PLANNING COMMISSION RESOLUTION

RESOLUTION NO. 02-08-2021-A

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SONORA RECOMMENDING THE CITY COUNCIL ADOPT THE FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF SONORA AND HAZY BULLDOG FARMS, LLC.

WHEREAS, on October 9, 2015, Governor Jerry Brown signed three bills into law (Assembly Bill 266, Assembly Bill 243, and Senate Bill 643), which are collectively referred to as the Medical Cannabis Regulation and Safety Act ("MCRSA"). MCRSA established the first statewide regulatory system for medical cannabis businesses; and

WHEREAS, in 2016, the voters of California approved Proposition 64 entitled the "Control, Regulate and Tax Adult Use of Marijuana" ("AUMA"). AUMA legalized the adult-use and possession of cannabis by persons 21 years of age and older and the personal cultivation of up to six cannabis plants within a private residence. However, AUMA authorizes local jurisdictions to reasonably regulate personal cultivation; and

WHEREAS, on June 27, 2017, Governor Jerry Brown signed into law the Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA"), which created a single regulatory scheme for both medical and adult-use cannabis businesses. MAUCRSA retains the provisions in the MCRSA and AUMA that granted local jurisdictions control over whether businesses engaged in commercial cannabis activity may operate in a particular jurisdiction; and

WHEREAS, on January 16, 2018, the Sonora City Council (the "City Council") adopted an ordinance that regulates cannabis businesses through a development agreement and use permit (the "Cannabis Business Pilot Program"); and

WHEREAS, on November 5, 2018, the Sonora City Council adopted Ordinance No. 850 approving a development agreement between the City and Hazy Bulldog Farms, LLC to operate a cannabis dispensary business (the "Original Agreement") at 1243 Mono Way, in the City of Sonora, County of Tuolumne, State of California, Assessor's Parcel Number 056-190-012 (the "Site"); and

WHEREAS, on November 2, 2020, the City Council adopted Ordinance No. 873, which amended the Cannabis Business Pilot Program to allow adult-use cannabis dispensaries, cannabis manufacturing, and cannabis testing laboratories in the City; and

WHEREAS, the proposed amendment to the Original Agreement (the "<u>Amendment</u>") revises the Original Agreement to allow Developer to sell adult-use cannabis pursuant to state and local law (the "<u>Project</u>"); and

WHEREAS, the Sonora Planning Commission ("Planning Commission") finds that an ordinance approving the Amendment will allow Developer to operate its business in accordance with state and local law; and

WHEREAS, the Planning Commission finds that the Amendment is in the best interest of the health, welfare, and safety of the public.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Sonora hereby recommends by this resolution that the City Council of the City of Sonora adopt Ordinance No. 877 recommending approval of the First Amendment to the Development Agreement by and between the City of Sonora and Hazy Bulldog Farms, LLC.

PASSED AND ADOPTED as a resolution by the Sonora Planning Commission on this 8th day of February 2021, by the following vote:

Members of the Commission:
AYES: Garnin, Jensen, Anderson
NOES: Ghiorso, Richardson
ABSENT:
ABSTAIN:
SIGNED: Windamu

Chair, Chris Garnin Planning Commission

Rachelle Kellogg, Sechetary

Planning Commission