CANNABIS PERMITTING 2.0
The Post-Submission Process
February 8, 2019

Session 1: Presented by: Joy Patterson, Zoning Administrator

Session 2: Presented by Joe Devlin, Chief, Office of Cannabis Policy & Enforcement
CUP APPROVAL PROCESS

Planning Entitlement Application for Cannabis Cultivation, Nonvolatile Manufacturing, Distribution, Storefront Dispensaries and Delivery-only Dispensaries

Conditional Use Permit and Site Plan & Design Review

Conditional Use Permits and requests for Site Plan and Design Review are known as Planning Entitlements. Planning entitlement applications for cannabis-related businesses are filed with the Planning Division at the Community Development Department, 300 Richards Blvd., 3rd Floor, Sacramento, CA 95811, Monday through Friday between the hours of 9 a.m. and 3 p.m. Only applications with all required submittals will be accepted.
AFTER YOU’VE SUBMITTED YOUR CUP APPLICATION...
CUP APPROVAL PROCESS

Pre-App Meeting (Optional) → Application Submission → Departmental Routing & Review → Revisions → Noticing & Staff Report → Hearing & Decision → Appeal

- Controversial projects often require additional meetings with stakeholders and applicants, potentially increasing time
- Projects requiring historic resource eligibility research may add additional weeks
- Environmental reports may require 24 or more weeks
- Traffic studies may take 8-10 weeks
- CUPs with associated entitlements often require more processing time than standalone CUP

Applicants often required to revise plans at the request of one of multiple departments. Project revisions range in complexity and number of revision cycles.

- 10-day notice period with 6-day lead time for clerical
- Completion of Staff Report (Planning and Design Commission hearings)

Scheduling may involve agenda availability and requests for continuance

- 15-day appeal period
- If appealed, staff to prepare new report and schedule new hearing

CDD staff and other City departments provide feedback

- Preservation evaluation (if needed)
- Manager review
- Project assignment
WHAT HAPPENS AT A HEARING?

Whether your hearing body is the Zoning Administrator or the Planning and Design Commission, the following procedure is followed:

1) The Planner will present his/her report.
2) Hearing body may or may not ask questions
3) Applicant may make a presentation.
4) Anyone present can ask a question or express a concern.
5) Hearing body will close the public hearing, and may render a decision or take the matter under advisement and make a decision at a later date.
Q: Who Can Appeal a Decision of the Zoning Administrator or the Planning and Design Commission?

A: Anyone

- A decision rendered by the Zoning Administrator may be appealed to the Planning and Design Commission.
- A decision rendered by the Planning and Design Commission may be appealed to the City Council.
- Appeal Period: Within 10 days of decision
- Appeal Fee: $4,000 (Applicant); $298 (3rd Party)
- If an appeal is not filed within 10 days, the decision of the Zoning Administrator or the Planning and Design Commission is final.
CITY COUNCIL CALL-UPs

The Mayor or the councilmember in whose district the project is located may call up for City Council review any decision of the Zoning Administrator or the Planning and Design Commission within 15 days of the decision.

(Sacramento City Code 17.228.900.J; 17.228.920.G)
ACTIVATING YOUR CUP

- CUP expires if the use is not established within the applicable time period, which is either:
  - 3 years from the date of the decision maker’s approval
  - The time specified by the decision-maker if so stated in a condition of approval
    - Example: Many cannabis CUPs in Southeast area of city have a condition requiring that the CUP be established within one year of decision
  - A CUP that requires a building permit is established when the building permit is secured and construction physically commenced
  - Uses not requiring a building permit is established when all activities for CUP have commenced.
REQUESTING FOR EXTENSIONS

- Extension of time to activate a CUP may be granted to up to 5 years.
- Request for extensions must be filed before the CUP expires.
- Extensions are processed at staff level, but ZA can decide to elevate review from staff level to director level.
- Progress at obtaining building permit will be evaluated.

(City Code 17.808.400.B)
TERM OF A CUP

► Once the use is established, the permit is of indefinite duration unless:
  ► Expiration date specifically stated as condition of permit; or
  ► Use is discontinued for a continuous period exceeding two years
MODIFYING YOUR CUP

► A modification is required when there is a change in the use specified in the CUP

➢ Example: If you need to add manufacturing and/or distribution to an approved Production CUP for cultivation, you need to modify the permit

➢ Modification Fee: $3,500 major mod; $918 minor mod

(Sacramento City Code 17.808.440)
FREQUENTLY ASKED QUESTIONS:

Q: How do I find out if a property has a CUP?
A: If you enter a property address on Development Tracker, it will show you if a property as a CUP. You can view the application and the decision by clicking on the ROD link.

Q: If my CUP application is denied, can I re-apply?
A: Yes, but not until after a year after the date of the decision.
BOP SUBMISSION

CANNABIS DISPENSARY PERMIT APPLICATION

New: ___  Renewal: ___  Modification: ___  Relocation: ___

___ Adult: ___  Delivery ($500K and above): ___  Delivery (Less than $500K): ___

G. Conditional Use Permit

Conditional Use Permit Application Number: ____________
Final Notice of Decision received: Yes ___  No ___
Have all conditions of the CUP been met: Yes ___  No ___

Not required for Type N or P Class A permits
OVERVIEW OF THE BOP APPROVAL PROCESS

**Submit:**
1) Approved or submitted CUP
2) BOP requirements (specific to cannabis business type)

1. **Submit BOP Application**

2. **Wait for CUP Approval**

3. **Obtain C of O**

- Not Operating = Non-op BOP
- Operating = Compliance Steps

- Building Permits
- Certificate of Occupancy
- Receive BOP

*Not required for Testing Labs and small manufacturers*
GOAL OF THIS SESSION:

Submit:
1) Approved or submitted CUP
2) BOP requirements (specific to cannabis business type)

Preliminary Review → Interdepartment Review

Approved CUP*
- Not Operating = Non-op BOP
- Operating = Compliance Steps

Building Permits → Certificate of Occupancy

Receive BOP
THE PRELIMINARY REVIEW

- Review for completeness
- Applicants are notified via email to provide additional missing documents
- Common reasons why application is considered incomplete:
  - Security plan not prepared by a professional
  - Owner’s Statement of Consent not notarized
  - Applicant has not applied for a Business Operating Tax (BOT) certificate
  - Application is not paid
- Once all boxes are checked, application goes into interdepartmental review
INTERDEPARTMENTAL REVIEW

- Security Plan routed to Sac PD
- Insurance documents routed to Risk Management
- During this process, applicant should:
  - Apply for a building permit (if CUP is approved)
  - Start working on conditions of the CUP
  - After receiving Building Permit, complete tenant improvements
  - Schedule Building and Fire inspections and address correction notices
  - Secure Certificate of Occupancy from Building Department
- Once Certificate of Occupancy is issued, or a final sign-off has been received from Building Department and Fire Department, contact OCPE for a final walk-through
- All interested parties (20% ownership), managers and drivers need to complete background check (Live Scan/fingerprinting)
INTERDEPARTMENTAL PERMITTING MEETINGS

- Bi-monthly meetings participated by cannabis application approvers, including the Office of Cannabis Policy & Enforcement, Planning Division, Building Department, Sacramento Police Department, Sacramento Fire Department, Code Enforcement, Housing and Dangerous Buildings, City Attorney’s Office
- To discuss outstanding/potential issues with specific applications/ premises to make sure everyone is on the same page.
1) How long does it take to get my BOP?
   - It depends on these factors:
     - Completeness of BOP application
     - CUP approval
     - How long applicant takes to submit building plans, move through correction cycles

2) Can I start operating while my application is being processed?
   - No, unless you are a registered cultivator or delivery-only dispensary. Registered operators are expected to follow all State laws and local ordinances, inspected for compliance and subject to penalties for any violations.
3) What is dual licensing?
   - You need two licenses to operate:
     - Retail, distribution, testing, microbusiness = State license from BCC + BOP from City of Sacramento
     - Cultivation = State license from CDFA + BOP from City of Sacramento
     - Manufacturing = State license from CDPH + BOP from City of Sacramento

4) If I’m doing my build-out in phases, will I get a BOP for the completed part of the project?
   - Yes, as long as the Building Department and the Fire Department has signed off on the completed part of the project, we can issue a BOP with the condition that the permit covers only the completed portion of the project.
FREQUENTLY ASKED QUESTIONS (cont.)

5) How can I check the status of my application?
FREQUENTLY ASKED QUESTIONS (cont.)

6) Can I make changes to my application?

Yes, but first...

- Does the application change require a modification of my CUP?

  YES
  1) Apply for a modification with Planning
  2) Submit BOP modification application

  NO
  Submit BOP modification application
  - Level 1 modification: Change in business structure, etc.
    - $250 fee
  - Level 2 modification: Relocations (requires review of security plan, floor plan, etc.)
    - $500 fee
PREVIEW OF UPCOMING SESSIONS:

Feb 15, 2019

SESSION 1:
The Nuts and Bolts of Tenant Improvement
(Building Department)
- Finding the right design professional
- Navigating the Plan Check/Review Process

SESSION 2:
Fire Safety Essentials for a Cannabis Facility
(Sacramento Fire Department)
- Cannabis Businesses and the California Fire Code: An Overview
- What to expect during a fire inspection
- My facility is on Fire Watch...Now What?
PREVIEW OF UPCOMING SESSIONS:

Mar 1, 2019

SESSION 1:
Putting the Pieces Together - (OCPE)

- Compliance Measures
- Taxes and NRP Payments
- The Annual Inspection
- Gearing up for renewal

SESSION 2:
Q&A

- Site/project specific consultations with staff
CONTACT US:  

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