

RESOLUTION NO. 101-2025

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA,
SELECTING BUZZ, DR. GREEN THUMB'S, FLYTE AND GREEN RESERVE AS
RETAIL COMMERCIAL CANNABIS BUSINESSES (CCBs) AND EMBARC,
CULTURE CANNABIS CLUB, SANTEE HOLISTICS, AND MISSION GREENS AS
ALTERNATE CCBs AND FINDING THE ACTION EXEMPT FROM THE CALIFORNIA
ENVIRONMENTAL QUALITY ACT ("CEQA") PURSUANT TO CEQA GUIDELINES
SECTION 15303.**

WHEREAS, in August of 2022, the City Council enacted Ordinance 602, the Cannabis Business Permit Ordinance of the City of Santee (City), codified as Chapter 7.04 of the Santee Municipal Code (SMC); and

WHEREAS, at a hearing held on March 27, 2024, the City Council adopted Commercial Cannabis Retail Business (CCB) Application Process, including Application Procedures and Review Criteria (Procedures), fees and related documents to City Council; and

WHEREAS, the Procedures included detailed instructions on the methodology used to evaluate applications on a point, or other evaluation system, tied to particular sets of criteria; and

WHEREAS, the scoring on review criteria was used to determine which candidates were eligible to proceed to the final selection process (Phase 4) as established by resolution of the City Council; and

WHEREAS, as outlined in the Procedures, the City Council has full discretion over which Applicant(s), if any, will be awarded a CCB permit, consistent with the purposes and intent of the City's Cannabis Business Permit Ordinance; and

WHEREAS, the City Council shall not be limited by the specific Evaluation Criteria identified in the Procedures when making a final decision; and

WHEREAS, SMC section 7.04.100.A provides that the City shall only issue cannabis business permits for up to four retailers, including microbusinesses that include storefront retail activities; and

WHEREAS, 16 retail applications were filed during the 45-day application period (September 10, 2024, to October 24, 2024); and

WHEREAS, at the time of filing, each applicant paid an application fee established by resolution of the City Council to cover all costs incurred by the City in the application process; and

WHEREAS, all 16 retail applications were determined qualified for advancement to Phase 4; and

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WHEREAS, on July 8, 10, and 11, City Council held a duly noticed Special Meeting during which it conducted interviews of each of the 16 applicants and held deliberations; and

WHEREAS, the City Council desires to select the following four CCBs to be eligible to be awarded a CCB Permit, after satisfying all requirements of the City's Cannabis Business Permit Ordinance 602: **BUZZ, Dr. Green Thumb's, Flyte, and Green Reserve**; and

WHEREAS, the City Council desires to select the following four CCBs to be alternates if one of the selected eligible businesses does not satisfy all remaining requirements of the City's Cannabis Business Permit Ordinance and is not ultimately awarded CCB Permit or if its CCB Permit is revoked: **Embarc, Culture Cannabis Club, Santee Holistics, and Mission Greens**, with Embarc serving as the first alternate; and

WHEREAS, within 30 days of being notified of the City Council's intent to issue the CCB permit the selected applicants shall enter into a Community Benefit Agreement with the City setting forth the terms and conditions that are in addition to the requirements of the SMC under which the cannabis business will operate; and

WHEREAS, the Community Benefit Agreement must be approved by the City Council before the CCB permit may be issued; and

WHEREAS, a CCB permit must be exercised within 12 months of issuance; and

WHEREAS, a CCB permit does not constitute a land use entitlement and does not waive or remove the requirements of applying for and receiving permits for all construction; and

WHEREAS, a CCB permit does not guarantee that the plans submitted during the CCB application process meet the standards or requirements of any other provision of the SMC or any requirements from other City departments or agencies; and

WHEREAS, once established and operational, the CCB must remain in continuous operation, or all use rights are subject to termination; and

WHEREAS, the CCB permit will be effective for a period not to exceed one year, but may be renewed through the procedures identified in SMC Section 7.04.180; and

WHEREAS, if a selected CCB timely seeks to renew its CCB permit, the renewal application must include a fee in an amount to be set by the City Council to cover the costs of processing the renewal permit application, together with any costs incurred by the City to administer the program created under SMC Chapter 7.04.

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

SECTION 1: The Recitals provided above are true and correct and are hereby incorporated into this Resolution.

SECTION 2: City Council's selection of the four CCB applicants is consistent with the purposes and intent of Ordinance 602 for the following reasons, without limitation due to enumeration:

- A. The City Council's selection of **BUZZ, Dr. Green Thumb's, Flyte, and Green Reserve** advances the City's implementation of the Medicinal and Adult Use Cannabis Regulation and Safety Act to accommodate the needs of medically ill persons in need of cannabis for medicinal purposes as recommended by their health care provider(s), and to provide access to same. These businesses will collectively provide safe and legal access to cannabis for medicinal purposes in accordance with all applicable requirements.
- B. The City Council's selection of **BUZZ, Dr. Green Thumb's, Flyte, and Green Reserve** advances the City's intent to provide access to adult-use cannabis for persons aged 21 and over as authorized by the Control, Tax and Regulate the Adult Use of Cannabis Act while imposing sensible regulations on the use of land to protect City residents, neighborhoods, and businesses from disproportionately negative impacts. These businesses are geographically dispersed, are located outside of sensitive use buffers, and will provide legal and safe access to adult-use cannabis in a secure manner that protects City residents, neighborhoods, and businesses from disproportionally negative impacts.
- C. The City Council's selection of **BUZZ, Dr. Green Thumb's, Flyte, and Green Reserve** allows the City the ability to regulate the commercial cultivation, processing, manufacturing, testing, sale, delivery, and distribution of cannabis and cannabis products in a responsible manner to protect the health, safety, and welfare of the residents of the City and to enforce rules and regulations consistent with State law and in a fair and equitable manner. These businesses collectively provide secure operations, are geographically distributed, and have demonstrated fiscal stability that will support the health, safety, and welfare of the City. These businesses include local owners and representatives with ties to the Santee community, are readily able to open their businesses in existing structures, and have demonstrated a proven track record in opening and managing cannabis businesses.

SECTION 3: Pursuant to the requirements of the California Environmental Quality Act ("CEQA"), the City Council adopted a Mitigated Negative Declaration ("MND") and Mitigation Monitoring and Reporting Program for the Santee Cannabis Business Ordinance in July 2022 (State Clearinghouse No. 2022060058) and adopted Ordinance

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602 in August 2022. Ordinance 614 involved the adoption of the Procedures and fees for the implementation of the CCB Ordinance and therefore was covered by the analysis in the 2022 MND. Each project and project site was assessed and determined exempt from CEQA pursuant to CEQA Guidelines Section 15303 New Construction or Conversion of Small Structures (Class 3) because all sites are located within an urbanized area, are zoned for the permitted use, have all public services available and are not adjacent to an environmentally sensitive area and the proposed use will not utilize hazardous materials or build or convert space exceeding 10,000 square feet. No exceptions to the Class 3 exemption apply. Notice of Exemptions will be filed for any site awarded a permit.

SECTION 4: This Resolution shall take effect immediately upon its passage.

ADOPTED by the City Council of the City of Santee, California, at a Special Meeting thereof held the 8th, 10th and 11th day of July 2025 by the following roll call vote to wit:

AYES: HALL, KOVAL, MCNELIS, MINTO, TROTTER

NOES: NONE

ABSENT: NONE

APPROVED:



JOHN W. MINTO, MAYOR

ATTEST:



JAMES JEFFRIES, CITY CLERK