

# DEPARTMENT OF FINANCIAL MANAGEMENT BUSINESS SERVICES BUREAU

# **Cannabis Business License Application Instructions**

# I. Submitting Applications

Applicants must submit hard-copy applications and all applicable attachments. Complete the application and all accompanying forms legibly in black or dark blue ink, or using the PDF form. Forms completed in pencil will be returned to you. Please make sure that you and other authorized individuals sign and date the forms, where applicable.

Submit your application in person to:

City of Long Beach Business License Division 411 W. Ocean Blvd., 2<sup>nd</sup> Floor Long Beach, CA 90802

Monday through Friday 7:30 a.m. to 4:00 p.m.

For licensing assistance, you may contact us at: <a href="mailto:lbbiz@longbeach.gov">lbbiz@longbeach.gov</a> or (562) 570-6211 <a href="mailto:www.longbeach.gov/cannabisbusiness">www.longbeach.gov/cannabisbusiness</a>

# Public Records - Reminder to All Applicants

All business license applications, except financial and proprietary information, become a matter of public record and shall be regarded by the City as public records. The City shall not in any way be liable or responsible for the disclosure of any such records or portions thereof if the disclosure is made pursuant to a request under the Public Records Act.

AS YOU KNOW, THE CULTIVATION, POSSESSION, MANUFACTURING, DISTRIBUTION AND SALE OF ANY TYPE OF CANNABIS, INCLUDING MEDICAL CANNABIS, IS PROHIBITED UNDER FEDERAL LAW. STATE LAW DOES NOT PROVIDE ANY PROTECTIONS FOR VIOLATIONS OF FEDERAL LAW. THUS, CANNABIS BUSINESSES PROCEED AT THEIR OWN RISK WITH NO RECOURSE UNDER STATE OR FEDERAL LAW.

## II. Application Fees

The application fees for the specific license type (medical or adult-use) are due and payable to the City at the time the application is submitted and are not refundable.

- a. Cash payments will be accepted at the Lobby Level only.
- b. Check payments will be accepted at the 2<sup>nd</sup> Floor Cashier or on the Lobby Level. Make your check payable to the "City of Long Beach".

See information regarding the application fees below.

#### ADULT-USE CANNABIS LICENSES

Fee Description	Fee Amount
Adult-Use Cannabis Annual Regulatory Fee*	\$2,840
Adult-Use Cannabis Application Review Fee*	\$380
Adult-Use Cannabis Social Equity Program Fee*	\$2,500
Adult-Use Cannabis Background Investigation Fee*	\$150 per owner
Building Review Fee	\$22.45
Zoning Review Fee	\$33.00
Total (for application with one owner)	\$5,925.45

<sup>\*</sup>Fees marked with an asterisk are waived for Equity Businesses

#### **MEDICAL CANNABIS LICENSES**

Medical cannabis application fees are based upon the number of owners and business managers listed on the application.

# of Owners and Business Managers	Application Fees
1	\$200.45
2	\$345.45
3	\$490.45
4	\$635.45
5	\$780.45
6	\$925.45

#### III. Withdrawing an Application

An applicant may withdraw an application at any time prior to the City's issuance of a license or denial of a license. Requests to withdraw an application shall be submitted to the City using the Cannabis Application Withdrawal Form dated and signed by all owners. The form can be submitted via email at <a href="mailguanalicense@longbeach.gov">mailguanalicense@longbeach.gov</a> or by mail to: City of Long Beach Business License Division, Attn: Emily Armstrong, 411 W. Ocean Blvd., 6th Floor Long Beach, CA 90802. The City will not refund application fees for a withdrawn application. An applicant may reapply and pay a new application fee at any time following the withdrawal of an application.

#### IV. Application Processing

The City shall notify the applicant in writing that the application is either:

- 1. Complete and accepted for further review; or
- 2. Incomplete and the reasons for the incompleteness
  - a. The City shall receive the missing information from the applicant no later than ninety (90) calendar days from the date of the notification from the City. Failure to provide the designated missing information will result in disqualification of the application for further consideration. The ninety (90) day deadline may be extended for good cause. Please contact the City immediately to inquire about the extension requirements as there is a ten (10) calendar day deadline to request one.
  - b. If disqualified, the applicant may reapply and pay a new application fee.

#### **Incomplete Application Fee**

Effective October 1, 2018, a \$50.00 Incomplete Application Fee is charged for each "INCOMPLETE" notice following the initial notice. If all required documents or revisions are not provided back to the City in one submission, the Incomplete Application Fee will be charged upon the issuance of each additional notice.

Once the City has verified the application is complete, it will conduct a substantive review of the application. The City shall notify the applicant in writing if the application is approved to move on to the Development Services process or denied with the reasons for denial based on the substantive review.

Only the person(s) identified within the application will be able to represent the applicant with any transaction or correspondence with the City during the application process. All correspondence originating from the City to the applicant will be sent by mail or email at the City's discretion. Any mail will be sent to the mailing address indicated on the application. Emails will only be sent to the applicant/business email listed. Applicants are responsible for maintaining the mailing and email addresses listed on their application and monitoring mail or email. Applicants must immediately notify the City of any changes to the listed mailing or email addresses.

#### V. Grounds for Denial of a License

In addition to the provisions of Chapter 5.06 of the Long Beach Municipal Code (LBMC), the Director of Financial Management may deny any application for a permit on the following grounds:

- 1. A permit application does not satisfy the minimum qualifications or fails to comply with the applicable requirements.
- 2. Any act or omission that violates the requirements of the LBMC, including any rule, regulation, condition, or standard, or any other applicable State or local rule, law, or regulation.
- 3. Any act or omission that results in the denial, revocation, or suspension of the permittee's State license.
- 4. Conducting a commercial cannabis activity in a manner that constitutes a nuisance, where the permittee has failed to comply with reasonable conditions to abate the nuisance.
- 5. A person has been, or is, prohibited from having an ownership interest in the cannabis business.
- 6. A person has committed a deliberate or willful violation of an applicable law, or applicable rule and regulation related to commercial cannabis activity.

## **SECTION A: REASON FOR APPLICATION**

In the application form, check the appropriate box next to the reason for your application. Note that you may only select a single application reason per application.

There are two reasons for your application:

#### New application

Select this option if your business is submitting a new application with the City of Long Beach and an existing business is not transferring ownership to your business.

#### Transfer of Ownership

Select this option if an existing business is transferring the ownership to your business or if your business is changing more than 50% ownership.

# Change of Address

Select this option if your existing business is moving locations or expanding the existing location into another address.

## **SECTION B: APPLICATION TYPE**

In the application form, check the appropriate box next to the application type that applies to your business. Note that you may only select a single application type per application. Applicants wishing to co-locate medical and adult-use cannabis operations on a single premises must submit separate applications for each type.

There are two application types:

#### Medicinal Cannabis

Select this option if your business is applying for a local license for commercial cannabis activity involving medicinal cannabis. Medicinal cannabis refers to cannabis intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215) found at section 11362.5 of the Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician's recommendation.

#### Adult-Use Cannabis

Select this option if your business is applying for a local license for cannabis intended for use by adults 21 years of age and over and who do not possess a physician's recommendation.

#### **SECTION C: STATE LICENSE TYPES**

In the application form, check the box next to the license type that describes the license application that will be submitted to the State. Below is a comprehensive list of all the State license types eligible for a Long Beach cannabis license:

- (1) Type 1C—Cultivation; Specialty cottage; Small: 500 square feet of less of total canopy.
- (2) Type 1A—Cultivation; Specialty Indoor; Small: Between 501 and 5,000 square feet of total canopy.
- (3) Type 2A—Cultivation; Indoor; Small: Between 5,001 and 10,000 square feet of total canopy.
- (4) Type 3A—Cultivation; Indoor; Medium: Between 10,001 and 22,000 square feet of total canopy.
- (5) Type 4—Cultivation; Nursery.
- (6) Type 6—Manufacturer 1: Non-Volatile Solvent/Mechanical Extraction.
- (7) Type 7—Manufacturer 2: Volatile Solvent Extraction.
- (8) Type N—Manufacturer: Infusion Processes Only.
- (9) Type P—Manufacturer: Packaging and Labeling Only.
- (10) Type 8—Testing laboratory.
- (11) Type 10—Retailer (Dispensary).
- (12) Type 11—Distributor.
- (13) Type 12—Microbusiness.

(14) Type 13—Transport Only Distributor.

# SECTION D: EQUITY STATUS INFORMATION (ADULT-USE ONLY)

In the application form, check the box for your equity status. If at least 51% of the business ownership has been approved as Equity Applicants, the business qualifies as an Equity Business. Prior to submitting a cannabis application as an Equity Applicant, the business needs approval from the Office of Cannabis Oversight. More information on the Cannabis Social Equity Program can be found at <a href="https://www.longbeach.gov/cannabisequity">www.longbeach.gov/cannabisequity</a>.

## **SECTION E: LICENSE INFORMATION**

#### Co-location

"Co-Located Cannabis Business" means any person, entity, or operation, in whole or in part, whether operating for-profit or not-for-profit, and all associated owners, employees, managers, or agents engaged in both adultuse and medicinal commercial cannabis activities on the same permitted premises for one (1) identical type of commercial cannabis activity.

As of February 9, 2019, any existing medical cannabis business that applies to conduct adult-use activities must meet the new zoning and location requirements for adult-use cannabis businesses.

#### **Microbusiness**

In order to hold a microbusiness license with the State, a licensee must engage in at least three (3) of the following commercial cannabis activities: cultivation, manufacturing, distribution, and retail sale. License types created by the California Department of Food and Agriculture or the State Department of Public Health in regulation shall not be considered qualifying commercial cannabis activities for purposes of obtaining a microbusiness license.

The State requires the holder of a microbusiness license shall comply with the following:

- 1. A holder of a microbusiness license engaged in cultivation shall comply with all the rules and requirements applicable to the cultivation license type suitable for the cultivation activities of the licensee.
- 2. A holder of a microbusiness license engaged in manufacturing shall comply with all the rules and requirements applicable to a Manufacturer 1 license in Division 1 of Title 17 of the California Code of Regulations.
- 3. A holder of a microbusiness license engaged in distribution shall comply with all the rules and requirements applicable to a distributor license.
- **4.** A holder of a microbusiness license engaged in retail sale shall comply with all the rules and requirements applicable to a retailer license.

\*The City does not issue microbusiness licenses. A separate application and City license is required for each activity.

#### **SECTION F: BUSINESS INFORMATION**

In the application form, check one box that corresponds to the applicant business entity structure associated with this business.

The following is a brief overview of various business structures. The information is intended to provide a basic understanding of the different business structures and is not intended to provide legal advice.

Before you establish a business in the State of California, you should consult with a private attorney or tax advisor for advice about what type of applicant business entity will meet your business needs, and what your legal obligations will be.

## 1. Corporation

A California corporation generally is a legal entity, which exists separately from its owners. While normally limiting the owners from personal liability, taxes are levied on the corporation as well as on the shareholders. The sale of stocks or bonds can generate additional capital and the longevity of the corporation can continue past the death of the owners. Legal Counsel should be consulted regarding the variety of options available.

To form a corporation in California, Articles of Incorporation must be filed with the California Secretary of State's office. Forms for the most common types of Articles of Incorporation are available on the California Secretary of State website. You may use the form or prepare your own statutorily compliant document.

Corporations must be registered with the California Secretary of State and in good standing prior to being issued a cannabis license. Corporations must provide a current and active "Secretary of State Registration Entity ID" where indicated in Section E of the application.

## 2. Limited Liability Company (LLC)

A California LLC generally offers liability protection similar to that of a corporation but is taxed differently. Domestic LLCs may be managed by one or more managers or one or more members. In addition to filing the applicable documents with the Secretary of State, an operating agreement among the members as to the affairs of the LLC and the conduct of its business is required. The LLC does not file the operating agreement with the Secretary of State but maintains it at the office where the LLC's records are kept.

To form an LLC in California, Articles of Organization (Form LLC–1) must be filed with the California Secretary of State's office.

LLCs must be registered with the California Secretary of State and in good standing prior to being issued a cannabis license. LLCs must provide a current and active "Secretary of State Registration Entity ID" where indicated in Section E of the application.

#### 3. Limited Partnership (LP)

A California LP may provide limited liability for some partners. There must be at least one general partner that acts as the controlling partner and one limited partner whose liability is normally limited to the amount of control or participation of the limited partner. General partners of an LP have unlimited personal liability for the LP's debts and obligation.

To form an LP in California, a Certificate of Limited Partnership (Form LP–1) must be filed with the California Secretary of State's office.

Partnerships must be registered with the California Secretary of State and in good standing prior to being issued a cultivation license. LPs must provide a current and active "Secretary of State Registration Entity ID" where indicated in Section E of the application.

## 4. General Partnership (GP)

A California GP must have two or more persons engaged in a business for profit. Except as otherwise provided by law, all partners are liable jointly and severally for all obligations of the partnership, unless agreed by the claimant. Profits are taxed as personal income for the partners.

To register a GP at the state level, a Statement of Partnership Authority (Form GP–1) must be filed with the California Secretary of State's office. Note: Registering a GP at the state level is optional.

# 5. Limited Liability Partnership (LLP)

An LLP is a partnership that engages in the practice of public accountancy, the practice of law, the practice of architecture, the practice of engineering or the practice of land surveying, or provides services or facilities to a California registered LLP that practices public accountancy or law, or to a foreign LLP. An LLP is required to maintain certain levels of insurance as required by law.

To register an LLP in California, an Application to Register a Limited Liability Partnership (Form LLP–1) must be filed with the California Secretary of State's office.

Partnerships must be registered with the California Secretary of State and in good standing prior to being issued a cultivation license. LLPs must provide a current and active "Secretary of State Registration Entity ID" where indicated in Section E of the application.

#### 6. Sole Proprietorship

A sole proprietorship is set up to allow an individual to own and operate a business. A sole proprietor has total control, receives all profits from, and is responsible for taxes and liabilities of the business. If a sole proprietorship is formed with a name other than the individual's name (example: John Smith's Fishing Shop), a Fictitious Business Name Statement must be filed with the county where the principal place of business is located.

No formation documents are filed with the California Secretary of State's office. Other state filings maybe required depending on the type of business.

#### **Application Field Instructions**

In the application form, fill out the appropriate information regarding the applicant. Please see the following to understand the information the City will be collecting.

#### **Legal Business Name**

In the application form, provide your "Legal Business Name," which refers to the legal name of the applicant business entity as registered with the California Secretary of State, California Department of Tax and Fee Administration (CDTFA), or local jurisdiction. If your business is registered with the Secretary of State, the business name shown on your application must match exactly the business name as registered with the California Secretary of State.

If you are a sole proprietorship, fill out your individual owner information under "Last Name (Sole Proprietorship Only)," "First Name (Sole Proprietorship Only)," and "Business Title (Sole Proprietorship Only)" located in Section E. If the sole proprietorship has a business name or trade name that is different from the business name and registered with the County or City, indicate this under the "Legal Business Name." If you are not a sole proprietorship, you do not need to fill out the fields for "Last Name," "First Name," and "Business Title."

#### Taxpayer Identification Number

Input the associated Employer Identification Number (EIN) used to identify the applicant business entity. Note that in some cases, a sole proprietorship may use their Social Security Number (SSN) to report their tax

information and therefore not have an EIN. In this situation, the owner with the associated SSN will input their SSN in the owner section of this application.

#### **Contact Information**

Enter the most current contact information for the Business, including the business "Mailing Address," business "Phone Number" and "Email Address." If the business mailing address is located outside of the United States of America, enter the postal code in the "Zip Code" field.

#### **Entity ID Number**

In the application form, enter your "Secretary of State Registration Entity ID" number if your applicant business entity has registered with the California Secretary of State. Business entities that are registered with the California Secretary of State must be in good standing (not suspended or otherwise restricted) with the Secretary of State to be licensed and remain licensed with the City. Applicants who wish to change their applicant business entity after the application is submitted should withdraw their application and submit a new one.

# **SECTION G: AGENT FOR SERVICE OF PROCESS**

This is an individual who resides in California or a corporation designated to accept service of process (court papers) on behalf of the licensee. In the application form, enter the "Legal Last Name," "Legal First Name," "Mailing Address", "Phone Number", and "Email Address" for the agent for service of process.

#### **SECTION H: COMMUNITY LIAISON INFORMATION**

In the application form, complete Section E for the Community Relations Liaison. The Liaison shall receive all complaints regarding the cannabis business, and make good faith attempts to promptly resolve all complaints. To address community complaints and concerns, the name and telephone number for the Liaison shall be made publicly available. The Liaison is required to respond by phone or email within three (3) business days of contact by a City official concerning the cannabis business. The name and contact information for the Liaison shall be conspicuously posted on the main entry doors to the business. Adult-Use cannabis businesses shall provide the Liaison's name and contact information to all neighboring businesses located within one-hundred feet (100') of the permitted premises or cannabis facility prior to opening.

#### **SECTION I: OWNER INFORMATION**

Information for the business owner must be entered in the application. If there are multiple owners or if you need more space to input owner information, please print and attach additional copies of the Owner Information pages.

Owner means any of the following:

- (1) A person with an aggregate ownership interest of ten percent (10%) or more in the business applying for a license.
- (2) The chief executive officer of a nonprofit or other entity.
- (3) A member of the board of directors of a nonprofit or for-profit entity.
- (4) All persons within an entity that have a financial interest of ten percent (10%) or more in the proposed Adult-Use Cannabis Business, including but not limited to:
  - A general partner of a cannabis business that is organized as a partnership;
  - A non-member manager or managing member of a cannabis business that is organized as a limited liability company;
  - Any person holding a voting interest in a partnership, association, or limited liability company;

 All officers or directors of a cannabis business that is organized as a corporation and all shareholders who individually own more than ten percent (10%) of the issued and outstanding stock of the corporation.

In the application form, for business entities that have an aggregate ownership interest of ten percent (10%) or more in the commercial cannabis business, enter the owner's associated Legal Business Name in the "Last Name" field and the business' EIN in the "First Name" field.

Enter the owner's full legal name, "Business Title," and "Date of Birth."

Enter the Live Scan Applicant Tracking Identifier (ATI) Number. The ATI number is provided by the Live Scan operator and documents your fingerprint submission. This can be found on your copy of the completed application for electronic fingerprint images submitted to the Department of Justice.

Select and provide the appropriate Government Issued Identification Number. A California State Government Issued Identification Number includes driver's license or identification card numbers issued by the State of California. Other forms of acceptable identification numbers are issued by a federal, state, county, or municipal government. All forms of identification must contain the name, date of birth, physical description, and picture of the individual.

In the application form, enter the owner's "Home Address," "Phone Number," and "Email Address." If there are any questions or concerns regarding the owner application information or attachments, the City will contact the owner using this information.

Enter the "Percentage Owned" interest held in the applicant business entity by the owner.

NOTE: Once licensed, legal entities must identify any changes in ownership, which affect the applicant business entity type and require a new application. These changes may also need to be reported to the California Department of Tax and Fee Administration or California Secretary of State.

#### **SECTION J: BUSINESS MANAGER INFORMATION**

Information for business managers may be entered in the application. This information is not required. If you need more space to input business manager information, please print and attach additional copies of the Business Manager Information pages.

#### **SECTION K: OWNER DISCLOSURES**

The disclosures release information about the owner(s). In the application form, indicate "Yes" or "No" on each disclosure. Depending on the selection, more information may be required from the owner.

1. <u>Has any owner ever been convicted of or entered a plea of guilty or nolo contendere to any felony in the United States or a foreign country?</u>

If you indicate "Yes" on this disclosure, you will need to provide a written statement detailing the dates of conviction, dates of incarceration, dates of probation, dates of parole, and a detailed description of each offense. You may attach any related information such as evidence of dismissal, certificate of rehabilitation, and supporting evidence of rehabilitation.

As required by law, all owners are required to submit a full set of fingerprints for the purpose of conducting a criminal background check. Fingerprints will be compared to the records of the California Department of Justice (DOJ) and the Federal Bureau of Investigation (FBI) to determine whether a criminal history exists. This information will be used to verify the information provided by the owner(s).

The information provided will be verified through the City's fingerprinting requirement.

Failure to report a conviction accurately (except as explained below) may result in an application being denied. The term "conviction" includes pleading guilty or nolo contendere ("no contest") or being convicted by a court of any felony in this state or elsewhere.

Your license will not be issued until the Department receives fingerprint results from the DOJ and FBI. Even though you may have been fingerprinted previously for an employer or another regulatory body, you will need to undergo the fingerprinting and criminal history check process again for a City of Long Beach cannabis license.

Under Chapters 5.90 and/or Chapter 5.92 of the Long Beach Municipal Code, it shall be unlawful for any of the following persons to be an owner of a Cannabis Business:

#### Medical Cannabis Businesses (LBMC Chapter 5.90)

- 1. A sheriff deputy, police officer, or prosecuting officer, or an officer or employee of the State or the City.
- 2. A person otherwise prohibited in the LBMC from engaging in commercial cannabis activity.
- 3. A licensed physician making patient recommendations for cannabis.
- 4. An individual who is under twenty-one (21) years of age.
- 5. A person who has been convicted of any offense within the last ten (10) years that is substantially related to the qualifications, functions, or duties of the operation of a Commercial Cannabis Business and conducting commercial cannabis activity, which includes the following offenses:
  - a. A violent felony, as specified under Penal Code Section 667.5(c).
  - b. A serious felony, as specified under Penal Code Section 1192.7(c).
  - c. A felony involving fraud, deceit, or embezzlement.
- 6. Any person who has failed to remedy any outstanding delinquent taxes, fees, or judgment owed to the City.

## Adult Use Cannabis Businesses (LBMC Chapter 5.92)

- 1. A sheriff deputy, police officer, or prosecuting officer, or an officer or employee of the State or the City.
- 2. A person otherwise prohibited in the LBMC from engaging in commercial cannabis activity.
- 3. A licensed physician making patient recommendations for cannabis.
- 4. An individual who is under twenty-one (21) years of age.
- 5. A person who has been convicted of any offense within the last ten (10) years that is substantially related to the qualifications, functions, or duties of the operation of a Commercial Cannabis Business and conducting commercial cannabis activity, which includes the following offenses:
  - a. A violent felony, as specified under Penal Code Section 667.5(c).
  - b. A serious felony, as specified under Penal Code Section 1192.7(c).
  - c. A felony involving fraud, deceit, or embezzlement.
- 6. A person who has been convicted of any offense that is substantially related to the qualifications, functions, or duties of the operation of a Commercial Cannabis Business and conducting commercial cannabis activity, which includes the following offenses:
  - a. A felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling, any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor.

- b. A felony conviction for drug trafficking with enhancements pursuant to California Health and Safety Code Section 11370.4 or 11379.8.
- 7. Any person who has failed to remedy any outstanding delinquent taxes, fees, or judgment owed to the City.
- 8. A person who has, within the past (3) years, been sanctioned or fined for, enjoined from, found guilty of, or plead guilty or no contest to, any charge of engaging in commercial cannabis activity without the required permits, licenses, registrations, or approvals required by State or local law.

#### 2. Has any owner ever had a cannabis license or permit suspended or revoked by a city, county, or state?

If you indicate "Yes" on this disclosure, you are not automatically denied licensure and the City will conduct a review of the nature of the suspension or revocation. The City will determine if the suspension or revocation will be grounds for denial.

# 3. Has any owner ever been denied a cannabis business license or permit by a city, county, or state?

If you indicate "Yes" on this disclosure, you are not automatically denied licensure and the City will conduct a review of the nature of the denial. The City will determine if the denial of another city's license or permit will be grounds for denial of the Long Beach license or permit.

# 4. Has any owner ever had a City of Long Beach license suspended or revoked?

If you indicate "Yes" on this disclosure, you are not automatically denied licensure and the City will conduct a review of the suspension or revocation. For Medical Cannabis applicants, pursuant to Section 5.06.020(D) of the LBMC, whenever a business permit has been revoked or denied, no other application by such permittee for a business permit to conduct a business or operate in the City shall be considered for a period of one (1) year from the date of such revocation or denial. For Adult-Use Cannabis applicants, Pursuant to Section 5.92.1455(B) of the LBMC, whenever a permit has been revoked, no other similar application by such permittee for an Adult-Use Cannabis Business Permit shall be considered for a period of five (5) years from either the date the notice of the permit revocation was mailed or the date of the final decision of the City Council to revoke the permit, whichever is later.

# 5. Has any owner ever been denied a cannabis business license in the City of Long Beach?

If you indicate "Yes" on this disclosure, you are not automatically denied licensure and the City will conduct a review of the suspension or revocation. For Medical Cannabis applicants, pursuant to Section 5.06.020(D) of the LBMC, whenever a business permit has been revoked or denied, no other application by such permittee for a business permit to conduct a business or operate in the City shall be considered for a period of one (1) year from the date of such revocation or denial. For Adult-Use Cannabis applicants, Pursuant to Section 5.92.1455(B) of the LBMC, whenever a permit has been revoked, no other similar application by such permittee for an Adult-Use Cannabis Business Permit shall be considered for a period of five (5) years from either the date the notice of the permit revocation was mailed or the date of the final decision of the City Council to revoke the permit, whichever is later.

6. <u>In the past 3 years, has any owner been sanctioned, fined, enjoined from, found guilty of, or plead guilty or no contest to, any charge of engaging in commercial cannabis activity without the required permits, licenses, registrations, or approvals required by State or local law?</u>

If you indicate "Yes" on this disclosure, you may be denied licensure and the City will conduct a review of the sanction, fine, or other enforcement action taken against the owner.

#### **SECTION L: OTHER CANNABIS LICENSES**

The applicant entity must identify all other state or local commercial cannabis licenses already held by the applicant entity. In the application, for each cannabis license, enter the following information identifying the associated commercial cannabis business:

- "Legal Business Name" as registered with the state agency, California Secretary of State, California Department of Tax and Fee Administration (CDTFA), or local jurisdiction.
- Indicate one of the six commercial cannabis business license type categories as follows:
  - Cultivation
  - Manufacturing
  - Distribution
  - Laboratory Testing
  - o Retailer
  - Microbusiness
- "License Number" issued by the state licensing authority, which can be found on the official license.
- "Issued By": Indicate which licensing authority issued the license.
- "Date Obtained": Date an owner acquired an ownership interest in the licensed commercial cannabis business.

According to Section 26053 of the Business and Professions Code, "[a] person that holds a state testing laboratory license under this division is prohibited from licensure for any other activity, except testing, as authorized under this division. A person that holds a state testing laboratory license shall not employ an individual who is also employed by any other licensee that does not hold a state testing laboratory license." If the City finds that the applicant entity or any owner holds a testing laboratory license, the commercial cannabis application will be denied.

#### SECTION M: PREMISES INFORMATION

The Premises is the contiguous area wherein the permit privileges are, or will be, exercised, as diagrammed in the cannabis application and for which a separate permit is required. The premises shall be a contiguous area and may only be occupied by one licensee.

In the application form, provide the following information about the premises:

The "Premises Physical Address" refers to the location of the premises and the physical address that is assigned by the City. Boxes and Postal Mail Boxes are not acceptable for the premises' physical address. Please note that your premises address is NOT considered to be confidential. Premises address information will be disclosed if/when requested pursuant to a California Public Records Act request.

Enter the "Assessor Parcel Number (APN)" that is assigned and can be provided by the Los Angeles County Assessor. There may be multiple APNs associated with the premises. In this case, please include all associated APNs using additional forms.

The location for retention of records refers to the requirement that all records, applications, reports, or other supporting documents be kept on the premises of the licensed location as specified in Section 26160 of the Business and Professions Code, and State regulations for the commercial cannabis business type.

## **SECTION N: PROPERTY OWNER INFORMATION**

Enter the "Property Owner's Legal Entity Name" that can be provided by the tax assessor of a particular jurisdiction. This is the legal entity that owns the property, not the individuals under the legal entity.

NOTE: If the applicant has multiple property ownership types, please attach additional forms to list all additional premises information and property information. If your premises span multiple parcels, identify all parcel numbers and boundaries associated with the premises.

In the application form, enter the property owner's "Phone Number," "Email Address," and "Commercial/Industrial Business License Account," (if applicable). If the legal entity that owns the property is not the same as the legal entity applying for the cannabis business, the property owner needs to obtain a commercial/industrial business license with the Business License Division in the City of Long Beach. The commercial/industrial business license allows the property owner to lease the property to a potential tenant.

#### **SECTION O: SECURITY**

Enter the specific information for the security questions. Please do not provide additional documents outside of the questions listed on the application. Cannabis dispensaries must maintain security guards at all times while the business is open. Non-dispensary cannabis businesses are not required to employ security guards. Adultuse cannabis dispensaries must also provide 24-hour security patrols of the dispensary but this is not a requirement for any other cannabis business. If a section is not applicable, please write "N/A".

## **SECTION P: OPERATING PLAN**

Enter the specific information for the operating plan questions. Do not provide additional documentation unless it is requested by the City. The operating plan questions are specific to your business type.

# **SECTION R: DECLARATIONS**

Declarations are formal written statements in which the owners declare under oath that the contents are true. In this section of the application, the owners will read the declarations and agree that the applicant business entity will comply and abide with the terms and conditions as defined in the statements.

# **SECTION S: APPLICATION ATTACHMENTS**

#### **Equity Businesses Only:**

- 1. Verification letter issued by the Office of Cannabis Oversight
- 2. Verification of Equity Business Ownership Form

Equity Businesses must receive approval from the Office of Cannabis Oversight before applying for a cannabis business license in order to receive benefits. For more information on the Cannabis Social Equity Program, visit www.longbeach.gov/cannabisequity.

## **All Cannabis Applications:**

- 1. Corporation, Limited Liability Companies, Limited Liability Partnerships:
  - a. Copy of your Articles of Incorporation/ Organization; and
  - b. Copy of your Statement of Information

If required for your entity, provide the Articles of Incorporation/Organization and Statement of Information as filed with the California Secretary of State. The filings must be certified by the Secretary of State with their stamp in the upper right hand corner of the document and all officers or members listed on the Statement of Information should be included on the cannabis application.

2. <u>Proof Entity is Registered and in Good Standing with Secretary of State and Franchise Tax Board</u>

Applicants should provide a screen shot of the CA Secretary of State Business Entities Search with the applicant entity information showing the entity as "Active" and in good standing.

Applicants should also provide the Entity Status Letter issued by the Franchise Tax Board showing the entity is in good standing with the Franchise Tax Board.

Applicants that are not required to file with the Secretary of State or Franchise Tax Board do not need to provide this information.

- 3. <u>Copy of one (1) fully legible valid government issued form of identification for each owner.</u>
  Acceptable forms of government issued identification include, but are not limited to: Driver's licenses or photo identity cards issued by the Department of Motor Vehicles that meet REAL ID benchmarks, a passport issued by the United States or by a foreign government, U.S. Military I.D. cards (active duty or retired military and their dependents), or a Permanent Resident Card.
- 4. Copy of Live Scan receipt/completion for each owner. If a Live Scan has been completed within the last 6 months, you do not need to get a new Live Scan done, but a copy of the completed Live Scan receipt is still required.

As required by law, all owners are required to submit a full set of fingerprints for the purpose of conducting a criminal background check. Fingerprints will be compared to the records of the California Department of Justice (DOJ) and the Federal Bureau of Investigation (FBI) to determine whether a criminal history exists. This information will be used to verify the information provided by the owner(s). Live Scans may be performed by the Long Beach Police Department (LBPD) by appointment only or at a third party Live Scan provider approved by the California Department of Justice (DOJ). Applicants are strongly encouraged to utilize a third party Live Scan provider due to limited availability at the Police Department. Third party Live Scan providers can be found online at <a href="https://oag.ca.gov/fingerprints/locations">https://oag.ca.gov/fingerprints/locations</a>.

Applicants should complete all blank fields provided in the "Request for Live Scan Service" form under the "Applicant Information" section. Applicants shall not alter the pre-completed sections of the Live Scan request form, as any modification may result in Live Scan rejection and/or delay by the DOJ or FBI. A separate form shall be filled out for each owner of the business receiving a Live Scan. The bottom portion of the "Request for Live Scan" form must be filled out by the person conducting the Live Scan.

The Live Scan fee will be charged at the time of Live Scan by the LBPD or the third party Live Scan provider. Live Scan results will be sent directly to the LBPD. The LBPD will be responsible for conducting an additional background investigation upon receipt of the Live Scan results. If, at any point, the LBPD background investigation determines that one or more of the owners is ineligible pursuant to the LBMC, the application will be denied.

#### 5. Copy of CA Seller's Permit or CDTFA Permit Waiver.

A copy of the Seller's Permit issued to the business entity at the proposed business location must be provided. If a seller's permit is not needed, then confirmation from the California Department of Tax and Fee Administration (CDTFA) shall be included in the application to the City.

#### 6. Copy of Fictitious Business Name Filing, if applicable.

If the business is using a fictitious business name, please provide a copy of the Fictitious Business Name Statement filed with the county where the principal place of business is located.

#### 7. Property Owner Authorization Form

Provide a valid, signed, notarized Property Owner Authorization Form. The form must be authorizing the specific cannabis business entity and activity for the application. Photocopies or forms with revisions using white out will not be accepted.

If the applicant is the owner of the property, please include a copy of the title or deed to the property in addition to the Property Owner Authorization Form.

# 8. Copy of Property Owner's City of Long Beach Commercial/Industrial Business License, if applicable.

If the legal entity that owns the property is not the same as the legal entity applying for the cannabis business, the property owner needs to obtain a commercial/industrial business license with the Business License Division in the City of Long Beach. The commercial/industrial business license allows the property owner to lease the property to a potential tenant.

## 9. Premises Diagram

A premises diagram is a diagram of the proposed license location. This is the "zoomed in" diagram of the applicant's location. The diagram must be to scale, all measurements must be in feet, and cannot have any highlighting. If multiple, contiguous properties are included in one application, all parcels must be included on the premises diagram.

The following shall be included in the premises diagram:

- a. The diagram shall show the boundaries of the property and the proposed premises to be licensed, showing all boundaries, dimensions, entrances and exits, interior partitions, walls, rooms, windows, and doorways, and shall include a brief statement or description of the principal activity to be conducted therein.
- b. The diagram shall show and identify commercial cannabis activities that will take place in each area of the premises, and identify limited-access areas. Commercial cannabis activities that shall be identified on the diagram include the following, if applicable to the business operations: storage, batch sampling, loading or unloading of shipments, packaging and labeling, customer sales, loading for deliveries, extraction, cultivation, and processing.
- c. The diagram shall show where all cameras are located and assign a number to each camera for identification purposes.
- d. If the proposed premises consists of only a portion of a property, the diagram must be labeled indicating which part of the property is the proposed premises and what the remaining property is used for.
- e. If the proposed premises consists of only a portion of a property that will contain two or more licensed premises, the diagram shall clearly show the designated entrances and walls under the exclusive control of the applicant for the premises, as well as the designated entrances and walls for each additional premises. The diagram shall also show all proposed common or shared areas of the property. Such areas may include lobbies, bathrooms, hallways, and breakrooms.
- f. If a proposed premises is located on only a portion of a property that also includes a residence, the diagram shall clearly show the designated buildings for the premises and the residence.

# 10. Photographs accurately depicting the entire exterior of the proposed business site.

Photographs should include entrances, street frontages, parking, front, rear, and sides of the proposed building/site.

#### 11. Equity Incubation Plan (Not required for Equity Cannabis Businesses or Medical Cannabis Businesses)

Please see the attached Equity Incubation Plan Guidelines.

## Medical Cannabis Applications (in addition to attachments above):

# 1. Proof of Worker's Compensation Insurance

Documents may include quotations from an insurance agency, a "will serve" letter from an insurance agency, and/or formal certificates of insurance.

## 2. Proof of Liability Insurance

Documents may include quotations from an insurance agency, a "will serve" letter from an insurance agency, and/or formal certificates of insurance.

# 3. Copy of one (1) fully legible valid government issued form of identification for each business manager

Acceptable forms of government issued identification include, but are not limited to: Driver's licenses or photo identity cards issued by the Department of Motor Vehicles that meet REAL ID benchmarks, a passport issued by the United States or by a foreign government, U.S. Military I.D. cards (active duty or retired military and their dependents), or a Permanent Resident Card.

4. Copy of Live Scan receipt/completion for each business manager. If a Live Scan for a City of Long Beach cannabis business license application has been completed within the previous 6 months, include the Live Scan receipt from the previous application in place of a new Live Scan receipt.

As required by law, all owners are required to submit a full set of fingerprints for the purpose of conducting a criminal background check. Fingerprints will be compared to the records of the California Department of Justice (DOJ) to determine whether a criminal history exists. This information will be used to verify the information provided by the business manager(s).

Live Scans may be performed by the Long Beach Police Department (LBPD) by appointment only or at a third party Live Scan provider approved by the California Department of Justice (DOJ). Applicants are strongly encouraged to utilize a third party Live Scan provider due to limited availability at the Police Department. Third party Live Scan providers can be found using the DOJ website below:

#### https://oag.ca.gov/fingerprints/locations

Applicants should complete all blank fields provided in the "Request for Live Scan Service" form under the "Applicant Information" section. Applicants shall not alter the pre-completed sections of the Live Scan request form, as any modification may result in Live Scan rejection and/or delay by the DOJ or FBI. A separate form shall be filled out for each business manager of the business receiving a Live Scan. The bottom portion of the "Request for Live Scan" form must be filled out by the person conducting the Live Scan.

The Live Scan fee will be charged at the time of Live Scan by the LBPD or the third party Live Scan provider. Live Scan results will be sent directly to the LBPD. The LBPD will be responsible for conducting an additional background investigation upon receipt of the Live Scan results. If, at any point, the LBPD background investigation determines that one or more of the business managers is ineligible pursuant to the LBMC, the application will be denied.