# COMPANIES

#### CITY of SAN FERNANDO Community Workshop

Presented by: Matthew Eaton

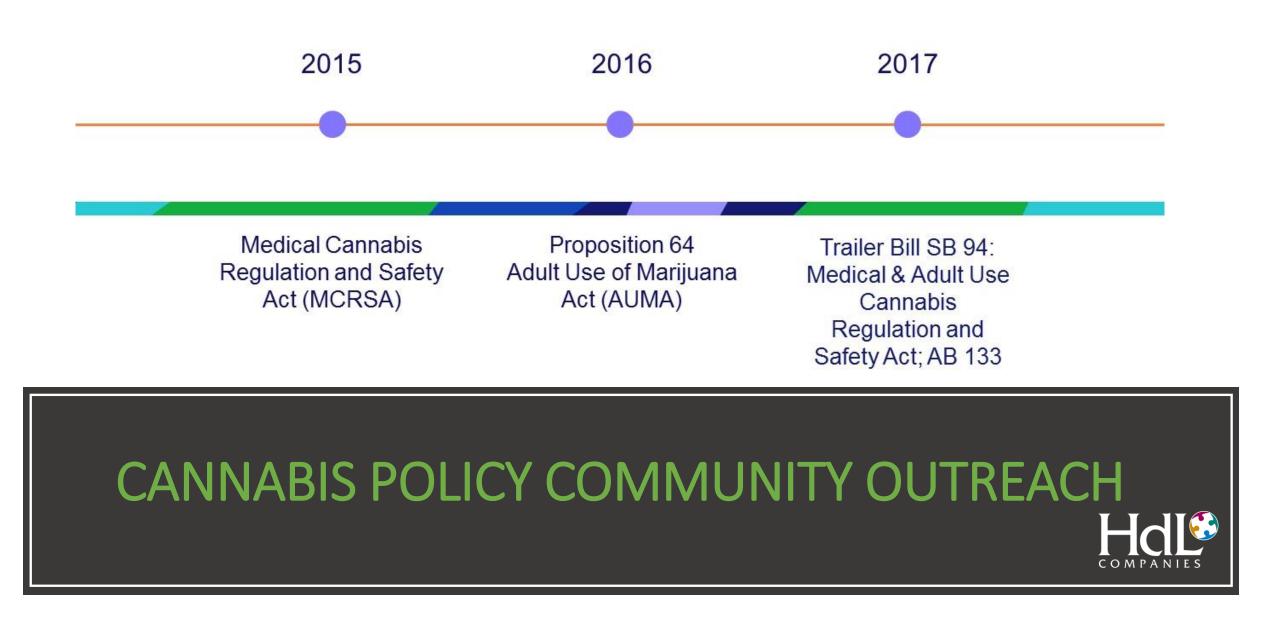


# COMPANIES

Overview of State & Local Legislation



#### **California Cannabis Legislation**

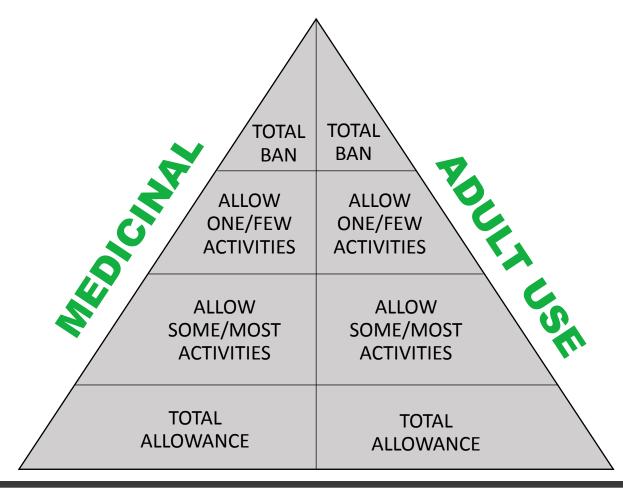


#### Protects local control by:

- **Dual licensing:** A requirement in statute that all marijuana businesses must have both a state license and a local license or permit to operate legally in California. Jurisdictions that regulate or ban medical marijuana will be able to retain their regulations or ban.
- Enforcement: Local governments may enforce state law and local ordinances if they request that authority and if it is granted by the relevant state agency.

## MEDICAL & ADULT-USE CANNABIS REGULATION AND SAFETY ACT (MAUCRSA)





# REGULATORY OPTIONS

### MARIJUANA POLICY DEVELOPMENT

"Policies designed today will help shape how your industry looks tomorrow." -HdL Companies

### **CREATING REGULATIONS**

#### Areas to Consider

- Hours of operation
- Business location (zoning)
- Signage/advertisement
- Physical security
- Smell, sight, noise
- Reporting requirements
- Employee badge requirements

### **CREATING REGULATIONS**

#### Areas to Consider

- Unpermitted construction activity
- Vendors and consultants
- Access control requirements
- Record reporting/retention requirements
- Investigation and inspection protocols
- Good neighbor policy

# COMPANIES

Overview of Commercial Cannabis Business types



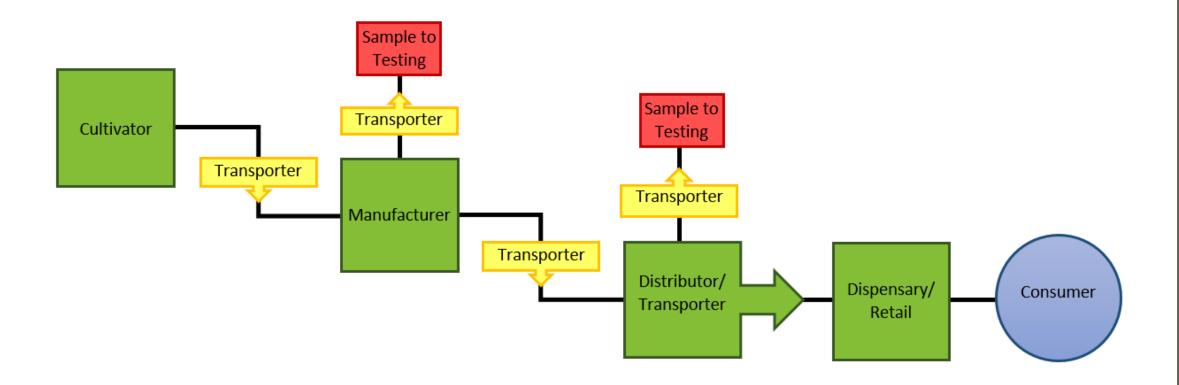


#### CANNABIS POLICY COMMUNITY OUTREACH

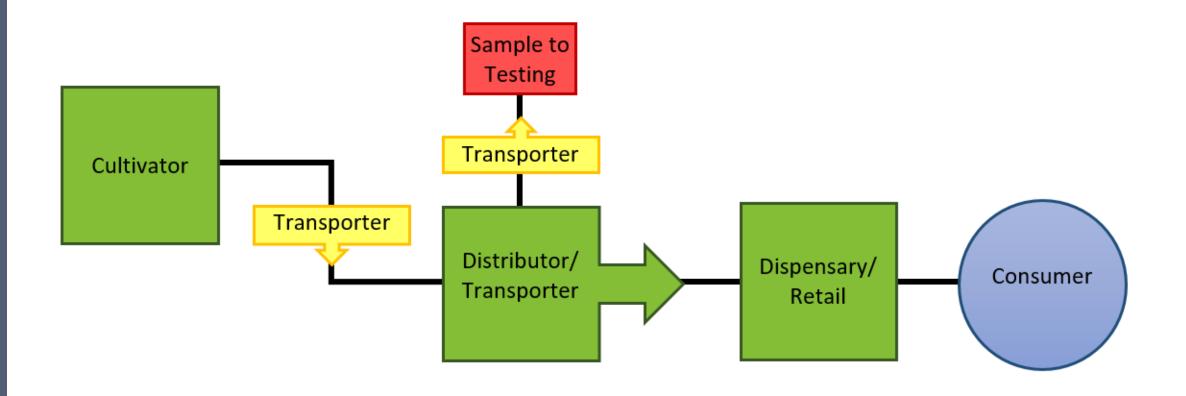
#### City Council Sets Cannabis Regulatory Policies on:

- Cultivation
- Microbusiness
- Manufacturing
- Testing Labs
- Delivery/Non Store Front Retailer
- Retail-Medicinal/Adult-Use
- Distribution Facilities

Manufactured Cannabis Products Model (concentrates, edibles, salves, tinctures, etc.)



Non-Manufactured Cannabis Model (flower, leaf or pre-rolled)





### **RETAILER/MICROBUSINESS**

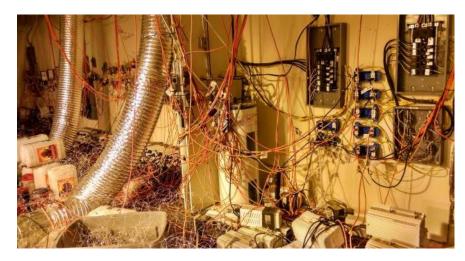






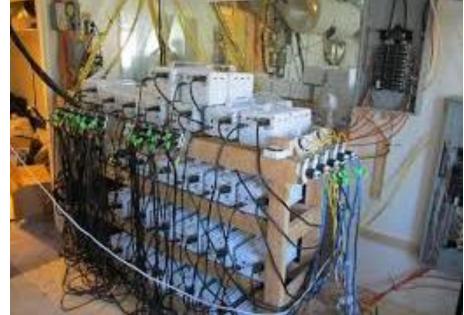
# CULTIVATIONS











# ELECTRICAL EQUIPMENT







# EXTRACTION FACILITY







# MANUFACTURING







# UNLICENSED ACTIVITIES







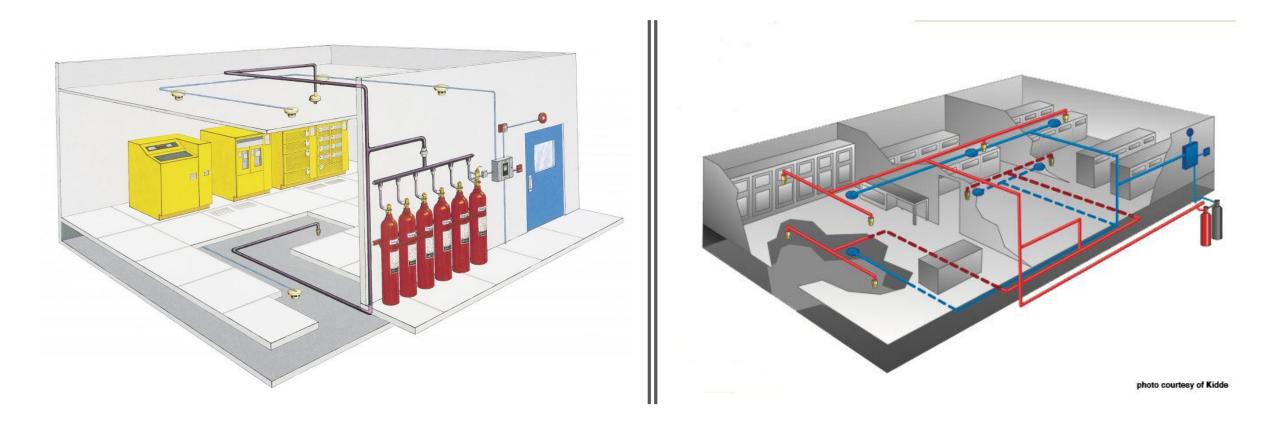


# DISTRIBUTION

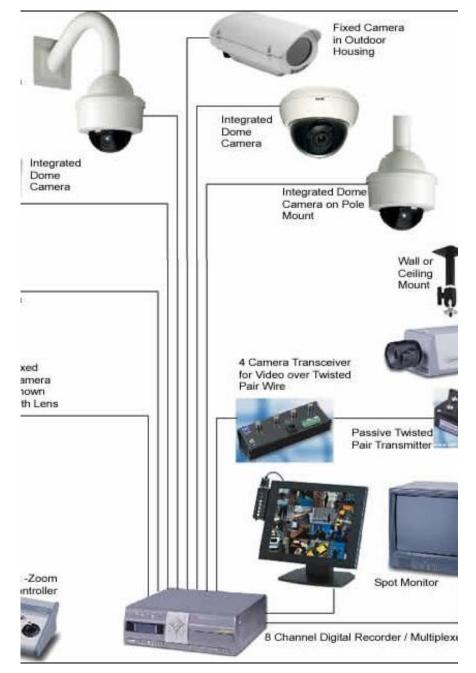


# **TESTING LABORATORIES**











## SECURITY PLAN





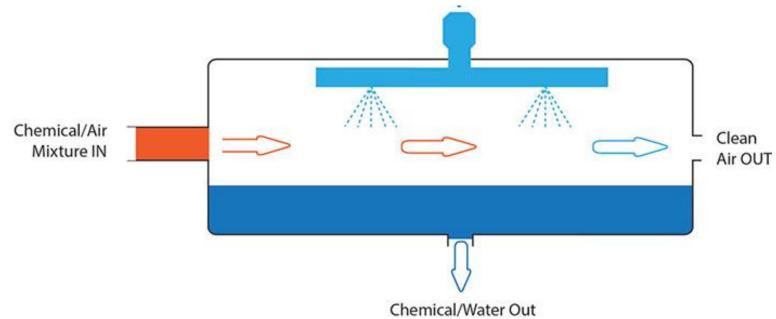


## **INVENTORY TRACKING**









# ODOR MITIGATION





CHILD RESISTANT ASTM D3475 CERTIFIED

#### ENHANCED PRODUCT SAFETY (Regulated Product Packaging)



# UNIVERSAL SYMBOL

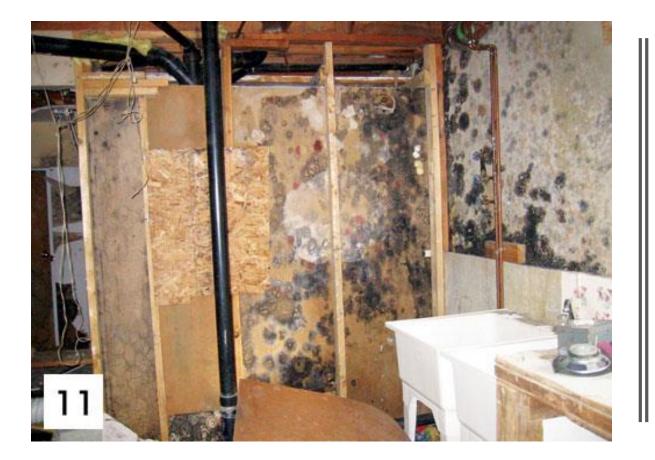






## PERSONAL CANNABIS CULTIVATIONS







# IMPACTS OF PERSONAL CANNABIS CULTIVATIONS



# THOUGHTFUL LOCAL REGULATIONS SHOULD ADDRESS THE POTENTIAL IMPACTS:

- Unsafe electrical & construction
- Waste management
- Water & power usage
- Quality of life complaints
  - Lighting, noise, odor

# HEALTH AND SAFETY IMPACTS



# COMPANIES

# Benefits of Regulation (Lessons Learned)



### BALANCED APPROCH TO OVERSIGHT

1

# MONITOR: The progress

2

# MEASURE: The results

3

**MODIFY**: The rules as needed

# COMPANIES

### Taxes & Fees



#### **CANNABIS STATE AND LOCAL TAX RATES**

#### State Cannabis Excise Tax

(Applies to medical and non-medical)

#### **Retail Tax**

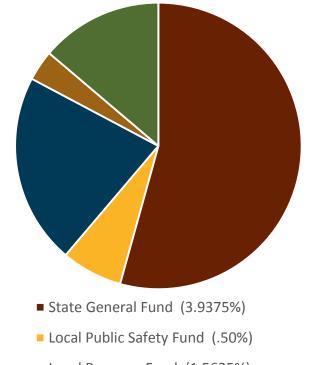
15% Gross Receipts of Retail Sales

#### **Cultivation Tax**

\$9.25/oz. Flowers \$2.75/oz. Leaves

#### Sales and Use Tax: 7.25% +

Adult-Use Subject to Tax Medicinal May be Subject to Tax



- Local Revenue Fund (1.5625%)
- County Transportation Fund (.25%)
- City/County Operations Fund (1.00%)

**City Cannabis Tax** (Medicinal /Adult –Use)

XX% of Gross Receipts\$XX Per Square Feet\$XX Flat Rate\$XX Per Weight

#### City Cost Recovery Fees (Prop 26) (Medicinal/Adult-Use)

\$XX Application Fee \$XX License Fee \$XX Renewal Fee \$XX Administration Fee

	MEDICINAL	ADULT-USE
Cultivation	YES / NO	YES/NO
Manufacturing	YES / NO	YES / NO
Testing (Quality Control)	YES / NO	YES / NO
Retailer/Non-Store Front Retailer (Dispensary/Delivery Services)	YES/NO	YES / NO
Distribution Facility	YES / NO	YES / NO
Microbusiness	YES/NO	YES / NO

## CATEGORIES OF USE



# COMPANIES

### THANK YOU!

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