

Social Equity Cannabis Permit Application Process Orientation

December 8, 2021

1:00 PM

<u>AGENDA</u>

- Introductions
- Background / Key Information
- Application Procedures
- Submitting the Application
- Questions

This webinar is recorded & will be available on our website soon with the PowerPoint.



INTRODUCTIONS



BACKGROUND

- December 13, 2018 the Fresno City Council adopted the Cannabis Retail Business and Commercial Cannabis Business Ordinance.
- Amended on January 30, 2020 and June 25th, 2020, September 24, 2020, and May 27, 2021.
- First application window opened October 2020



BACKGROUND

- Authorizes sixteen (16) Cultivators, Distributors, or Manufacturers, Microbusiness (non-retail) (no specific number of each type).
- A minimum of one (2), maximum of two (4) of these permits will be awarded to an equity applicant.
- No limit on Testing Laboratories.
- Current non-retail applications in progress: 4 (one SE)



Zoning

- Commercial Cannabis Businesses (non-retail): Cannabis Innovation Hub or within one-half (1/2) mile of State Route 99 between Shaw Ave. and Clinton Ave., one (1) mile of State Route 99 north of Shaw Ave. or south of Clinton Ave., or within one (1) mile of State Route 180 west of State Route 99, and must be zoned either IL (Light Industrial) or IH (Heavy Industrial), and must meet all of the requirements for development in these zones. All buildings shall be no closer than one thousand (1,000)
 - All buildings shall be no closer than one thousand (1,000) feet from any property boundary containing sensitive use.



Applicants should review:

- Fresno Municipal Code: Chapter 9, Article 33
 - Chapter 7, Article 14 (Cannabis Business License Tax)
- Application Procedures and Guidelines
- State of California cannabis regulations



Fees

- Application Fee: \$7,920.00
- CCB Permit Fee: \$19,798
- Zoning Inquiry Letter: \$522.00
- *Livescan Background Check: \$69.00 per person
- *Conditional Use Permit: \$13,391.00
- *Business Tax Certificate Application: \$14.00

Pursuant to FMC 9-3316(b)(vi), qualified Social Equity applicant's application fee will be waived. Business grants and loans may also be available to assist social equity businesses.



Permits

The ONLY permit types available in this application round include:

- Cultivation
- Manufacturing
- Distribution
- Microbusiness (non-retail)
- Testing

Applications for Cannabis Retail Permits are NOT available at this time.



Social Equity / Local Preference

It is the intent of the City of Fresno to promote equitable ownership and employment opportunities in the cannabis industry to decrease the disparities in life outcomes for marginalized communities and to provide opportunities for local residents to compete for cannabis business permits.



Social Equity Eligibility

- 1. Low income household and either:
- a. A past conviction for a cannabis crime, or
- b. Immediate family member with a past conviction for a cannabis crime.
- 2. Low income household in a zip code identified as at least 60% according to the CalEnviroScreen for five (5) consecutive year period and either:
- a. A past conviction for a cannabis crime, or
- b. Immediate family member with a past conviction for a cannabis crime.

Low-income household whose gross income does not exceed 80 percent of the area median income for Fresno County.

Social Equity Eligibility (continued)

- 3. Low income household and either:
 - a. Five (5) years cumulative residency in a zip code identified as at least 70% according to the CalEnviroScreen, or
 - b. Ten (10) years cumulative residency in a zip code identified by CalEnviroScreen.
- 4. Business with no less than fifty-one percent (51%) ownership by individuals who meet Criteria 1 and 2 above.
- 5. Cannabis social enterprise with no less than fifty-one percent (51%) ownership by individuals who meet Criteria 1 and 2 above.
- 6. An individual with a membership interest in a cannabis business formed as a cooperative.



Technical Assistance

 Pursuant to FMC 9-3316(b)(vi), qualified Social Equity applicants will be provided with technical assistance during the application process.





https://www.makegreengo.com/

Technical Assistance

- Business Plan Development
- Satisfying the Social Policy Requirement (FMC Section Sec. 9-3316(b))
 - a. Hosting/Funding Expungement Clinics or related outreach
 - b. Crafting an environmentally sustainable business model
- Satisfying the Neighborhood Compatibility Requirement (includes Odor Control Plan, Waste Disposal, Nuisance Abatement)
- A detailed plan identifying specific business and social goals of your organization, as well as strategies for achieving them.
- Assistance securing business locations prior to or during the application process.
- Assistance securing capital investments (excluding loans and grants from the City)
- Assistance in recruiting, training, and retention of a qualified/diverse workforce.



ESTABLISHMENT OF THE FRESNO COMMUNITY REINVESTMENT FUND

In order to support equity in the local cannabis industry, The City of Fresno established the Fresno Community Reinvestment Fund ("the Fund") to support local equity businesses operating in the City of Fresno under Article 33 Section 9-3315(b)(6). The fund will support local equity businesses in the area of workforce development, access to affordable commercial real estate, access to investment financing, and access to legal services and business administration technical assistance. Businesses are encouraged to consider this in the development of their community benefits and investment plan.

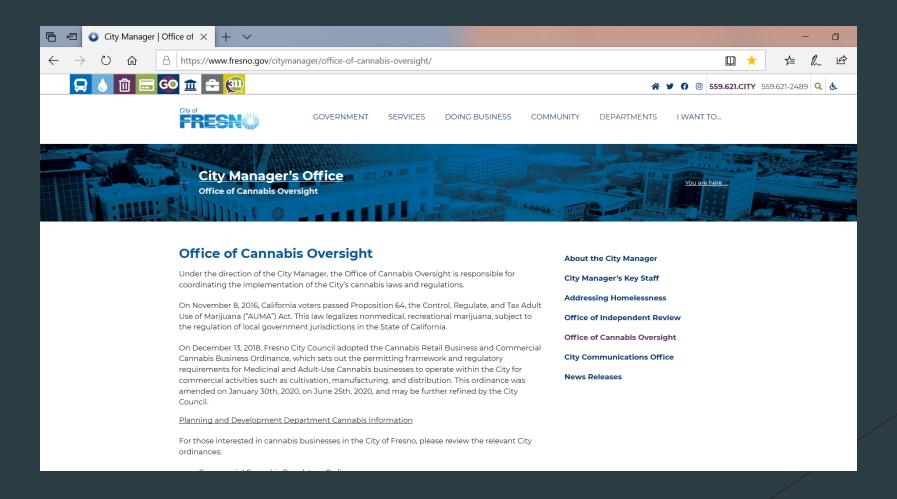
City of Fresno Non-Retail Cannabis Business Permit Applications 2021-2022 – Social Equity Application Process

PROJECT/EVENT	CANNABIS PERMIT REVIEW PROCESS	This timeframe is for the second application window and is an <u>estimate</u> based on current information as of 12/1/2021. It anticipates a total of 10
ORGANIZER	JENNIFER RUIZ, PROJECT MANAGER	permit applications. This estimate is subject to change.

PROJECT PHASE	STARTING	ENDING	KEY DATES	DATE
Applicants Prepare & Submit Eligibility	12/01/2021	1/15/2022	Applications Available	12/01/2021
Initial Review of Eligibility	1/17/2022	2/04/2022	Application Process Orientation	12/07/2021
Phase II & Phase III	4/11/2022	04/29/2022	Application/Eligibility Due By 4:00 P.M.	1/15/2022
Conduct Interviews	5/02/2022	5/27/2022	Phase II Documents Due By 4:00 P.M.	3/04/2022
Tabulate Total Score/City Mgr Review	5/30/2022		Phase III Documents Due By 4:00 P.M	3/25/2022
		6/17/2022	Earliest Anticipated Opening Date	9/30/2022
CUP/Final Requirements	6/20/2022	9/30/2022		

DECEMBER JANUARY									FE	FEBRUARY MARCH AP										APRIL								MAY													
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https://www.fresno.gov/cannabis



FAQ: "Local Preference"

- <u>Criteria 2.5</u> Describe the extent to which the Commercial Cannabis Business will be a locally managed enterprise whose owners and /or managers reside within or own a commercial business within the City of Fresno, for at least one year prior to March 2, 2020.
- Met when 51% of ownership meets this criteria.
- Partial points for County of Fresno vs. City of Fresno.

FAQ / FYI:

- Changes in Location (after application submitted): Fresno Municipal Code (FMC) Section 9-3325 allows a cannabis retail business or commercial cannabis business to change locations. The process and fees to relocate a permitted cannabis business shall be the same as the process and fees adopted by the Fresno City Council for new CCB Permit applications. A change in location shall only be considered for cannabis businesses that are eligible for final approval for a CCB Permit from the City Manager.
- Changes Ownership (after application submitted): FMC 9-3325(a)(1) requires that changes in ownership for the <u>replacement</u> of any operator, owner, investor, or manager of a cannabis business will only be considered at the same time as a renewal application and with the filing requirements stated in FMC 9-3322. "Replacement" of an owner means a new individual is being added to the ownership structure either in place of another owner or by means of reducing the equity ownership of other owners.

FAQ / FYI:

- Separate application for each permit type.
- Please use 12 point font, Times New Roman or Arial
- Diagrams should be legible.
- Living Wage
 (https://livingwage.mit.edu/counties/06019)

FAQ / FYI:

• Q: Can an in-house security consultant qualify as a professional consultant? A: If your in-house security person is a qualified professional security expert who possess such expertise and it can be demonstrated by preparing a response to the scoring criteria this would be acceptable.

Application Procedures



Submitting the Application



Submitting the Application FAQ:

- Multiple applications can be submitted until a single
 Viewpoint ID but please follow limitations in the procedures.
- Background check if you have more than one owner or the owner is not the person filling out the application on OpenGov, please go to the main portal page to complete background forms for each owner, operator, investor, manager. It can be done under one Viewpoint ID.

Questions

Q&A is ONLY for the application process that opened December 1, 2021. Please call the Office of Cannabis Oversight if you have questions about the application process that started in 2020.



Thank you!

https://www.fresno.gov/cannabis

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Email: Cannabis.regs@fresno.gov

