

City of Hawthorne Commercial Cannabis Business Fees Schedule

NON-REFUNDABLE APPLICATION FEES

Adult-Use Retail	\$12,302
Cannabis Consumption Area	\$12,302
Cannabis Delivery with City Site/Location	\$12,302
Cultivation, Manufacturing, Distribution, Testing	\$12,302
Delivery without a City Site/Location	\$ 8,996
Cannabis Conditional Use Permit (Retail)	\$31,504
Initial Compliance Monitoring	\$7,760
Annual Renewal Fees	\$8,611

CITY OF HAWTHORNE
COMMERCIAL CANNABIS IMPLEMENTATION COST ANALYSIS

Program Development Task			Total Cost	Cost per applic
Project Coordination/Admin	550 Hrs	\$250	\$137,500	\$4,583.33
Community Workshop	4 Meetings	\$7,500	\$30,000	\$1,000
Application Intake Review	30	\$4,800	\$144,000	\$4,800
Zoning/Sensitive Use Check	30	\$800	<u>\$24,000</u>	<u>\$800</u>
		Sub Total	\$335,500	\$11,183.33
<i>City Administrative Cost 10%</i>	30	\$1,118	\$ 33,550	\$ 1,118
		Total	\$369,050	\$12,302

Permit Processing	Selected Complete Applic.	Cost	Total	Per Applicant
Monthly Record Mgmt. (\$250 X 3 Months)	6	\$750	\$4,500	\$750
Conditional Use Permit	6	\$16,875	\$101,250	\$16,875
Assist Planning-Sites	6	\$925	\$5,500	\$925
Assist Planning-Public Hearings	2	\$5,975	\$11,950	\$1,992
Site/Building Evaluations	6	\$1,850	\$11,100	\$1,850
CEQA Document Prep&Filing	6	\$1,200	\$7,200	\$1,200
<i>City Admin Costs</i>	6	\$7,912	<u>\$47,472</u>	<u>\$7,912</u>
		Total	\$188,972	\$31,504

Initial Compliance Monitoring	Cost	Per Licensee
Initial Inspection & Report (Pre-Op)	\$1,850	\$1,850
Operator Compliance Workshops	\$1,000	\$1,000
Annual Inspection & Report	<u>\$4,910</u>	<u>\$4,910</u>
Total	\$7,760	\$7,760

Annual Renewal Fees (All Cannabis Business Including Delivery without a City Site)	Per Licensee
Annual Compliance Inspection/Report	\$4,910
All Cannabis Business Renewals	<u>\$3,701</u>
Total	\$8,611

PROGRAM DEVELOPMENT AND ADMINISTRATION TASKS		#	Unit	Cost Per Task	Total	Cost Recovery Per Applicant
Project Coordination/Admin Costs	550	Hours	\$ 250.00	\$ 137,500.00	\$ 4,583.33	
Community Workshops for Ordinance Development	4	2hr Workshops or Meetings with online engagement	\$7,500.00	\$ 30,000.00	\$ 1,000.00	
Social Equity Applicant Assistantance	3	Applicants	\$ 5,000.00	\$ 15,000.00	\$ 500.00	
Application Intake (review for completeness and initial screening)	30	Applications	\$ 4,800.00	\$ 144,000.00	\$ 4,800.00	
Zoning/Sensitive Use Verification	30	Locations	\$ 800.00	\$ 24,000.00	\$ 800.00	
				TOTAL COSTS \$	350,500.00	\$ 11,683.33
				TOTAL COSTS RECOVERED	\$ 350,500.00	

PERMIT PROCESSING FEES		# of Selected Complete Applications**	Cost	Total	Cost Recovery Per Applicant	
Monthly Record Management Fee (\$250x3 months)	15		\$ 750.00	\$ 11,250.00	\$ 750.00	
Livescan/Background (additional applicants)	TBD		\$ 500.00			
Legal Notice Preparation & Mailing	15	Notices	\$ 1,250.00		\$ -	
Development Permit Processing	15		\$ 11,250.00	\$ 168,750.00	\$ 11,250.00	
Assist Planning Department with site compatibility site visits	15		\$ 925.00	\$ 13,875.00	\$ 925.00	
Assist Planning Department with Public Hearings (legal notices; staff report preparation; resolutions, etc. for PC and CC meetings.) *fee per hearing	2	Hearings	\$ 5,975.00	\$ 11,950.00	\$ 796.67	
Site/Building Evaluations (Planning staff to assist with inspections. For modeling purposes, 8 billed inspections are split between applicants.)	8	Locations	\$ 1,800.00	\$ 14,400.00	\$ 960.00	
CEQA Document Preparation and Filing	15	CEQA Docs	\$ 1,200.00	\$ 18,000.00	\$ 1,200.00	
*CEQA docs will be prepared to meet state licensing agency requirements to provide applicants streamline processing with state licensing agencies.						
				TOTAL COSTS \$	238,225.00	\$ 15,881.67
				TOTAL COSTS RECOVERED	\$ 238,225.00	

PRE-OPERATION/INITIAL COMPLIANCE MONITORING		# of estimated selected businesses**	Cost	Total	Cost Recovery Per Applicant	
Initial Compliance Inspection and Report (ejma will conduct initial with Planning staff completing the remaining; total of 8 for modeling purposes ONLY)	4	Locations	\$ 1,850.00	\$ 7,400.00	\$ 925.00	
Operator Compliance Workshops	2		\$ 7,500.00	\$ 15,000.00	\$3,750.00	
				\$ -	\$0.00	
				TOTAL COSTS \$	22,400.00	\$ 4,675.00
				TOTAL COSTS RECOVERED	\$18,700.00	
Minimum Monthly Program Management Fee	8			\$6,000	\$750	
*not charged if monthly costs exceed \$6000 total						
TOTAL ESTIMATED COSTS				\$ 611,125.00		
TOTAL % ESTIMATED COSTS RECOVERED					100%	

Note: Total number of selected businesses will be determined by City Council. Numbers used are estimates for modeling purposes only and are in no way meant to dictate, recommend or otherwise suggest or reflect the total number of businesses to be selected by City Council.

COST ANALYSIS – STAFF

City Manager:

Meetings with Consultants, City officials, Staff	9	
Meetings with other city agencies, licensed Retail Businesses, attended conferences re. economic development re. Cannabis		<u>10</u>
	Total Hrs	19 @ \$115.38
	Total Cost	\$2,192.22

City Attorney:

Hours

Draft Resolution No. 8305 & Council Meeting:	8	
Draft Ordinance & Meeting (Introduction & Adoption)		16
Meetings with consultants, staff, city officials		10
Draft Resolution 8384 Re. Cannabis Related Fees & Meeting		<u>12</u>
	Total Hrs	46 @ \$108.17
	Total Cost	\$4,975.82

Director of Planning:

Zone Text Amendment – Ordinance + Hearings	18	
Conditional Use Permit (Estimated)		12 X 6
Meetings with consultant & staff		10
Cannabis License Ordinance		<u>6</u>
	Total Hrs.	106 @ \$75.35
	Total Cost	\$7,987.1

Legal Notice & Publication

\$500

Working Committee:	No. of Meetings	Total Hrs	Total Staff Cost
(4 staff members plus 1 councilmember)	11	14.47	\$5,429.84
Cable TV Dept. Cost, Staff, Facilities, Equipment			\$18,900
Clerk’s Dept.			\$3,388

Licensing Scoring Committee

(7 staff members – total estimated time)	30	\$13,143.30
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