Cannabis Stakeholder Meeting
August 5, 2019

Presented by:
Office of Cannabis Policy & Enforcement
CUP & BOP UPDATE

Approved CUPs: 209
BOP Applications: 380
Approved: 48 Operational; 39 Non-Op
In Process: 293
Important Dates to Remember:

1. September 9, 2019
   - Building Permit on Hand (issued, paid for, picked up from Building Department)

2. January 31, 2020
   - Must have BOP to continue operating
   - Enforcement action (operating without a permit) to begin Feb. 1, 2020
LETTERS TO REGISTERED CULTIVATORS AND ALL OTHER OPERATING BUSINESSES

OPTION: Request to be removed from the registered cultivators and operating businesses list.

- City will confirm/monitor that you are not operating
- Will take enforcement actions against businesses operating without a permit (may include criminal prosecution or administrative penalties of $500/plant, AND denial of BOP application)

Submit written request to cannabis@cityofsacramento.org
STATE PROVISIONAL LICENSES

- Issued to applicants for an Annual license while the application is being processed.

- Valid for ONE year.

- May be renewed but applicant needs to demonstrate progress.
STATE PROVISIONAL LICENSES

Who is eligible?

- Applicants who previously held a Temp license
  - Local authorization NOT required by BCC and CDPH. CDFA requires a response of “compliant” or “pending”

OR

- Applicants who did not hold a Temp license (AB 97)
  - Local authorization IS required.

AND

- Have submitted a complete application for an Annual license
LOCAL AUTHORIZATION PROCESS FOR ANNUAL LICENSE FOR BCC AND CDPH APPLICATIONS

- Retail
- Distribution
- Testing
- Microbusiness
- Manufacturing
LOCAL AUTHORIZATION PROCESS FOR ANNUAL LICENSE FOR CDFA APPLICATIONS

- Cultivation
LOCAL AUTHORIZATION RESPONSE OPTIONS

**BCC & CDPH:** Compliant and Non-Compliant

**CDFA:** Compliant, Non-Compliant, Pending

**COMPLIANT** – Holds a BOP OR have received their Certificate of Occupancy, Temporary Certificate of Occupancy and in final stages of BOP process.

**NON-COMPLIANT** – Does not meet the criteria above AND have outstanding Code, Building or Fire violations.

**PENDING** – Neither compliant nor non-compliant, but moves through City’s process diligently. May be subject to Fire and Code inspections depending on stage of build-out.
LOCAL AUTHORIZATION RESPONSE OPTIONS

COMPLIANT – May result in the issuance of a State annual or provisional license (State’s discretion).

NON-COMPLIANT – May result in a denial of State application.

➤ Things to consider:

➤ If likely to get a non-compliant response, withdraw State application to avoid denial.

➤ Do not apply until 60-90 days away from getting CofO.
REMINDERS:

- Local authorization is a **NOT** an authorization from the City to operate.
- **Dual licensing** - You cannot operate on State license alone. You need a City BOP!
- The City can change its response and/or revoke any previous local authorization issued at **ANY TIME**, including after a State license has been issued.
PROPOSED MORATORIUM ON INDUSTRIAL HEMP CULTIVATION

- Farm Bill signed on December 12, 2018 legalized industrial cultivation
- State regs still being drafted
- Requires registration in county where cultivation will take place. Registration fee - $900
- Sac County has a one-year moratorium. County cannot refuse if there is no local ban or moratorium
- Proposal: One-year moratorium on all types of hemp cultivation in the City (industrial and residential)
PILOT ARMORED CAR PICKUP PROGRAM

- Armored car service pick up counted and bagged payment directly from the cannabis taxpayer/business
- Reduces risk and saves time of staff transporting cash to City Hall
- Pilot program will be free
- All cash payments over $5,000 will be required to utilize this service.
First BOP issued to CORE Program applicant on July 29, 2019

2 other applicants are in the process

To apply for the program, please contact:

**Sac Grow Green Program** (Sacramento Asian Chamber of Commerce)
- Call 916-389-7473 or email: blewis@sacasiancc.org

**Sac Green Equity Program** (Greater Sacramento Urban League)
- Call 916-576-2008 or email: sacgreenequity@gsul.org
UPCOMING MEETINGS:

8/8/19 – Planning and Design Commission

➢ Volatile Manufacturing

➢ Delete references to “non-volatile” to allow any type of manufacturing all zones where non-volatile manufacturing is currently allowed, EXCEPT FOR C2.

➢ Small Manufacturers

➢ Under $500,000 in annual gross receipts (currently $100,000)

➢ Reference Section 3.08.020 for definition of gross receipts for cannabis manufacturing reporting $0 gross receipts
UPCOMING MEETINGS:

9/3/19 – Law and Legislation Committee

➢ Volatile Manufacturing; Small Manufacturers
➢ One-year Moratorium on all types of hemp cultivation

➢ Title 5 Clean-up
  ➢ Clarification on permit/ownership transfers
  ➢ Expand grounds for denial
  ➢ Remove references to collectives/cooperatives
  ➢ Remove price list, seller’s permit, water efficiency plan from BOP application
  ➢ Waste management – destruction must occur on site
  ➢ Add nursery as its own type of cultivation permit
  ➢ Etc. – non-substantive amendments to match State requirements
QUESTIONS?

Office of Cannabis Policy & Enforcement

📞 916-808-8955

✉️ cannabis@cityofsacramento.org

🌐 www.cityofsacramento.org/cannabis