



CITY OF COMMERCE

COMMERCIAL CANNABIS PERMIT PROGRAM

November 26, 2024

Casey Anne Dalton Schutt
Claremont Capital Partners LLC.
17800 Rayen St.
Northridge CA, 91325

RE: APPLICATION REJECTION NOTICE

Application No.: 18-036

Applicant Name: Claremont Capital Partners LLC.

Dear Ms. Dalton-Schutt,

In October 2018, the City Council adopted Ordinance No. 700, establishing Commercial Cannabis regulations for the City. At that time, the Commerce Commercial Cannabis Permit Program (CCP) initiated an open application period, during which your application was reviewed and deemed appropriate to proceed.

On May 7, 2019, the City Council approved 21 development agreements, including Development Agreement No. 710 for Commerce Cannabis Company. The approval of the development agreements was legally challenged via a lawsuit alleging that it was invalid due to a procedural defect related to the second reading. In its ruling, the court ruled on behalf of the petitioner and found that the 21 development agreements were invalid.

As a result of the ruling, the City treated the aforementioned development agreements as applicants until their second reading was performed to address the procedural defect, or they submitted a new Development Agreement application if they were unable to comply with all the terms of the original development agreement.

Since the City cured the defective reading for most of these aforementioned development agreements, the City Council presented and approved a new development agreement for Claremont Capital Partners LLC. on March 22, 2022. However, you made City staff aware that Claremont Capital Partners would be seeking an amendment as the current site on file was no longer viable, and, due to those reasons, you did not sign your development agreement.

We are now approaching three years since the City Council approved the procedural defect. The City has been more than accommodating in exercising patience as you determine what course you plan to take with your commercial cannabis business. Significant time has been provided to allow you to keep moving forward in the process, as most applicants have done.

Pursuant to Commerce Municipal Code Section 5.61.090(c)(2), the City reserves the right to reject an incomplete application. Additionally, per Section 5.61.290(a), the City Manager has been authorized to establish an additional policy effective October 10, 2022, which provides the following:

“Any persons or entities without an active application for over one year submit a complete Development Agreement application within 30 days of the effective date of the administrative policy. Failure to do so may subject the applicant to immediate disqualification.”

Staff will notify you when the item recommending the rejection of your application is scheduled for City Council consideration either on or after January 10, 2025.

Sincerely,

A handwritten signature in blue ink, consisting of a large, sweeping loop followed by a horizontal line extending to the right.

Ernie Hernandez, City Manager