



## COMMERCIAL CANNABIS BUSINESS REGULATIONS COMMERCIAL CANNABIS PERMIT RENEWALS

These regulations are promulgated by the Office of the City Manager under the authority provided by Municipal Code Section 5-07.48 to implement the provisions of Chapter 5, Article VII of the Salinas Municipal Code. These regulations shall have the same force and effect as law. These regulations shall be effective as of February 7, 2018.

Pursuant to Section 5-07.08, Commercial Cannabis Permits must be renewed on an annual basis. All Requests for Renewals shall comply with these regulations.

### **BEFORE SUBMITTAL**

- Review this information to learn about the renewal process and which documents you will need.
- Review the application in its entirety to ensure that it is complete and accurate.
- Review State laws and regulations governing CCB's, including the California Department of Justice Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use and the Medicinal and Adult-Use Cannabis Regulation and Safety Act, including any amendments thereto, and any draft or final regulations that may be released by the State to implement that law.
- Review the information on the City of Salinas commercial cannabis business webpage:

<https://www.cityofsalinas.org/our-city-services/community-development/commercial-cannabis-businesses>

### **GENERAL INFORMATION**

In general, businesses which have consistently operated in accordance with the requirements of the City Code and State Law shall not have their renewals unduly withheld. However, the City may choose not to renew the Permits for any businesses which have failed to demonstrate the ability to operate in a manner consistent with the requirements of local and state law, even if the business has not been previously suspended.

### **CONTENTS OF REQUEST FOR RENEWAL**

Businesses which wish to renew a Commercial Cannabis Permit shall file a complete Request for Renewal with the City no later than 60 days prior to the Expiration Date of the Permit. A complete Request will include all of the following:

- (1) **Request for Renewal of Commercial Cannabis Permit Form:** This Form will be provided by the City. The requestor shall completely fill out the Form and provide all information requested.
- (2) **Summary of Operations:** The Applicant shall provide, in narrative form, a 1-2 page summary of their operations for the previous year. This narrative shall be succinct, but should address the economic impact of their business (ie sales, employees hired, taxes collected, etc), as well as any significant challenges that the business has encountered, including any measures taken to address these challenges.
- (3) **State License:** A copy of a current, valid State License shall be provided with the Request.
- (4) **Application Fee:** The appropriate fees for permit renewal shall be included with the request.

## REVIEW OF REQUEST

- (1) **Content of Review:** The City will review the request by evaluating the narrative as well as searching City records to determine whether the business has been operating in accordance with the City Code and has not constituted a nuisance. This review may include, but not be limited to, the following:
- The amount and nature of disruptive or criminal activity at or near the site that results in calls to or responses by City emergency crews, where the calls bear some relation to the business's operations, employees, or visitors/customers.
  - The volume, nature, and outcome of any enforcement activity at the site, including, but not limited to, violations of the Zoning Code, Building Code, or laws relating to hazardous materials.
  - Whether all taxes and fees due to the City of Salinas have been paid in full and on time.
  - Whether the business has complied with all other City laws, regulations, and Permit requirements, including a track-and-trace program, employee Work Permits, rules relating to the transport and delivery of cannabis, cannabis products, and cash, etc.
  - Whether the business has been forthcoming regarding any changes to the business principals or business structure.
  - The status of the business's State license.

The City may request additional information from the applicant and/or may obtain information from outside sources, including the general public, if it deems such additional information to be necessary to conduct its review.

- (2) **Grounds for Rejection of the Renewal Request:** The City of Salinas may reject a Request for Renewal if it makes any of the following findings:
- The application was incomplete or was filed less than 60 days prior to the expiration of the Commercial Cannabis Permit.
  - The business's Commercial Cannabis Permit was suspended or revoked at the time of submittal for renewal, or at any time while under review by the City.
  - Upon review of the business's operations, the City finds that the business has not been operating in accordance with City Code and/or has constituted a nuisance.
  - The business's State license has lapsed or been revoked.

## OUTCOME OF REQUEST

- (1) **If the City grants the Request to Renew:** A new Commercial Cannabis Permit shall be issued for the following year. The conditions of this Permit may or may not be the same as the previous Permit. The applicant must take the necessary steps to execute the Permit as stipulated in the Permit requirements.
- (2) **If the City does NOT grant the Request to Renew:** The existing Permit shall lapse upon its expiration date. The business shall cease all commercial activities and shall remove all cannabis and cannabis products from the business location by that date. The requestor may appeal the decision not to renew in accordance with City Code Section 5-07.10; however, the business may not continue to operate past the Permit expiration date while the permit appeal is pending. The business owner(s) will not be disqualified from operating other cannabis businesses or applying for other permits due to the denial of the request.

### **RESERVATION OF RIGHTS**

The City may modify these regulations or cease to accept permit renewal requests without liability, obligation, or commitment to any party, firm, or organization. In addition, the City reserves the right to request and obtain additional information from any candidate submitting a proposal. Furthermore, an application will be rejected if it does not contain the required elements or exhibits.

### **CONTACT**

If you have any questions or would like an update on the status of your application, please send an email to [cannabis\\_inquiries@ci.salinas.ca.us](mailto:cannabis_inquiries@ci.salinas.ca.us) or call the Community Development Department at 831-758-7206.