

CITY OF WEST WENDOVER OFFICE OF CITY MANAGER

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Memo

To: Mayor & City Council
From: Chris J. Melville, City Manager/Director Community Development
CC: [Click [here](#) and type name]
Date: 8/14/2020
Re: Agenda – August 18, 2020 – Resolution 2020-16; Amendment to MJ Fees

Mayor/Council:

Attached is the proposed Resolution 2020-16 which amends the fees with regard to Title 3, Chapters 9 and 10 of the WWCC. This change is straight forward eliminating the annual license fee but keeps in place the 3% Quarterly Gross Revenue Fee as well as the License Origination and Application Fee, Late Fees along with the fees associated with the required Background Checks.

CITY OF WEST WENDOVER RESOLUTION NO. 2020-16

A RESOLUTION AMENDING THE MARIJUANA ESTABLISHMENT LICENSE FEES IN THE CITY OF WEST WENDOVER

WHEREAS, the City of West Wendover regulates Medical Marijuana and Recreational Marijuana businesses within the City in West Wendover City Code (WWCC) Chapters 3-9 and 3-10, respectively;

WHEREAS, WWCC 3-9-23E and 3-10-23E permits the City to set, modify and amend license fees for Medical Marijuana and Recreational Marijuana businesses by resolution of the City Council; and,

WHEREAS, NRS 268.0977 has been amended and fixes the total amount of license tax a local government may impose for Medical Marijuana and Recreational Marijuana businesses;

NOW, THEREFORE, IN CONSIDERATION OF THE RECITALS CONTAINED ABOVE, BE IT RESOLVED as follows:

- 1. Amendment:** This resolution amends the license fees of Title 3, Chapter 9 of the West Wendover City Code (“WWCC”), entitled “Medical Marijuana Zoning Regulations and Licenses” and Title 3, Chapter 10 of the WWCC, entitled “Recreational Marijuana Zoning Regulations and Licenses” only as specifically provided herein. The remaining provisions of the amended Chapters in the WWCC shall remain unchanged and in full force and effect.
- 2. Medical Marijuana**
 - a. Medical Marijuana License Fees:** WWCC 3-9-23B is amended to eliminate the separate annual fee and provide the following license fees: a quarterly fee of 3% of the gross revenue for a Dispensary; a quarterly fee of 3% of the gross revenue for a Cultivation Facility; and a quarterly fee of 3% of the gross revenue for a Production Facility. Licensees must have a separate license for each facility, must pay the fee for each separate facility and, in addition, a dual licensee with medical marijuana facilities and recreational marijuana facilities must pay separate license fees. The Certification form required presently in WWCC 3-9-23B shall remain in force and effect. The renewal process set forth in WWCC 3-9-24 shall

remain in effect except that the renewal fee of 3-9-24D is hereby eliminated.

- b. **Compliance:** All quarterly fees required herein must be paid within 10 days of the end of the quarter or the Licensee's applicable license for the subsequent quarter will be automatically forfeited.
- c. **Penalties Remain:** The late fee penalty of WWCC 3-9-24E remains unchanged, as well as the reinstatement provisions and the reinstatement penalty fee of WWCC 3-9-24F. Accordingly, since the renewal processing fee of WWCC 3-9-24D is eliminated in Section 2(a) above, the licensee faces a potential of \$7,500 in late penalty fees: \$2,500 late renewal fee for failing to timely pay license fees as provided in WWCC 3-9-24E and an additional \$5,000 reinstatement penalty fee if the license was revoked and later reinstated as provided in WWCC 3-9-24F.

3. Recreational Marijuana

- a. **Recreational Marijuana License Fees:** WWCC 3-10-23B is amended to eliminate the separate annual fee provide the following license fees: a quarterly fee of 3% of the gross revenue for a Cultivation Facility; a quarterly fee of 3% of the gross revenue for a Production Facility; and a quarterly fee of 3% of the gross revenue for a Retail Marijuana Store. Licensees must have a separate license for each facility, must pay the fee for each separate facility and, in addition, a dual licensee with medical marijuana facilities and recreational marijuana facilities must pay separate license fees. The Certification form required presently in WWCC 3-10-23B shall remain in force and effect. The renewal process set forth in WWCC 3-10-24 shall remain in effect except that the renewal fee of 3-10-24D is hereby eliminated.
- b. **Compliance:** All quarterly fees required herein must be paid within 10 days of the end of the quarter or the Licensee's applicable license for the subsequent quarter will be automatically forfeited.
- c. **Penalties Remain:** The late fee penalty of WWCC 3-10-24E remains unchanged, as well as the reinstatement provisions and the reinstatement penalty fee of WWCC 3-10-24F. Accordingly, since the renewal processing fee of WWCC 3-10-24D is eliminated in Section 2(a) above, the licensee faces a potential of \$7,500 in late penalty fees: \$2,500 late renewal fee for failing to timely pay license fees as provided in WWCC 3-10-24E and an

additional \$5,000 reinstatement penalty fee if the license was revoked and later reinstated as provided in WWCC 3-10-24F.

PASSED AND ADOPTED by the City Council of the City of West Wendover on the ___ day of _____, 2020 and signed this ___ day of June, 2020.

CITY OF WEST WENDOVER

BY: _____
DANIEL CORONA, Mayor

ATTEST:

ANNA BARTLOME, City Clerk