

Cannabis Testing Laboratory Business Permit Procedure Guidelines and Application Fee

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

City Council

August 19, 2025

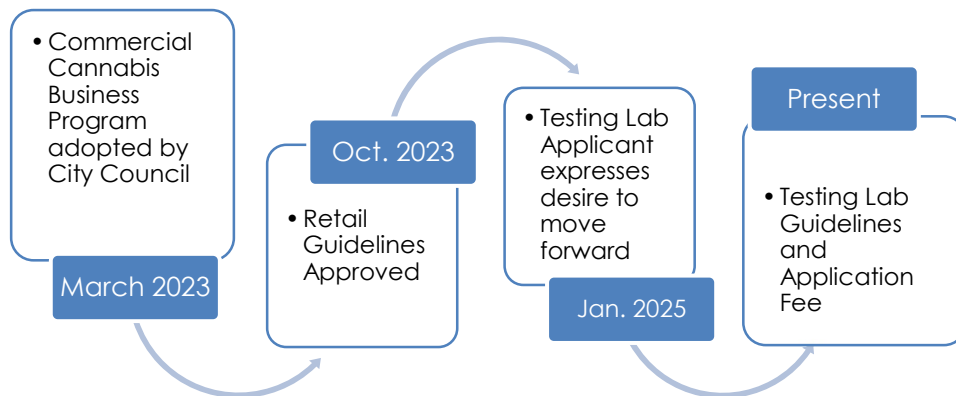


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BACKGROUND






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PERMITTED BUSINESS TYPES

Business Type	Maximum Number
 Storefront Retail	14
 Manufacturing/Distribution	No Limit
 Testing Laboratories	No Limit

Prohibited Business Types:

- Commercial Cultivation
- Microbusinesses



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RMC TITLE 5 REQUIREMENTS

Cannabis Business Permit

Background Checks

Operational Requirements

Security Plan

Zoning Compliance

State Location Requirements:

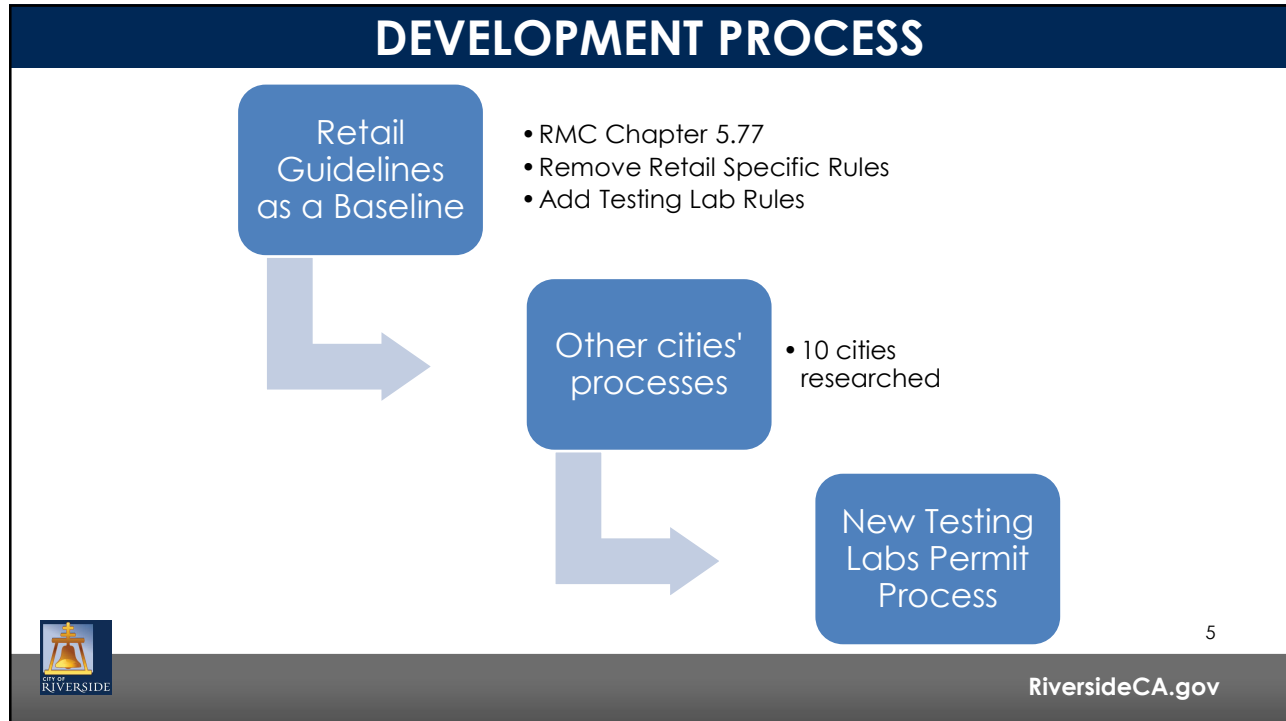
- K-12 Public/Private Schools
- Commercial Daycare Centers
- Youth Centers



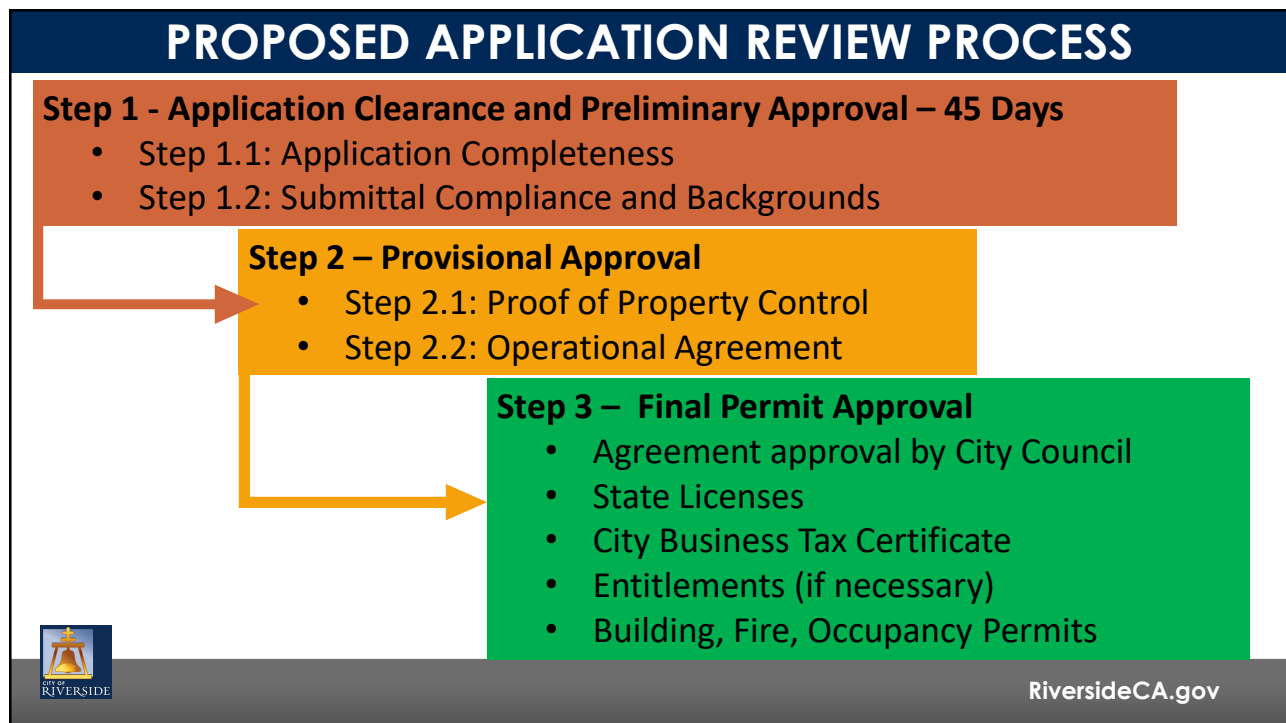
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APPLICATION SUBMITTAL REQUIREMENTS

Application Form

- Applicant/Owner Information
- Location Information
- Business Plan
- Operations Plan
- Safety / Security Plan
- Site Details
- Owner Live Scan / Background
- Defense and Indemnification
- Labor, Employment, and Local Sourcing Plan
- Laboratory Certification
- Application Fees



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STEP 1 – PRELIMINARY APPROVAL

Step 1.1: Application Clearance

- Initial Application Completeness Review
- Review of Clearance Requirements

Step 1.2: Compliance Review

- Application Documents reviewed for Compliance
- Ownership Background Checks



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STEP 2 – PROVISIONAL APPROVAL



Step 2.1: Proof of Property Control

- Signed Lease or Deed

Step 2.2: Operational Agreement

- Insurance
- Indemnification
- Audits
- Community Benefit
- Labor, Employment Agreement
- Local Sourcing Practices



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STEP 3 – FINAL PERMIT APPROVAL

- **Final Permit Approval shall be granted if the following conditions are met:**



- City Council Approval of Operational Agreement
- State License
- City Business Tax Certificate
- Entitlements are approved (if needed)
- Building, Fire, Occupancy Permits are completed



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TESTING LAB APPLICATION FEE

User Fee Study

- Establish Application Fee to recover staff time and costs
- Approach to Establish Fees
 - Review and Analyze other city's fees
 - Identify staff time and other costs



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CITY COMPARISONS

Activity	Riverside Full Cost	Moreno Valley	Corona	Riverside County	San Bernardino	Pomona	Pasadena	Santa Ana	Long Beach	Perris	Costa Mesa
Testing Laboratory Application Fee	\$ 7,511.00	Not Allowed	\$ 8,878.00	\$ 9,646.14	\$ 15,015.55	\$13,158.00	\$ 13,654.00	\$13,500.00	\$ 5,925.45	\$ 16,008.45	\$20,380.00
		N/A	Flat Fee	Deposit	Flat Fee	Flat Fee	Flat Fee	Flat Fee	Flat Fee	Flat Fee	Annual Fee

Fee Options:

Flat Fee*

- Time and Materials
- Reduced Admin Time

Deposit

- Time/Costs charges against deposit
- Requires tracking time and processing refunds

* Recommended Option

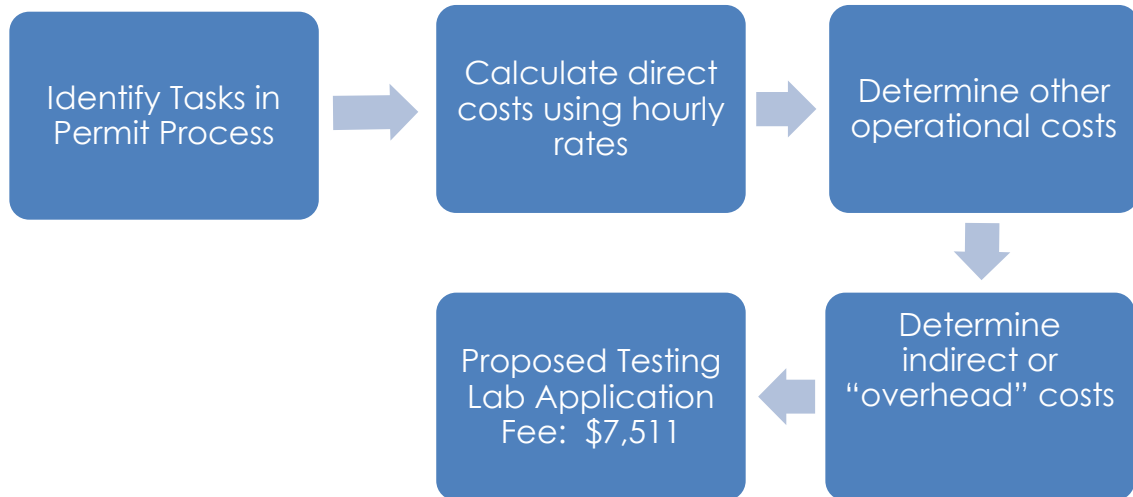
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FLAT FEE CALCULATION



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RECOMMENDATIONS

Staff recommends that the City Council:

1. Conduct a public hearing on the amendment to the City of Riverside's Fiscal Year 2025/26 Master Fees and Charges Schedule for the addition of the Cannabis Testing Laboratory Application Fee;
2. Adopt a Resolution to adopt the Testing Laboratory Commercial Cannabis Business Permit Procedure Guidelines; and
3. Adopt a Resolution amending the City's Fees and Charges Schedule providing for a testing laboratory commercial cannabis business permit application fee of \$7,511.



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