BOP Data: Total issued 263

- Cultivation & Nursery: 94 issued
- Delivery-only: 56 issued
- Distribution: 41 issued
- Manufacturing: 33 issued
- Microbusiness: 7 issued
- Testing lab: 3 issued
- Storefront: 30 issued
New Council Boundaries: What It Means for Cannabis Businesses

- Redistricting changed the boundaries of all council districts as of December 16th.
- All districts now have a permitted or pending cannabis business.
- Your location/proposed location may now be in a new district.
- [https://www.cityofsacramento.org/Mayor-Council/Find-Your-District](https://www.cityofsacramento.org/Mayor-Council/Find-Your-District)
New Council Boundaries: What It Means for Cannabis Businesses

- Potential issues to be aware of:
  - Pending CUP – subject to appeal to Planning Commission or to call-up by councilmember within 15 days of decision
  - Small manufacturing, self-distribution and testing (CUP exempt) – subject to call-up by councilmember within 15 days of issuance of BOP
New Council Boundaries: What It Means for Cannabis Businesses

To view the interactive map:
https://www.arcgis.com/apps/instant/sidebar/index.html?appid=c8c5af6fde8746efa7e9b825734cb4d1
COMPREHENSIVE STUDY OF CANNABIS INDUSTRY IN SACRAMENTO (EPS STUDY)

■ EPS STUDY TIMELINE
  ➢ Will be posted on OCM website
  ➢ Workshops/hearings before L&L Committee
    ➢ 1/25: D6 delivery cap, ownership, undue concentration
    ➢ 2/1: City’s 4% BOT
    ➢ 2/15: CORE/equity
  ➢ Recommendations of L&L to City Council
    ➢ March
  ➢ Hearing of ordinances reflecting Council direction
    ➢ April

NOTE: All dates and workshop topics are tentative and subject to change
UPDATES FROM:

- **Sgt. Matt Young**, Sac Police Department
- **Elizabeth McDowell**, Sac Fire Department
- **Keona Savage**, Code Supervising Officer
TITLE 5 CLEAN-UP

■ TIMELINE

- Approved by L&L on 1/4/22
- Budget component to be heard by B&A on 2/1/22
- Council adoption 2/8/22
- Ordinance takes effect 3/8/22
Delete employee managers and delivery and distribution drivers from the definition of interested parties

- Background check requirement will be responsibility of business owners; no need to submit a Business Information Change form; application will include attestation that employee managers/drivers have been background checked
TITLE 5 CLEAN-UP SUMMARY OF PROPOSED AMENDMENTS & WHAT TO EXPECT AFTER COUNCIL ADOPTION

➢ Delete the local requirement for delivery vehicles to be no older than 10 years old.
➢ Delete the local requirement for distributors to have a Motor Carrier Permit.
➢ Increase the limit a delivery vehicle can carry to $5,000 worth of cannabis products, with up to $3,000 in pre-ordered products.
➢ Remove square footage limits for buildings and size of the display area for non-cannabis accessories for storefront dispensaries.
➢ Remove requirement that records be in “printed” format.
Add a requirement in BOP renewals for businesses with 20+ non-supervisory employees that they have or will enter into a Labor Peace Agreement
- Businesses will be asked to provide copy of signature page of LPA (if it applies) or attest that business has less than 20 employees.
Revise requirements of security plans to protect the physical security of cannabis facilities.

- Businesses may be required to update security plans mid-permit cycle and OCM may need to modify/add conditions to BOPs for security reasons.
Add “abandoned application” section for applications with no BOP issued 180 days after submission.

- Request reactivation/extension for another 180 days with payment of extension fee ($500)

- Add process for cessation of business operations
  - Submit a form with timeline for reopening (if applies); settle/or create BOT payment plan; what to do with products onsite; State license, etc.
TITLE 5 CLEAN-UP SUMMARY OF PROPOSED AMENDMENTS & WHAT TO EXPECT AFTER COUNCIL ADOPTION

- Addition of inspection authority for electronic databases (including the state’s track-and-trace system).
  - Gives Code officers the authority to verify inventory onsite via a scanner against info on Metrc
  - Will become part of regular inspection
  - Code officers will scan plants onsite and reconcile against information in the cultivation permit holders’ METRC account
Businesses shall grant City read-access only to Metrc account
- Notices will go out in January requesting that individual Code officers be added as authorized users with read-only access
- All new cultivation applications will contain an authorization granting City with read-only access
REMINDERS TO PERMIT HOLDERS:

- **Renewals**
  - Renewal period begins 90 days prior to expiration of Permit
  - Renewal is late if received within 30 days prior to expiration; expect to get warning letters during this time period
  - Application portal will close the day after the BOP expiration date.
  - Late renewal fee is required to reopen portal to 30 days past expiration date (renewal extension period).
REMINDERS TO PERMIT HOLDERS (cont.):

- If no renewal extension fee is paid, expired permits are subject to enforcement immediately.
- Incomplete applications at the end of the 30-day application will be voided; business must shut down; can apply for new application but cannot operate until new BOP is issued.
- CORE permit holders must submit a signed attestation that business is still 51% CORE-owned.
REMINDERS TO PERMIT HOLDERS:

- **Reporting of Burglaries/Security Breaches**
  - A condition on the BOP that all crime incidents, burglaries, break-ins, security breaches must be reported to PD (during the incident); and to OCM within 24 hours.

- **Do Not Share Security Related Information**
  - Do not entertain calls requesting to send floor plans, security plans/diagrams of cameras etc. and/or share information via email.

- **Changes in Business (also applies to Applications)**
  - Includes ownership, interested parties with ownership of 20% and above, business structure, DBAs requires submission of Business Information Change form within 30 days of change
    - Continuity = BIC; no continuity = new application
TRACK AND TRACE READ-ONLY ACCESS
STATE-RELATED UPDATES

- City of Sacramento to receive $5.7m in grant funds to assist local applicants/licensees transition from provisional to annual State licenses. Funds will be used towards:
  - Creation of permitting navigator with consultants to provide one-on-one assistance to applicants in obtaining annual licenses and assist in permit streamlining
  - Upgrades in Accela; purchase of equipment and software to proactively reach out to applicants/licensees that are stalled
  - Grants/rebates for security equipment purchases needed for local compliance
  - Cannabis Business Mapping portal
STATE-RELATED UPDATES (cont.)

- DCC now accepting requests for equity fee waivers
  - State equity criteria is not the same as CORE criteria, so check eligibility
  - [https://cannabis.ca.gov/applicants/equity-fee-waivers/](https://cannabis.ca.gov/applicants/equity-fee-waivers/)

- Go-Biz local equity grant application submitted 12/2021
  - Request for $7 million to be used towards local equity grants
CORE Program Updates

■ CORE Grant Program Launch
  - Wednesday, January 19, Noon PST
    ■ CORE members with leased/owned locations can apply for up to $125,000 on a first come, first served basis for their cannabis business
    ■ All application requirements and an FAQ can be found on the CORE Program webpage under "Core Grant Program"
  - Questions should be submitted prior to January 19th
CORE Capital Loan Program (CCLP) Update

- $321k remaining in loan funds, which will provide six recipients with $50k loans. There are currently 10 possible recipients with applications submitted.
- After all loan funds are disbursed, and contingent on timely loan payments back into the fund, we will have about $50k/month to loan out going forward.
- Questions about CCLP can be directed to cclp@cityofsacramento.org and lwohl@cityofsacramento.org
Cannabis Equity Study RFP

- Goal of this study is to both build on the current citywide cannabis industry study and provide additional data collection and analyses through an equity framework.
- We have made the draft RFP available on our website and will be discussing it at the Racial Equity Ad Hoc Committee meeting on 1/25 to solicit public review and comments.
- Please submit any public comments on the draft RFP to cannabis@cityofsacramento.org.
QUESTIONS?

Phone: 916-808-8955

Email: cannabis@cityofsacramento.org

On the Web: cityofsacramento.org/cannabis