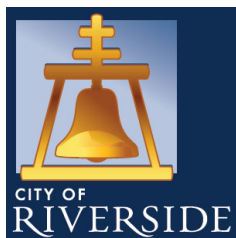


REVISED

Date: 10-17-23
Item No.: 08



Cannabis Business Permit Application Review Process and Criteria

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

City Council
October 17, 2023



1

RiversideCA.gov

1

BACKGROUND

- February 28, 2023 - City Council
 - Ordinance 7628 Replacing Chapter 5.77 in its entirety;
 - Ordinance 7629 Amending Title 9; and
 - Ordinance 7630 Amending Title 19
- Directed Staff to:
 - Implement a Cannabis Permit Program
 - Develop a Cannabis Equity Program









2

RiversideCA.gov

2

CANNABIS USES

Business Type	Maximum Number
 Storefront Retail	14
 Manufacturing/Distribution	No Limit
 Testing Laboratories	No Limit
 Commercial Cultivation	Prohibited
 Microbusinesses	Prohibited



3

RiversideCA.gov

3

GUIDELINES AND CRITERIA

- Cannabis Business Permit
- Background Checks
- Community Benefits
- Business Tax Certificate
- Operational Requirements
- Security Requirements
- Compliance with Zoning
- Location Restrictions:
 - 600 feet from:
 - Commercial Daycare Centers
 - Community Centers
 - 1,000 feet from:
 - K-12 Public/Private Schools



4

RiversideCA.gov

4

PROPOSED APPLICATION REVIEW PROCESS

- Application period – 30 days
- Concurrent review of application and business proposal;
- Time to secure property – 180 days;
- Review Panel comprised of staff representing City Manager, Fire, Police, and CEDD;
- No design and location review as part of scoring criteria;
- City Council not involved in selection process;
- Provide additional information regarding 5 staff positions;
- Bring process for non-retail cannabis uses at a later time;
- Provide additional information on the equity process; and
- Issue all 14 permits at this time, without equity set-aside.


5
RiversideCA.gov

5

PROPOSED APPLICATION REVIEW PROCESS


Application Period – 30 Days

Phase 1 – Application Clearance, Merit-Based Evaluation, and Ranking of Applicants

- Step 1.1: Application Clearance
- Step 1.2: Merit-Based Evaluation

Phase 2 – Application Final Approval

- Step 2.1: Location Selection
- Step 2.2: Zoning Verification Letter
- Step 2.3: Site Submittal and Review
- Step 2.4: final Permit Approval


6
RiversideCA.gov

6

APPLICATION PROCESS KICK OFF



- 30-day Application Window



- Cannabis-Specific Web Portal Go-Live Prior to Application Window
 - Application Forms and Guidelines
 - Reference Documents
 - Frequently Asked Questions



7

RiversideCA.gov

7

APPLICATION REQUIREMENTS

- **Application Form**
 - Applicant/Owner Information
 - Business Entity Status
 - Experience
 - Criminal Convictions
 - State Law Compliance
 - Insurance Compliance
 - Labor Peace Agreement
 - Defense and Indemnification
- **Business Proposal**
 - Qualifications of Owners and Operators
 - Business Plan/Financial Investment
- **Operations Plan**
 - Staffing, Training & Education
 - Standard Operating procedures
 - Air Quality Control
- **Safety/Security Plan**
- **Labor, Employment, and Local Sourcing Plan**



8

RiversideCA.gov

8

REVIEW, EVALUATION, AND RANKING

Step 1.1: Immediately Upon Receipt

- Application Checklist Review

Step 1.2: Merit-Based Evaluation

- Application package circulated to Review Panel
- Proposals Reviewed and Scored based on merit-based criteria
- Points assigned by each reviewer and cumulative score determined
- Top 14 Applicants ranked and receive provisional approval



9

RiversideCA.gov

9

PHASE 2 – SITE SELECTION AND FINAL REVIEW

Step 2.1: Preferred Location Selection

Step 2.2: Zoning Verification Letter

- Zoning Compliance
- Location/Separation Review



Step 2.3: Site Submittal and Review

- Site Details
- Business, Operational, and Safety/Security Plans



10

RiversideCA.gov

10

PHASE 2 – SITE SELECTION AND FINAL REVIEW

Step 2.4: Final Permit Approval

- Proof of Property Control
- State License
- City Business Tax Certificate
- Entitlements
- Building, Fire and Occupancy Permits
- Commercial Cannabis Operational Agreement
 - Insurance
 - Indemnification
 - Community Benefits
 - Local Hiring Practices
 - Labor Peace Agreement
 - Local Sourcing Practices



11

RiversideCA.gov

11

TENTATIVE PROCESS SCHEDULE

Application Period		
Application Period	30 Days	Nov. 15 – Dec. 15, 2023
Phase 1 – Review, Evaluation, and Ranking		
Step 1.1: Application Clearance	7 Calendar Days (max)	Nov. 2023 – Dec. 2024
Step 1.2: Merit-Based Evaluation	45 Calendar Days	Dec. 2023 – Jan. 2024
Phase 2 – Site Selection and Final Review		
Step 2.1: Location Selection	Due within 30 Calendar Days 7 Calendar Day Review	Jan. 2024 – Mar. 2024
Step 2.2: Zoning Verification Letter	14 Calendar Days	Jan. 2024 – Apr. 2024
Step 2.3: Site Submittal and Review	Due 90 Days from ZVL 30 Calendar Day Review	Jan. 2024 – May 2024
Step 2.4: Final Permit Approval	Varies – Applicant Must Meet All Conditions of Approval	Mar. 2024 – May 2025



12

RiversideCA.gov

12

CANNABIS APPLICATION FEES

Application Fee

All applicants

Recover cost of facilitator, staff and administrative overhead

Site Review Fee

Top 14 ranked applicants

Recover costs to prepare Zoning Verification Letter, negotiation/preparation of Agreements, Technical review of construction plans, operational plan, business plan, safety/security measures, and business improvements.



13

RiversideCA.gov

13

STAFFING NEEDS

Community and Economic Development

1. Facilitator/Project Manager - \$101,539
2. Senior Planner - \$114,330
3. Building Inspector I-II - \$104,017

Police Department

4. Detective- \$138,809

Finance Department

5. Principal Management Analyst - \$121,170



14

RiversideCA.gov


14

Cannabis Equity Program Timeline	
Procurement Process	
Issue RFP for cannabis equity consultant	October 2023
Consultant selected	November 2023
Council considers consultant agreement	January 2024
Cannabis Equity Assessment	
Consultant begins equity assessment report	January 2024
Consultant concludes assessment report (earliest)	August 2024
Committee receives update on assessment report	September 2024
Council receives update on assessment report	October 2024
Program Development Framework	
Consultant begins program development framework	October 2024
Consultant finishes program development framework (earliest)	February 2025
Committee and Council consider approval of the program	March 2025
Establishment of Cannabis Equity Program	April 2025




STRATEGIC PLAN ALIGNMENT

Envision Riverside 2025 Strategic Plan Priorities




#3 Economic Opportunity




#5 High Performing Government


Cross-Cutting Threads




Community Trust




Fiscal Responsibility



Sustainability & Resiliency



Equity



Innovation



RECOMMENDATIONS

The Economic Development, Placemaking and Branding/Marketing (EDPBM) Committee recommends that the City Council:

1. Adopt a Resolution to adopt the Storefront Retail Commercial Cannabis Business Permit Procedure Guidelines and Application Review Criteria; and
2. With at least five affirmative votes authorize an increase of five (5) (Limited Term) Full Time Equivalent (FTEs) in the General Fund for the purpose of Cannabis Permit Review Guidelines.



17

RiversideCA.gov

17

RECOMMENDATIONS

Councilmember Fierro further recommends that the City Council:

1. Approve as part of the Resolution to adopt the Storefront Retail Commercial Cannabis Business Permit Procedure Guidelines and Application Review Criteria the following modifications not included in the motion of the EDPBM Committee:
 - a. Require proof of property control within 90 days of receiving Provisional Approval, with a discretionary extension of an additional 90 days, as part of the Preferred Location Submittal in Phase 2 rather than a condition of final approval;
 - b. Include a merit-based evaluation criteria that provides additional points to those applicants that commit to paying a Living Wage;



18

RiversideCA.gov

18

RECOMMENDATIONS

- c. Include a merit-based evaluation criteria that provides additional points to those applicants that demonstrate they have previously entered into a collective bargaining agreement at another location under their ownership; and
- d. Include a merit-based evaluation criteria that provides additional points to those applicants that describe the process they will follow to ensure the collective bargaining rights of employees who have demonstrated support for a bonafide labor union, including but not limited to a card check process.

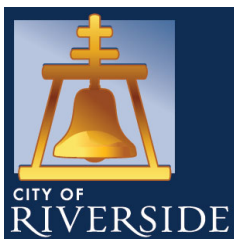


19

RiversideCA.gov

19

Cannabis Business Permit Application Review Process and Criteria



COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

City Council
October 17, 2023



20

RiversideCA.gov

20

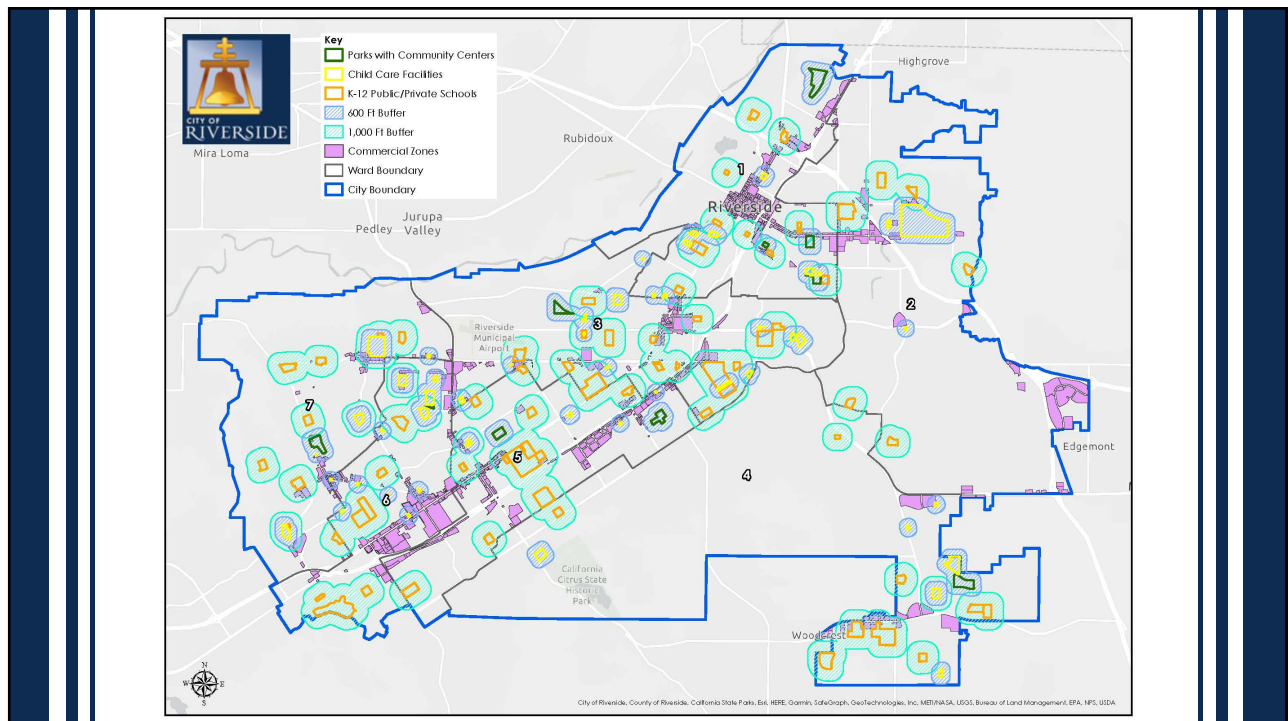
REFERENCE SLIDE



21

RiversideCA.gov

21



22