEN ADDITIONAL COMMERCIAL CANNABIS  
6 BUSINESS USER FEES.

7 WHEREAS, the City has the authority to impose fees pursuant to its authority under Article  
8 XI, §7 of the California Constitution and under its complementary powers under Section 37112 of the  
9 California Government Code and Section 200 of the Riverside City Charter; and

10 WHEREAS, the City has established a policy of recovering the full costs reasonably borne as  
11 a result of providing special services of a voluntary and limited nature, such that general taxes are not  
12 diverted from general services of a broad nature and thereby utilized to subsidize unfairly and  
13 inequitably such special services; and

14 WHEREAS, in Chapter 3.30 of the Riverside Municipal Code, the City Council established its  
15 policy as to the recovery of costs and more particularly the percentage of costs reasonably borne to be  
16 recovered from users of City services and directing staff as to the methodology for implementing said  
17 Chapter 3.30; and

18 WHEREAS, the adoption of a schedule of fees and charges to be paid by those requesting such  
19 special services and the percentage of costs reasonably borne by those persons receiving such special  
20 services are necessary so that the City might effectuate its policies; and

21 WHEREAS, the City desires to provide for the establishment of seven additional Commercial  
22 Cannabis User Fees, which shall consist of (1) Annual Renewal Fee, (2) Change in Location Fee, (3)  
23 Transfer of Permit Fee, (4) Modification of Site/Premises Fee, (5) Less than Majority Ownership Fee,  
24 (6) Employee Background Check Fee, and (7) Out-of-town Cannabis Delivery Fee; and

25 WHEREAS, in September 2023, the City engaged MGT of America Consulting, LLC  
26 ("MGT") to prepare a permit application fee study to develop a fee structure and calculate the full cost  
27 of City activities associated with development and implementing a Storefront Retail Commercial  
28 Cannabis Business Permit application process; and

1 WHEREAS, the first fee study by MGT examined the costs associated with the initial  
2 applications and site reviews; and

3 WHEREAS, on October 17, 2023, the City Council adopted Storefront Retail Commercial  
4 Cannabis Business Permit Procedure Guidelines and Application Review Criteria (Guidelines and  
5 Criteria) which outlined the procedures to apply for a Storefront Retail Commercial Cannabis Business  
6 Permit, including a requirement for the applicant to pay an application fee; and

7 WHEREAS, on October 24, 2023, the City Council Adopted an Ordinance amending Chapter  
8 3.30 Section 3.30.030IV of the Riverside Municipal Code to add an additional category to the Schedule  
9 of Regulations, Products and Services and adopted a Resolution amending the City's Fees and Charges  
10 Schedule providing for a Storefront Retail Commercial Cannabis Business Permit Application Fee of  
11 \$13,842 per application and Site Review Fee of \$17,864 per application; and

12 WHEREAS, at that meeting, the City Council directed staff to return at a later date for Council  
13 to consider establishing fees related to Annual Renewals, Change of Business Location, and Transfer  
14 of Permit, and other operational fees that might be needed once one or more Commercial Cannabis  
15 Business Permits are approved; and

16 WHEREAS, now that permit applications are moving through Phase 2 of the City's permitting  
17 process, it is important to establish fees to cover the reasonable regulatory costs to the City associated  
18 with the review and processing of annual permit renewals and other changes or modifications to  
19 Commercial Cannabis Business Permits before these changes are requested or annual renewals are  
20 due; and

21 WHEREAS, the scope of services in MGT's contract included a second fee study to calculate  
22 other commercial cannabis permit user fees, which include:

- 23 • Annual renewal: Covers the costs to perform an annual review of business and site to ensure  
24 requirements of the initial permit are being followed.
- 25 • Change in business location: Covers the cost of the review, site inspection, and determination  
26 of compliance for a request by a permit holder to change their business location.
- 27 • Permit Transfer fee: Covers the cost reviewing a request by a permit holder to change the  
28 majority ownership or form of their business.

- Modification of the site/premises: Covers the cost of the review, site inspection, and determination of compliance for a request by a permit holder to modify the building and/or property.
- Less than majority ownership change: Covers the cost of reviewing a request by a permit holder to change less than majority ownership of the business.
- Employee Background review: Covers the cost of the background review for employees of permitted businesses.
- Out-of-town delivery permit: Covers the cost of the review and determination of compliance for a request by a non-Riverside Cannabis retailer to deliver product into the City of Riverside.

WHEREAS, based on the MGT Fee Study and Analysis, the proposed fees reflect the services, activities, and efforts required to manage and monitor commercial cannabis businesses on an ongoing basis; and

WHEREAS, the City Council held a duly noticed public hearing on August 19, 2025, and has considered all oral and written evidence presented regarding the revision to the Master Fees and Charges Schedule; and

WHEREAS, all requirements of law regarding the notice and the provision of data are hereby found to have been met; and

WHEREAS, all the proposed fee revisions fall within the stated exceptions to the definition of “tax” established by Proposition 26, and are therefore not subject to the requirements of Article XIIC of the California Constitution; and

WHEREAS, the City desires to amend the Master Fees and Charges Schedule, Resolution No. 21960 and its related amendments, to reflect the seven additional Commercial Cannabis Business User Fees, which shall consist of (1) Annual Renewal Fee, (2) Change in Location Fee, (3) Transfer of Permit Fee, (4) Modification of Site/Premises Fee, (5) Less than Majority Ownership Fee, (6) Employee Background Check Fee, and (7) Out-of-town Cannabis Delivery Fee.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Riverside, California, as follows:

Section 1: The above recitals are hereby found to be true and correct and are hereby

1 incorporated herein as if stated in full.

2       Section 2:     The City Council hereby determines that the specific fees to be charged for the  
3 Commercial Cannabis Business User Fees, which shall consist of (1) Annual Renewal Fee, (2) Change  
4 in Location Fee, (3) Transfer of Permit Fee, (4) Modification of Site/Premises Fee, (5) Less than  
5 Majority Ownership Fee, (6) Employee Background Check Fee, and (7) Out-of-town Cannabis  
6 Delivery Fee, as set forth in Exhibit “A,” Schedule of Fees and Charges, attached hereto and  
7 incorporated herein by reference, are the reasonable costs for service and hereby adopts the same.

8       Section 3:     Resolution No. 21960 and all applicable amendments thereto are hereby  
9 amended to include the new fee as shown in Exhibit “A” herein.

10       Section 4:     This Resolution, together with any other resolution amending Resolution No.  
11 21960 and the Master Fees and Charges Schedule (Resolution No. 21960), shall collectively be known  
12 as, and hereinafter may be interchangeably referred to as, the “Fees and Charges Resolution,”  
13 “Schedule of Fees and Charges,” or the “Master Fees and Charges Schedule.”

14       Section 5:     All fees set by this Resolution are for each identified process or service;  
15 additional fees shall be required for each additional process or service that is requested or required.

16       Section 6:     The fees and charges revisions set forth in Exhibit “A” fall within the stated  
17 exceptions to the definition of “tax” established by Proposition 26, and therefore, are not subject to  
18 the requirements of Article XIIC of the California Constitution.

19       Section 7:     The Chief Financial Officer is hereby directed and authorized to maintain a  
20 current Master Fees and Charges Schedule which will include all amendments to the Fees and Charges  
21 Resolution.

22       Section 8:     If any portion of this Resolution is for any reason declared invalid or  
23 unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect  
24 the validity of the remaining portions of this Resolution; the City Council hereby declaring that it  
25 would have adopted this Resolution and every other section, subsection, paragraph, subparagraph,  
26 item, sub-item, clause, phrase, or portion thereof, irrespective of the fact that any one or more section,  
27 subsection, paragraph, subparagraph, item, sub-item, sentence, clause, phrase, or portion be declared  
28 invalid or unconstitutional.

Section 9: Resolution No. 21960 and all amendments thereto are hereby amended as of the date this Resolution becomes operative and any previously established fee or charge not amended herein remain in full force and effect.

Section 10: The provisions of this Resolution shall become effective immediately upon adoption.

Section 11: Any and all future amendments to the Fees and Charges Resolution shall be operative on the date of adoption of such resolution(s) approving the proposed amendments, except as otherwise required by California law.

ADOPTED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

PATRICIA LOCK DAWSON  
Mayor of the City of Riverside

Attest:

DONESIA GAUSE  
City Clerk of the City of Riverside

I, Donesia Gause, City Clerk of the City of Riverside, California, hereby certify that the foregoing resolution was duly and regularly adopted at a meeting of the City Council of said City at its meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2025, by the following vote, to wit:

*Ayes:*

Noes:

Absent:

Abstain:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the  
City of Riverside, California, this                      day of                      , 2025.

DONESIA GAUSE  
City Clerk of the City of Riverside

EXHIBIT "A"

**COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT  
PLANNING**

CODE FEE DESCRIPTION		FY 2025/26
<b>OTHER FEES</b>		
2718	COMMERCIAL CANNABIS PERMIT FEES	
	Annual Renewal	\$ 3,719.00
	Change in Location	\$ 1,814.00
	Transfer of Permit Ownership	\$ 4,089.00
	Modification of Site Premises	\$ 1,668.00
	Less than Majority Ownership Change	\$ 991.00
	Owner/Employee Background Check	\$ 1,342.00
	Out-of-Town Cannabis Delivery	\$ 1,043.00