



*City of*  
**SACRAMENTO**  
Office of Cannabis Management



# CORE STAKEHOLDER MEETING



January 26, 2023



# Update on Social Equity Study by AM

- Presentation by Applied Memetics (AM)



## New OCM Team Member: Nhan Pham

- Nhan Pham ([npham@cityofsacramento.org](mailto:npham@cityofsacramento.org)) is our new CORE liaison analyst
  - Most recently worked at the Multicultural Center of Marin in program direction and operation
  - Deeply involved in DEI and cultural humility work
- He's looking forward to getting to know all the CORE participants and working to assist them in their goals to open and operate a cannabis business in the regulated industry



# Issued CORE and Non-CORE BOPs

**Total BOPs issued: 287 (including 29 CORE)**

- Cultivation: 107 (including 6 CORE)
- Delivery only: 64 (including 11 CORE)
- Distribution: 41 (including 6 CORE)
- Manufacturing: 34 (including 3 CORE)
- Microbusiness: 7 (including 1 CORE)
- Testing lab: 3
- Storefront: 31 (including 2 CORE)

**Total pending applications: 134 (including 42 CORE)**



# Update on 10 CORE Storefront BOPs

- One of the 10 available BOPs issued in November 2022
  - Three other storefront BOP applications have been submitted
  - Two other people are going through the CUP process
  - Two additional people are in build-out
  - For the remaining two people, OCM is uncertain of where they are in the permitting process
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- Once additional storefronts become operational, OCM was directed to return to Council to report on the progress and ask if there was direction from Council to make additional CORE Storefront opportunities available.
  - If any of the 10 fails to meet the April 1, 2024 deadline, the next SOQ with the highest score will be invited to go through the process



# Update on CORE Marketing Campaign

- Microsite still in development
- Photoshoot complete. Video editing in progress
- Launch event tentatively scheduled for March 2023
- CORE logo now available for CORE business who wish to add them to their marketing design
  - Contact OCM to request



SACRAMENTO  
**CORE**  
CANNABIS EQUITY PROGRAM



SACRAMENTO CORE  
CANNABIS EQUITY PROGRAM

CORE MARKETING CAMPAIGN LOGO:  
TWO FULL COLOR EXAMPLES



# Competitive Grant for Larger Projects: Design Input Requested

- Review committee
  - OCM + Equity Advocate + Business Expert + Cannabis Business Operator (no Sacramento business ties)?
  - Different Model?
- Possible scoring categories
  - Number of CORE participants that would benefit
  - Anticipated operational/opening date
  - Financial sustainability/investor commitments to insure complete project
  - Experience in regulated cannabis industry
  - Others?





# OCM Application for CEG Funding

- OCM submitted its Cannabis Equity Grant application to Go-Biz on 12/14/22; anticipated February funding announcement
- Requested the max allowed of \$5 million for direct grants for CORE members to enter and operate in the regulated cannabis industry
  - Total available funds for all jurisdictions with an approved cannabis equity plan is \$13 million
- Next year's (2025) grant will require 1:1 matching funds from local jurisdictions for any award over \$500K
- <https://business.ca.gov/wp-content/uploads/CEG-Program-Grant-Solicitation-FY-2022-23.pdf>



# Cannabis Events

- Cannabis onsite consumption events in Sacramento are limited to Cal Expo
  - You need:
    - Event organizer license from DCC
    - Temporary event license from DCC + Local authorization from the City
    - BOT Acct from the City for all vendors
- All public onsite consumption events outside Cal Expo are unlicensed

# Cannabis Events – No License Needed

- **Events that do not require a license:**
  - Informational events with no retail/on-site consumption; products can be displayed but not available for demo
  - Private events – no payment, tickets, or donations to get in; strictly for invited guests, not in any business location where smoking is prohibited or have employees who can get exposed to second-hand smoke (SCC Ch. 8 - Health and Safety Code)





# Cannabis Events/Consumption - Meetings

- OCM will be hosting two community meetings to discuss cannabis social consumption and cannabis events in February/March
  - Goal is to obtain community feedback and preferences on the different possible consumption and event frameworks
- Meeting outcomes, along with the frameworks, will be shared with the Law & Legislation Committee in Spring for further direction



# New State Regulations

## Large Cultivation Licenses Now Available at State Level

- Large = Over 22K sq. ft. of canopy
- Cultivation businesses with multiple licenses over 22K in total canopy sq. ft. (contiguous) can convert their State license to a large cultivation license
- **No changes for City BOPs**

## State Increases Delivery Threshold to \$10K worth of cannabis Products

- **No changes to City's max amount delivery vehicles can carry = still \$5K per vehicle**



# State Equity Fee Relief

## Equity Fee Waiver Program

- For equity-owned businesses with or expected gross revenue of \$5 million or under

## Equity Fee Deferral Program

- Business can defer payment of their initial or renewal fees for 6 months
- Business with more than one license can request deferrals on each license within the same year calendar year
- Some business that are ineligible for fee waiver due to their revenue, maybe eligible for deferrals

<https://cannabis.ca.gov/applicants/apply-for-equity-fee-relief/>



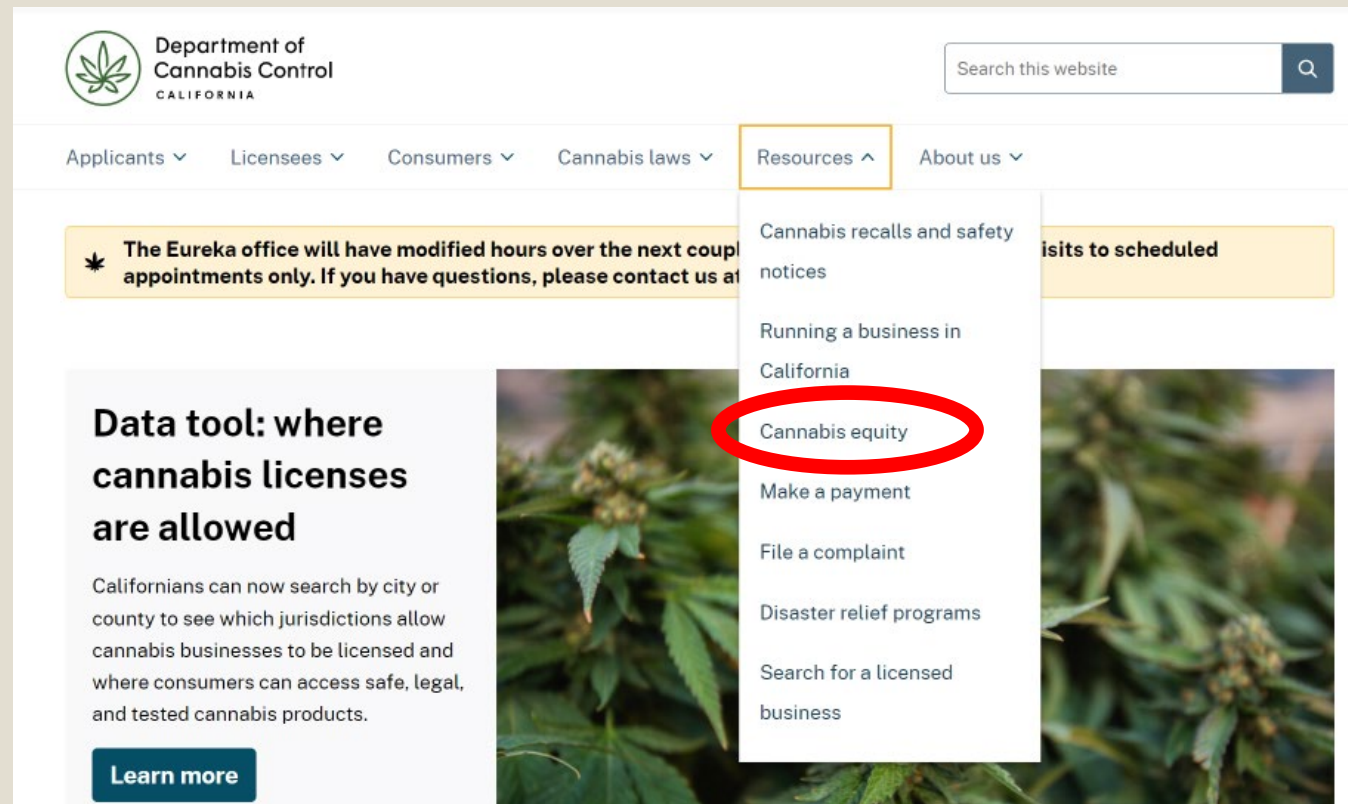
# State Equity Tax Credits

## Cannabis Equity Tax Credit (CETC)

- Qualified cannabis businesses may receive a tax credit of \$10,000
  - For equity licensees that have received approval (including approval contingent upon the availability of funds) for the fee waiver and deferral program administered by the DCC
- Available for taxable years beginning January 1, 2023, through December 31, 2027
- <https://www.ftb.ca.gov/file/business/industries/cannabis-equity-tax-credit.html#:~:text=Overview,a%20tax%20credit%20of%20%2410%2C000>

# More Information on State Equity Opportunities

For more information, please visit the DCC website at <https://cannabis.ca.gov/>



The screenshot shows the homepage of the Department of Cannabis Control California. The navigation menu includes 'Applicants', 'Licensees', 'Consumers', 'Cannabis laws', 'Resources', and 'About us'. The 'Resources' menu is open, showing options like 'Cannabis recalls and safety notices', 'Running a business in California', 'Cannabis equity', 'Make a payment', 'File a complaint', 'Disaster relief programs', and 'Search for a licensed business'. The 'Cannabis equity' option is circled in red. Below the navigation, there is a yellow banner about modified hours at the Eureka office and a 'Data tool: where cannabis licenses are allowed' section with a 'Learn more' button.

Department of Cannabis Control CALIFORNIA

Search this website

Applicants ▾ Licensees ▾ Consumers ▾ Cannabis laws ▾ Resources ▲ About us ▾

\* The Eureka office will have modified hours over the next couple of weeks. Appointments are by appointment only. If you have questions, please contact us at [phone number]

**Data tool: where cannabis licenses are allowed**

Californians can now search by city or county to see which jurisdictions allow cannabis businesses to be licensed and where consumers can access safe, legal, and tested cannabis products.

[Learn more](#)

Cannabis equity



# Questions on State Licensing Process?

## State Licensing Questions

- If you're an equity business owner and need help getting your state license, email [equity@cannabis.ca.gov](mailto:equity@cannabis.ca.gov)



# Questions on Local Permitting Process?

## Sacramento Permitting Questions

- General Process or BOP Questions
  - OCM email: [cannabis@cityofsacramento.org](mailto:cannabis@cityofsacramento.org)
  - Cannabis Business Information (OCM Website):
    - <https://www.cityofsacramento.org/City-Manager/Divisions-Programs/Cannabis-Management/Business-Information>
  - PowerPoint on Permitting Process:  
<https://www.cityofsacramento.org/-/media/Corporate/Files/CMO/Cannabis/Cannabis-Business-Permitting-Process-72221-PDC-Mtg.pdf?la=en>





# More Questions on Local Permitting Process?

## Sacramento Permitting Questions

- CUP/Land Use Questions:
  - **Kevin Valente** [kvalente@raneymanagement.com](mailto:kvalente@raneymanagement.com) or
  - [planning@cityofsacramento.org](mailto:planning@cityofsacramento.org)
- Building Questions: [ezpermit@cityofsacramento.org](mailto:ezpermit@cityofsacramento.org)

More resources for questions and direct technical assistance services coming soon!



# Requests for Future Discussion Topics or Trainings?

- We're always looking for ways to assist and provide information and training to the CORE community
- Please share any ideas you have for discussion topics!
- Examples:
  - Shared Manufacturing Presentation by State and OCM
  - Free SellSmart training offered at City Hall



# QUESTIONS? CONTACT US:

**Phone: 916-808-8955**

**Web: [cityofsacramento.org/cannabis](https://cityofsacramento.org/cannabis)**

**Email:**

**[cannabis@cityofsacramento.org](mailto:cannabis@cityofsacramento.org)**