

MONTHLY STAKEHOLDER MEETING

May 23, 2019

Office of Cannabis Policy & Enforcement

APPLICATIONS UPDATE



CUP Applications –

BOP Applications

- Submitted –
- Approved -



POLICY UPDATES

Proposed Policies Before Law and Legislation Committee July 23, 2019 Meeting:

- 1) Volatile Manufacturing
- 2) Small Manufacturing – amendment to definition; increase in gross receipts threshold
- 3) Title 5 Cleanup

UC DAVIS GRADUATE RESEARCH PROJECT



- 10-week study will wrap up in two weeks
- Interviewing a few more businesses and conducting focus groups
- Focus of study: economic impacts including taxation, labor & employment, impacts of illicit market on the legal market
- Recommendations will be presented week of 6/10/19



INDUSTRY SURVEY

- **Last Chance!!!** Deadline extended to Friday, 5/24/19. Last chance to participate
- Survey consists of 22 questions, can be completed in no more than 15 minutes.
- Opportunity to help establish a profile of the Sacramento cannabis industry, share challenges applicants face in entering the industry, and provide feedback on the City's application process



INVOICE

NRP INVOICES

- Invoices mailed out this week and will continue to go as the agreements are executed.
- Invoices are retroactive to Jan. 1, 2018 or the date business starts operating.

CEQA COMPLIANCE FOR STATE APPLICATIONS



- After City rendered a decision on the CUP application and has determined that property is exempt from CEQA, applicants can obtain a CEQA exemption document by:
 - Requesting a completed Notice of Exemption (NOE) from Planning
 - NOE must be filed with the County Clerk (\$40 fee) and the Office of Planning and Research (no fee).
 - Data-stamped copy is the official CEQA exemption document to be submitted with applications with CDFA, BCC or CDPH.



DEADLINES

ALL BOP APPLICANTS:

- **To complete BOP application – JULY 31, 2019**
 - All incomplete BOP applications by August 1, 2019 will be **DENIED**.

ALL REGISTERED CULTIVATORS AND OPERATING BUSINESSES:

- **To obtain a BOP – DECEMBER 31, 2019**
 - Includes obtaining a building permit, completing tenant improvements and obtaining a Certificate of Occupancy
- All applications of registered cultivators and operating businesses who do not have a BOP by January 1, 2020 will be **DENIED** and operations will need to **SHUT DOWN** immediately.



NON-OPERATIONAL BOP

- A Non-Operational BOP is issued only to businesses that have completed their BOP application but are still going through the building permit and tenant improvement process.
- It is **NOT** an authorization to start operating.



LOCAL AUTHORIZATION

- Local authorization is provided only for applicants with:
 - A complete BOP application;
 - Has been issued a Building Permit; and
 - Has no outstanding Fire-related issues.

Local authorization is only for purpose of State application moving through the process. **It is NOT an authorization to start operating!**

A State license (temp, provisional or annual) alone **DOES NOT** authorize a business to start operating, without a BOP from the City.



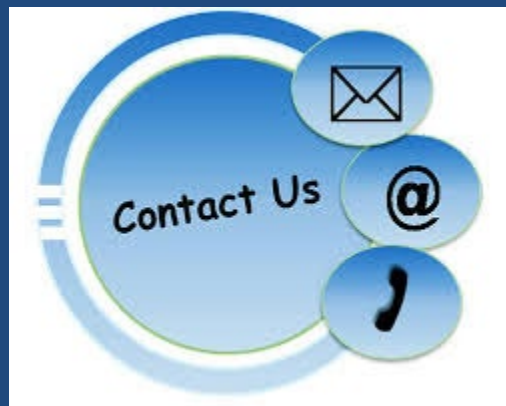
STATE LICENSES & PERMITS

- **A State license** (temp, provisional or annual) alone **DOES NOT** authorize a business to start operating, without a BOP from the City.
- **Dual licenses** (State license + City permit) are required for operation.
- A Seller's Permit issued by CDTFA is also **NOT** a license to operate!



ENFORCEMENT ACTIONS FOR ILLEGAL OPERATIONS:

- A businesses operating at any time during the application process on the basis of the following is considered to be an **ILLEGAL OPERATION**:
 - 1) Non-Operational BOP; 2) Local authorization; 3) State License;
 - 4) Seller's Permit; 5) close to obtaining a Certificate of Occupancy;
 - 6) Any circumstance that does not include an active City-issued BOP.
- Applicants operating illegally may be subject to denial of application and other enforcement actions including administrative, civil or criminal actions.



OFFICE OF CANNABIS POLICY & ENFORCEMENT

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